



SMERA RATINGS LIMITED

Tarapur Transformers Limited (TTL)**Rating
Rationale****November 27, 2013**

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	12.00	SMERA D (Assigned)
Letter of Credit/Bank Guarantee	18.00	SMERA D (Assigned)

SMERA has assigned a rating of '**SMERA D**' to the above-mentioned bank facilities of Tarapur Transformers Limited (TTL). The rating reflects delays observed in the company's bank statements, and frequent overdrawals (exceeding 30 days) in the cash credit account despite utilisation of adhoc limits. The rating also factors in the recent devolvment of a letter of credit issued on behalf of the company.

About the company

TTL, incorporated in 1988, is engaged in the business of manufacturing, repairing, refurbishing and upgrading power transformers. The company has two manufacturing units in Boisar, Wada (near Mumbai) and Vadodara (Gujarat) with installed manufacturing capacity of 1839.40 MVA and repairing capacity of 1,800 MVA.

For FY2012-13 (refers to financial year, April 01 to March 31), TTL registered net loss of Rs.2.99 crore on net sales of Rs.54.36 crore as compared with net loss of Rs.7.78 crore on net sales of Rs.31.54 crore in the previous financial year. TTL's net worth stood at Rs.67.26 crore as on March 31, 2013.

Contact List:

Media/ Business Development	Analytical Contacts	Rating Desk
Sanjay Kher Head, Sales, Corporate Ratings Tel : +91 22 6714 1193 Cell : +91 98191 36541 Email : sanjay.kher@smera.in Web: www.smera.in	Umesh Nihalani Head, Corporate Ratings Tel: +91-22-6714 1106 Email: umesh.nihalani@smera.in	Tel: +91-22-6714 1170 Email: ratingdesk@smera.in

Disclaimer: A 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.