

February 24, 2015

Facilities	Amount (Rs. Crore)	Ratings
Cash Credit	4.50*	SMERA BB+/ Stable (extension of rating watch with developing implications)
Term Loan I	6.40	SMERA BB+/ Stable (extension of rating watch with developing implications)
Term Loan II	0.81	SMERA BB+/ Stable (extension of rating watch with developing implications)
Special Line of Credit	0.50	SMERA A4+ (extension of rating watch with developing implications)
Foreign Letter of Credit	2.00#	SMERA A4+ (extension of rating watch with developing implications)
Cash Credit (proposed)	1.00	SMERA BB+/ Stable (extension of rating watch with developing implications)
Term Loan (proposed)	0.50	SMERA BB+/ Stable (extension of rating watch with developing implications)
Foreign Letter of Credit (proposed)	1.50	SMERA A4+ (extension of rating watch with developing implications)

*Includes Packing Credit as a sublimit to the extent of Rs.0.50 crore

#Includes Domestic Letter of Credit as a sublimit to the extent of Rs.0.30 crore

SMERA is extending the '**Rating Watch with Developing Implications**' placed on the long-term rating of '**SMERA BB+**' (**read as SMERA double B plus**) and short-term rating of '**SMERA A4+**' (**read as SMERA A four plus**) outstanding on the Rs.17.21 crore bank facilities of Raman FibreScience Private Limited (RFPL).

SMERA is extending the rating watch as it has not yet received any clarity on the implications of 80 per cent stake sale to US-based Hollingsworth & Vose Company (H&V). SMERA is undertaking discussion with RFPL's management to understand the implications of the stake sale on the business and financial risk profile of the company. SMERA will remove RFPL's ratings from watch and take a final rating action once there is more clarity on the issue.

SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.

About RFPL

RFPL, incorporated in 2007, is a Mysore-based company promoted and managed by Mr. Aroon Raman. RFPL is engaged in manufacturing of composite battery separators and filter media. The company also provides contract research services for innovations in wet laid composite materials.

About H&V

H&V, established in 1843, is a privately-held company based in Massachusetts, USA. H&V is engaged in manufacturing of advanced materials used in filtration, battery and industrial applications. The company's expertise and process capabilities include wet-laid, dry-laid, melt blown and composite technologies.

H&V operates in five countries. The company markets its products across 80 countries.

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