



ICRA

ICRA Limited

Ref: ICRA/KOL/RA/2020-21/417

March 4, 2021

Mr. B. K. Kesan,
Chief Financial Officer,
Acknit Industries Limited,
Ecostation, Block- BP, Plot No.- 7,
Sector- V, 5th Floor,
Suit No.- 504, Salt Lake,
Kolkata- 700 091

Dear Sir,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 68.05 crore Bank Facilities (instrument details in Annexure) of Acknit Industries Limited

Please refer to the Rating Agreement dated March 14, 2017 executed between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review its ratings, on an annual basis, or as and when the circumstances so warrant.

Based on a review of the latest developments, the Rating Committee of ICRA, after due consideration, has reaffirmed the long-term rating at [ICRA]BBB- (pronounced ICRA triple B minus)[†] (‘Rating’) and the short-term rating at [ICRA]A3 (pronounced ICRA A three) (‘Rating’). The outlook on the long-term rating is ‘Stable’. Instruments with [ICRA]BBB- rating indicate moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. Instruments with [ICRA]A3 rating indicate moderate degree of safety regarding timely payment of financial obligations. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories.

In any of your publicity material or other document wherever you are using the above rating, it should be stated as [ICRA]BBB- (Stable)/ [ICRA]A3.

The aforesaid Ratings will be due for surveillance any time before December 31, 2021.

The Ratings are specific to the terms and conditions of the bank facilities as indicated to us by you, and any change in the terms or size of the same would require a review of the Ratings by us. In case there is any change in the terms and conditions or the size of the rated bank facilities, the same must be brought to our notice before the bank facilities is used by you. In the event such changes occur after the Ratings have been assigned by us and their use has been confirmed by you, the Ratings would be subject to our review, following which there could be a change in the Ratings previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the bank facilities from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

[†] For complete rating definition please refer to ICRA Website www.icra.in or any of the ICRA Rating Publications

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RATING • RESEARCH • INFORMATION



ICRA reserves the right to review and/or, revise the above Ratings at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Ratings assigned.

The Rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated bank facilities availed/issued by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,
for ICRA Limited

Sujoy Saha
Vice President
sujoy.saha@icraindia.com



Annexure

Acknit Industries Limited

Details of the bank limits rated by ICRA (Rated on long-term scale)

Bank Limits	Amount <i>(Rs. Crores)</i>	Rating	Assigned On
State Bank of India – Fund Based (Cash Credit)*	37.50	[ICRA]BBB- (Stable)	February 25, 2021
Bank of Baroda – Fund Based (Cash Credit)*	15.00	[ICRA]BBB- (Stable)	February 25, 2021
State Bank of India – Fund Based (Term Loan)	2.70	[ICRA]BBB- (Stable)	February 25, 2021
State Bank of India – Non-Fund Based (Bank Guarantee)	0.70	[ICRA]BBB- (Stable)	February 25, 2021
Bank of Baroda – Non-Fund Based (Bank Guarantee)	0.40	[ICRA]BBB- (Stable)	February 25, 2021
Total	56.30		

*100% interchangeable to EPC/PCFC/FBD

Details of the bank limits rated by ICRA (Rated on short-term scale)

Bank Limits	Amount <i>(Rs. Crores)</i>	Rating	Assigned On
State Bank of India – Non-Fund Based (Letter of Credit)	2.00	[ICRA]A3	February 25, 2021
State Bank of India – Non-Fund Based (Capex Letter of Credit)	0.50	[ICRA]A3	February 25, 2021
Bank of Baroda – Non-Fund Based (Letter of Credit)	2.00	[ICRA]A3	February 25, 2021
State Bank of India – Forward Contract	1.52	[ICRA]A3	February 25, 2021
Total	6.02		

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale / Short-Term Scale)

Instruments	Amount <i>(Rs. Crore)</i>	Rating	Assigned on
Fund Based / Non Fund Based Limits-Untied Limits	5.73	[ICRA]BBB- (Stable) / [ICRA]A3	February 25, 2021
Total	5.73		