

# TI ANODE FABRICATORS PRIVATE LIMITED

D&B DUNS® NUMBER – 91-853-8856

#48, Noothanchary, Madambakkam, Chennai - 600 126, Tamil Nadu, India



**Scope of the Report**

- History and legal background
- Management background
- Financial statements

**Information Sources**

Information given in this report is compiled on the basis of information obtained from the following sources:

- Annual reports
- Company website
- Media articles

**Methodology**

Financial information from the audited annual reports of the Company was studied and analyzed for a three-year period from FY (Financial Year) 2017 to 2019. Also, additional clarifications were sought from the management and information was also collated from public sources.

On 27<sup>th</sup> October 2020, Mr. Vellappan Jeyakumar - Managing Director, provided the relevant information in the report.

Date: 28<sup>th</sup> October 2020

## TABLE OF CONTENTS

<b>COMPANY &amp; BUSINESS OVERVIEW</b> .....	<b>5</b>
COMPANY OVERVIEW .....	6
<b>MANAGEMENT OVERVIEW</b> .....	<b>8</b>
MANAGEMENT PROFILE.....	9
SHAREHOLDING PATTERN .....	10
<b>FINANCIAL PERFORMANCE &amp; TRENDS</b> .....	<b>11</b>
FINANCIAL STATEMENTS .....	12
AUDITOR’S OBSERVATIONS .....	15
<b>D&amp;B RATING &amp; KEY OBSERVATIONS</b> .....	<b>18</b>
RATING KEY .....	19
KEY RATING OBSERVATIONS.....	20
<b>ANNEXURES</b> .....	<b>22</b>
CUSTOMERS & VENDORS .....	23
AWARDS & CERTIFICATIONS.....	25
BANK DETAILS .....	26
LOCATION & GROUP DETAILS.....	27
OTHER INFORMATION.....	28
<b>GLOSSARY OF KEY RATIOS &amp; COMPUTATION</b> .....	<b>29</b>

# BUSINESS - AT GLANCE (FY 2019)



**LOB:**

Engaged in manufacturing and designing of electro chlorinators equipments

**Total Revenue**  
**INR 203,315 thousand**



**Tangible Networth**  
**INR 53,786 thousand**

**Chief Executive**  
**Mr. Vellappan Jeyakumar**  
**Managing Director**



# COMPANY & BUSINESS OVERVIEW



## COMPANY OVERVIEW

---

TI Anode Fabricators Private Limited was established in 1992. Later, on 2<sup>nd</sup> December 2003, the Company was converted to a private limited company under its present name.

The Company is engaged in manufacturing and designing of electro chlorinators equipments such as eletrolyzers, electrocoagulation anodes, electro dialysis, titanium, tantalum, platinized anodes and other products.

The product portfolio of the Company includes:

- Electrochemical Equipments
  - ✓ Sea Water, Salt brine electrolyzers for EC
  - ✓ Electrochlorinators
  - ✓ Ti Cells for generation of Oxy-Hydrogen
  - ✓ Sewage Treatment Plants
  - ✓ Scalcium Remover
  - ✓ Electrolyzer Refurbishment
  - ✓ Off-shore Chlorinators
  - ✓ On-board Chlorinators
  - ✓ Swimming Pool Chlorinators
  - ✓ Anodes for Cathodic Protection
  - ✓ Mixed Metal Oxide (MMO) anodes
  - ✓ Anodes for Fuel Cells
  - ✓ Platinized Titanium Anodes
  - ✓ Platinized niobium anodes
  - ✓ Membrane Cell Anode and Cathode Coating
  - ✓ Titanium anodes for metal finishings
  - ✓ Electrodes for cathode Removal
  - ✓ Anodes for Metal Recovery
  
- Engineering Equipments
  - ✓ Sample coolers
  - ✓ Titanium Marine Chiller Coils
  - ✓ Steel Processing
  - ✓ Centrifugal Pumps, impellers
  - ✓ Ti, Zr, Ni, Nb, Ta Shell Tube Heat Exchangers
  - ✓ Caustic Fusion Elements
  - ✓ Aqua Heaters
  
