



Press Release
DOLLAR INDUSTRIES LIMITED
December 05, 2025
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	50.00	ACUITE AA- Stable Assigned	-
Bank Loan Ratings	327.94	ACUITE AA- Stable Reaffirmed	-
Bank Loan Ratings	0.73	-	ACUITE A1+ Reaffirmed
Total Outstanding Quantum (Rs. Cr)	378.67	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE AA-**' (read as **ACUITE double A minus**) and short-term rating of '**ACUITE A1+**' (read as **ACUITE A one plus**) on Rs.328.67 Cr. bank facilities of Dollar Industries Limited (DIL). The outlook remains '**Stable**'. Further, Acuite has assigned long-term rating of '**ACUITE AA-**' (read as **ACUITE double A minus**) on Rs.50.00 Cr. bank facilities of Dollar Industries Limited (DIL). The outlook is '**Stable**'.

Rationale for rating

The rating reflects company's strong business risk profile, supported by consistent increase in revenue supported by constant demand and growth in volume sold along with improved profitability margins during H1FY26. Additionally, the rise in share of e-commerce sales and modern trade has supported revenue growth. DIL has successfully maintained its market share in the hosiery segment, with contributions from its premium brands, including Force NXT and Dollar Thermal, which are characterized by higher margins. DIL's established brand equity in the hosiery innerwear industry, supported by a vast distribution network and diversified geographical presence, provides a competitive advantage in the market. Acuite notes the merger plans between DIL and other nine group companies expected to be completed by FY27. This will boost the present business risk profile and aid in scaling up the operations. The merger remains a key monitorable factor. The financial risk profile is strong marked by high net worth and comfortable capital structure. The rating also factors in experienced management and strong liquidity position of the company. These strengths are offset by intensive working capital cycle of the business.

About the Company

Dollar Industries Limited (DIL), initially originated as a proprietorship business called Bhawani Textiles in 1973 and later changed its legal status to a public limited company in 1993, specializes in the manufacture of thermals, loungewear, and innerwear for men, women, and children. The company markets its extensive product portfolio under Dollar Man, Dollar Woman, Dollar Junior, Dollar Always, Dollar Protect and Dollar Thermals. The company also has an 8 MW solar power plant and 4 windmills of 4.95 MW in Tamil Nadu for captive

consumption. DIL has marked its presence across India and in 15 countries abroad. The

directors include Mr. Binay Kumar Gupta, Ms. Divyaa Newatia, Mr. Vinod Kumar Gupta and others. The registered office is at Kolkata, West Bengal. The company has its manufacturing facilities located at Kolkata, Delhi, Ludhiana and Tirupur.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of Dollar Industries Limited to arrive at this rating.

Key Rating Drivers

Strengths

Strong brand recall buoyed by experienced management and established presence in the hosiery innerwear industry

DIL enjoys strong market position in the branded innerwear industry in India. Started as Bhawani Textiles in 1973, Dollar began its export journey to the middle east and other countries in 1995; further got listed in NSE in 2017 and in BSE in 2018. DIL's board includes Mr. Vinod Kumar Gupta (Managing Director), Mr. Binay Kumar Gupta (Managing Director), Mr. Krishan Kumar Gupta (Whole-time director), Mr. Bajrang Kumar Gupta (Whole-time director) and Mr. Gopal Krishnan Sarankapani (Whole-time director), who have rich experience spanning more than two decades in the innerwear industry. The third generation of promoters have also been inducted into the business.

DIL has a strong distribution network of over 1,500+ dealers and over 1.45 lakh retailers which it has developed over the years. The company over the years has also been able to create a strong brand recall for its products across various segments. Over the years, the company has been able to introduce various range of products to increase its reach to a wider section of the population. The Company has also launched Project Lakshya to add to its distributor/ retailer portfolio and enable a sustainable working capital cycle along with expected contribution to revenues. The company has a substantial pan-India presence contributing to 96% of the revenues and has established its market abroad in countries like UAE, Oman, Jordan, Qatar, Kuwait, Bahrain, Yemen, Iraq, Nepal, and Sudan i.e. around 4% of revenues.

Acuite believes the company's established track record of operations, continuous efforts to further penetrate in the D2C segment, management's rich experience and expertise will further bolster the business, going forward.

