Press Release
KABADI SHANKARSA AND COMPANY
August 07, 2025
Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	6.00	ACUITE BB- | Downgraded | Issuer not co-operating*	-
Bank Loan Ratings	21.00	-	ACUITE A4+ | Reaffirmed | Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	27.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded its long-term rating to **'ACUITE BB-' (read as ACUITE double B minus)** from **'ACUITE BB' (read as ACUITE double B**a)nd reaffirmed the short-term rating to **'ACUITE A4+' (read as ACUITE A four plus)** on Rs.27 Cr. bank facilities of Kabadi Shankarsa and company (KSC). The rating is now flagged as "Issuer Not Cooperating" and is based on the best available information.

This rating downgrade is based on non-submisison of No Default Statement (NDS) for the last three consecutive months. Acuite has received the last NDS for April 2025.

About the Company

Karnataka-based, Kabadi Shankarsa and company (KSC) was established as a partnership firm in 1993. The firm is promoted by Sri Sahajanandsa K.S., Sri Raghunathsa K.S., Sri Bhaskarsa K.S., Sri Omprakash K.S., Sri Shivaramsa K.S., and Sri Madhusudan. The firm is primarily engaged in the manufacturing and export of home textiles and kitchen textiles made of cotton, silk, polyester, linen, and blended fabrics with an installed capacity of 50 lakhs of pieces per year. It exports around 70-80 percent of its products to Europe, USA, Australia, among others. The firm caters to reputed clients, including Ikea, H&M, Next, etc.

Unsupported Rating
Not applicable

Non-cooperation by the issuer/borrower
Acuité has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability

This 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. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook: Not applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	52.73	118.90
PAT	Rs. Cr.	0.51	3.32
PAT Margin	(%)	0.96	2.79
Total Debt/Tangible Net Worth	Times	0.77	0.64
PBDIT/Interest	Times	1.77	2.87

Status of non-cooperation with previous CRA

Not applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
- Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
- Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.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. Acuite'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
21 Nov 2024	PC/PCFC	Short Term	21.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE BB | Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	2.00	ACUITE BB | Stable (Reaffirmed)
24 Aug 2023	PC/PCFC	Short Term	21.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Cash Credit	Long Term	4.00	ACUITE BB | Stable (Upgraded from ACUITE BB- | Stable)
	Proposed Long Term Loan	Long Term	2.00	ACUITE BB | Stable (Upgraded from ACUITE BB- | Stable)
06 Jun 2022	Proposed Short Term Loan	Short Term	1.00	ACUITE A4 (Reaffirmed)
	PC/PCFC	Short Term	14.00	ACUITE A4 (Reaffirmed)
	Proposed Long Term Loan	Long Term	3.05	ACUITE BB- | Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE BB- | Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	1.80	ACUITE BB- | Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	3.15	ACUITE BB- | Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Canara Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BB- | Downgraded | Issuer not co-operating* (from ACUITE BB)
Canara Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	21.00	Simple	ACUITE A4+ | Reaffirmed | Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE BB- | Downgraded | Issuer not co-operating* (from ACUITE BB)

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

Disclosure of list of non-cooperative issuers

- Listed :- https://www.acuite.in/Non-Cooperative_Issuer_Listed.php
- Unlisted :- https://www.acuite.in/Non-Cooperative_Issuer_Unlisted.php

Contacts

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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.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.