

Kinara Capital Private Limited

March 24,2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	65.04 (Reduced from 256.51)	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Subordinate Debt-VI	75.00	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Non-Convertible Debentures XI	113.08	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Non-Convertible Debentures XII	30.56	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Non-Convertible Debentures XIII	64.31 (Reduced from 194.60)	CARE D; ISSUER NOT COOPERATING*	Rating 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 Ratings Limited (CareEdge Ratings) has been seeking information from Kinara Capital Private Limited (KCPL) to monitor the rating vide e-mail communications/letters dated March 10,2026, March 12,2026, March 17,2026, March 18,2026, among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings opinion is not sufficient to arrive at a fair rating. Further, KCPL has not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. The rating on KCPL's bank facilities and debt instruments will now be denoted as **CARE D; 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 take into account the delay in servicing of debt obligations by KCPL alongwith the deterioration in liquidity profile, weakening of asset quality and profitability.

CareEdge Ratings has withdrawn ratings on non-convertible debentures (NCDs) (INE200W07423, INE200W07431, INE200W07449, INE200W07456) due to redemption and the bank facilities of ₹191.47 crore due to receipt of no due certificates from the lenders.

Analytical approach: Standalone

Outlook: Not applicable

Detailed description of key rating drivers:

At the time of last rating on August 07,2025, the following were the rating strengths and weaknesses (updated for the information available from stock exchange)

Key weaknesses

Deterioration in liquidity profile

As of June 30, 2025, KCPL reported an unencumbered cash balance of ₹98 crore, which declined to ₹70 crore by July 29, 2025. The company had anticipated meeting its debt obligations through loan collections; however, the appropriation and set-off of fixed deposits and collections by certain lenders have materially weakened its liquidity position. Additionally, acceleration of debt by other lenders is expected to further intensify liquidity pressures. As on June 30,2025, the company had outstanding debt of ₹1,853 crore.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Weak asset quality parameters

In FY25, delinquency in softer buckets (on AUM basis) increased as 0+ DPD and 30+ DPD stood at 15.9% and 12.1% respectively as on March 31, 2025, against 10.7% and 7.9%, respectively as on March 31, 2024. Slippage continues to remain high at 8.00% for FY25 (PY:8.00%). Asset quality deteriorated due to higher delinquencies witnessed in certain sectors and geographies, and in loans disbursed at higher ticket size.

Weak profitability

In FY25, Kinara reported loss of ₹351 crore of loss on a total income of ₹601 crore against profit after taxes (PAT) of ₹62 crore on a total income of ₹734 crore in FY24. Overall income moderated due to higher payouts in co-lending arrangements. Operating expenses continue to remain high with an increase in employee cost. Credit cost remains high at 14.5% in FY25 (7.1% in FY24) due to continued deterioration in asset quality and higher write-offs along with de-growth in book by 10%. The company has written off loans aggregating ₹341 crore in FY25. The company is also carrying management overlay of ₹24 crore in the provisioning. With reduction in income and high credit cost, the company has reported losses in FY25.

In 9MFY26, the company reported losses of ₹524 crore on net total income (adjusted for net loss on derecognition) of ₹128 crore compared to loss of ₹151 crore on net total income of ₹516 crore in 9MFY25.

Liquidity: Poor

KCPL's liquidity remains poor as reflected by the delays in the debt servicing.

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Financial Ratios - Financial Sector](#)

[Withdrawal Policy](#)

[Non-Banking Financial Companies](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial Services	Financial Services	Finance	Non Banking Financial Company (NBFC)

KCPL (erstwhile Visage Holdings and Finance Private Limited) was incorporated in New Delhi in 1996 and registered as an NBFC and obtained the certificate of registration from the Reserve Bank of India (RBI) on March 23, 2000. Kinara was taken over by the current promoter, Hardika Shah, in 2011, and subsequently, the registered office moved to Bengaluru in 2013. It obtained a fresh certificate of registration from RBI on August 27, 2013. The company provides collateral-free loans under the brand name 'Kinara Capital' in the range of ₹1 lakh to ₹30 lakh to micro and small businesses in manufacturing, trading and services, for machinery purchase, business development or working capital need, at a rate of 22-33% for a tenure of 12-60 months. Overall, the company operates with four products, MSME business loan, short-term working capital, machinery purchase, and LAP. Of these, long-term working capital is the company's major product.

