

Press Release

10 October, 2017



Titanium Tantalum Products Limited (TTPL)

Rating Reaffirmed

Total Bank Facilities Rated *	Rs. 106.15 Cr
Long Term Rating	SMERA D (Reaffirmed)
Short Term Rating	SMERA D (Reaffirmed)

Refer Annexure for details

Rating Rationale

SMERA has reaffirmed the long-term rating of '**SMERA D**' (read as SMERA D) and short term rating of '**SMERA D**' (read as SMERA D) on the Rs. 106.15 crore bank facility of Titanium Tantalum Products Limited (TTPL).

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

Key Rating Drivers

Strengths

Experienced management:

The promoters, Dr. R. Thangappan, Mr. Jeyananth Thangappan and Mr. Jayamohan Thangappan have around two decades of experience in the said line of business.

Weaknesses

Delays in debt servicing

Delays were observed in the last three months with regard to repayment of debt due to a stretched liquidity position.

Analytical approach

SMERA has considered the standalone business and financial risk profiles of TTPL to arrive at the rating.

About the rated entity - Key financials

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.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing entities - <https://www.smera.in/criteria-manufacturing.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>

Note on complexity levels of the rated instrument

<https://www.smera.in/criteria-complexity-levels.htm>

Rating history (last three years)

Date	Name of Instrument/Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
13-Feb-2016	Cash Credit	Long Term	19.00	SMERA D (Suspension Revoked; Rating Assigned)
	Packing Credit	Short Term	11.00	SMERA D (Suspension Revoked; Rating Assigned)
	Export Project Cash Flow Deficit Finance	Long Term	36.15 [^]	SMERA D (Suspension Revoked; Rating Assigned)
	Letter of Credit	Short Term	20.00	SMERA D (Suspension Revoked; Rating Assigned)
	Bank Guarantee	Short Term	20.00	SMERA D (Suspension Revoked; Rating Assigned)
10-Dec-15	Cash Credit	Long Term	19.00	SMERA D (Suspended)
	Packing Credit	Short Term	11.00	SMERA D (Suspended)
	Export Project Cash Flow Deficit Finance	Long Term	36.15 [^]	SMERA D (Suspended)
	Letter of Credit	Short Term	20.00	SMERA D (Suspended)
	Bank Guarantee	Short Term	20.00	SMERA D (Suspended)
15-Sept-14	Cash Credit	Long Term	19.00	SMERA D (Reaffirmed)
	Packing Credit	Short Term	11.00	SMERA D (Reaffirmed)
	Export Project Cash Flow	Long Term	36.15 [^]	SMERA D

Deficit Finance				(Reaffirmed)
Letter of Credit	Short Term	20.00	SMERA D (Reaffirmed)	
Bank Guarantee	Short Term	20.00	SMERA D (Reaffirmed)	

[^]Export Project Cash flow Deficit Finance

*Annexure - Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	19.00	SMERA D (Reaffirmed)
Packing Credit	Not Applicable	Not Applicable	Not Applicable	11.00	SMERA D (Reaffirmed)
Export Project Cash Flow Deficit Finance	Not Applicable	Not Applicable	Not Applicable	36.15 [^]	SMERA D (Reaffirmed)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	20.00	SMERA D (Reaffirmed)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	20.00	SMERA D (Reaffirmed)

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ABOUT SMERA

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