Healthy scale of operations

The revenue of the company stood at Rs.1682.19 Cr. in FY25 as against Rs. 1549.13 crore in FY2024. This was supported by a y-o-y volume growth of 4.6% in FY25. Further, the company has achieved Rs. 854.14 Cr. in H1FY26 as against Rs.767.80 Cr. in H1FY25. The growth is driven by stable demand across the product categories with increase in volume sold and high margin products. Additionally, the rise in share of e-commerce sales and modern trade has supported revenue growth. Dollar Always (41%) and Dollar Man (37%) generates highest revenue during H1FY26.

EBITDA margins increased to 10.53% in FY2025 as against 10.02% in FY2024. Further, this improved to 11.89% in H1FY26 from 10.56% in H1FY25 due to stabilization of cotton and yarn prices, reduction in advertising expenses i.e. 6.2% in H1FY26 as against 7.2% in H1FY25, and optimized utilization of employee costs. Additionally, backward integration through setting up of new spinning mill in December 2024 led to enhanced operational efficiency, improved yarn quality leading to better realizations, and minimum wastage. The company also has its focus on high margin segments.

The PAT margin stood at 5.37% in FY25 as against 5.77% in FY 2024. Further, improved to 6.45% in H1FY26 from 5.21% in H1FY25. Acuite believe that scale of operations will expand in terms

of volume growth, while price realizations are expected to remain stable.

Merger plans will help to boost scale of operations in terms of profitability margins

DIL is planning to merge with nine promoter group companies into a single entity under the "Dollar" brand, with the process expected to be completed by January 2027. The consolidation aims to eliminate structural overlaps in terms of employee costs, strengthen operational control and enhance in house production capacity, and significantly reduce related-party transactions in terms of rent and subcontracting expenses. A promoter trust will be created to hold 50% of the promoter's shares. This will help keep ownership stable for the long term, ensure continuity, and improve governance through a clear and organized structure. Acuite believes that the merger will help the company to improve the profitability margins in the next 2 years.

Strong Financial risk profile

DIL's financial risk profile is strong marked by high net worth and comfortable capital structure. The net worth of the company stood at Rs.863.58 Cr. as on March 31, 2025, as against Rs.787.30 crore as on March 31, 2024. The company follows a conservative leverage policy reflected in its gearing of 0.36 times in FY25 as against 0.38 times in FY2024. The total outside liability to total net worth (TOL/TNW) stood at 0.66 times as on March 31, 2025, as against 0.68 times as on March 31, 2024. The interest coverage ratio (ICR) stood moderate at 6.98 times and debt service coverage ratio (DSCR) stood at 4.49 times as on March 31, 2025. Acuite believes that the financial risk profile would remain on similar levels due to debt funded capex plans.

Weaknesses

Intensive Working capital cycle

The working capital cycle of the company remains intensive marked by Gross Current Assets (GCA) of 245 days as on March 31, 2025, as against 242 days as on March 31, 2024. The inventory days stood at 124 days as on March 31, 2025, as against 122 days as on March 31, 2024. The company markets a wide range of products and accordingly has to maintain large quantity of inventory of each of its product type apart from the inventory of raw material. This increase is largely attributed to seasonal factors. It is also influenced by the number of SKUs they manage and the production process, which spans approximately three months from the procurement of yarn or cotton to the delivery of finished goods. The receivable days of the company stood at 119 days as on March 31, 2025, as against 115 days as on March 31, 2024. Against this, the Company receives credit from its suppliers of around 95 days in FY25. Acuite believes the working capital cycle will remain at similar levels over the medium term due to the inherent nature of such businesses.

Rating Sensitivities

Movement in operating income and profitability margins
Working capital cycle
Merger plans by FY27

Liquidity Position Strong

The company has a strong liquidity position marked by adequate net cash accruals of Rs.127.85 Crore in FY2025 as against Rs.7.87 Cr. long term debt obligation during the same period. The current ratio stood at similar levels at 2.12 times in FY2025 against 2.11 times in FY2024. The company has unencumbered cash and bank balances of around Rs.0.33 crore in FY2025. The bank limits for fund based remain utilized at 77.67% for seven months ended October 2025. DIL has capex plan of setting 5 MW solar plants which is expected to be operational by FY27. The total project cost is Rs.35.00 Cr. funded by majorly external debt. Acuite believes that the Company will continue to maintain strong liquidity marked by sufficient cash accruals against debt repayment, moderate current ratio and bank limit utilization and debt funded capex plans over the medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	1682.19	1549.13
PAT	Rs. Cr.	90.33	89.39
PAT Margin	(%)	5.37	5.77
Total Debt/Tangible Net Worth	Times	0.36	0.38
PBDIT/Interest	Times	6.98	8.43

