

La Opala R G Limited

January 12, 2026

Facilities	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	5.00	CARE AA; Stable	Reaffirmed
Long-term / Short-term bank facilities	5.00	CARE AA; Stable / CARE A1+	Reaffirmed
Short-term bank facilities	3.00	CARE A1+	Reaffirmed

Details of facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of La Opala RG Limited (LORGL) continue to derive strength from the company's strong position in the domestic opal-ware segment with a strong brand image. It offers a wide product range across economy and premium segments, supported by an extensive distribution network and presence in export markets. CARE Ratings Limited (CareEdge Ratings) also takes comfort from LORGL's superior profitability margins, low debt levels ensuring a comfortable capital structure, and strong liquidity backed by mutual fund investments. CareEdge Ratings expects LORGL to maintain its strong liquidity and comfortable capital structure in the medium term, supported by healthy cash accruals and absence of large debt-funded capex.

However, ratings remain constrained by foreign exchange fluctuation risk, working capital intensive operations, and competition from domestic players offering diversified products, and substitutes.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant increase in the scale of operations including diversification of product portfolio while earning profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin in excess of 40% on a sustained basis and maintaining its healthy leverage and debt coverage indicators.
- Significant increase in market share of LORGL.
- Improvement in the operating cycle below 70 days.

Negative factors

- Reduction in the liquid investments held by the company to below ₹150 crore.
- Deterioration in debt coverage indicators with total debt to gross cash accruals (TD/GCA) going above unity on a sustained basis.
- Inability to grow its total operating income (TOI) at a healthy pace and protect its market share due to sustained competitive pressure.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects that LORGL is expected to sustain its financial risk profile given its established position in the domestic opal-ware segment with a strong brand image.

Detailed description of key rating drivers:

Key strengths

Established position in opal-ware segment with strong brand image

Promoted by Sushil Jhunjhunwala in 1987, LORGL started its operations of manufacturing opal-ware products with its first opal glass plant in 1988 and expanded its capacity over the years. In 1996, the company started its first crystal glass plant. The company has been operating in the opal-ware segment for over three decades and has a strong position in the domestic opal-ware segment. The company is also operating in the glassware segment for over two decades. Over time, the company developed a strong brand image for its opal and crystal-ware products. The company launched its premium product range through 'Diva'

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

brand in 2008. To cope with increasing lifestyle changes, the company focuses significantly on research and development (R&D) and introduces new designs every year. With the recent increase in capacities, CareEdge Ratings expects LORGL to maintain its strong position in the opal-ware industry.

Wide product range catering economy and premium segments

The company offers a well-planned design and price range to cater to different socio-economic segments. Opal-ware products are marketed under 'La Opala' for the economy segment and 'Diva' for the premium segment, while crystal glassware products are sold under the premium 'Solitaire' brand. Within 'Diva', key sub-brands include 'Classique', 'Ivory', 'Cosmo', 'Quadra', and 'Sovrana'. Each segment carries a price premium over the other, supports improvement in blended operating margins.

Healthy operating margin despite decline in TOI

TOI declined by ~9% year-on-year (y-o-y) in FY25 and by ~4% in H1FY26 compared to H1FY25. This decline was driven by higher competition from domestic players and dealer rationalization undertaken during the year. Despite lower revenue, PBILDT margin remained healthy at ~33% in FY25 and improved to ~38% in H1FY26. Interest coverage ratio remained strong due to low interest expense. The ability to achieve healthy revenue growth and maintain operating margin, considering increasing competitive pressure, shall remain a key monitorable.

Established distribution network and strong marketing reach

LORGL sells its products through a network of ~12,000 retailers and over 250 distributors across ~600 towns in India (as on March 31, 2025). Domestic sales contributed 87% of total sales in FY25 compared to 85% in FY24. It exports products to over 40 countries globally. Most sales are through its distribution network, followed by organised retail markets catering to major retail chains. Institutional sales include direct supply to large corporates and canteen stores departments. Exports are made directly to private parties who market products under their own brand names, with major destinations being West Asia and the Middle East.

Comfortable capital structure with negligible debt level; expected to sustain

The company's capital structure remains comfortable, supported by negligible debt which enhances financial flexibility. Overall gearing stood at a very low level of 0.01x as on March 31, 2025, and September 30, 2025. Debt coverage indicators were strong, with TD/GCA at 0.09x (0.06x as on March 31, 2024) and TD/PBILDT at 0.11x (0.07x as on March 31, 2024) as on March 31, 2025. CareEdge Ratings expects the capital structure to remain comfortable in the medium term, supported by absence of debt-funded capex and working capital requirements being met through healthy internal cash generation.

