ALPINE TEXWORLD LIMITED

LONG TERM SUBSCRIBE

IPO Report

14th July 26

Snapshot

Company has grown into a vertically integrated textile manufacturer with capabilities in weaving and spinning. Company procures processed cotton, which is subject to open-end spinning, resulting in yarns ("***Yarn***") of varying thicknesses. The Yarns are then woven into grey fabric ("***Grey Fabric***") using looms. Company had installed a rooftop solar plant at (i) Manufacturing Unit 1 with a capacity of 820 KW of solar energy in January 2024 ("***Solar Unit 1***"), and (ii) Manufacturing Unit 2 with a capacity of 475 KW of solar energy in November 2025 ("***Solar Unit 3***"). In addition to the rooftop solar panels, Company has installed ground mounted solar panels The generated electricity offsets Company's power consumption, with Uttar Gujarat Vij Company Limited adjusting the same against energy bills.

VALUATION

Company is bringing the issue at price band of Rs 100-105 per share at p/e multiple of 18x on post issue FY26 PAT basis .
Company has done strategic move to reduce yarn sourcing through backward integration in it manufacturing Unit .Also, company has experienced promoters with execution capabilities & is offsetting power use with solar energy.
Hence, we recommend "Long term Subscribe" to issue.

Price Band (Rs./Share)	**100-105**
Opening date of the issue	**14th July '2026**
Closing Date of the issue	**16th July '2026**
No of shares pre issue	26223000 Eq Shares
Issue Size	Rs 120-126 Cr
Fresh issue	Rs 120-126 Cr
No of Shares in Issue	120,24,000 Eq Shares
Face Value (Rs/ share)	Rs 10/share
Bid Lot	142
BIDDING DETAILS	
QIBs (Including Anchor)	1% of the offer- 120,240 Eq Shares
Non-Institutional	29% of the offer - 3486960 Eq Shares
Retail	70% of the offer -8416800 eq Shares
Lead managers	D and A Financial Services
Registrar to the issue	KFin Technologies Ltd

WHAT WE LIKE

Company is a textile manufacturer based in Ahmedabad, Gujarat specialised in manufacturing of Grey Fabric, ready to capitalize on the growing demand in this sector

Gujarat's favourable agro-climatic conditions, coupled with advanced farming techniques, have positioned it as a leading cotton producer in India. This robust domestic supply ensures that textile manufacturers in Gujarat have consistent access to high-quality raw materials, minimizing reliance on external sources. Such self-sufficiency not only stabilizes production costs but also enhances the competitiveness of Gujarat's textile products in both national and international markets

Company use automated machineries from global brands like Picanol and Toyota

Company has strategically established, (a) a weaving facility at Manufacturing Unit 1 comprising (i) 112 high-speed Toyota shuttleless air jet looms with an annual installed capacity of weaving 180 Lakh metres of Grey Fabric, and (ii) one (1) high speed multi cylinder sizing machine from Karl Mayer Textilmaschinen Ag which has an annual installed capacity of 6,650 metric tonnes of Yarn Sizing, and (b) a spinning facility at Manufacturing Unit 2 comprising of four (4) open end rotor spinning machine from Saurer Intelligent Technology Ag which has an annual installed capacity of spinning 6000 tonnes of cotton and blended Yarn

Company has strategically made investments in an LLP which has a weaving plant and undertaken a backward integration to reduce reliance on sourcing Yarn

As part of its expansion strategy, Company acquired 97% stake in partnership in a limited liability partnership, Alpine Cottweave LLP, resulting in it being classified as company's Subsidiary. Alpine Cottweave LLP has a weaving plant with 72 high speed Picanol NV airjet looms, adding an installed capacity of 96 lakh meters per annum . With this addition, the group's aggregate weaving capacity has reached 276 lakh meters per annum.

