

Press Release

Rajasthan Mechanical Works Limited (RMWL)

January 11, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 7.40 Cr. #
Long Term Rating	SMERA B+ Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; based on best available information.

SMERA has reviewed long-term rating of 'SMERA B+' (read as **SMERA B plus**) and short term rating of 'SMERA A4' (read as **SMERA A four**) on the above bank facilities of Rajasthan Mechanical Works Limited (RMWL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit required documents before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity

RMWL established in 1995, is a Jaipur-based company promoted by Mr. Surendra Gupta. The company is engaged in the manufacturing of agricultural implements such as spring loader tiller, heavy duty spring loader, disc plough and Rotavato.

For FY2014-15, the company reported profit after tax (PAT) of Rs.0.14 crore on operating income of Rs.11.89 crore, as compared with PAT of Rs.0.17 crore on operating income of Rs.11.76 crore in FY2013-14. The company achieved operating income of Rs.11.30 crore in FY2015-16 (provisional). The net worth stood at Rs.2.50 crore as on March 31, 2015 against Rs.2.76 crore a year earlier.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
August 27, 2016	Cash Credit	Long Term	4.60	SMERA B+/ Stable (Downgraded)
	Term Loan	Long Term	0.80	SMERA B+/ Stable (Downgraded)
	Bank Guarantee	Short Term	2.00	SMERA A4 (Downgraded)
June 18, 2015	Cash Credit	Long Term	4.60	SMERA BB/ Stable (Assigned)
	Term Loan	Long Term	0.80	SMERA BB/ Stable (Assigned)
	Bank Guarantee	Short Term	2.00	SMERA A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.60	SMERA B+ Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.80	SMERA B+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	SMERA A4 Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

Analytical	Rating Desk
Vinayak Nayak Head – Ratings Operations Tel: 022-67141190 vinayak.nayak@smera.in Pawan Punmaji Analyst - Rating Operations Tel: 022-67141111 pawan.punmaji@smera.in	Varsha Bist Sr. Executive Tel: 022-67141160 varsha.bist@smera.in

ABOUT SMERA

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