Standalone

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total net income (adjusted for net loss on derecognition)	734	601	128
Profit after tax (PAT)	62	-351	-524
Assets under management (AUM)	3,142	2,831	NA
On-book gearing (x)	3.00	4.99	NA
AUM / tangible net-worth (TNW) (x)	4.28	6.78	NA
Gross non-performing assets (NPA)/ gross stage 3 (%)	5.64	7.38	NA
Return on managed assets (ROMA) (%)	1.63	-8.93	NA
Capital adequacy ratio (CAR) (%)	27.60	22.33	-17.7

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

Status of non-cooperation with previous CRA: ICRA Ratings migrated the rating from 'ICRA D' to 'ICRA D; Issuer Not Cooperating' as per the press release dated December 08,2025.

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	Coupon Rate	Maturity Date	Size of Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term loan	-	-	-	-	0.00	Withdrawn
Fund-based - LT-Term loan	-	-	-	Mar-2026	65.04	CARE D; ISSUER NOT COOPERATING*
Debentures-Non-convertible debentures-XI	INE200W07233	14-Mar-2022	13.30%	08-Dec-2025	53.08	CARE D; ISSUER NOT COOPERATING*
	INE200W07415	25-Mar-2022	13.74%	25-Mar-2026	60.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non-convertible debentures-XII	INE200W07266	25-Apr-2022	13.00%	08-Dec-2025	30.56	CARE D; ISSUER NOT COOPERATING*
Debentures-Non-convertible debentures-XIII	INE200W07407	22-May-2024	13.20%	25-May-2027	60.20	CARE D; ISSUER NOT COOPERATING*
	INE200W07423	06-Aug-2024	13.10%	07-Aug-2027	0.00	Withdrawn
	INE200W07431	27-Aug-2024	10.28%	27-Aug-2027	0.00	Withdrawn
	INE200W07449	17-Sep-2024	12.00%	17-Sep-2029	0.00	Withdrawn
	INE200W07456	03-Feb-2025	13.00%	13-Sep-2027	0.00	Withdrawn
	Proposed	-	-	-	4.11	CARE D; ISSUER NOT COOPERATING*
Debt-Subordinate debt-VI	INE200W08124	15-Oct-2024	13.40%	15-Jan-2030	20.00	CARE D; ISSUER NOT COOPERATING*
	Proposed	-	-	-	55.00	CARE D; 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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	65.04	CARE D; ISSUER NOT COOPERATING*	1)CARE D (07-Aug-25) 2)CARE C (01-Aug-25)	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative	1)CARE BBB+; Stable (29-Mar-24)	1)CARE BBB; Positive (31-Mar-23) 2)CARE BBB; Stable

					3)CARE BBB-; Stable (10-Jun-25)	(11-Nov- 24) 3)CARE BBB+; Stable (24-Sep- 24)		(27-Jun-22)
2	Debt-Subordinate Debt	LT	-	-	-	-	-	1)Withdrawn (31-Mar- 23) 2)CARE BBB; Stable (27-Jun-22)
3	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (31-Mar- 23) 2)CARE BBB; Stable (27-Jun-22)
4	Debt-Subordinate Debt	LT	-	-	1)Withdrawn (01-Aug- 25) 2)CARE BBB-; Stable (10-Jun-25)	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative (11-Nov- 24) 3)CARE BBB+; Stable (24-Sep- 24)	1)CARE BBB+; Stable (29-Mar- 24)	1)CARE BBB; Positive (31-Mar- 23) 2)CARE BBB; Stable (27-Jun-22)
5	Debt-Subordinate Debt	LT	-	-	-	-	-	1)Withdrawn (31-Mar- 23) 2)CARE BBB; Stable (27-Jun-22)
6	Debt-Subordinate Debt	LT	-	-	1)Withdrawn (01-Aug- 25) 2)CARE BBB-; Stable (10-Jun-25)	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative (11-Nov- 24)	1)CARE BBB+; Stable (29-Mar- 24)	1)CARE BBB; Positive (31-Mar- 23) 2)CARE BBB; Stable (27-Jun-22)

