Alpine Texworld Limited

May 04, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	224.85	CARE BBB-; Stable	Assigned
Long Term / Short Term Bank Facilities	10.00	CARE BBB-; Stable / CARE A3	Assigned

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-7.

Rationale and key rating drivers

The ratings assigned to bank facilities of Alpine Texworld Limited (ATL) derive strength from its experienced promotors with established track record of operations in textile industry and growth in scale of operations post commencement of spinning unit in FY26 (FY refers to period between April 01 to March 31). The ratings also factor ATL's healthy profitability margins and adequate liquidity.

The rating strengths are, however, constrained by the implementation and stabilisation risks associated with the ongoing debt-funded capital expenditure, along with its moderate financial risk profile characterised by moderate leverage. The ratings are further constrained by the working capital-intensive nature of operations, susceptibility of profitability to volatility in input prices and presence in a highly competitive textile industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Implementation of Capital expenditure (CAPEX) without cost and time overrun and achievement of envisaged Total Operating Income (TOI) while maintaining its Profit before Interest Lease Depreciation and Tax (PBILDT) margins.
- Improvement in financial risk profile marked by overall gearing below 1.5x on sustained basis.

Negative factors

- Debt funded CAPEX or increase in working capital intensity leading to moderation in financial risk profile marked by overall gearing exceeding 2x on sustained basis.
- Moderation in profitability of the company leading to weakening of debt coverage indicators marked by Interest coverage ratio below 2x on sustained basis.
- Elongation of Gross Current Asset (GCA) days exceeding 215 days on sustained basis.

Analytical approach: Consolidated

To arrive at the ratings, CARE Ratings Limited (CareEdge ratings) has taken consolidated view of ATL and its subsidiary Alpine Cottweave LLP(ACL) considering managerial, financial and operational linkages. The ratings also factors operational and managerial linkages with other entities of Aarnav group i.e. Aarnav Fashion Limited and Aarnav Industries Private Limited.

Outlook: Stable

The Stable outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectation that ATL will continue to benefit from the extensive experience of its promoter group and its established presence in the textile segment.

Detailed description of key rating drivers:

Key strengths

Experienced promotors with established track record of operations

Incorporated in 2016, ATL is promoted by Mr. Sumit Agrawal and Mr. Sandeep Agrawal who have experience of more than two decades in Textile Industry. Mr. Sumit Agrawal is the promotor of Aarnav group, one of the reputed textile processing units of Ahmedabad and Mr. Sandeep Agrawal is the promotor of Sameep group engaged in trading of grey cloth and finished fabric.

The promotors are ably supported by professionals having relevant experience in the industry in overseeing day-to-day operations of the company.

Growing in scale of operations

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

ATL reported growth in TOI in FY25 owing to incorporation of ACL as subsidiary through purchase of ~97% stake on October 31, 2024. TOI on consol basis grew to ₹237.2 crore as on FY25 end from ₹184.14 crore on standalone basis. Post commencement of spinning unit in March 2025, ATL is envisaged to close FY26 with TOI of ~₹ 350 crores.

Healthy profitability margins; albeit susceptibility of profitability margins to volatility in input prices:
ATL's PBILDT margins improved from 8-9% in FY22-FY23 to ~11-12% in FY24-FY25 due to decline in contribution of trading sales as % of TOI.
ATL reported PBILDT margins of 11.40% as on FY25 end (on consol basis) as compared to 11.26% on FY24 end (standalone basis). With commencement of operations of Solar Plant of 5.4 MW in March 2025, profitability margins are envisaged to improve in the range of 15.5-16% in FY26.
However, margins of ATL are susceptible to volatility in cotton prices. Nevertheless, ATL has short term contracts with customers and any significant change in RM pricing is passed on to the customer to a large extent.

Key weaknesses

Implementation and stabilization risk w.r.t to debt funded expansion of spinning and weaving unit:
ATL is undertaking a brownfield project to increase the installed capacity of weaving by 96 lakh meters, sizing by 6000 MT and spinning by 6000 MT in Ahmedabad, Gujarat which is expected to commence operations from April 2027. The envisaged project cost of Rs. 144.44 crore shall be funded in debt equity mix of 2.69x:1x.
The progress of project is at nascent stage with around cost of only Rs. 0.5 crore incurred till January 31, 2026.
However, the financial tie-up in form of TL of Rs. 105 crore has been achieved and balance will be funded in from of promotors contribution (including USL from promotors/related parties) and internal accruals.
Going forward, completion of project within envisaged time and cost parameters and subsequent scaling up of operations remains a key monitorable.

