

Alpine Expo Tex Private Limited

July 01, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1.44	CARE BB; Stable	Assigned
Long Term Bank Facilities	25.00 (Enhanced from 20.00)	CARE BB; Stable	Rating removed from ISSUER NOT COOPERATING category and Upgraded from CARE B-; Stable

Details of instruments/facilities in Annexure-1.

In the absence of minimum information required for the purpose of rating, CARE was unable to express an opinion on the ratings of Alpine Expo Tex Private Limited (AETPL) and in line with the extant SEBI guidelines, CARE downgraded the rating(s) of bank facilities of the company to 'CARE B-; Stable; ISSUER NOT COOPERATING'. However, the firm has now submitted the requisite information to CARE. CARE has carried out a full review of the ratings and the rating(s) stand at 'CARE BB; Stable'

Rationale and key rating drivers

The long-term rating assigned to the bank facilities of Alpine Expo Tex Private Limited factors in modest scale of operations with thin profit margins, moderate debt coverage indicators and high reliance on working capital borrowings. The rating is further constrained by company's presence in a highly fragmented and competitive industry. The rating, however, derives strength from the experienced promoters and established relations with clients and suppliers.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Ability of the company to increase its scale of operations along with improvement in ROCE above 10% on a sustained basis.
- Improvement in debt coverage indicators with total debt/PBILDT below 5x times on a sustained basis.

Negative factors

- Decline in scale of operations with ROCE below 5% on a sustained basis.
- Deterioration in capital structure with an overall gearing beyond 2.50x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook reflects CARE's opinion that the firm shall continue to benefit from long-standing experience of the partners in the industry.

Detailed description of key rating drivers:

Key weaknesses

Modest scale of operations

The scale of operations of the company remained moderate as reflected by total operating income of Rs.192.74 crore (PY: Rs.167.38 crore) in FY25 (refers to the period from April 01, 2024 to March 31, 2025). The moderate scale limits the financial flexibility of the firm in times of stress and deprives it of scale benefits.

Thin profitability margins

The company is primarily involved in wholesale trading of fabric with low value addition resulting in thin profitability margins. AETPL reported PBILDT and PAT margin of 2.20% (PY: 2.42%) and 0.53% (PY: 0.58%) in FY25 respectively. Further, the ROCE (return of capital employed) remained moderate at 9.70% in FY25 (PY: 9.63%).

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Moderate capital structure and debt coverage indicators

The entity's capital structure stood moderate marked by an overall gearing of 1.59x as on March 31, 2025 (1.46x as on March, 31, 2024) with high reliance on external debt. Debt coverage indicators stood moderate marked by PBILDT interest coverage of 1.63x in FY25 (1.55x in FY24) and total debt/PBILDT of 6.40x in FY25 (PY: 5.79x).

Presence in highly fragmented and competitive industry

The entity operates in a highly competitive cotton industry with presence of large number of small-scale units operating in the garments value chain resulting in highly fragmented nature. Thus, the entities present in the segment generally have a very low bargaining power vis-à-vis their customers.

Key strengths

Extensive experience of promoters in textile industry

Mr. Jagdish P Aggarwal, promoter of the company, started business in 1970s as a proprietorship firm. Later, he has formed a company in March 1995. AETPL has been in the trading business for more than two decades which has helped it to established relationship with both suppliers & customers. The company is currently being managed by Mr. Kapil Aggarwal & Mr. Prayas Aggarwal (son of Mr. Jagdish P Aggarwal). Mr. Kapil Aggarwal has joined as a director in March 2000 (aged 41 years) and having around 16 years of experience in textile. Mr. Prayas Aggarwal has joined as a director in 2005 and he has been looking after the financial department of the company.

Relations with customers & suppliers

The company has been operating successfully for over two decades, which reflects its stability and resilience in a competitive business environment. Over the years, it has cultivated strong, long-standing relationships with both suppliers and customers. Moreover, the entity has been receiving repeat orders from its customers given the desired quality of the fabric offered. Meenu Creation LLP, Fancy Fashions and Paramount Products Pvt. Ltd are some of the major customers. KDH Textile Pvt. Ltd, Woven & Knit Fashion Global, Woven & Knit are some of the major suppliers.

Liquidity: Stretched

Liquidity is stretched, marked by high utilization of its working capital limits and moderate cash accruals against high debt repayments. Its bank limits of Rs. 25 crore were utilised at around 88% during last 12 months ended March 31, 2025. The company had low cash and bank balance of Rs.0.89 crore as on March 31, 2025. AETPL is not planning to incur any capex in the near to medium term.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Wholesale Trading](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Commercial Services & Supplies	Trading & Distributors

Alpine Expo Tex Private Limited (AETPL), incorporated on March 20, 1995, by Mr. Jagdish P Aggarwal along with his wife Smt. Shakuntla Aggarwal as a private limited company. AETPL, based out of Okhla (Delhi) is engaged into trading and supplying of polyester fabric, chiffon fabric, georgette fabric, satin fabric, cambric fabric and cotton fabric for all segments of garmenting like menswear, woman wear or children wear. The company has recently commenced export operations. However, the contribution from exports currently accounts for less than 1% of the total revenue, indicating that the business remains predominantly domestic in nature at this stage.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	167.38	192.74
PBILDT	4.05	4.25

PAT	0.97	1.02
Overall gearing (times)	1.46	1.59
Interest coverage (times)	1.55	1.63

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: CRISIL has reaffirmed the ratings assigned to the bank facilities of Alpine Expo Tex Private Limited under Issuer not cooperating (INC) category vide its press release dated April 11, 2025 on account of its inability to carry out review in the absence of requisite information from the company.

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Detailed explanation of covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	25.00	CARE BB; Stable
Term Loan-Long Term		-	-	31-03-2027	1.44	CARE BB; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	25.00	CARE BB; Stable	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (14-Nov-24)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (10-Nov-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (10-Oct-22)
2	Term Loan-Long Term	LT	1.44	CARE BB; Stable				

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Term Loan-Long Term	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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