



Press Release

Kabra Commercial Limited

February 23, 2026

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	3.62	IVR BB-/ Stable (IVR double B minus with stable outlook)	-	Rating assigned	Simple
Short Term Bank Facilities	11.38 (including proposed limit of Rs.7.38 crore)	IVR A4 (IVR A Four)	-	Rating assigned	Simple
	15.00 (INR Fifteen crore only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3

Detailed Rationale

The ratings assigned to the bank facilities of Kabra Commercial Limited (KCL) is on account of extensive experienced management and long track record of operations. The ratings also factors in the healthy financial risk profile coupled with comfortable debt protection metrics. However, these rating strengths are constrained by modest scale of operations and exposure to cyclicality in end-user industries and volatility in coal prices coupled with intense competition due to low entry barriers.

The long-term rating outlook of the company is Stable which reflects Infomerics expectations based on the diversified clientele base and benefits derived from the favorable domestic scenarios.

Key Rating Sensitivities

Upward Factors

- Significant and sustained growth in scale of operations with improvement in profitability and cash accruals.
- Improvement in capital structure and debt protection metrics on a sustained basis.
- Managing working capital requirement efficiently leading to improvement in the operating cycle with improvement in liquidity.
- Timely completion of the ongoing project as well as stabilization of operations.



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Downward Factors

- Decline in the revenue and/ or profits leading to an overall deterioration in the financial risk profile of the company.
- Moderation in capital structure and/ or coverage indicators.
- Elongation in the operating cycle with moderation in liquidity.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Experienced management and long track record of operations**

The key promoters of the company, Mr. Rajesh Kumar Kabra and Mr. Ramawtar Kabra have been engaged in coal handling and other related services near to three decades. The long-standing experience of the promoters has been engaged through coal handling and other related services. CSL registered office is in Kolkata. The promoters' experience, their strong understanding of local market dynamics, and healthy relations with suppliers and customers will benefit the company going forward, resulting in steady growth in the scale of operations.

- **Healthy financial risk profile coupled with comfortable debt protection metrics**

KCL has a comfortable capital structure. The adjusted tangible net worth (ATNW) of the company have increased and stood comfortable at Rs.19.61 Cr as on March 31, 2025, from Rs.17.58 Cr as on March 31, 2024, due to accretion of reserves. The long pending debtors of Rs.2.66 Cr has been excluded from the adjusted tangible net worth. Further, overall adjusted gearing of the company improved and stood at 0.13x as on March 31, 2025, as against 0.70x as on March 31, 2024. Again, the overall indebtedness of the company marked by TOL/ATNW improved and stood comfortable at 0.80x as on March 31, 2025, as against 0.91x as on March 31, 2024. Again, the debt protection metrics of the company have stood comfortable marked by Interest Coverage Ratio at 1.96x as on March 31, 2025, and Debt Service Coverage Ratio at 2.91x as on March 31, 2025, due to low debt and low interest charges. The total debt/EBITDA stood comfortable at 1.67x as on March 31, 2025. Going forward, the financial risk profile of the company will improve with no major debt funded capex plans.



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Key Rating Weaknesses

- **Modest scale of operations**

The revenue of the company improved and stood at Rs.23.83 crore in FY2025 [refers to period April 1st, 2024, to Mar 31, 2025] as against Rs.19.58 crore in FY2024 [refers to period April 1st, 2023, to Mar 31, 2024], however, the overall scale of operations of the company continued to remain modest. The revenue booked is due to increase in demand majorly driven from coal liasioning & supervision services. The moderate scale of operations restricts the financial flexibility of the company in times of stress, and it suffers on account of lack of economies of scale. Further, as on 31st December 2025, the company has a total unexecuted order book of Rs.87.68 crore which is 3.67x of the total revenue generated in FY2025. The unexecuted orders are expected to be getting executed in the next 18 to 24 months reflecting medium term revenue. Again, the company has achieved a revenue of Rs.10.72 crore in 9MFY2026. Going forward, Infomerics believe the sustainability of the scale of operations will be a key rating monitorable.