COMPANY BACKGROUND

Company has the following key machines:
(i) one hundred and twelve (112) high-speed Toyota shuttleless air jet looms installed at Manufacturing Unit 1 with an aggregate annual installed capacity of weaving 180 Lakh metres of Grey Fabric;
(ii) one (1) high speed multi cylinder sizing machine from Karl Mayer Textilmaschinen Ag installed at Manufacturing Unit 1 which has an annual installed capacity of 6,650 metric tonnes of Yarn Sizing;
(iii) four (4) open end rotor spinning machine from Saurer Intelligent Technology Ag installed at Manufacturing Unit 2 which has an annual installed capacity of spinning 6,000 metric tonnes of cotton and blended Yarn.
Most of the manufacturing and processing in company's units are carried out using the above machineries which are supplied by domestic and global players in the textile industry.
Company acquired 97% share in partnership in Alpine Cottweave LLP in October, 2024 and thereby making Alpine Cottweave LLP its Subsidiary. Alpine Cottweave LLP commenced commercial operations from October 2022 by setting up a weaving unit with an initial installation of sixty four (64) high speed Picanol NV airjet Looms, having an annual capacity of 85.50 lakh metres. Subsequently, Alpine Cottweave LLP also installed an additional eight (8) high speed Picanol NV airjet Looms with an incremental annual capacity of 10.50 lakh metres at the same location.* The integration of Alpine Cottweave LLP's operations has augmented its weaving capacity by 96 lakh metres per annum and enabled greater in-house production. For Fiscal 2026, company's Subsidiary, Alpine Cottweave LLP, contributed ₹ 1,229.98 million to the consolidated revenue from operations (35.89% of total consolidated revenue from operations) and ₹ 83.78 million to the consolidated PAT excluding NCI (38.58% of total consolidated PAT excluding NCI)

OBJECTS OF OFFER

The Issue comprises of an issue of up to 1,20,24,000 Equity Shares
Company intends to utilize the gross proceeds raised through the Issue ("Gross Proceeds"), after deducting the Issue related expenses ("Net Proceeds"), for the following objects (collectively referred to as the "Objects"):
1. Proposing to finance the cost of setting up a new weaving unit at Proposed Manufacturing Unit 3 to expand its production capabilities to produce Grey Fabric at Ahmedabad, Gujarat, India;
2. Prepayment or repayment, in part or full, of certain outstanding borrowings; and
3. General Corporate Purpose.

RISKS

Substantial portion of company's revenues has been dependent upon company's top 10 customers for the Fiscal 2026, Fiscal 2025 and Fiscal 2024 which amounted to ₹ 2,410.22 million, ₹ 1,665.85 million and ₹ 1,319.29 million which accounted for 70.33%, 70.19 % and 71.86 % of company's revenue from operations for the respective years, with whom company do not have any firm commitments. The loss of any one or more of company's top 10 customers would have a material adverse effect on company's business, cash flows, results of operations and financial condition.

Source:RHP

Consolidated Financials (Rs in Mn)

Financials	FY24	FY25	FY26
Total Revenue (A)	1836.03	2373.24	1836.03
Total Expenditure (B)	1636.97	2103.24	2952.65
EBIDTA	199.06	270.00	474.48
EBIDTA Margin	10.84	11.38	13.84
Other Income	8.33	3.36	74.65
Depreciation	55.59	64.22	126.93
EBIT	151.80	209.14	422.20
Interest	85.07	90.78	153.25
PBT	66.73	118.36	268.95
Share of profit in Asso	0.00	0.00	0.00
PBIT	66.73	118.36	268.95
Exceptional	0.00	0.00	0.00
PBT	66.73	118.36	268.95
Tax	17.92	32.10	51.79
PAT	48.81	86.26	217.16
NPM	2.66	3.63	6.34
ROE%	11.47	16.78	29.44
EPS	1.86	3.27	8.18
Eq Cap	262.23	262.23	262.23
Net Worth	425.51	528.95	754.13

(Source: RHP)

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