- Metal Finishing Equipments
  - ✓ Platinized Titanium and Niobium Anodes
  - ✓ Titanium Anode Baskets
  - ✓ Electric Heaters
  - ✓ Heat Exchanger Coils
  - ✓ Titanium Jigs and Fixtures
  - ✓ Zirconium Heat Exchanger Coils

- Aerospace Equipments
  - ✓ Titanium Fasteners
- Tantalum
  - ✓ Tantalum, Niobium Equipments
  - ✓ Thermowells(sleeves)
  - ✓ Tantalum repair kit
  - ✓ Tantalum Washers, Bolt and Nuts
  - ✓ Tantalum Bayonet Heaters
  - ✓ Tantalum Boats
- Recoating/Refurbishment
- In-situ welding
- Turn-key projects

The Company caters to various industries such as agriculture chemicals, mining, specialty chemicals, electrochemical, steel, pharmaceutical industry and fertilizers amongst others.

The Company caters to both the domestic and the international markets. In FY 2019, it derived ~45% of its revenue from the domestic market and remaining ~55% from the international market. It has presence in more than 60 countries such as United States of America, Singapore, Taiwan, United Arab Emirates, Italy and People Republic of China amongst others.

The Company's head office and manufacturing unit is located in Chennai, Tamil Nadu.

*Source: MCA, Annual report 2019 and Company website*

# MANAGEMENT OVERVIEW





## MANAGEMENT PROFILE

### Mr. Vellappan Jeyakumar – Managing Director

Mr. Vellappan Jeyakumar is the Managing Director of the Company. He holds Bachelor of Education and Master Business Administration degree. He has experience of around three decades and has pivotal role in the growth of the organization. Further, he holds directorship in other company, KJB Titanium Private Limited.

### BOARD OF DIRECTORS

Director Identification Number (DIN)	Name of Directors	Designation
01702227	Vellappan Jeyakumar	Managing Director
00071421	Vanajambika Jeyakumar	Director & Head - Marketing
00071479	Paramarthalingam Esther Nancy	Director & Head Administration

### KEY MANAGERIAL PERSONNEL

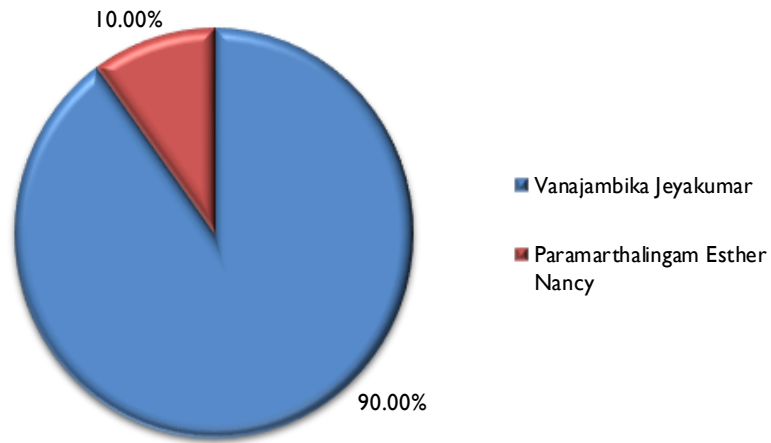
Name of Executives	Current Title
Vanakambika. J	Head - Human Resource Development & Administration
Sounder Suresh. C	Head - Purchase/ Materials
Nagarajan. R	Head - Chemist
Babu. C	Head - Finance
Balaabishekh. M. A	Head - Legal and Compliance
Suresh Basker. P	Head - Information Technology
Abilash.C	Head - Information Technology
Jeevanatham. G	Head - Manufacturing/ Work