- **Exposure to cyclicality in end-user industries and volatility in coal prices coupled with intense competition due to low entry barriers**

The company is into coal handling and related services, which is highly fragmented and competitive in nature due to low entry barriers. The company comprises players primarily from the steel, power, cement and aluminium industries, where demand is cyclical. Although the transaction size per customer is controlled, exposure to sizeable counterparty risk is likely to persist over the medium term. Furthermore, with coal being an important resource for industrial activity both directly and indirectly, and prices fixed by the government, KCL may remain susceptible to volatility in coal prices and any change in regulation. Further, all the entities in the industry trade the same products with little product differentiation resulting in price driven sales. Intense competition restricts the pricing flexibility of the company in the bulk customer segment hence the players in the industry do not have pricing power and are exposed to competition-induced pressures on profitability.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Service Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria for assigning Rating outlook](#)



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[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments Facilities](#)

Liquidity – Adequate

The company has adequate liquidity position marked by sufficient net cash accruals which stood at Rs.1.58 Cr as on March 31, 2025, as against long term debt repayment of Rs.0.01 Cr over the same period. The current ratio stood moderate at 0.46x as on March 31, 2025. The cash and bank balances of the company stood at Rs. 0.13 Cr as on March 31, 2025. The average fund-based limit utilisation remains low at 1.00% over the twelve-month ended December 2025. Going forward, the company is likely to maintain adequate liquidity position supported by steady accruals.

About the Company

Incorporated in 1997, Kabra Commercial Limited (KCL) is a Kolkata based company, was promoted by Mr. Rajesh Kumar Kabra. KCL is listed on the Bombay Stock Exchange. The company is engaged in providing coal handling and other related services including coal liasioning services, logistics of coal (through railway), and quality checks for domestic and imported coal. KCL provides its services to a diversified client base in Cement, Power, Steel and other industries.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2024	31-03-2025	9MFY2025	9MFY2026
	Audited	Audited	Unaudited	Unaudited
Total Operating Income	19.58	23.83	17.55	10.72
EBITDA	0.70	1.57	3.73	1.22
PAT	1.41	1.56	3.29	1.06
Total Debt	12.34	2.63	-	-
Tangible Net Worth (Adjusted)	17.58	19.61	-	-
EBITDA Margin (%)	3.55	6.60	21.25	11.38
PAT Margin (%)	6.57	6.19	18.76	9.93
Overall Adjusted Gearing Ratio (x)	0.70	0.13	-	-
Interest Coverage (x)	0.86	1.96	-	-

*Classification as per Infomerics' standards.



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Status of non-cooperation with previous CRA:

CARE has moved the ratings of Kabra Commercial Limited (KCL) in the Issuer Not Cooperating category as the entity had failed to provide information for monitoring of the rating as per the Press Release dated July 3rd, 2025.

Any other information: Nil

Rating History for last three years:

S r. N o.	Name of Instrument /Facilities	Current Ratings (Year 2025 -26)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding - (Rs. Crore)	Rating	Date(s) & Rating (s) assigned in 2024 -25	Date(s) & Rating (s) assigned in 2023-24	Date(s) & Rating (s) assigned in 2022-23
				-	-	-	-
1.	Term Loan	Long Term	2.87	IVR BB-/ Stable	-	-	-
2.	ODBD	Long Term	0.75	IVR BB-/ Stable	-	-	-
3.	ILC/FLC	Short Term	4.00	IVR A4	-	-	-
4.	Proposed LC Limit	Short Term	7.38	IVR A4	-	-	-

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About Infomerics:

Infomerics Valuation and Rating Limited (Infomerics) [Formerly Infomerics Valuation and Rating Private Limited] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.



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Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations. Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

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Annexure 1: Instrument/Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate /IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	July 2035	2.87	IVR BB-/ Stable
ODBD	-	-	-	-	0.75	IVR BB-/ Stable
ILC/FLC	-	-	-	-	4.00	IVR A4
Proposed LC Limit	-	-	-		7.38	IVR A4

Annexure 2: Facility wise lender details

https://infomericstorage.blob.core.windows.net/uploads/Len_Kabra_Commercial_23feb26_aba2e309ba.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com