

## Keya Foods International Private Limited

January 29, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	2.01	CARE BB+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	10.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable / CARE A3 and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Rating Limited (CARE Ratings) has been seeking information from Keya Foods International Private Limited (KFIPL) to monitor the ratings vide e-mail communications dated January 07 2025, January 08 2025, and January 10 2025 among others and multiple phone calls. However, despite repeated requests, the company has not provided the requisite information for monitoring the ratings and has also not paid the surveillance fees for the rating exercise as agreed to in the Rating Agreement. In line with the extant SEBI guidelines, CARE Ratings has reviewed the ratings based on best available information which however, in CARE Ratings' opinion, is not sufficient to arrive at a fair rating. The ratings on KFIPL's bank facilities will now be denoted as CARE BB+; Stable/ CARE A4+; ISSUER NOT COOPERATING\*

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings have been revised on account of inadequate information available for assessment of rating and the inability to monitor the performance of the company going forward due to non-cooperation by the issuer.

**Analytical approach:** Standalone factoring support from promoters

**Outlook:** Stable

CARE Ratings Limited (CARE Ratings) believes Keya Foods International Private Limited will continue to benefit from experience of the promoters and will continue to receive financial support from them.

### Detailed description of key rating drivers:

#### Key weaknesses

##### Reliance on debt and adverse capital structure:

The net worth of the company continued to remain negative as on Mar 31, 2024, on account of accumulated losses over past years. Capital structure as on Mar 31, 2024, continues to be remain negative on account of negative net worth driven by accumulated losses. Further, debt coverage metrics during FY24, stood negative on account of losses at PBILDT (profit before interest lease depreciation and tax) level. Haresh Chawla who has been associated with True North since 2012, owns stake in KFIPL in his personal capacity.

##### Modest scale of operations:

KFIPL has modest scale of operations and has different set of products for different consumers. It has ready to cook type of food products such as soups, additives such as Piri Piri masala and seasonings. The company recorded revenues of Rs. ~75crores in FY24 as compared to Rs. 68 crores in FY23. PBILDT margin and PAT margin stood negative during FY24.

### Key strengths

#### Experienced and resourceful promoter group:

KFIPL is owned by True North Trustee Company Pvt. Ltd. (TNTCPL) whose beneficial owner is True North Fund IV. Incorporated in 1999, True North Fund (TNF), formerly known as India Value Fund Advisors (IVFA), is a part of the Global PE Alliance which comprises local PE firms across different geographies and offers global reach, broad sector expertise, and leadership in mid-market private equity. In FY23, Mr Haresh Chawla, who has been associated with True North Fund, also joined as a promoter and acquired stake in the company in his personal capacity. The promoters have supported the operations of KFIPL through fund infusion in past and have infused equity even in FY23 to repay the debts and support the business operations.

**Well established brand and diversified client base:**

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

KFIPL manufactures herbs, spices and seasonings along with soups and sauces in the domestic market with presence in each of the states of India. Maximum sales are derived from the western India, followed by the northern and southern states. The company distributes its products through Carrying and Forwarding Agents (C&FA) and distributors. It has C&FA in 6 locations connected via SAP and has more than 100 distributors. The company has a reach to more than ~17,000 General Trade (GT) marketing channels and around 1100 Modern trade (MT) marketing channels through its distributors. MT channels consist of supermarkets, hypermarkets and shopping malls and the GT channels consists small supermarkets and retail stores. KFIPL has also entered the E-commerce market (Amazon, Big Basket, Flipkart, Swiggy etc.) to expand their reach and widen their customer base

### Applicable criteria

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

### About the company and industry

#### Industry Classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Food Products	Other Food Products

Keya Foods International Private Limited (KFIPL; formerly known as Amalgam Speciality Foods (India) Pvt. Ltd) is engaged in manufacturing and trading of Herbs, Spices and Seasonings (HSS), sauces, snacks, Ready to Cook (RTC) soups, pickles, paste, and operates under 'Keya' brand. The company has manufacturing facilities at Kuthiathode, Kerala with a distribution network driven by both Modern Trade (MT) and General Trade (GT), along with e-commerce platforms. KFIPL was incorporated as a private limited company on August 10, 2007. As on Mar 31, 2024, ~73.35% shareholding is by True North Trustee Company Pvt. Ltd. [(TNTCPL) owned by True North Fund IV].

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	9MFY25 (UA)
Total operating income	67.71	75.53	NA
PBILDT	-27.00	-19.07	NA
PAT	-25.89	-23.31	NA
Overall gearing (times)	-1.53	-0.91	NA
Interest coverage (times)	-4.66	-6.70	NA

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT/ ST-Cash Credit	-	-	-	-	10.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*
Fund-based-Long Term	-	-	-	-	1.97	CARE BB+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantee	-	-	-	-	0.04	CARE BB+; Stable; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based-Long Term	LT	1.97	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BBB-; Stable (05-Dec-23)	1)CARE BBB-; Stable (09-Dec-22)	1)CARE BBB-; Stable (03-Feb-22)
2	Fund-based - LT/ ST-Cash Credit	LT/ST	10.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	-	1)CARE BBB-; Stable / CARE A3 (05-Dec-23)	1)CARE BBB-; Stable / CARE A3 (09-Dec-22)	1)CARE BBB-; Stable / CARE A3 (03-Feb-22)
3	Non-fund-based - LT-Bank Guarantee	LT	0.04	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BBB-; Stable (05-Dec-23)	1)CARE BBB-; Stable (09-Dec-22)	1)CARE BBB-; Stable (03-Feb-22)

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term; LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable**

**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT/ ST-Cash Credit	Simple
2	Fund-based-Long Term	Simple
3	Non-fund-based - LT-Bank Guarantee	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

## Contact us

<p><b>Media Contact</b></p> <p>Name: Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a></p> <p><b>Relationship Contact</b></p> <p>Ankur Sachdeva Senior Director <b>CARE Ratings Limited</b> Phone: 91 22 6754 3444 E-mail: <a href="mailto:Ankur.sachdeva@careedge.in">Ankur.sachdeva@careedge.in</a></p>	<p><b>Analytical Contacts</b></p> <p>Krunal Pankajkumar Modi Director <b>CARE Ratings Limited</b> Phone: 079-40265614 E-mail: <a href="mailto:krunal.modi@careedge.in">krunal.modi@careedge.in</a></p> <p>Raunak Modi Assistant Director <b>CARE Ratings Limited</b> Phone: 912267543537 E-mail: <a href="mailto:Raunak.modi@careedge.in">Raunak.modi@careedge.in</a></p> <p>Smith Jain Lead Analyst <b>CARE Ratings Limited</b> E-mail: <a href="mailto:Smith.Jain@careedge.in">Smith.Jain@careedge.in</a></p>
---	---

### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For detailed Rationale Report and subscription information,  
please visit [www.careedge.in](http://www.careedge.in)**