*Source: Ministry of Corporate Affairs (MCA) and as provided by the management*

# SHAREHOLDING PATTERN

---

Shareholding Pattern - 25<sup>th</sup> October 2020



Total number of Shareholders : 2

*Source: As provided by the management*

# FINANCIAL PERFORMANCE & TRENDS



## FINANCIAL STATEMENTS

## FISCAL BALANCE SHEET AS OF 31-Mar-2019 (INR in thousand)

Cash and Bank	2,264	Accounts Payable	42,759
Inventory	58,693	Loans Hire Purchase	3,872
Accounts Receivable	88,121	Bank Loans	61,578
Loans and Advances	22,890	Due to Customers	11,177
Other Current Assets	6,822	Other Payables / Accruals	38,459
Margin Money	422	Due to Directors / Shareholders	3,557
<b>TOTAL CURRENT ASSETS</b>	<b>179,212</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>161,402</b>
Land and Buildings	41,599	Loans Secured	35,189
Plant and Equipment	6,318	Loans Unsecured	1,715
Transportation Vehicles	2,508		
Furniture, Fixtures and Fitting	516		
Office Equipment	418		
Computers	258		
<b>TOTAL FIXED ASSETS</b>	<b>51,617</b>	<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>36,904</b>
Long-Term Deposit	1,533	Capital	4,500
Development Properties	9,600	Retained Earnings	49,477
Other Assets	4,833		
Deferred Tax Asset	5,297		
<b>TOTAL OTHER ASSETS</b>	<b>21,263</b>		
Software	191		
<b>TOTAL INTANGIBLES</b>	<b>191</b>	<b>TOTAL EQUITY</b>	<b>53,977</b>
<b>TOTAL ASSETS</b>	<b>252,283</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>252,283</b>

<b>PROFIT AND LOSS ACCOUNT (Figures in INR thousand)</b>			
<b>For the year ended</b>	<b>31-Mar-17</b>	<b>31-Mar-18</b>	<b>31-Mar-19</b>
<b>Number of months</b>	<b>12</b>	<b>12</b>	<b>12</b>
	<b>Fiscal</b>	<b>Fiscal</b>	<b>Fiscal</b>
Revenues	204,493	103,083	203,315
Less: Cost of Revenues	(151,974)	(82,937)	(130,109)
<b>Gross Profit</b>	<b>52,519</b>	<b>20,146</b>	<b>73,206</b>
Other Operating Income (Labour Charges)	1,612	75	-
General Operating Expenses	(42,708)	(35,191)	(48,760)
Depreciation	(7,077)	(5,344)	(4,444)
<b>Net Operating Profit (Loss) after Depreciation and before Interest</b>	<b>4,346</b>	<b>(20,314)</b>	<b>20,002</b>
Non-Operating Income	26,117	6,584	7,367
- Dividend Income	348	-	-
- Lease Rent and Hire Charges	48	1,300	1,200
- Interest Income	122	57	96
- Liabilities and Provisions Written Back	3,360	155	-
- Profit on Sale of Fixed Assets	20,459	4,737	-
- Profit on Foreign Exchange Transactions	1,780	327	-
- Miscellaneous Income	-	8	6,071
Total Finance Expenses	(11,398)	(10,753)	(11,170)
<b>Net Profit (Loss) before Tax</b>	<b>19,065</b>	<b>(24,483)</b>	<b>16,199</b>
Income Tax	(18,681)	3,871	(172)
<b>Net Profit (Loss) after Tax</b>	<b>384</b>	<b>(20,972)</b>	<b>16,027</b>
Plus (Minus) Retained Earnings (Loss) B/F	54,037	54,421	33,450
Retained Earnings (Loss) C/F	54,421	33,449	49,477

KEY RATIOS			
	FY 2017	FY 2018	FY 2019
<b>GROWTH RATIOS</b>			
Revenue Growth (%)	-	(49.59)	97.23
<b>LIQUIDITY RATIOS</b>			
Quick Ratio (Times)	0.57	0.54	0.75
Current Ratio (Times)	0.88	0.93	1.11
<b>SOLVENCY RATIOS</b>			
Interest Coverage Ratio (Times)	2.67	*	2.45
Current Liabilities to Inventory (%)	315.51	255.58	274.99
Current Liabilities to Tangible Networkth (%)	399.89	502.03	300.08
<b>LEVERAGE</b>			
Total Debt Equity Ratio (Times)	1.67	2.98	1.97
Total Liabilities to Tangible Networkth (%)	406.37	608.22	368.69
Fixed Asset to Tangible Networkth (%)	103.77	144.82	95.97
<b>EFFICIENCY RATIOS</b>			
Collection Period (Days)	178	225	158
Inventory Days	179	327	165
Accounts Payable Days	275	365	219
Working capital cycle (Days)	82	188	104
Assets to Revenues (%)	145.11	259.34	123.99
Revenues to Net Working Capital (Times)	^	^	11.42
<b>PROFITABILITY RATIOS</b>			
Gross Profit Margin (%)	25.68	19.54	36.01
Operating Profit Margin (%)	2.13	(19.71)	9.84
Net Profit Margin (%)	0.19	(20.34)	7.88
Return on Tangible Networkth (%)	0.66	(55.56)	29.80
Return on Capital Employed (%)	19.47	(9.15)	17.14
Return on Total Assets (%)	0.13	(7.84)	6.36

\*Since the Company incurred loss at operating level, the relevant ratio cannot be calculated.

