



SMERA RATINGS LIMITED

Titanium Tantalum Products Limited (TTPL)

*Rating
Rationale*

February 13, 2016

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

*Export Project Cash flow Deficit Finance

SMERA has revoked the suspension of rating on the Rs 106.15 crore bank facilities Titanium Tantalum Products Limited (TTPL) and assigned rating of **'SMERA D' (read as SMERA D)**.

SMERA had on December 10, 2015 suspended the rating for lack of necessary information from TTPL. The company has now shared the requisite information, enabling SMERA to assign a rating to the bank facilities.

The rating reflects delays in servicing debt obligations on account of a weak liquidity position. The rating also reflects TTPL's small scale of operations, high working capital intensive operations, intensely competitive industry and a weak financial risk profile, marked by a negative net worth and weak debt protection metrics.

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

Titanium Tantalum Products Limited (TTPL) was established in 1981 by Dr. R. Thangappan. The company designs, manufacture, and supply 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 and noble metals (including titanium, tantalum, molybdenum, niobium & zirconium) and their alloys.

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TTPL reported net loss of Rs.27.96 crore on operating income of Rs.10.66 crore for FY2014–15, as compared with net loss of Rs.25.67 crore on operating income of Rs.20.11 crore in FY2013–14.

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