								3)CARE BBB+; Stable (24-Sep-24)
7	Debentures-Non Convertible Debentures	LT	-	-	-			1)Withdrawn (24-Sep-24) 1)CARE BBB+; Stable (29-Mar-24) 2)CARE BBB; Stable (27-Jun-22)
8	Debt-Subordinate Debt	LT	-	-		1)Withdrawn (01-Aug-25) 2)CARE BBB-; Stable (10-Jun-25)	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative (11-Nov-24) 3)CARE BBB+; Stable (24-Sep-24)	1)CARE BBB; Positive (31-Mar-23) 2)CARE BBB; Stable (27-Jun-22)
9	Debentures-Non Convertible Debentures	LT	-	-	-			1)Withdrawn (31-Mar-23) 2)CARE BBB; Stable (27-Jun-22)
10	Debentures-Non Convertible Debentures	LT	-	-	-			1)Withdrawn (29-Mar-24) 2)CARE BBB; Stable (27-Jun-22)
11	Debentures-Non Convertible Debentures	LT	-	-	-			1)Withdrawn (29-Mar-24) 2)CARE BBB; Stable (27-Jun-22)

12	Debentures-Non Convertible Debentures	LT	-	-	1)Withdrawn (01-Aug-25) 2)CARE BBB-; Stable (10-Jun-25)	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative (11-Nov-24) 3)CARE BBB+; Stable (24-Sep-24)	1)CARE BBB+; Stable (29-Mar-24)	1)CARE BBB; Positive (31-Mar-23) 2)CARE BBB; Stable (27-Jun-22)
13	Debentures-Non Convertible Debentures	LT	113.08	CARE D; ISSUER NOT COOPERATING *	1)CARE D (07-Aug-25) 2)CARE C (01-Aug-25) 3)CARE BBB-; Stable (10-Jun-25)	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative (11-Nov-24) 3)CARE BBB+; Stable (24-Sep-24)	1)CARE BBB+; Stable (29-Mar-24)	1)CARE BBB; Positive (31-Mar-23) 2)CARE BBB; Stable (27-Jun-22)
14	Debentures-Non Convertible Debentures	LT	30.56	CARE D; ISSUER NOT COOPERATING *	1)CARE D (07-Aug-25) 2)CARE C (01-Aug-25) 3)CARE BBB-; Stable (10-Jun-25)	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative (11-Nov-24) 3)CARE BBB+; Stable (24-Sep-24)	1)CARE BBB+; Stable (29-Mar-24)	1)CARE BBB; Positive (31-Mar-23) 2)CARE BBB; Stable (27-Jun-22)
15	Debentures-Non Convertible Debentures	LT	64.31	CARE D; ISSUER NOT COOPERATING *	1)CARE D (07-Aug-25) 2)CARE C (01-Aug-25) 3)CARE BBB-; Stable	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative (11-Nov-24)	1)CARE BBB+; Stable (29-Mar-24)	-

					(10-Jun-25)	3)CARE BBB+; Stable (24-Sep- 24)		
16	Debt-Subordinate Debt	LT	75.00	CARE D; ISSUER NOT COOPERATING *	1)CARE D (07-Aug- 25) 2)CARE C (01-Aug- 25) 3)CARE BBB-; Stable (10-Jun-25)	1)CARE BBB; Stable (24-Feb-25) 2)CARE BBB+; Negative (11-Nov- 24) 3)CARE BBB+; Stable (24-Sep- 24)	-	-

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

LT: Long term

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Debt-Subordinate Debt	Complex
3	Fund-based - LT-Term Loan	Simple

Annexure-5: 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.

Contact us

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