^Since the net working capital was negative, the relevant ratio cannot be calculated.

## AUDITOR'S OBSERVATIONS

### **Observation as per auditor's report for the year ended 31<sup>st</sup> March 2019**

- ✓ According to the records of the Company and information and explanations given to Auditor, the Company has not been regular in depositing undisputed statutory dues such as income tax, tax deducted at sources, sales tax, PF and ESI applicable to it, with appropriate authorities in the previous year. However, during the current year, the Company is in the process of clearing its disputed outstanding statutory liabilities.
- ✓ According to the information and explanations given to Auditor, there were undisputed amounts payable in respect of Income-tax and other material statutory dues in arrears/ were outstanding as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable as details below:

(in INR thousand)

Particulars	Amount
VAT	2,828
CST	800
Provident Fund	5,986
ESI	526
Excise Interest	2,930
GST	292
TDS Interest	7,011
PF Penalty	1,697

- ✓ According to the information and explanation given to Auditor, company has dispute amount of Sales Tax of INR 29,858 in thousand.

*Source: Annual report 2019*

### **Observation as per auditor's report for the year ended 31<sup>st</sup> March 2018**

- ✓ According to the records of the Company and information and explanations given to Auditor, the Company has not been regular in depositing undisputed statutory dues such as income tax, tax deducted at sources, sales tax, PF and ESI applicable to it, with appropriate authorities in the previous year. However, during the current year, the Company is in the process of clearing its disputed outstanding statutory liabilities.
- ✓ According to the information and explanations given to auditor, there were undisputed amounts payable in respect of Income-tax and other material statutory dues in arrears/ were outstanding as at 31<sup>st</sup> March 2018 for a period of more than six months from the date they became payable as details below:

(in INR thousand)

Particulars	Amount
TDS	3,534
PF	6,567
ESI	2,100

Central Excise	10,547
Sales Tax	4,584
GST	266
Professional Tax	82

Source: Annual report 2018

**Observation as per auditor's report for the year ended 31<sup>st</sup> March 2017**

- ✓ According to the records of the Company and information and explanations given to Auditor, the Company has not been regular in depositing undisputed statutory dues such as income tax, tax deducted at sources, sales tax, PF and ESI applicable to it, with appropriate authorities.
- ✓ According to the information and explanations given to auditor, there were undisputed amounts payable in respect of Income-tax and other material statutory dues in arrears/ were outstanding as at 31<sup>st</sup> March 2017 for a period of more than six months from the date they became payable as details below:

(in INR thousand)

Particulars	Amount
TDS	11,428
PF	8,258
ESI	1,578
Central Excise	6,512
Sales Tax	4,250
Professional Tax	8

Source: Annual report 2017



**Contingent Liability as on 31<sup>st</sup> March :**

INR in thousand

Particular	FY 2017	FY 2018	FY 2019
I. Capital Commitments	Nil	Nil	Nil
a) Contingent Liability on a/c of			
- Bank Guarantee	2,222	750	4,408
- Letter of Credit	-	-	1,571
b) Claims against the Company not acknowledge as debt by the Company			
- Sales Tax Liability			
- FY 2012-13 C.S.T	16,643	16,643	15,620
- FY 2013-14 C.S.T	2,950	2,950	14,237

The assessment under C.S.T for FY 2012-13 and FY 2013-14 had been completed by the Sales Tax Department on 21<sup>st</sup> March 2019 and the above demand have been raised mainly on account of non-furnishing of C-Forms and other related documents. The Company had gone for further appeal and also made a write petition with High Court.

