

## Press Release

Keerthi Enterprises

January 14, 2020



## Rating Update

<b>Total Bank Facilities Rated</b>	Rs. 15.00 Cr. #
<b>Long Term Rating</b>	ACUITE BB Issuer not co-operating* (Downgraded from ACUITE BBB-)

# Refer Annexure for details

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

Acuité has downgraded the long-term rating of Keerthi Enterprises (KE) to '**ACUITE BB** (read as **ACUITE double B**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) on the Rs. 15.00 crore bank facilities. This rating is now an indicative rating and is downgraded on account of information risk.

Incorporated in 2011 by Mr. K Baranidharan, KE is a proprietorship concern engaged in manufacturing of safety gloves. The entity trades in industrial safety gloves, safety gadgets such as gloves, ear plugs, nose protection, eye protection, head protection, cotton aprons, and feet protection, among others. The entity has installed capacity to manufacture 42,240 pairs/day of safety gloves at its facility in Kanchipuram (Tamil Nadu).

### Non-cooperation by the issuer/borrower

Acuité 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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

### Applicable Criteria

- Default Recognition: <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-4.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité 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)

Not Applicable

### Any other information

Acuité 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
22-April-2019	Cash Credit	Long Term	9.00	ACUITE BBB- Issuer not co-operating*

	Working Capital Demand Loan	Long Term	3.50	ACUITE BBB- Issuer not co-operating*
	Proposed Cash Credit	Long Term	2.50	ACUITE BBB- Issuer not co-operating*
08-Feb-2018	Cash Credit	Long Term	9.00	ACUITE BBB-/ Stable (Assigned)
	Working Capital Demand Loan	Long Term	3.50	ACUITE BBB-/ Stable (Assigned)
	Proposed Cash Credit	Long Term	2.50	ACUITE BBB-/ Stable (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	9.00	ACUITE BB Issuer not co-operating* (Downgraded from ACUITE BBB-)
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE BB Issuer not co-operating* (Downgraded from ACUITE BBB-)
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE BB Issuer not co-operating* (Downgraded from ACUITE BBB-)

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

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#### About Acuité Ratings & Research:

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