



Press Release
ECOLINE EXIM LIMITED
November 26, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	50.00	ACUITE BBB- Stable Assigned	-
Bank Loan Ratings	8.50	-	ACUITE A3 Assigned
Total Outstanding Quantum (Rs. Cr)	58.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite assigned the long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term rating of '**ACUITE A3**' (read as **ACUITE A three**) on the Rs. 58.50 Cr. bank facility of Ecoline Exim Limited. The outlook is '**Stable**'.

Rationale for rating

The rating has taken into cognizance long track record of operations, experienced management, moderate financial risk profile, adequate liquidity; However, these strengths are partly offset by slight decline in revenues albeit increase in operating profitability and intensive working capital cycle.

About the Company

Incorporated in 2008, West Bengal based, Ecoline Exim Limited is engaged in manufacturing and exports of jute bags (contributes about 20% in the revenue generation) and manufacturing and export of cotton bags (contributes about 80% in the revenue generation). The company has its units at West Bengal and Gujarat. The directors of the company are Mr Saurabh Saraogi and Mr Sudarshan Saraogi. The company got listed at NSE on 30th September 2025.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has taken standalone business and financial risk profile of Ecoline Exim Limited to arrive at its rating.

Key Rating Drivers

Strengths

Benefits derived from Experienced promoters

The operations of the company are managed by Mr. Saurabh Saraogi and Mr Sudarshan Saraogi. They hold experience in this industry for more than 15 years. The company has a geographical presence outside India in more than 27 countries majorly Netherland, Germany, Spain among others. Acuite believes that the benefits derived from the promoters and their

presence outside India will benefit the company going forward.

Moderate financial risk profile

The financial risk profile of the company is moderate marked by improving net worth, low gearing and moderate debt protection metrics. The tangible net worth of the company stood at Rs. 88.45 Cr. as on March 31, 2025 as compared to Rs. 69.61 Cr. as on March 31, 2024 due to accretion to reserves. The company had also issued bonus shares in FY 25. The gearing of the company stood at 0.45 times as on March 31, 2025 as compared to 0.64 times as on March 31, 2024. The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 0.65 times as on March 31, 2025 as compared to 0.81 times as on March 31, 2024. The debt protection metrics of the company remain moderate marked by Interest Coverage ratio (ICR) of 12.31 times as on March 31, 2025 and debt service coverage ratio (DSCR) of 5.23 times for March 31, 2025. The net cash accruals to total debt (NCA/TD) stood at 0.54 times as on March 31, 2025 as compared to 0.56 times as on March 31, 2024. Acuité believes that the financial risk profile will remain moderate over the medium term, with steady cash accruals in the absence of any major debt funded capex plans.

Weaknesses

Slight decline in revenues albeit increase in operating profitability

The revenues have slightly declined to Rs. 269.29 Cr. in FY 25 as compared to Rs. 272.19 Cr. in FY 24 and Rs. 303.66 Cr. in FY 23 on account of decline in realisation. The operating profitability margins have increased to 10.87 percent in FY 25 as compared to 10.70 percent in FY 24. The company has achieved revenues of Rs. 139.22 Cr. as of September 2025. The company has an unexecuted orderbook position of about Rs. 93 Cr. as of September 2025 to be executed within 2-3 months providing revenue visibility in the near to medium term.

The company has plans to incur capital expenditure towards construction of building, electrical, mechanical works along with procurement of plant and machinery for setting up a new unit at Ahmedabad. The start date would be November 2025 and the end date would be March 2027. The project cost for the same is Rs. 65.08 Cr. to be funded in a mix of by IPO proceeds and internal accruals.

Acuite believes that the scale of operations will improve with the execution of orders over the near to medium term.

Intensive Working Capital Cycle

The working capital cycle of the company is intensive as reflected by Gross Current Assets (GCA) of 139 days for March 31, 2025 as compared to 114 days for March 31, 2024. The debtor period stood at 63 days as on March 31, 2025 as compared to 43 days as on March 31, 2024. The increase in debtor days is because there has been change in shipment route on account of the Israel war. Hence the increase in shipment time has led to the increase in receivable days. Further, the inventory days of the company stood at 71 days as on March 31, 2025 as compared to 49 days in FY2024. The inventory is held for about 2-3 months by the company on the basis of order execution. The creditors stood at 32 days as on March 31, 2025 as compared to 19 days as on March 31, 2024. The suppliers are paid within 30-40 days. Acuité believes that the working capital operations of the company will remain in similar lines in the near to medium term.

Rating Sensitivities

Movement in revenues and operating profitability
Working capital cycle

Liquidity Position

Adequate

The company has adequate liquidity marked by net cash accruals of Rs 21.69 Cr. as on FY2025 as against long term debt repayment of Rs. 2.14 Cr. over the same period. The cash and bank balance stood at Rs. 0.43 Cr. as on March 31, 2025 and Rs. 14.05 Cr. as on March 31, 2024. Further, the current ratio of the company stood at 1.78 times as on March 31, 2025 as compared to 1.57 times as on March 31, 2024. The average bank utilization limit of the company for 8 months ended August 2025 is 77.62 percent. Acuité believes that the liquidity of the company is to remain adequate over the near to medium term on account of steady cash accruals in the absence of any major debt funded capex plans.

Outlook: Stable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	269.29	272.19
PAT	Rs. Cr.	18.83	21.83
PAT Margin	(%)	6.99	8.02
Total Debt/Tangible Net Worth	Times	0.45	0.64
PBDIT/Interest	Times	12.31	16.84

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

None

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:Not Applicable

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.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.50	Simple	ACUITE A3 Assigned
State Bank of India	Not avl. / Not appl.	Forward Contracts	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE A3 Assigned
State Bank of India	Not avl. / Not appl.	Packing Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BBB- Stable Assigned

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About Acuité Ratings & Research

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