



Rating Rationale

Alpine Knits India Private Limited

April 4, 2017

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of Rs. 40.20 of Alpine Knits India Private Limited ('AKIPL or the Company')

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating *	
	Previous	Present		Previous	Present
Fund Based Cash Credit Term Loans	10.00 13.18	6.50 8.70	Long Term	BWR BB (BWR Double B) Outlook: Stable	BWR BB (BWR Double B)
Non-Fund Based ILC/FLC BG	12.40 2.50	25.00 --	Short Term	BWR A4+ (BWR A Four Plus)	BWR A4+ (BWR A Four Plus)
Total	38.08	40.20	INR Forty Crores and Twenty Lakhs Only		

^ Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rating Reaffirmed

Rationale/Description of Key Rating Drivers/Rating sensitivities:

The ratings assigned derive strengths from experienced management, improvement in profitability margins and low operating cycle. However, the ratings are constrained by high gearing level, weak debt protection metrics and stiff competition in the industry.

Rating Outlook: Stable

BWR believes the Alpine Knits India Private Limited business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

M/s Alpine Knits India P Ltd (AKIPL) established in 2002, promoted by Mr. P.Vikramaraj and Mr.R.R.Shrinivasan. The company was an agent for a host of sewing machinery brands from Singapore, Japan and other countries. Later the Company established the spinning mill division in 2007. The company's manufacturing unit is located in Palladam taluk, Tiruppur, Tamil Nadu,



Company Financial Performance

As per FY16 audited financials, net revenues achieved were Rs. 129.78 Crores as against Rs. 128.24 Crores in FY15. Operating margin has improved from 5.94% in FY15 to 6.21% in FY16.

Rating History for the last three years (including withdrawn/suspended ratings)

Instrument/ Facility	Current Rating (2017)			Rating History		
	Type (Long Term/ Short Term)	Amount (Rs Crs)	Rating	2016	2015	2014
Fund Based	Long Term	15.20	BWR BB (BWR Double B)	Not Reviewed		BWR BB (BWR Double B)
Non Fund Based	Short Term	25.00	BWR A4+ (BWR A Four Plus)			BWR A4+ (BWR A Four Plus)

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)

Analytical Contacts	Media
<i>Vipula Sharma</i> <i>DGM-Ratings</i>	media@brickworkratings.com
analyst@brickworkratings.com	Relationship Contact
	bd@brickworkratings.com
Phone: 1-860-425-2742	

For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings



Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.