*Source: Annual reports*

# D&B RATING & KEY OBSERVATIONS



# RATING KEY

**D&B Rating : 2A3**  
**Condition : Fair**

D&B Indicative Risk Rating consists of two parts, the Financial Strength and the Composite Appraisal/ Condition. Financial Strength is an indication of the tangible net worth. The Composite Appraisal / Condition is linked to the level of risk and is an overall evaluation of credit worthiness. It takes into account the financial condition and several factors such as trade reference history, legal structure, management experience and any adverse listings.

D&B Indicative Risk Rating of 2A implies that the Company has a tangible networth between INR 12,919,000 and INR 64,594,999 as per latest available audited financial statements. Composite appraisal 3 indicates a Fair overall status of the Company.

FINANCIAL STRENGTH		COMPOSITE APPRAISAL	
<b>RATING</b>	<b>Tangible Networth (In INR)</b>	<b>1 STRONG</b>	<b>Minimal risk</b>
5A	645,950,000 and Above		Proceed with transaction - offer extended terms if required
4A	Between 129,190,000 & 645,949,999		
3A	Between 64,595,000 & 129,189,999	Proceed with transaction	
2A	Between 12,919,000 & 64,594,999		
A	Between 7,751,400 & 12,918,999		Proceed with transaction but monitor closely
B	Between 3,875,700 & 7,751,399		<b>Significant level of risk</b>
C	Between 1,219,900 & 3,875,699		Review each case before extending credit and obtain more information. Take suitable assurances before extending credit, guarantees may be needed
D	Between 516,760 & 1,219,899		<b>Insufficient information to assign a rating</b>
E	Between 155,028 & 516,759		Assigned to concerns where there is insufficient information to express any opinion on the condition, financial soundness or payment history of the concern. A concern with no telephone number will also be assigned a "-" condition
F	Between 51,676 & 155,027		
G	Upto 51,675		
-	Not Classified		

## KEY RATING OBSERVATIONS

### Experienced management

The Company is headed and managed Mr. Vellappan Jeyakumar - Managing Director, having an experience of around three decades in the industry. The extensive experience of the management coupled with strong understanding of the industry dynamics has helped the Company to establish long lasting relationships with its customers and suppliers, thereby providing the Company with the comfort of stable revenue streams and constant supply of raw materials. The extensive experience provide comfort about the execution and networking capabilities of the Company which would help in driving the growth of business.

### Delays in depositing statutory dues

The Company has delayed in depositing of statutory obligations such as income tax, tax deducted at sources, sales tax, PF and ESI. There were instances of delays in FY 2017, FY 2018 and FY 2019. Hence, ability of the Company to service its statutory obligations in a timely manner remains critical from rating perspective.

### Fluctuating and modest scale of operations

The revenue of the Company depicted a fluctuating trend and remained modest during the review period. This is evident from its topline which stood at INR 203,315 thousand in FY 2019. The Company's modest scale of operations, in comparison with its domestic and global competitors, acts as a constraining factor which restricts its ability to secure big global orders and thus, in realizing the benefits of economies of scale.

### Leveraged capital structure

The capital structure of the Company remained leveraged throughout the review period which is evident from total debt equity ratio which hovered in the range of 1.67-2.98 times during the past three years ended 31<sup>st</sup> March 2019. High total debt to equity ratio indicates high reliance on debt funds, thus limiting the financial flexibility for expansion through additional leverage.

Interest coverage ratio indicates the ability of the Company to service its interest obligations. It depicted an uneven trend during the review period however, it stood moderate at 2.45 times during FY 2019.

Particulars	FY 2017	FY 2018	FY 2019
Total Debt Equity Ratio (Times)	1.67	2.98	1.97
Interest Coverage Ratio (Times)	2.67	(1.28)	2.45

### Working capital intensive nature of operations with high payables

The operations of the Company are working capital intensive primarily emanating from its high collection period and inventory holding period. The receivable days of the Company hovered in the range of 158-225 days and inventory days hovered in the range of 165-327 days during the review period. The account payable days of the Company remained high in the range of 219-365 days during the review period. This could affect the relationship with its suppliers and the suppliers may increase the price of raw materials. With majority of the funds being blocked in receivables, the Company had to rely on credit from suppliers and on short-term working capital loans from the bank. This resulted in a weak liquidity position of the Company as evident from moderately weak current ratio which stood at 1.11 as on 31<sup>st</sup> March 2019.

