

December 30, 2024

Otto Clothing Private Limited: Rating Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term - Fund-based Cash Credit	200.00	200.00	[ICRA]A(Stable); Withdrawn
Long-term - Fund-based Term Loan	33.77	33.77	[ICRA]A(Stable); Withdrawn
Total	233.77	233.77	

*Instrument details are provided in Annexure-I

ICRA has withdrawn the rating assigned to the bank facilities of Otto Clothing Private Limited at the request of the company and based on the no objection certificate received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position, Rating sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn.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-Textiles (Apparels) Policy On Withdrawal Of Credit Rating
Parent/Group Support	Group – Pothys Group ICRA expects the Pothys Group to provide need-based funding support to OCPL
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of OCPL

About the company

Incorporated in 1996 as a partnership firm named Pothys Clothing Company, the entity was renamed and converted into Otto Clothing Private Limited in 2004. OCPL is involved in manufacturing and distribution of branded menswear including shirts, t-shirts and trousers under the brand names of 'Otto', 'Minister White' and 'Clarke Gable'. OCPL has two manufacturing units in Tamil Nadu with a total capacity of 8 million pieces per annum. The garments manufactured by OCPL are sold via its exclusive brand outlets and multi-brand outlets in South India.

Status of non-cooperation with previous CRA: None

Any other information: None

Rating history for past three years

Instrument	Current (FY2025)					Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs Crore)	Dec 30, 2024	FY2025		FY2024		FY2023		FY2022	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based Cash Credit	LT	200.00	[ICRA]A (Stable) Withdrawn	-	-	23-May-2023	[ICRA]A (Stable)	-	-	-	-
						25-Sep-23	[ICRA]A (Stable)	-	-	-	-
Fund-based Term Loans	LT	33.77	[ICRA]A (Stable) Withdrawn	-	-	23-May-2023	[ICRA]A (Stable)	-	-	-	-
						25-Sep-23	[ICRA]A (Stable)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term - Fund-based Cash Credit	Simple
Long-term - Fund-based Term Loan	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	Cash Credit	-	-	-	200.00	[ICRA]A(Stable) Withdrawn
NA	Term Loans	FY2021	8-9%	FY2026	33.77	[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 – Not applicable

ANALYST CONTACTS

Shamsher Dewan

+91 124 4545328

shamsherd@icraindia.com

Sakshi Suneja

+91 22 6169 3349

sakshi.suneja@icraindia.com

Kinjal Shah

+91 022 61143400

kinjal.shah@icraindia.com

Ronak Vadher

+91 022 61693341

ronak.vadher@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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ICRA Limited



Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



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