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
26 Mar 2025	Proposed Short Term Bank Facility	Short Term	9.83	ACUITE A1+ (Reaffirmed)
	Forward Contracts	Short Term	0.67	ACUITE A1+ (Reaffirmed)
	Cash Credit	Long Term	103.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	55.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	52.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE AA- Stable (Reaffirmed)
	Term Loan	Long Term	43.17	ACUITE AA- Stable (Reaffirmed)
09 Aug 2024	Proposed Short Term Bank Facility	Short Term	2.88	ACUITE A1+ (Reaffirmed)
	Forward Contracts	Short Term	0.67	ACUITE A1+ (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	103.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	77.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE AA- Stable (Reaffirmed)
	Term Loan	Long Term	0.12	ACUITE AA- Stable (Reaffirmed)
	Term Loan	Long Term	27.00	ACUITE AA- Stable (Reaffirmed)
	Term Loan	Long Term	23.00	ACUITE AA- Stable (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	1.33	ACUITE A1+ (Reaffirmed)
19 Jul 2023	Cash Credit	Long Term	35.00	ACUITE AA- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	25.46	ACUITE AA- Stable (Reaffirmed)
	Term Loan	Long Term	3.46	ACUITE AA- Stable (Reaffirmed)
	Term Loan	Long Term	0.15	ACUITE AA- Stable (Reaffirmed)
	Term Loan	Long Term	0.27	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE AA- Stable (Reaffirmed)
		Long		

	Cash Credit	Term	45.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	50.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	32.00	ACUITE AA- Stable (Reaffirmed)
	Cash Credit	Long Term	8.00	ACUITE AA- Stable (Reaffirmed)
28 Jun 2023	Bank Guarantee/Letter of Guarantee	Short Term	1.33	ACUITE A1+ (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Cash Credit	Long Term	30.00	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Cash Credit	Long Term	50.00	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Cash Credit	Long Term	45.00	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Cash Credit	Long Term	45.00	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Cash Credit	Long Term	20.00	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Term Loan	Long Term	0.27	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Term Loan	Long Term	0.15	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Term Loan	Long Term	3.46	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Proposed Long Term Bank Facility	Long Term	0.46	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
	Proposed Long Term Bank Facility	Long Term	100.00	ACUITE AA- Stable (Downgraded from ACUITE AA Stable)
05 Aug 2022	Bank Guarantee/Letter of Guarantee	Short Term	1.33	ACUITE A1+ (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE AA Stable (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE AA Stable (Reaffirmed)
	Cash Credit	Long Term	50.00	ACUITE AA Stable (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE AA Stable (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE AA Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE AA Stable (Reaffirmed)
	Term Loan	Long Term	0.27	ACUITE AA Stable (Reaffirmed)
	Term Loan	Long Term	0.15	ACUITE AA Stable (Reaffirmed)
	Term Loan	Long Term	3.46	ACUITE AA Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	0.46	ACUITE AA Stable (Reaffirmed)

	Proposed Long Term Bank Facility	Long Term	100.00	ACUITE AA Stable (Assigned)
04 Jan 2022	Bank Guarantee/Letter of Guarantee	Short Term	1.33	ACUITE A1+ (Assigned)
	Cash Credit	Long Term	30.00	ACUITE AA Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE AA Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	0.46	ACUITE AA Stable (Assigned)
	Term Loan	Long Term	3.46	ACUITE AA Stable (Assigned)
	Term Loan	Long Term	0.15	ACUITE AA Stable (Assigned)
	Term Loan	Long Term	0.27	ACUITE AA Stable (Assigned)
	Cash Credit	Long Term	20.00	ACUITE AA Stable (Assigned)
	Cash Credit	Long Term	45.00	ACUITE AA Stable (Assigned)
	Cash Credit	Long Term	45.00	ACUITE AA Stable (Assigned)
	Cash Credit	Long Term	50.00	ACUITE AA Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	103.00	Simple	ACUITE AA- Stable Reaffirmed
Qatar National bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	55.00	Simple	ACUITE AA- Stable Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	52.00	Simple	ACUITE AA- Stable Reaffirmed
YES BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	45.00	Simple	ACUITE AA- Stable Reaffirmed
ICICI BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE AA- Stable Reaffirmed
YES BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	45.00	Simple	ACUITE AA- Stable Assigned
State Bank of India	Not avl. / Not appl.	Forward Contracts	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.67	Simple	ACUITE A1+ Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	19.00	Simple	ACUITE AA- Stable Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE AA- Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.06	Simple	ACUITE A1+ Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	25 Jul 2028	33.94	Simple	ACUITE AA- Stable Reaffirmed

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About Acuité Ratings & Research

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