Particulars	FY 2017	FY 2018	FY 2019
Collection Period (Days)	178	225	158

Inventory Days	179	327	165
Accounts Payable Days	275	365	219
Working capital cycle (Days)	82	188	104

### Erratic profitability

The profitability margins of the Company depicted an erratic trend at all the levels during the review period. The gross margins of the Company declined in FY 2018 on account of increase in salaries & wages which was partly offset by decline in the cost of materials as a percentage of revenue. However, it increased in FY 2019 on account of decline in salaries & wages as a percentage of revenue. It incurred operating losses in FY 2018 mainly on account of low absorption of fixed cost due to decline in the scale of operation. However, it turned profitable in FY 2019 on account of increase in the revenue resulting in the better absorption of the fixed cost. Further, the net profit margin had a drilled down effect in FY 2018 resulting in losses. It turned profitable in FY 2019 on account of increase in operating profit coupled with decline in the interest expense as a percentage of revenue.

Particulars	FY 2017	FY 2018	FY 2019
Gross Profit Margin (%)	25.68	19.54	36.01
Operating Profit Margin (%)	2.13	(19.71)	9.84
Net Profit Margin (%)	0.19	(20.34)	7.88

# ANNEXURES



## CUSTOMERS & VENDORS

### REVENUE DETAILS

LOCAL	45.00%
INTERNATIONAL	55.00%

Country of Exports	% of Exports
United States of America	10.98%
Singapore	7.35%
Taiwan	7.13%
Europe	5.82%
United Arab Emirates	5.09%
Italy	2.22%
People Republic of China	1.98%
United Kingdom	1.82%
Australia	1.82%
Japan	0.91%
Others	54.89%

### REVENUE TERMS

#### Local Revenue Terms

Open Account:	30 days
Letter of Credit:	90 days

#### Exports Terms

Open Account:	30 days
Letter of Credit:	90 days

*Source: As provided by the management*

**PURCHASE DETAILS**

LOCAL	80.00%
INTERNATIONAL	20.00%

<b>Country of Imports</b>	<b>% of Imports</b>
United States of America	25.00%
United Kingdom	25.00%
People Republic of China	25.00%
Europe	25.00%

**PURCHASE TERMS****Local Purchase Terms**

Open Account: 30 days

**Import Terms**

Open Account: 90 days

*Source: As provided by the management*



## AWARDS & CERTIFICATIONS

---

### ISO CERTIFICATIONS

Type of certificate	Certificate number	Issue date	Valid upto	Certifying agency
ISO 9001:2015	AB09IS12851/RI	28 <sup>th</sup> July 2019	28 <sup>th</sup> July 2020	Breakthrough Management Quality Registrar
ISO 18001:2007	AB18IS173609	27 <sup>th</sup> August 2019	27 <sup>th</sup> August 2020	Breakthrough Management Quality Registrar

### AWARDS CERTIFICATIONS

- The Company has received C E Certificate from BMQR Certification Private Limited.

Certificate Number : C E 14788  
 Valid from : 12<sup>th</sup> June 2014  
 Valid till : 11<sup>th</sup> June 2019

*Note: Renewed physical copies of the certificates was not available for verification*

*Source: Company website*

## BANK DETAILS

---

### **BANK**

Name : UCO Bank  
Branch : Selaiyur Branch  
ADDRESS : Chennai - 600 073  
Tamil Nadu  
India

*Note: Independent confirmation from the banker was not available for verification*

*Source: Annual report 2019*

## LOCATION & GROUP DETAILS

---

### I. Branches

Address	Location Type
B4 & B5 Puthur Village Mappedu Chennai - 600 126 Tamil Nadu India	Unit II

### II. Group Concerns

Name of the Company
Fibtec Enterprises

*Source: Annual report 2019*

## OTHER INFORMATION

### I. Standard Industry Classification (SIC) Codes

SIC Codes	Description
2796-9902	Manufactures electrotype plates
3741-0100	Engaged in electroplating and plating
3741-0000	Engaged in plating and polishing
5051-0401	Wholesales anode metal

