

July 14, 2025

Acknit Industries Limited: Change in limits

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term Fund-based – Working Capital Facilities	60.00	70.00	[ICRA]BBB (Stable), outstanding
Long-term Fund-based – Term Loan	1.30	1.28	[ICRA]BBB (Stable), outstanding
Short-term – Non-Fund based – Working Capital Facilities	6.02	6.02	[ICRA]A3+, outstanding
Long-term/ Short-term – Non-Fund based – Working Capital Facilities	1.30	2.00	[ICRA]BBB (Stable)/ [ICRA]A3+, outstanding
Long-term/ Short-term – Unallocated Limits	10.70	0.02	[ICRA]BBB (Stable)/ [ICRA]A3+, outstanding
Total	79.32	79.32	

*Instrument details are provided in Annexure I

Rationale

This rationale is being released to convey the change in the lender wise facilities of the rated limits, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, environmental and social risks, liquidity position and rating sensitivities: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financial statements of the company

About the company

AIL was founded in 1990 as a private limited company for manufacturing seamless knitted hand gloves for industrial use. The entity was converted into a limited concern under the name, Acknit Knitting Limited, in 1994, and it entered the capital market in 1995. The company's name was changed to Acknit Industries Limited in 2007. The company gradually diversified its product range to include leather/ cotton/ synthetic, coated and dotted industrial gloves, as well as industrial safety garments and other readymade garments, safety shoes and helmets. The manufacturing facilities of the company are located in West Bengal. Additionally, the company operates a windmill (1.25 MW) in Dhule, Maharashtra.

Key financial indicators (audited)

AIL, Standalone	FY2023	FY2024	FY2025
Operating income	236.7	218.6	237.8
Adjusted operating income [#]	238.5	220.7	240.4
PAT	9.1	8.6	9.0
OPBDIT/OI	7.1%	6.9%	6.5%
Adjusted OPBDIT/OI [#]	7.8%	7.8%	7.6%
PAT/OI	3.8%	3.9%	3.8%
Total outside liabilities/Tangible net worth (times)	0.9	1.0	0.9
Total debt/OPBDIT (times)	2.6	3.9	3.8
Adjusted total debt/OPBDIT (times) [#]	2.3	3.4	3.2
Interest coverage (times)	5.4	5.6	4.9
Adjusted interest coverage (times) [#]	6.0	6.3	5.8

Source: Acknit Industries Limited, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

[#] The non-operating income/(expense) due to foreign exchange gain/(loss) have been considered in the operating income

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current rating (FY2026)				Chronology of rating history for the past 3 years					
Instrument	Type	Amount rated (Rs. crore)	Jul 14, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund-based – Working Capital Facilities [#]	Long term	70.00	[ICRA]BBB (Stable)	Mar 28, 2025	[ICRA]BBB (Stable)	Mar 28, 2024	[ICRA]BBB (Stable)	Mar 20, 2023	[ICRA]BBB (Stable)
Term Loan	Long term	1.28	[ICRA]BBB (Stable)	Mar 28, 2025	[ICRA]BBB (Stable)	-	-	-	-
Non-fund based – Working Capital Facilities	Short term	6.02	[ICRA]A3+	Mar 28, 2025	[ICRA]A3+	Mar 28, 2024	[ICRA]A3+	Mar 20, 2023	[ICRA]A3+
Non-fund based – Working Capital Facilities	Long term/ Short term	2.00	[ICRA]BBB (Stable)/ [ICRA]A3+	Mar 28, 2025	[ICRA]BBB (Stable)/ [ICRA]A3+	Mar 28, 2024	[ICRA]BBB (Stable)/ [ICRA]A3+	Mar 20, 2023	[ICRA]BBB (Stable)/ [ICRA]A3+
Unallocated limits	Long term/ Short Term	0.02	[ICRA]BBB (Stable)/ [ICRA]A3+	Mar 28, 2025	[ICRA]BBB (Stable)/ [ICRA]A3+	-	-	-	-

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

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based – Working Capital Facilities	Simple
Long-term fund-based – Term Loan	Simple
Short-term non-fund based – Working Capital Facilities	Very Simple

Long-term/ Short-term non-fund based – Working Capital Facilities	Very Simple
Unallocated Limits	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. Crore)	Current rating and outlook
NA	CC/ WCL/ EPC/ PCFC/ FBD/ EBR#	-	-	-	70.00	[ICRA]BBB (Stable)
NA	Term Loan	FY2025	-	FY2030	1.28	[ICRA]BBB (Stable)
NA	Letter of Credit	-	-	-	4.50	[ICRA]A3+
NA	Forward Contract	-	-	-	1.52	[ICRA]A3+
NA	Bank Guarantee	-	-	-	2.00	[ICRA]BBB (Stable)/ [ICRA]A3+
NA	Unallocated Limits	-	-	-	0.02	[ICRA]BBB (Stable)/ [ICRA]A3+

Source: Acknit Industries Limited

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

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Not applicable

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