

Name of the Company



ROLEX

ROLLED RINGS

KEY IPO Highlights

Subscription Period:
28th Jul, 2021 to 30th Jul, 2021

Issue Size: 8.12 Mn Shares
(Aggregating up to INR 731 Cr)
(OFS- 675 Cr)

Price Band: INR 880 to 900

Lot Size: 16 Shares

Listing Date:
9th August, 2021

About the Company:

- Incorporated in 2003, Currently among the top five forging companies in India.
- Manufactures hot rolled forged & machine bearing rings and automotive components that are used across segments i.e. passenger vehicles, 2-wheelers, commercial vehicles, electric vehicles, off-highway vehicles, industrial machinery, wind turbines, railways, etc.
- A wide range of product offerings such as automotive parts, hot forged and machined alloy steel bearing rings weighing from 0.01 Kg to 163+ kg meets caters to different industries i.e. automotive, industrial infrastructure, railways, renewable energy, etc.
- In fiscal 2020, it has exported bearing rings and automotive components to 17 different countries i.e. France, Italy, Germany, Thailand, Czech Republic, USA, and others.
- Currently, the firm has 3 manufacturing plants in Rajkot with 22 forging lines with an aggregated installed capacity of 1,44,750 MTPA.

Objects of the Issue:

- Funding long-term working capital requirements.
- General corporate purposes.

Financial Overview (INR Million)

P/E MULTIPLE

Particulars	Mar-21	Mar-20	Mar-19		
				Rolex Rings	25
Total Assets	7,969	6,862	7,823	MM forgings	35
Total Revenue	6,198	6,753	9,113	Ramkrishna Forgings	35
Profit After Tax	870	529	590	Sector P/E	133

Recommendation from major brokerage houses

Kreo Capital Opinion

SUBSCRIBE

Neutral



Looking at the performance of company, the growth seems to be missing as **revenue from operation**, but the company has generated better **ROE's** on account of better **assets turnover**.

The company is expected be a debt-free in the near term and will pose for bright prospects ahead once normalcy is restored. Also the P/E multiple is less as compared to its peers. Thus we propose to have **long term subscription view** on the IPO.

Highlights:

- Among the leading forging companies in India.
- Strong manufacturing capabilities.
- Comprehensive product portfolio.
- Geographically diversified revenue base.

Disclaimer: The recommendations stated above are given by individual advisors (including Kreo Capital). Investors are advised to consult their financial advisor and do their own due diligence before subscription.