November 05, 2026

Kems Forgings Limited: Ratings downgraded and Continues to remain under issuer non-Cooperating category

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action	Financial Sector Regulator#
Long term – Fund based – Cash credit	27.65	27.65	[ICRA]BB+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB (Stable) and continues to remain under 'ISSUER NOT COOPERATING' category	RBI
Short term – Non fund based limits	1.00	1.00	[ICRA]A4+; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A3+ and continues to remain under 'ISSUER NOT COOPERATING' category	RBI
Total	**28.65**	**28.65**		

**Issuer did not cooperate; based on best available information & fees*

^ Instrument details are provided in Annexure-I

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of financial sector regulators other than SEBI.

Rationale

ICRA has downgraded the long-term rating to [ICRA]BB+(Stable) from [ICRA]BBB (Stable) and the short-term rating to [ICRA]A4+ from [ICRA]A3+. The ratings continue to remain under ISSUER NOT COOPERATING.

The rating continues to remain under "Issuer Not Cooperating" is because of lack of adequate information regarding Kems Forgings Limited's performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in.The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

As part of its process and in accordance with its rating agreement with Kems Forgings Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, rating sensitivities, key financial indicators: Click here. ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Auto Components Policy in respect of non-cooperation by the rated entity
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Incorporated in 1970 as Sree Lakshmi Industrial Forge and Engineers Limited, KEMS Forgings Limited (KFL) was acquired from the erstwhile promoters in 1990. KFL is a closely held company, engaged in manufacturing steel forgings primarily catering to the automotive and construction equipment industries. It is a TUV and ISO 9001:2015 certified company, with manufacturing facilities at Attibele and Hoskote in Karnataka and at Sriperumbudur in Tamil Nadu, having a combined installed capacity of 51,000 metric tonnes (MT) per annum as on date. KFL is part of the Gandhi Group, established in 1964 as a steel marketing company in Calcutta. Mr. S K Gandhi, the managing director, and his family as well as Group companies, hold a 100.0% stake in the company.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2027)					Chronology of rating history for the past 3 years					
	Type	FY2027				FY2026		FY2025		FY2024	
		Amount rated (Rs. crore)	November 05,2026	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based – Cash credit	Long term	27.65	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	May 07, 2026	[ICRA]BBB (Stable) ISSUER NOT COOPERATING	Dec 15, 2025	[ICRA]BBB (Stable)	Oct 01, 2024	[ICRA]BBB (Stable)	Mar 07, 2024	[ICRA]BBB (Stable) ISSUER NOT COOPERATING
						Nov 13, 2025	[ICRA]BBB (Stable)				
						Apr 25, 2025	[ICRA]BBB (Stable) ISSUER NOT COOPERATING			Apr 28, 2023	[ICRA]BBB (Stable)
Non fund based limits	Short term	1.00	[ICRA]A4+ ISSUER NOT COOPERATING	May 07, 2026	[ICRA]A3+ ISSUER NOT COOPERATING	Dec 15, 2025	[ICRA]A3+	Oct 01, 2024	[ICRA]A3+	Mar 07, 2024	[ICRA]A3+ ISSUER NOT COOPERATING
						Nov 13, 2025	[ICRA]A3+				
						Apr 25, 2025	[ICRA]A3+ ISSUER NOT COOOPERATING			Apr 28, 2023	[ICRA]A3+

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term – Fund Based – Cash credit	Simple
Short term – Non fund based limits	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook	Financial Sector Regulator#
NA	**Cash credit**	NA	NA	NA	27.65	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*	RBI
NA	**Non fund based**	NA	NA	NA	1.00	[ICRA]A4+ ISSUER NOT COOPERATING*	RBI

*Source: Company, * based on best available info and fees*

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Annexure II: List of entities considered for consolidated analysis – Not Applicable

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ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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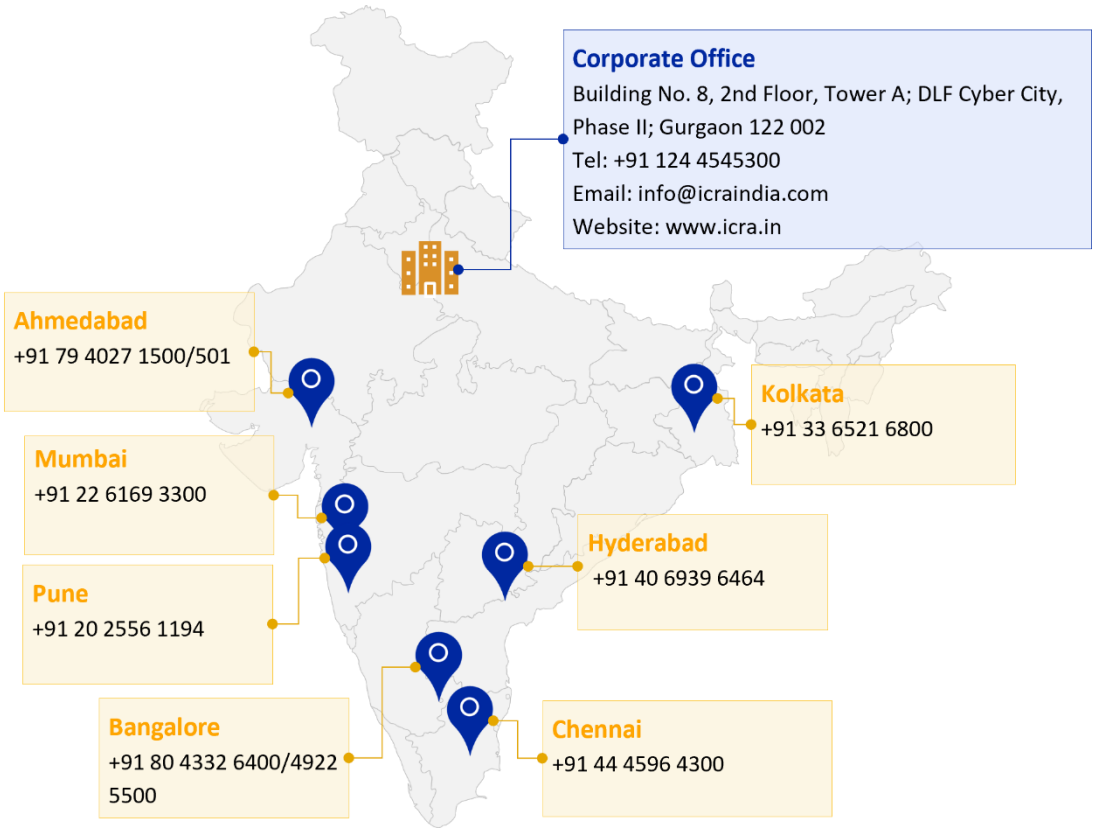

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