

January 16, 2025

House of Anita Dongre Private Limited: Update on material event

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Outstanding
Long-term / Short-term – Fund based – Working Capital Facilities	10.00	10.00	[ICRA]BBB (Negative)/ [ICRA]A3+
Long-term / Short-term – Unallocated Limits	10.00	10.00	[[ICRA]BBB (Negative)/ [ICRA]A3+
Total	20.00	20.00	

* Instrument details are provided in Annexure-I

Rationale

Material Event

House of Anita Dongre Private Limited (HOADPL) has shared its FY2024 audited financials (Consolidated) on January 7, 2025. The performance of the group deteriorated in FY2024 as reflected by the top line of the group which is at around Rs. 439 crore in FY2024 as against around Rs. 601 crore in FY2023, registering a YoY degrowth of around 27%. The group reported operating and net margin of 3.9% and -20.6% respectively in FY2024, compared to operating and net margin of 19.1% and 0.1% respectively in FY2023. This declined revenue and profitability has also led to moderation in the debt protection metrics of the group in FY2024 compared to FY2023.

Impact of Material Event

ICRA has noted the deterioration in the overall performance and debt protection metrics of the group in FY2024 compared to FY2023. ICRA has been engaging with the company to understand the reasons for this as well as the outlook for the company. ICRA will continue to monitor the developments and assess the company's credit profile once clarity emerges on the same.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Textiles - Apparels
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of HOADPL as enlisted in Annexure II

About the company

House of Anita Dongre Private Limited (HOAD) is involved in designing, manufacturing and retailing of apparel. In July 2015, the Group was renamed House of Anita Dongre Private Limited from AND Designs India Limited. On March 28, 2019, the Board of HOADPL, as part of its corporate restructuring process, transferred the businesses under its two brands, 'AND' and 'Global

Desi' to a newly formed wholly owned subsidiary - Ochre and Black Private Limited (OBPL). HOADPL continues to house the two high-end brands, 'Anita Dongre' and 'Grassroots'.

The HOAD Group is present in the women's wear category, with a product range spanning western wear, Indo-western wear and traditional Indian wear. The Group is present in both the mass premium and high-end luxury fashion segments.

Key financial indicators (audited)

HOAD Group (Consolidated)	FY2023	FY2024
Operating income	601	439
PAT	0	-90
OPBDIT/OI	19.1%	3.9%
PAT/OI	0.1%	-20.6%
Total outside liabilities/Tangible net worth (times)	3.5	4.9
Total debt/OPBDIT (times)	3.3	17.5
Interest coverage (times)	3.1	0.5

Source: Company, 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

Status of non-cooperation with previous CRA: Not applicable

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)	January 16, 2025	FY2024		FY2023		FY2022	
				Date	Rating	Date	Rating	Date	Rating
Working Capital Facilities	Long term/ Short term	10.00	[ICRA]BBB (Negative)/ [ICRA]A3+	Jan 31, 2024	[ICRA]BBB (Negative)/ [ICRA]A3+	Oct 07, 2022	[ICRA]BBB + (Stable)/ [ICRA]A2	Mar 28, 2022	[ICRA]BBB+ (Negative)/ [ICRA]A2
Unallocated Limits	Long term/ Short term	10.00	[ICRA]BBB (Negative)/ [ICRA]A3+	Jan 31, 2024	[ICRA]BBB (Negative)/ [ICRA]A3+	Oct 07, 2022	[ICRA]BBB + (Stable)/ [ICRA]A2	Mar 28, 2022	[ICRA]BBB+ (Negative)/ [ICRA]A2

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term/ Short-term fund-based – Working Capital Facilities	Simple
Long-term/ Short-term – 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	Working Capital Facilities	NA	NA	NA	10.00	[ICRA]BBB (Negative)/ [ICRA]A3+
NA	Unallocated Limits	NA	NA	NA	10.00	[ICRA]BBB (Negative)/ [ICRA]A3+

Source: Supertron Electronics Private Limited

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

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
House of Anita Dongre Private Limited	- (rated entity)	Full Consolidation
Ochre and Black Private Limited	100.0%	Full Consolidation
House of Anita Dongre (USA) Inc.	100.0%	Full Consolidation
The Anita Dongre Foundation	100.0%	Full Consolidation

ANALYST CONTACTS

Shamsher Dewan
+91 124 4545328
shamsherd@icraindia.com

Sujoy Saha
+91 33 7150 1184
sujoy.saha@icraindia.com

Kinjal Shah
+91 22 6114 3400
kinjal.shah@icraindia.com

Lakhan Kumar Agarwal
+91 8882375734
lakhan.agarwal@icraindia.com

RELATIONSHIP CONTACT

Mr. 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

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.