Working capital intensive nature of operations:
ATL's operations are working capital intensive in nature marked by working capital cycle of 108 days as on FY25 end primarily on account of elongated receivables period of 132 days as on FY25 end. Nevertheless, working capital intensity is partially funded by elongated credit period enjoyed from suppliers in range of 81 days as on FY25 end.
Since majority of customers are grey traders, elongated credit period is extended in line with industry standards.

Moderate financial risk profile
ATL's financial risk profile is moderate marked by overall gearing and Total Outside Liability by Tangible Networth (TOL/TNW) of 1.79x and 2.71x respectively as on FY25 end. The networth base of ATL is moderate at ₹78.72 crore (including subordinated USL of ₹ 25.83 crore). Nevertheless, the debt coverage indicator marked by Interest coverage is satisfactory at 2.96x as on FY25 end.

Presence in highly competitive textile industry
The Indian textile industry consists of large, organized players who contribute to 75% of the total installed capacity and the remaining 25% is contributed by unorganized segment. CARE Ratings notes that the intense competition in the highly fragmented textile industry also restricts its ability to completely pass on the volatility in input cost to its customers. Moreover, given the commoditized nature of the product with limited product differentiation, the competitive intensity is high with minimal pricing power.

Liquidity: Adequate

The liquidity of ATL is envisaged to remain adequate marked by envisaged Gross cash accruals in range of ₹28 – 40 crore against repayment obligation of ₹13 to 18 crore in FY27-28, positive cashflow from operations (CFO) of ₹14.36 crore as on FY25 end.
WC limit utilisation remained moderate at average ~82% in past 12 months ended January 31, 2026. ATL had free cash and bank balance of ₹3.65 crore as on March 31, 2025. ATL has moderate current ratio of 1.11x as on FY25 end.

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments
Cotton Textile

Consolidation
Factoring Linkages Parent Sub JV Group

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Textiles	Textiles & Apparels	Other Textile Products

Alpine Texworld Limited (ATL, erstwhile known as Alpine Spinweave Private Limited) was incorporated in 2016 by Mr. Sumit Agrawal and Sandeep Agrawal to manufacture grey fabrics with an installed capacity of 48 looms. Over the years, ATL has increased its weaving capacity and also forayed into spinning in March 2025 (Unit II - Spinning). ATL currently operates at an installed capacity of 112 Shuttle less looms with capacity of 180 lakh meters per annum, sizing capacity of 6000 Tons per annum and spinning capacity of 6000 tons per annum.

Brief Financials (₹ crore)	March 31, 2024 (A) – Standalone ATL	March 31, 2025 (A)- Consolidated ATL
Total operating income	184.1	237.32
PBILDT*	20.73	27.05
Profit after tax (PAT)	4.88	8.63
Overall gearing (x)	1.80	1.79
Interest coverage (x)	2.42	2.96

A: Audited UA: Unaudited; NA: Not Available; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: 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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	47.00	CARE BBB-; Stable
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	10.00	CARE BBB-; Stable / CARE A3
Term Loan-Long Term		-	-	31-05-2033	177.85	CARE BBB-; 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 2026-2027	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
1	Fund-based - LT-Cash Credit	LT	47.00	CARE BBB-; Stable				
2	Term Loan-Long Term	LT	177.85	CARE BBB-; Stable				
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	10.00	CARE BBB-; Stable / CARE A3				

LT: Long 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	Non-fund-based - LT/ ST-Bank Guarantee	Simple
3	Term Loan-Long Term	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Alpine Cottweave LLP	Full, proportionate or moderate	Subsidiary

Annexure-7: List of Facilities/Instruments and FSR

As required by SEBI Circular dated February 10, 2026 to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the rating notes subsequent to issuance(s), CARE Ratings Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026 and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Note on complexity levels of rated instruments: CareEdge 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.

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