### II. Registration Details

D&B D-U-N-S® NUMBER	91-853-8856
Date of Incorporation	2 <sup>nd</sup> December 2003
Legal Structure	Private Limited Company
Registration Number	U28112TN2003PTC052052
Number of Employees	163
Annual General Meeting Date	30 <sup>th</sup> September 2019
Name of the Auditor	Nisar & Kumar, Chartered Accountants

### III. KYC Details

Company PAN	AABCT9790N
Goods and Services Tax Number	33AABCT9790N1ZN

### IV. Contact Details

Head Office Address	#48, Noothanchery Madambakkam Chennai - 600 126 Tamil Nadu India
Telephone	91 - 44 - 2278 1148
Handphone	91 - 94445 69900
Webpage	www.tianode.com
Email	marketing@tiaano.com tianode@gmail.com

Source: MCA, Company website and Annual report 2019

# GLOSSARY OF KEY RATIOS & COMPUTATION



KEY FINANCIAL RATIOS	FORMULAE
<b>GROWTH RATIOS</b>	
Revenue Growth (%)	% change in revenue in the current year over the previous year
Net Profit Growth (%)	% change in net profit in the current year over the previous year
<b>PROFITABILITY RATIOS</b>	
Gross Profit Margin (%)	$(\text{Net Revenue} - \text{Direct Expenditure} / \text{Net Revenue}) * 100$
Operating Profit Margin (%)	$(\text{Operating Profit} / \text{Net Revenue}) * 100$
Net Profit Margin (%)	$(\text{Net Profit after Tax} / \text{Net Revenue}) * 100$
Return on Tangible Networkth (%)	$(\text{Net Profit after Tax} / \text{Tangible Networkth}) * 100$
Return on Average Tangible Networkth (%)	$(\text{Net Profit After Tax} / \text{Average Tangible Networkth}) * 100$
Return on Capital Employed (%)	$(\text{Earnings before Interest and Tax} / \text{Capital Employed}) * 100$
Return on Average Capital Employed (%)	$(\text{Earnings before Interest and Tax} / \text{Average Capital Employed}) * 100$
Return on Fixed Assets (%)	$(\text{Net Profit after Tax} / \text{Fixed Assets}) * 100$
Return on Total Assets (%)	$(\text{Net Profit after Tax} / (\text{Current Assets} + \text{Other Tangible Assets})) * 100$
<b>LIQUIDITY RATIOS</b>	
Quick Ratio (Times)	$(\text{Current Assets} - \text{Inventory} - \text{Prepaid Expenses} - \text{Unbilled revenue}) / \text{Current Liabilities}$
Current Ratio (Times)	$\text{Current Assets} / \text{Current Liabilities}$
<b>TURNOVER RATIOS</b>	
Inventory Turnover Ratio (Times)	$(\text{Direct Expenditure} - \text{Repairs \& Maintenance} - \text{Plant \& Machinery}) / \text{Total Inventory}$
Fixed Assets Turnover Ratio (Times)	$\text{Net Revenue} / \text{Fixed Assets}$
<b>SOLVENCY RATIOS</b>	
Long Term Debt Equity Ratio (Times)	$\text{Long Term Loans} / \text{Tangible Networkth}$
Total Debt Equity Ratio (Times)	$\text{Total borrowings (Long term + Short term)} / \text{Tangible Networkth}$
Total Liabilities to Tangible Networkth (%)	$\{(\text{Current Liabilities} + \text{Non-Current Liabilities}) / \text{Tangible Networkth}\} * 100$
Interest Coverage Ratio (Times)	$\text{Earnings before Interest and Tax} / \text{Interest Expenditure}$
<b>EFFICIENCY RATIOS</b>	
Payment Period (Days)	$\text{Accounts Payable} / \text{Total Purchases} * 365$
Average Payment Period (Days)	$\text{Average Accounts Payable} / \text{Total Purchases} * 365$
Collection Period (Days)	$\text{Accounts Receivable} / \text{Net Revenue} * 365$
Average Collection Period (Days)	$\text{Average Accounts Receivable} / \text{Net Revenue} * 365$

