

December 05, 2024^(Revised)

Pothys (Tirunelveli): Rating Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based Term Loans	132.61	132.61	[ICRA]A(Stable); Withdrawn
Total	132.61	132.61	

*Instrument details are provided in Annexure-I

ICRA has withdrawn the rating assigned to the bank facilities of Pothys (Tirunelveli) at the request of the company and based on the No Objection Certificate received from the bankers, in accordance with ICRA's policy on withdrawal.

ICRA is withdrawing the rating and it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key rating drivers, Liquidity position, Rating sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link:

[Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Entities in the Retail Industry Rating Methodology for Entities in the Gems and Jewellery (Retail) Industry Policy On Withdrawal Of Credit Rating
Parent/Group Support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has consolidated the business and financial profiles of Pothys Private Limited, Pothys Retail Private Limited, Pothys Chennai (Firm), Pothys Tirunelveli (Firm), Pothys Swarna Mahal Private Limited, KVPS Property Developers Private Limited and Otto Clothing Private Limited given the significant operational and financial linkages among them and common management.

About the company

Founded in 1923, Pothys is a chain of textile showrooms operating in South India, mainly Tamil Nadu. The Pothys Group has 18 textile showrooms in 13 cities spread across Tamil Nadu, Kerala, Karnataka, and Puducherry to sell cotton and silk sarees, readymade garments, other garments, electronics, and home utility products. The Chennai Group under PPL comprises 10 showrooms across Chennai (four), Coimbatore (two), Bengaluru (one), Puducherry (one), Salem (one) and Chrompet (one). The Tirunelveli Group under PRPL comprises eight showrooms across Tirunelveli (two), Madurai (one), Srivilliputhur (one), Trichy (one), Nagercoil (one), Trivandrum (one) and Ernakulam (one). Pothys Chennai and Pothys Tirunelveli hold assets that are used by PPL and PRPL, respectively, for their business operations and do not have any showroom operating under them. PSMPPL retails jewellery under the brand, Pothys, and operates three showrooms in Tirunelveli, Chrompet and Trivandrum (Tamil Nadu). KVPS, a subsidiary of PPL, is an SPV undertaking construction of a new showroom along with PPL.

Status of non-cooperation with previous CRA: None

Any other information: None

Rating history for past three years

Current (FY2025)				Chronology of rating history for the past 3 years							
				FY2025		FY2024		FY2023		FY2022	
Instrument	Type	Amount Rated (Rs Crore)	Dec 05, 2024	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based Term Loans	Long-term	132.61	[ICRA]A (Stable) Withdrawn	-	-	25-Sep-23	[ICRA]A (Stable)	20-Sep-22	[ICRA]A (Stable)	-	-
Unallocated	Long-term			-	-	-	-	20-Sep-22	[ICRA]A (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term Fund-based Term Loans	Simple

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	Term Loans	FY2018	8-9%	FY2029	132.61	[ICRA]A(Stable); Withdrawn

Source: Company

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

Annexure II: List of entities considered for consolidated analysis

Sr.	Entity Name	Consolidation Approach
1	Pothys Private Limited	Full consolidation
2	Pothys Retail Private Limited	Full consolidation
3	Pothys Chennai (Firm)	Full consolidation
4	Pothys Tirunelveli (Firm)	Full consolidation
5	Pothys Swarna Mahal Private Limited	Full consolidation
6	KVPS Property Developers Private Limited	Full consolidation
7	Otto Clothing Private Limited	Full consolidation

Corrigendum

Rationale dated December 05, 2024 has been corrected with revision as detailed below:

Changes have been made in the rationale (page no. 1; 1st paragraph) - erroneously mentioned “No Dues Certificate” instead of “No Objection Certificate”. The same has now been corrected and the related disclosure has been added.

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