

Triton Maritime Private Limited

Instrument	Amount	Rating
Long-term loans	Rs. 14.0 crore	[ICRA]BBB- (Stable) <i>Reaffirmed</i>

ICRA has reaffirmed the long-term rating assigned to the Rs. 14.0 crore¹ term loan facilities of Triton Maritime Private Limited (TMPL) at [ICRA]BBB- (pronounced ICRA triple B minus)². The outlook for the long term rating is Stable.

The reaffirmation of rating continues to factor in the long operational track record of the promoters (Parekh group) in the shipping industry, established relationships with large and reputed customers and protection provided by the Indian cabotage law to the domestically registered tugs for domestic offshore/port operations.

The rating however remains constrained on account of relatively small scale of operations of the company, highly competitive business environment, and the inherent cyclicity in charter rates. The ability to maintain high tug operational days is critical to maintain stable cash flows. ICRA notes that presently all four vessels of the company are operating on time charter contracts of shorter duration of 3-6 months which provides limited revenue visibility. Further, sharp decline in the crude prices in the last one year has impacted the demand and the prices for the vessels; nevertheless, the impact on TMPL is partly mitigated as its vessels are used either for servicing existing infrastructure of the platforms/ pipelines by EPC players or used in exploration at shallow blocks, wherein the impact on investments is expected to be lower as compared to deep water and ultra deep water blocks. The rating also factors in the high gearing level of the company due to debt funded expansion; however significant portion of debt is in the form of preference shares issued to promoters (~50% of total debt).

Company Profile

Triton Maritime Private Limited (TMPL) was incorporated in October 2005 as V Ships Parekh Marine India Private Limited and the name was subsequently changed to Triton Maritime Private Limited with effect from 13th September 2011. It belongs to the Parekh group which is into shipping and shipping related logistics businesses. The company began by acting as a broker for providing chartered tugs required at the ports and for off-shore purposes. Subsequently, during 2011-12, the promoters decided to undertake offshore tug operations under TMPL, post which two tugs and one barge were acquired by TMPL at a total cost of ~ Rs. 42 crore. In October 2015, the company acquired a new tug through the auction route. Currently, the company has a fleet of 4 vessels, which includes 3 tugs and 1 barge. These vessels have been deployed on time charter basis to various customers.

Recent Results

For the year FY 15, the company reported an operating income of Rs. 16.27 crore and net profit of Rs. 2.03 crore. For H1 FY 16, the company reported an operating income of Rs. 9.77 crore and profit after tax of Rs. 2.21 crore.

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For further details please contact:

Analyst Contacts:

Mr. K. Ravichandran, (Tel. No. +91-44-45964301)
ravichandran@icraindia.com

Relationship Contacts:

Mr. L. Shivakumar, (Tel. No. +91 22 6114 3406)
shivakumar@icraindia.com

¹ 100 lakh = 1 crore = 10 million

² For complete rating definition, please refer to ICRA Website www.icra.in or any of the ICRA Rating Publications



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**Registered Office****ICRA Limited**

1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110001
Tel: +91-11-23357940-50, Fax: +91-11-23357014

Corporate Office**Mr. Vivek Mathur**

Mobile: **9871221122**

Email: vivek@icraindia.com

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122002
Ph: +91-124-4545310 (D), 4545300 / 4545800 (B) Fax; +91- 124-4050424

Mumbai**Mr. L. Shivakumar**

Mobile: **9821086490**

Email: shivakumar@icraindia.com

3rd Floor, Electric Mansion
Appasaheb Marathe Marg, Prabhadevi
Mumbai—400025,
Board : +91-22-61796300; Fax: +91-22-24331390

Kolkata**Mr. Jayanta Roy**

Mobile: **+91 9903394664**

Email: jayanta@icraindia.com

A-10 & 11, 3rd Floor, FMC Fortuna
234/3A, A.J.C. Bose Road
Kolkata—700020
Tel +91-33-22876617/8839 22800008/22831411,
Fax +91-33-22870728

Chennai**Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: jayantac@icraindia.com

5th Floor, Karumuttu Centre
634 Anna Salai, Nandanam
Chennai—600035
Tel: +91-44-45964300; Fax: +91-44 24343663

Bangalore**Bangalore****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: jayantac@icraindia.com

'The Millenia'
Tower B, Unit No. 1004, 10th Floor, Level 2 12-14, 1 & 2,
Murphy Road, Bangalore 560 008
Tel: +91-80-43326400; Fax: +91-80-43326409

Ahmedabad**Mr. L. Shivakumar**

Mobile: **989986490**

Email: shivakumar@icraindia.com

907 & 908 Sakar -II, Ellisbridge,
Ahmedabad- 380006
Tel: +91-79-26585049, 26585494, 26584924; Fax:
+91-79-25569231

Pune**Mr. L. Shivakumar**

Mobile: **989986490**

Email: shivakumar@icraindia.com

5A, 5th Floor, Symphony, S.No. 210, CTS 3202, Range
Hills Road, Shivajinagar, Pune-411 020
Tel: + 91-20-25561194-25560196; Fax: +91-20-
25561231

Hyderabad**Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: jayantac@icraindia.com

4th Floor, Shobhan, 6-3-927/A&B. Somajiguda, Raj
Bhavan Road, Hyderabad—500083
Tel:- +91-40-40676500