

Thirumalai Chemicals Limited

June 06, 2017

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Short-term Bank Facilities	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE had placed the outstanding ratings assigned to the bank facilities of Thirumalai Chemicals Limited on 'Notice of Withdrawal' for a period of ninety days. Upon expiry of the said notice period, the ratings of 'CARE BBB; Stable/CARE A3+' [Triple B; Outlook: Stable/ A Three Plus] assigned to the aforesaid bank facilities stand withdrawn with immediate effect.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Incorporated in 1976, Thirumalai Chemicals Ltd. (TCL) is engaged in the manufacturing of industrial chemicals viz. Phthalic Anhydride (PAN), Phthalate Esters (PE; diethyl phthalate and phthalimide) and food acids (maleic acid, fumaric acid and malic acid) which find applications in plastics, paints & resins industry and as additives for the food industry. TCL has a plant in Ranipet, Tamil Nadu with manufacturing capacity for PAN of 140,000 metric tonnes per annum (mtpa), food acids of 17,000 mtpa and PE of 7,800 mtpa. Additionally, the company also manufactures Maleic Anhydride (MAN; 30,000 mtpa) at its Malaysia based wholly owned step-down subsidiary - Optimistic Organic SDN BHD (OOSB).

During FY17 (refer to period April 01 to March 31), on a standalone basis, TCL achieved total operating income of Rs.869.24 crore and PAT of Rs.75.47 crore as compared to total operating income of Rs.792.11 crore and PAT of Rs.42.73 crore during FY15. On consolidated basis, TCL reported total income of Rs.1,036.90 crore (Rs.949.36 crore in FY16) and PAT of Rs.70.54 crore (Rs.32.15 crore in FY16).

Status of non-cooperation with previous CRA: None

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

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In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	Withdrawn
Non-fund-based - ST-Letter of credit	-	-	-	-	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Fund-based - LT-Cash Credit	LT	-	Withdrawn	-	1)CARE BBB (28-Feb-17)	1)CARE BBB (27-Oct-15)	1)CARE BBB- (20-Nov-14)
2.	Non-fund-based - ST-Letter of credit	ST	-	Withdrawn	-	1)CARE A3+ (28-Feb-17)	1)CARE A3+ (27-Oct-15)	1)CARE A3 (20-Nov-14)
3.	Term Loan-Long Term	LT	-	-	-	1)Withdrawn (28-Feb-17)	1)CARE BBB (27-Oct-15)	1)CARE BBB- (20-Nov-14)
4.	Fund-based - ST-Term loan	ST	-	-	-	-	1)Withdrawn (30-Sep-15)	1)CARE A3 (20-Nov-14)

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