



Press Release
Keshari International LLP
November 15, 2024
Rating Downgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	2.67	ACUITE C Downgraded	-
Bank Loan Ratings	44.38	ACUITE D Downgraded	-
Total Outstanding Quantum (Rs. Cr)	47.05	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to **'ACUITE D' (read as ACUITE Df)** from **'ACUITE BB-' (read as ACUITE double B minus)** on the Rs. 44.38 Cr. bank facilities of Keshari International LLP. Further, Acuite has also downgraded the long-term rating to **'ACUITE C' (read as ACUITE C)** from **'ACUITE BB-' (read as ACUITE double B minus)** on the Rs. 2.67 Cr. proposed bank facilities of Keshari International LLP.

Rationale for downgrade

The downgrade is due to delay in servicing of interest obligation on term loan facilities by the firm in the recent past.

About the Company

Keshari International LLP is an Assam-based limited liability partnership firm established in July 2018, and is engaged in the manufacturing plastic moulded furniture and household items. It commenced its commercial operations in June 2021 and its product line includes three brands catering to different customer segments: it caters economical class through its brand 'Welcome National', middle class through its brand 'Marco' and high-end customers through 'Miracle'. The partners include Mr. Pawan Kumar Soni, Ms. Sarita Soni, Mr. Abhiman Kumar Agarwal and Mr. Keshav Mittal.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business & financial risk profiles of Keshari International LLP to arrive at the ratings.

Key Rating Drivers

Strengths

Established experience of partners for over two decades in the industry

The key partner, Mr. Pawan Kumar Soni, has over two decades of experience in the plastic industry, that shall support the business going forward. Acuite believes that the extensive experience of the partners will continue to benefit the firm going forward, resulting in steady growth in the scale of operations.

Weaknesses

Instance of delay in servicing of debt obligation

Instance of delay in servicing of interest on term loan obligation by the company in the recent past is observed in its loan account statement.

Rating Sensitivities

- Timely servicing of debt obligations

Liquidity Position

Poor

Liquidity for the firm is marked poor due to delays in servicing of interest obligation on term loan facilities by the firm in recent past.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	31.13	19.02
PAT	Rs. Cr.	0.45	0.08
PAT Margin	(%)	1.45	0.43
Total Debt/Tangible Net Worth	Times	3.08	2.35
PBDIT/Interest	Times	1.48	1.70

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 Apr 2024	Proposed Long Term Bank Facility	Long Term	2.67	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	19.90	ACUITE BB- Stable (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	5.36	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	5.51	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	1.61	ACUITE BB- Stable (Reaffirmed)
13 Feb 2023	Term Loan	Long Term	35.05	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	12.00	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	ACUITE D Downgraded (from ACUITE BB-)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.67	Simple	ACUITE C Downgraded (from ACUITE BB-)
Indian Bank	Not avl. / Not appl.	Term Loan	28 Dec 2022	Not avl. / Not appl.	30 Sep 2031	19.90	Simple	ACUITE D Downgraded (from ACUITE BB-)
Indian Bank	Not avl. / Not appl.	Term Loan	28 Dec 2022	Not avl. / Not appl.	30 Nov 2026	5.36	Simple	ACUITE D Downgraded (from ACUITE BB-)
Indian Bank	Not avl. / Not appl.	Term Loan	28 Dec 2022	Not avl. / Not appl.	30 Sep 2031	5.51	Simple	ACUITE D Downgraded (from ACUITE BB-)
Indian Bank	Not avl. / Not appl.	Term Loan	28 Dec 2022	Not avl. / Not appl.	30 Sep 2031	1.61	Simple	ACUITE D Downgraded (from ACUITE BB-)

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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