

Press Release

Keyem Engineering Enterprises

October 16, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 65.00 Cr. #
Long Term Rating	ACUITE BBB- Issuer non-cooperating*
Short Term Rating	ACUITE A3 Issuer non-cooperating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuite has reviewed the long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term rating of '**ACUITE A3**' (read as **ACUITE A three**) on the Rs. 65.00 crore bank facilities of KEYEM ENGINEERING ENTERPRISES (KEE). This rating is now an indicative rating and is based on best available information.

Established in 1996, Keyem Engineering Enterprises (KEE) is a Chennai-based proprietorship concern managed by Mr. Ramachandran. KEE is a Class-1 contractor, engaged in construction and development of underground sewerage systems, pumping stations, water and sewage treatment plants. The firm has been in this business for over two decades, and primarily works for various Municipal Corporations, Municipalities, Panchayats under the purview of Tamil Nadu Water Supply and Drainage Board (TWAD).

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of the KEE to arrive at this rating.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.htm>
- Financial Ratios And Adjustments- <https://www.acuite.in/criteria-fin-ratios.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
02-Aug-18	Cash Credit	Long Term	12.50	ACUITE BBB-/Stable (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	15.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	15.00	ACUITE A3 (Assigned)
	Proposed Bank Guarantee	Short Term	17.50	ACUITE A3 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.50	ACUITE BBB-Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A3 Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A3 Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A3 Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	17.50	ACUITE A3 Issuer not co-operating*

* The issuer did not co-operate; Based on best available information.

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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