WORKING CAPITAL RATIOS	
Current Liabilities to Tangible Networkth (%)	Current Liabilities/ Tangible Networkth *100
Working Capital Turnover Ratio (Times)	Net Revenue/ (Current Assets - Current Liabilities)
Inventory Days	365/ Inventory Turnover Ratio
Working Capital Cycle	Collection Period (days) + Inventory Holding (Days) - Payment Period (Days)
OTHER KEY FINANCIAL TERMS	
Direct Expenditure	Cost of material consumed or traded, salaries & wages, freight inward, job work charges, royalties/technical fees and other expenses directly related to manufacturing / rendering of services.
Operating Profit	Measure of profit or loss earned / incurred after charging all direct expenses plus indirect expenses from revenue and other operating income pertaining to core business activities. Taken as EBIT – non-operating income
Net Profit	Measure of net profit or loss earned / incurred after considering all incomes and expenses including interest expenditure and taxes.
Working Capital	Current Assets- Current Liabilities
Tangible Networkth	Working Capital + Other Tangible assets- Non-Current Liabilities
Capital Employed	Tangible Networkth + (Long term borrowings + Short term borrowings) + Minority Interests
Total Borrowings	Long Term (secured & Unsecured) Loans + Short Term (Secured & Unsecured) Loans

## **COPYRIGHT (2020) WITH DUN & BRADSTREET**

This report may not be reproduced in whole or in part in any form or manner whatsoever. All rights reserved.

This material is confidential and proprietary to Dun & Bradstreet and TI Anode Fabricators Private Limited and may not be copied or otherwise reproduced repackaged further transmitted, transferred, disseminated, redistributed or resold or stored for subsequent use for any such purpose in whole or in part, in any form or any manner or by any means whatsoever by any person without express authorization of Dun & Bradstreet Information Services India Private Limited (hereinafter referred to as 'D&B') or the General Counsel of Dun & Bradstreet.

All information contained herein is obtained by D&B from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind and D&B in particular makes no representation or warranty express or implied as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion and D&B shall not be liable for any loss incurred by users from any use of this report or its contents. D&B's information and opinion should not be the only criterion when making business decisions on subject of report. Data in this report should be considered as an additional factor together with others in order to reach a decision.

In the course of its work survey, D&B may have received information from the "Subject Company" being rated or graded besides the fact that the report may also contain data/information available in the Public Domain or that made available through Secondary Sources.





## Contact Us:

### REGISTERED OFFICE

5<sup>th</sup> Floor, Schindler House, Main Street, Hiranandani Gardens, Sainath Nagar, Powai, Mumbai – 400 076, Maharashtra, India

### NEW DELHI

1<sup>st</sup> Floor, Administrative Building, Block 'E', NSIC - Technical Services Center, Okhla Industrial Estate, Phase – III, New Delhi – 110 020, India

### CHENNAI

New No:28, Old No:195, 1<sup>st</sup> Floor, North Usman Road, T. Nagar, Chennai – 600 017, Tamil Nadu, India

### BENGALURU

No. 7/2 Gajanana Towers, 1<sup>st</sup> Floor Annaswamy Mudaliar Street, Opposite Ulsoor Lake, Bengaluru – 560 042, Karnataka, India

### MUMBAI BRANCH OFFICE

ICC Chambers, Saki Vihar Road, Powai Mumbai – 400 072, Maharashtra, India

### KOLKATA

166B, S. P. Mukherjee Road, Merlin Links, Unit 3E, 3<sup>rd</sup> Floor, Kolkata – 700 026, West Bengal, India

### HYDERABAD

Level 1, Unit 2, Salarpuria Sattva Knowledge City, Sy. No. 83/1, Plot no. 2, Inorbit Mall Road, Raidurg Village, HITEC City, Hyderabad – 500 081, Telangana, India

### AHMEDABAD

801 - 8<sup>th</sup> Floor, Shapath V, Opp. Karnavati Club, S.G. Highway, Ahmedabad – 380 054, Gujarat, India

### Phone

+91 22 4941 6666

### Email

india@dnb.com

### Website

www.dnb.co.in

### About Dun & Bradstreet

Dun & Bradstreet, the global leader in commercial data and analytics, enables companies around the world to improve their business performance. Dun & Bradstreet's Data Cloud fuels solutions and delivers insights that empower customers to accelerate revenue, lower cost, mitigate risk, and transform their businesses. Since 1841, companies of every size have relied on Dun & Bradstreet to help them manage risk and reveal opportunity.