



SMERA RATINGS LIMITED

Rollwell Forge Private Limited (Rollwell)

*Rating
Rationale*

January 08, 2016

Facilities	Amount (Rs. Crore)	Rating
FDBN/ FDBP/ FDBD/ RACB (Post Shipment Credit)	5.00*	SMERA D (Reaffirmed)
PCL/ PCFC (Pre-shipment Credit)	5.00	SMERA D (Reaffirmed)
Import/ Inland Letter of Credit cum BG	2.50^	SMERA D (Reaffirmed)
Proposed Facility	2.50	SMERA D (Reaffirmed)

**Includes sublimit of FDBD to the extent of Rs.2.00 crore, FDBP to the extent of Rs.5.00 crore, Direct Parcel Bill of Rs.1.00 crore and RACB of Rs.1.00 crore.*

^Interchangeability of BG limit to the full extent by earmarking the Import/Inland Letter of Credit is permitted.

SMERA has reaffirmed rating of '**SMERA D' (read as SMERA D)** to the Rs.15.00 crore bank facilities of Rollwell Forge Private Limited (Rollwell). The rating continues to reflect devolvment of non-fund based facility availed by the company. The rating also reflects the company's small operating scale, working capital-intensive operations and below-average financial profile.

About the Company

Rollwell, incorporated in 1991, is a Rajkot-based company headed by Mr. Babulal Mehta. The company is engaged in the manufacture and export of forgings and forged flanges and derives around 82 per cent of its total revenues from exports. Mr. Babulal Mehta, Director, has around two decades of experience in the company's line of business.

For FY2014-15, Rollwell reported, net losses of Rs.0.21 crore on operating income of Rs.44.66 crore as compared with net loss of Rs.0.20 crore on operating income of Rs.37.24 crore in FY2013-14.

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