



ICRA

ICRA Limited

Ref No: ICRA/ Acknit Industries Limited/ 03032022/ 1

March 3, 2022

Mr. Bishnu Kumar 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 and Enhancement of Rs. 7.00 crore Bank Facilities of Acknit Industries Limited

Please refer the Rating Agreement dated March 14, 2017 between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review the ratings assigned to your company, on an annual basis, or as and when the circumstances so warrant. Also, please refer to your Rating Agreement dated February 22, 2022 for rating of enhanced captioned limits(s) of bank facilities of your company from Rs. 68.05 crore to Rs. 75.05 crore.

Please note that the Rating Committee of ICRA, after due consideration, has upgraded the long-term rating to **[ICRA]BBB** (pronounced ICRA triple B) from **[ICRA]BBB-** (pronounced ICRA triple B minus), and the short-term rating to **[ICRA]A3+** (pronounced ICRA A three plus) from **[ICRA]A3** (pronounced ICRA A three) assigned earlier to the Rs. 68.05 crore bank facilities of your company, and has assigned a long-term rating of **[ICRA]BBB** (pronounced ICRA triple B) and a short-term rating of **[ICRA]A3+** (pronounced ICRA A three plus) to the captioned bank facilities (“Rating”) of Rs. 7.00 crore. The Outlook on the long-term rating is **Stable**. For Rating definition(s), please refer to ICRA website at www.icra.in.

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

The aforesaid Rating(s) will be due for surveillance any time before **February 23, 2023**. However, ICRA reserves the right to review and/or, revise the above Rating(s) 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 Rating(s). Therefore, request the lenders and Investors to visit ICRA website at www.icra.in for latest Rating(s) of the Company.

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RATING

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The Rating(s) 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 Rating(s) 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.

ICRA reserves the right to review and/or, revise the above Rating(s) 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 Rating(s) 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 [Instrument] availed/issued by your Company.

The Rating(s) assigned to the bank facilities of your Company shall require revalidation if there is any change in the size or structure of the rated bank facilities.

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

Acknit Industries Limited
Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)

Fund Based Bank Limits	Amount (Rs. Crore)	Rating	Assigned on
State Bank of India – CC/ WCL/ EPC/ PCFC/ FBD *	45.00	[ICRA]BBB (Stable)	February 24, 2022
Bank of Baroda – CC/ PC/ PCFC/ FBD/ FBP/ FCBD	15.00	[ICRA]BBB (Stable)	February 24, 2022
State Bank of India – WCTL (GECL)	5.49	[ICRA]BBB (Stable)	February 24, 2022
Bank of Baroda – WCTL (GECL)	1.37	[ICRA]BBB (Stable)	February 24, 2022
Non-Fund Based Bank Limits	Amount (Rs. Crore)	Rating	Assigned on
State Bank of India – Bank Guarantee	0.90	[ICRA]BBB (Stable)	February 24, 2022
Bank of Baroda – Bank Guarantee	0.40	[ICRA]BBB (Stable)	February 24, 2022
Total	68.16		

* One way interchangeable of Rs. 5.00 crore from fund-based working capital to letter of credit

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

Non-Fund Based Bank Limits	Amount (Rs. Crore)	Rating	Assigned on
State Bank of India – Letter of Credit	2.50	[ICRA]A3+	February 24, 2022
Bank of Baroda – Letter of Credit	2.00	[ICRA]A3+	February 24, 2022
State Bank of India – Forward Contract Limit	1.52	[ICRA]A3+	February 24, 2022
Total	6.02		

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

Fund Based/ Non-Fund Based Bank Limits	Amount (Rs. Crore)	Rating	Assigned on
Unallocated Limits	0.87	[ICRA]BBB (Stable)/ [ICRA]A3+	February 24, 2022
Total	0.87		