



SMERA RATINGS LIMITED

Titanium Tantalum Products Limited (TTPL)*Rating
Rationale***September 15, 2014**

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	19.00	SMERA D (Reaffirmed)
Packing Credit	11.00	SMERA D (Reaffirmed)
Export Project Cash Flow Deficit Finance	36.15	SMERA D (Reaffirmed)
Letter of Credit	20.00	SMERA D (Reaffirmed)
Bank Guarantee	20.00	SMERA D (Reaffirmed)

SMERA has reaffirmed a rating of '**SMERA D**' to Titanium Tantalum Products Limited's (TTPL) Rs.106.15 crore bank facilities. The rating continues to reflect delay in debt servicing resulting from the company's weak liquidity position. The rating also continues to reflect TTPL's small scale of operations, high working capital intensive operations, intensely competitive industry and a weak financial risk profile.

The aforementioned weaknesses are partially offset by the company's long track record of operations, promoter's long standing experience and technical competence in the business.

About the Company

TTPL was incorporated in 1981 by Dr. R. Thangappan. The company designs, manufactures and supplies various chemical equipments (reactors, pressure vessels, heat exchangers, pumps & blowers, anodes, valves, pipes & pipe fittings, electrolyzers, electro chlorination systems, process plants and components) made of ferrous, nickel, nickel based alloys, noble metals (including titanium, tantalum, molybdenum, niobium & zirconium) and their alloys. The company's R&D facility is approved by the GOI.

For FY2011-12, TTPL reported profit after tax of Rs.0.76 crore on operating income of Rs.47.07 crore, as compared with profit after tax of Rs.1.05 crore on operating income of Rs.73.54 crore for FY2010-11.

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