

Press Release

Kemco Corporation

January 28, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 56.00 Cr. #
Long Term Rating	ACUITE BB+ Downgraded; Issuer not co-operating*
Short Term Rating	ACUITE A4+ Downgraded; Issuer not co-operating*

Refer Annexure for details

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

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and the Short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.56.00 crore bank facilities of Kemco Corporation (KC). This rating is now an indicative rating and is based on best available information.

The Mumbai-based, Kemco Corporation (KC) was established in 1995 as a partnership firm by Mr. Yogesh Sanghvi and Mrs. Bharti Y. Sanghvi. Recently, Mr. Meet Sanghvi (Son) joined the business as a third partner. The firm is into trading of Titanium dioxide, Rutile and Anatase. KC is sole agent of Jiangxi Tikon Titanium Products Co. Limited (China) for India as well as authorised agent of The Kerala Minerals & Metals Limited.

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/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.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 requests.

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

CRISIL, vide its press release dated December 24, 2018 had denoted the rating of KEMCO CORPORATION as 'CRISIL BB+/Stable/A4+ (Issuer Not Cooperating; Rating Migrated)' on account of lack of adequate information required for monitoring of ratings.

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
15-Nov-2018	Cash Credit	Long Term	12.00	ACUITE BBB- / Stable (Assigned)
	Cash Credit	Long Term	1.00	ACUITE BBB- / Stable (Assigned)
	Letter of Credit	Short Term	21.00	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	22.00	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BB+ Downgraded; Issuer not co-operating* (from ACUITE BBB-/ Stable)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE BB+ Downgraded; Issuer not co-operating* (from ACUITE BBB-/ Stable)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	21.00	ACUITE A4+ Downgraded; Issuer not co-operating* (from ACUITE A3)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	22.00	ACUITE A4+ Downgraded; Issuer not co-operating* (from ACUITE A3)

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

Contacts

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About Acuité Ratings & Research:

Acuité 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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