

Press Release

Opera Clothing Private Limited

January 22, 2020

Rating Downgraded & Withdrawn



Total Bank Facilities Rated*	Rs. 23.50 Cr.
Long Term Rating	ACUITE B/ Stable (Downgraded from ACUITE B+/ Stable & Withdrawn)
Short Term Rating	ACUITE A4 (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has downgraded and withdrawn the long term rating to '**ACUITE B**' (read as **ACUITE B**) from '**ACUITE B+**' (read as **ACUITE B plus**) and withdrawn the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) to the Rs. 23.50 crore bank facilities of Opera Clothing Private Limited (OCPL). The rating withdrawal is in accordance with the Acuité's policy on withdrawal of rating.

The rating is being withdrawn on account of request received from the company. The rating downgrade is on account of information risk.

Opera Clothing Private Limited (OCPL) was established as a partnership firm in 1993 and later converted to private limited in 2008 by Mr. Anil Jain, Mr. Chandrakumar Jain and Mr. Chetankumar Jain (Directors). The company has three manufacturing units situated at Vapi, Daman and Umargaon (Gujarat) with an installed capacity to manufacture 10,000 garments per day. OCPL is engaged in manufacturing of woven and knitted garments such as shirts and t-shirts for men and women. OCPL exports garments to US and Russia which is 80 percent of the revenue mix and remaining in the domestic market to Future group, Trends, Killer and Radisson to name a few.

Analytical approach

Acuité has considered the standalone financial and business risk profiles of the company to arrive at this rating.

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

About the Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	63.24	80.31
PAT	Rs. Cr.	1.11	0.80
PAT Margin	(%)	1.76	0.99
Total Debt/Tangible Net Worth	Times	7.40	10.90
PBDIT/Interest	Times	2.05	1.99

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

CRISIL, vide its press release dated March 14, 2019 had denoted the rating of Opera Clothing Private

Limited as 'CRISIL BB-/A4+; ISSUER NOT COOPERATING'

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
22-Jan-2019	Cash Credit	Long Term	0.50	ACUITE B+/Stable (Assigned)
	PC/PCFC	Short Term	9.50	ACUITE A4 (Assigned)
	FBN/FBP/FBD/PSF C/FBE	Short Term	10.00	ACUITE A4 (Assigned)
	Proposed Long Term Bank	Long Term	0.50	ACUITE B+/Stable (Assigned)
	Letter of Credit	Short Term	3.00	ACUITE A4 (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE B/ Stable (Downgraded from ACUITE B+/ Stable & Withdrawn)
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	9.50	ACUITE A4 (Withdrawn)
FBN/FBP/FBD/PSF C/FBE	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 (Withdrawn)
Proposed Long Term Bank	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE B/ Stable (Downgraded from ACUITE B+/ Stable & Withdrawn)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4 (Withdrawn)

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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