Liquidity: Strong

LORGL's liquidity is marked by strong accruals against very low debt repayment obligations and significant liquid investments available of ₹468.12 crore, as on September 30, 2025, despite dividend payout of ₹83.25 crore in H1FY26. With 0.01x gearing as on March 31, 2025, the company has sufficient gearing headroom to raise additional debt for its capex, if required. Average fund-based working capital limit utilisation for 12-months ended November 2025 stood low at less than 10%.

Key weaknesses

Working capital intensive operations with higher inventory days

LORGL's operations are inherently working capital-intensive, characterised by a high average inventory holding period. Due to a wide product portfolio with multiple shapes, sizes, colours, and designs, the company maintains significant inventory across product categories. The working capital cycle increased to ~166 days in FY25 from 153 days in FY24, primarily due to a reduction in creditor days. For exports, the company either collects advance payments or secure orders through letters of credit (LC). Domestic customers are offered a credit period of ~30–35 days, while payment to suppliers is typically made within one month.

Intense competition from domestic players and substitute products

LORGL operates within an increasingly competitive market where rival firms are leveraging extensive distribution networks to enable cross-selling opportunities, putting pressure on the pricing. However, LORGL depends on a single product category, limiting its ability to capitalise on such synergies and broad market penetration. Nevertheless, LORGL is positioned as a premium brand, delivering higher operating margin compared to its peers.

Further, the opal-ware industry faces competition due to easy substitutability with other tableware segments such as steelware, bone china, and ceramic. Intense competition requires considerable effort in building the distribution network and expenditure on advertising and sales promotion to sustain and build market share.

Environment, social, and governance (ESG) risks

The company has a moderate carbon footprint, with limited fossil fuel usage in its production processes. Production waste is recycled, supporting sustainability efforts. It invests in customer and vendor relationships and undertakes social responsibility initiatives. In FY25, the company spent ₹2.58 crore on Corporate Social Responsibility (CSR) projects, meeting its annual obligation. The company prioritises ethical values and responsible business strategies. It has a whistle-blower policy and vigil mechanism, regularly reviewed by the audit committee, with no complaints reported in FY25. As of FY25-end, the board comprised six members, including three independent directors.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer durables	Consumer durables	Glass - consumer

Incorporated in 1987, LORGL is promoted by the Kolkata-based Jhunjhunwala family. LORGL is one of the leading players in tableware products (opal and glass) in India. The company's production facilities are at Madhupur, Jharkhand, and Sitarganj, Uttarakhand, having a total installed capacity of 32,000 metric tonne per annum (MTPA) for the opal-ware and glassware segments. The company sells its opal ware products under two brands, including La Opala (economy segment) and Diva (Premium segment) and glassware products under Solitaire brand (premium segment).

Brief Financials (₹ crore)	FY24 (A)	FY25 (A)	H1FY26 (UA)
Total operating income	365.13	331.86	156.17
PBILDT*	136.01	108.29	59.31
Profit after tax (PAT)	127.72	96.59	52.13
Overall gearing (x)	0.01	0.01	0.01
Interest coverage (x)	21.01	20.56	23.92

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	5.00	CARE AA; Stable
Fund-based - LT/ ST-CC/PC/Bill Discounting		-	-	-	5.00	CARE AA; Stable / CARE A1+
Non-fund-based - ST-BG/LC		-	-	-	3.00	CARE A1+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Non-fund-based - ST-BG/LC	ST	3.00	CARE A1+	-	1) CARE A1+ (27-Dec-24)	1) CARE A1+ (04-Jan-24)	1) CARE A1+ (04-Jan-23)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE AA; Stable	-	1) CARE AA; Stable (27-Dec-24)	1) CARE AA; Stable (04-Jan-24)	1) CARE AA; Stable (04-Jan-23)
3	Fund-based - LT/ ST-CC/PC/Bill Discounting	LT/ST	5.00	CARE AA; Stable / CARE A1+	-	1) CARE AA; Stable / CARE A1+ (27-Dec-24)	1) CARE AA; Stable / CARE A1+ (04-Jan-24)	1) CARE AA; Stable / CARE A1+ (04-Jan-23)

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated facilities - Not applicable
Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT/ ST-CC/PC/Bill Discounting	Simple
3	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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