

March 27, 2014

**CARE ASSIGNS 'CARE BBB' AND 'CARE A3' RATINGS TO THE BANK FACILITIES OF TAYLOR RUBBER PRIVATE LIMITED**

**Ratings**

Facilities	Amount (Rs. crore)	Ratings <sup>1</sup>	Remarks
Long-term Bank Facilities	4.56	CARE BBB (Triple B)	Assigned
Short-term Bank Facilities	2.85	CARE A3 (A Three)	Assigned
<b>Total Facilities</b>	<b>7.41</b>		

**Rating Rationale**

The ratings assigned to the bank facilities of Taylor Rubber Private Limited (TRPL) derive strength from the vast experience of the promoters, being part of the TTK family which is a renowned business group in South India, the long operational track record of the company, critical application of its product range in end-user industries, TRPL being a supplier of critical rubber gaskets to TTK Prestige Limited and the consistent growth in sales to TTK Prestige. The ratings further derive strength from the company's established relationship with the suppliers and other customers, healthy growth in its income and profitability as well as its comfortable capital structure and healthy debt coverage indicators.

The rating is, however, constrained by the small scale of operations and the susceptibility of the profitability to the volatile raw material prices.

Going forward, the ability of the company to improve and sustain its profitability, grow its scale of operations and maintain a comfortable capital structure would be the key rating sensitivities.

**Background**

Taylor Rubber Private Limited (TRPL), incorporated in 1998, is mainly engaged in the manufacture and export of rubber gaskets and custom made rubber moulded parts which have application in kitchenware, automotive and various other end user segments. The promoters of TRPL are Mr TT Ashok, his wife Ms Ranjitha Ashok and his mother Ms Malathy Rangaswamy, who are part of Mr TT Krishnamachari's family, which runs the reputed TTK group. Mr TT Ashok is related to Mr TT Jagannathan, executive chairman of TTK Prestige Limited. TRPL is an associate of the TTK group. The TTK group has varied business interests in manufacturing and marketing consumer durables and pharmaceuticals among others.

TRPL was established in April 1980 as a partnership firm to manufacture domestic pressure cooker gaskets. Initially, the products were supplied to TTK Prestige Limited. In 1996, TRPL started producing automotive moulded rubber parts, rubber to metal bonded parts, etc. TRPL's products find critical application in home appliance, automobile, industrial, electrical, electronic, oil & gas exploration and energy industries. Presently, TRPL exports its products to Europe, USA, UK and the Far East countries. Exports account for 40% of the total revenues in FY13 (refers to the period April 1 to March 31).

TRPL has three manufacturing units in and around Thirumudivakkam, Chennai. Almost the entire gasket requirement of TTK Prestige Limited is met by TRPL, given the criticality of the component. The company is ISO/TS 16949:2009 and ISO 9001:2000 certified.

<sup>1</sup> Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

Rubber gaskets contribute to around 53% of the total revenues and the remaining revenue is contributed by non-cookware business in FY13. A small proportion of the total revenue is from the supply of metal and plastic components as per the customer requirements.

Apart from TTK Prestige Limited, the company's clients include Panasonic Home Appliances India Company Limited, Parker Hanifin India Private Limited, Visteon Automotive (India) Private Limited, etc.

**Analyst Contact**

Name: T.A.Seethalakshmi

Tel: 044-28490811

Mobile:9176661581

Email: [ta.seethalakshmi@careratings.com](mailto:ta.seethalakshmi@careratings.com)

*CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.*

**Disclaimer**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CARE is headquartered in Mumbai, with Offices all over India. The office addresses and contact numbers are given below:

**HEAD OFFICE: MUMBAI**

**Mr. D.R. Dogra**

Managing Director

Mobile : +91-98204 16002

E-mail : dr.dogra@careratings.com

**Mr. Rajesh Mokashi**

Dy. Managing Director

Mobile +91-98204 16001

E-mail: rajesh.mokashi@careratings.com

**Ms. Meenal Sikchi**

Vice President –Bank Loan &

Instrument Rating

Mobile: +91-9819009839

mail: meenal.sikchi@careratings.com

**Mr. Ankur Sachdeva**

Vice President – Banks & Financial  
Services

Mobile: +91-9819698985

E-mail: ankur.sachdeva@careratings.com

**CREDIT ANALYSIS & RESEARCH LTD**

**HEAD OFFICE** 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 | Tel: +91-022- 6754 3456 | E-mail: care@careratings.com | Fax: +91-022- 6754 3457.

**KOLKATA** | **Ms. Priti Agarwal** | Cell: +91-98319 67110 | Tel: +91-33- 4018 1600/ 1602 |

E- mail: priti.agarwal@careratings.com | 3rd Flr., Prasad Chambers (Shagun Mall Bldg), 10A, Shakespeare Sarani, Kolkata -700 071

**CHENNAI** | **Mr. V Pradeep Kumar** | Cell: +91 9840754521 | Tel: +91-44-2849 7812/2849 0811 | Fax: +91-44-2849 0876 | Email: pradeep.kumar@careratings.com | Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai - 600 002

**AHMEDABAD** | **Mr. Mehul Pandya** | Cell: +91-98242 56265 | Tel: +91-79-40265656 | Fax: +91-79-40265657 | E-mail:mehul.pandya@careratings.com | 32, Titanium, Prahaladnagar Corporate Road, Satellite, Ahmedabad - 380 015.

**NEW DELHI** | **Ms. Swati Agrawal** | Cell: +91-98117 45677 | Tel: +91- 11- 2331 8701/ 2371 6199 | E-mail: swati.agrawal@careratings.com | 3<sup>rd</sup> Floor, B -47, Inner Circle, Near Plaza Cinema, Connaught Place, New Delhi - 110 001.

**BENGALURU** | **Mr. Dinesh Sharma** | Cell: +91 9900041975 | Tel: +91-80-41150445 | 41654529 E-mail: dinesh.sharma@careratings.com | Unit No. 1101-1102, 11th Floor, Prestige Meridian II, No. 30, M.G. Road, Bengaluru- 560 001.

**HYDERABAD** | **Mr. Saikat Roy** | | Tel: +91-40-40102030 |

E-mail: saikat.roy@careratings.com | 401, Ashoka Scintilla | 3-6-520, Himayat Nagar | Hyderabad - 500 029.

**PUNE** | **Mr. Rahul Patni** | Cell: +91-78754 33355 | Tel: +91-20- 4000 9000 |

E-mail: rahul.patni@careratings.com | 9th Floor, Pride Kumar Senate, Plot No. 970, Bhamburda, Senapati Bapat Road, Shivaji Nagar, Pune - 411 015.

**JAIPUR** | **Mr. Rahul Jain** | Cell: +91-9314921496 | Tel: +91-0141-4020213/14 |

E-mail: [rahul.jain@careratings.com](mailto:rahul.jain@careratings.com) | 304, Pashupati Akshat Height, s Plot No. D-91, Madho Singh Road, Near Collectorate Circle, Bani Park , Jaipur – 302016.