KEYWEST REALTY PRIVATE LIMITED

August 05, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Issuer rating	-	0.00	CARE BBB; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Issuer Ratings: There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed the issuer rating of 'CARE BBB; Stable' assigned to Keywest Realty Private Limited (KRPL). The rating derives strength from being part of the Kasturi Group, which has an established track record in the Pune real estate market and experienced promoters and management. The rating further derives comfort from favourable location of the project, satisfactory booking status and collections, comfortable capital structure, and adequate liquidity position.

However, these rating strengths are offset by project execution risk, high dependence on customer advances, advancement of project proceeds for acquisition of land parcels in subsidiaries, geographically concentrated revenues, and cyclical nature of real estate industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Successful completion of ongoing projects and realisation of envisaged profits therein leading to significant improvement in the financial risk profile of the company.
- Healthy bookings from the ongoing projects, leading to improvement in the committed receivables as a percentage of pending construction cost and total debt over 100%.

Negative factors

- Cost overrun by over 20% in the on-going projects.
- Time overrun in execution of on-going projects by over six months from scheduled date of completion.
- Delay in receipt of advances from booked units or slower-than-envisaged bookings.
- Deterioration in capital structure as marked by overall gearing of over 3x.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectation that the company will continue to benefit from experienced promoters and its established presence in Pune's real estate market.

Detailed description of key rating drivers

Key strengths

Experienced promoters and established track record in industry

KRPL is a part of Pune-based Kasturi Group promoted by Bharat Agarwal, Jayanti Agarwal, and Yashwardhan Agarwal. KRPL is professionally managed by Brajesh Kumar Gupta, Bhushan Jain, and Sarfaraz Khan. All promoters and directors have over 20 years of experience in constructing and developing real estate projects.

Over the years, the group has successfully completed over 20 real estate projects in Pune, admeasuring over 39 lakh square feet (lsf) of saleable area. Promoters have an established position in developing real estate projects in the Pune region. On a group level, the presence of sizeable land bank of 17.84 lsf in and around Pune supports future expansion plans.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Favourable location of the project

The project, 'The Balmoral Riverside', is located at Balewadi, Pune, a key micro market in the western part of the city. The locality has witnessed sustained demand for mid-premium and premium residential developments, supported by infrastructure development and proximity to key IT and commercial hubs. The project benefits from good connectivity through road and the upcoming metro connectivity, which is expected to further improve accessibility to various parts of Pune. The vicinity includes schools, hospitals and retail centres, making them a favourable location.

Satisfactory booking status and collection

KRPL is currently executing one residential project in Balewadi, Pune in two phases, admeasuring a total saleable area of 12.88 lsf. As on May 31, 2026, the company has sold ~99% of the saleable area under Phase I and ~53% of the saleable area under Phase II, indicating satisfactory booking status. Of the total sold area, ~96% of the area has been registered as on the said date, mitigating the risk of cancellation to large extent. Further, collection efficiency across both phases is over 95%. However, in the 12 months ended May 31, 2026, the company sold only 36 units, implying moderate sales momentum. Timely receipt of receivables and future sales is crucial and will be a key rating monitorable.

Comfortable capital structure

KRPL's capital structure stood comfortable as marked by an overall gearing of 0.40x as on March 31, 2026 (PY: 1.31x), with a net worth base of ~₹92 crore. Going forward, the Kasturi group plans to execute all of its projects through subsidiaries of KRPL, which is expected to augment the company's net worth.

Key weaknesses

Project execution risk

The total cost of the project across both phases stood at ₹937.08 crore, of which ₹689.46 crore (~74%) has been incurred as on May 31, 2026. Phase I (Towers D and C) has been completed, and the company expects to receive the Occupancy Certificate (OC) in the near term. However, Phase II (Towers B and A) is ~49% complete as on May 31, 2026, with ~51% of the cost yet to be incurred. Accordingly, the project remains exposed to execution risk. Timely completion of the project without cost overrun will be a key rating monitorable.

High dependence on customer advances

The company is yet to incur project cost of ~₹248 crore, which is expected to be primarily funded through customer advances (~95% of the balance project cost). This indicates a high reliance on customer advances for financing the project. Further, as on May 31, 2026, KRPL has deployed ~₹156 crore of customer advances received from its ongoing project towards land acquisition in its subsidiaries for planned future projects. This, combined with the mandatory cash sweep of 80% and 25% from customer advances of Phase I and Phase II, respectively, towards servicing project debt, has significantly reduced the funds available for pending construction costs. Therefore, maintaining a steady collection trend is essential for the company. Delay in receiving funds from customers or challenges in achieving timely sales at expected rates, especially given the competition from other renowned players in the vicinity, will be crucial. Any further deployment of operational cash flows towards subsidiaries will remain a key rating monitorable, given its potential to constrain project funding.

Geographical concentration risk

Kasturi Group's operations remain geographically concentrated, with all completed and ongoing projects in the Pune micro markets. Such concentration exposes the group to region-specific demand fluctuations, regulatory changes, and socio-political developments. Any downturn in these micro markets may impact the cash flows adversely.

Cyclical nature of real estate industry and exposure to regulatory risks

The company is exposed to the cyclicality associated with the real estate sector, which has direct linkage with the general macroeconomic scenario, interest rates and level of disposable income available with individuals. In case of the real estate companies, the profitability highly depends on property markets. A high-interest rate scenario could discourage the consumers from borrowing to finance the real estate purchases and may depress the real estate market. Companies in the sector are also exposed to regulatory changes, especially in countries such as India with evolving regulations.

Liquidity: Adequate

The company's liquidity profile remained adequate, characterised by satisfactory customer collections, sales momentum and free cash and bank balance of ₹4.78 crore as on March 31, 2026. Committed receivables of ₹177.20 crore cover almost 61% of the total project cost and outstanding debt (considering both phases) as on May 31, 2026.

Assumptions/Covenants – Not applicable

Environment, social, and governance (ESG) risks – Not applicable

Applicable criteria

Definition of Default
Issuer Rating
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Rating methodology for Real estate sector

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Realty	Realty	Residential, commercial projects

KRPL is a part of the Kasturi group, which is engaged in developing residential and commercial real estate projects in Pune, Maharashtra. KRPL was incorporated in December 2018 as a special purpose vehicle (SPV) for the development of 'The Balmoral Riverside' project at Balewadi, Pune, comprising four residential towers with a total saleable area of 12.88 lsf. The project is being developed in two phases: Phase 1 (Towers C and D) and Phase 2 (Towers A and B).

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (UA)
Total operating income	83.53	191.10
PBILDT*	19.55	55.05
Profit after tax (PAT)	9.60	37.38
Overall gearing (x)	1.31	0.40
Interest coverage (x)	2.54	12.12

A: Audited; UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation, and tax

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Issuer Rating-Issuer Ratings	-	-	-	-	-	-	0.00	CARE BBB; Stable

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 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Issuer Rating-Issuer Ratings	LT	0.00	CARE BBB; Stable	-	1)CARE BBB; Stable (16-Sep-25)	-	-

LT: Long term

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

Annexure-4: Lender details

To view lender-wise details of bank facilities please click here

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

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