

February 20, 2025

## LGB Forge Limited: Ratings Withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short term-others-non fund based	13.00	13.00	[ICRA]A4+; Withdrawn
Long term-cash credit-fund based	22.00	22.00	[ICRA]BB+ (Stable); Withdrawn
Long term-term loan-fund based	13.00	13.00	[ICRA]BB+ (Stable); Withdrawn
<b>Total</b>	<b>48.0</b>	<b>48.0</b>	

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the rating assigned to the bank facilities of LGB Forge Limited (the company) at the request of the company and based on the no objection certificate received from the bankers, in accordance with ICRA's policy on withdrawal of credit ratings. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The key rating drivers, Liquidity position, rating sensitivities, key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy on Withdrawal of Credit Ratings</a> <a href="#">Auto Components</a>
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on LGBFL's standalone financial statements

### About the company

LGB Forge Limited is involved in manufacturing forged (hot, warm and cold forgings) components. It is a tier-II auto ancillary player and caters to both domestic (~85% of revenues in FY2024) and export markets, including PV, LCV and tractor segments. The company has manufacturing facilities at Coimbatore and Mysore with a production capacity of 4.4 million hot forging components and 9.8 million number of cold forging components per annum in FY2024. Apart from this, the company also used to do job work for machining in its Puducherry plant. This has now been sold to L.G. Balakrishnan & Bros. Ltd. ([ICRA]AA(Stable)/[ICRA]A1+), on slump sale basis in April 2024, for a consideration of Rs. 15 crore. The company is a part of the larger Coimbatore-based LGB Group, which includes L.G. Balakrishnan & Bros Limited. The promoters owned 73.79% stake in the company as on March 31, 2024.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

Instrument	Current rating (FY2025)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Date & rating in FY2025			Date & rating in FY2024	Date & rating in FY2023		Date & rating in FY2022
			Feb 20, 2025	June 12, 2024	May 31, 2024	Aug 22, 2023	Feb 23, 2023	Aug 19, 2022	Sep 15, 2021
1 Fund based facilities	Long term	22.00	[ICRA]BB+ (Stable); Withdrawn	[ICRA]BB+ (Stable)	[ICRA]BB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA] AA(CE) Stable
2 Term Loans	Long term	13.00	[ICRA]BB+ (Stable); Withdrawn	[ICRA]BB+ (Stable)	-	-	-	-	-
3 Non-fund based facilities	Short term	13.00	[ICRA]A4+; Withdrawn	[ICRA]A4+	[ICRA]A4+	[ICRA]A3	[ICRA]A3	[ICRA]A3	[ICRA] A1+(CE)

### Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund based – Term loans	Simple
Long term – fund-based facilities	Simple
Short term – non-fund based facilities	Very 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
NA	Term loans	NA	NA	FY2028	13.00	[ICRA]BB+ (Stable); Withdrawn
NA	Cash Credit	NA	NA	NA	22.00	[ICRA]BB+ (Stable); Withdrawn
NA	Bank Guarantee/ Letter of Credit	NA	NA	NA	13.00	[ICRA]A4+; Withdrawn

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

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

## ANALYST CONTACTS

**Shamsher Dewan**  
+91 124 4545 328  
[shamsherd@icraindia.com](mailto:shamsherd@icraindia.com)

**Vinutaa S**  
+91 44 4596 4305  
[vinutaa.s@icraindia.com](mailto:vinutaa.s@icraindia.com)

**K. Srikumar**  
+91 44 4596 4318  
[ksrikumar@icraindia.com](mailto:ksrikumar@icraindia.com)

**Nilesh Kumar Jain**  
+91 44 4596 4312  
[nilesh.jain2@icraindia.com](mailto:nilesh.jain2@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+91 22 6114 3406  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

## 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.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



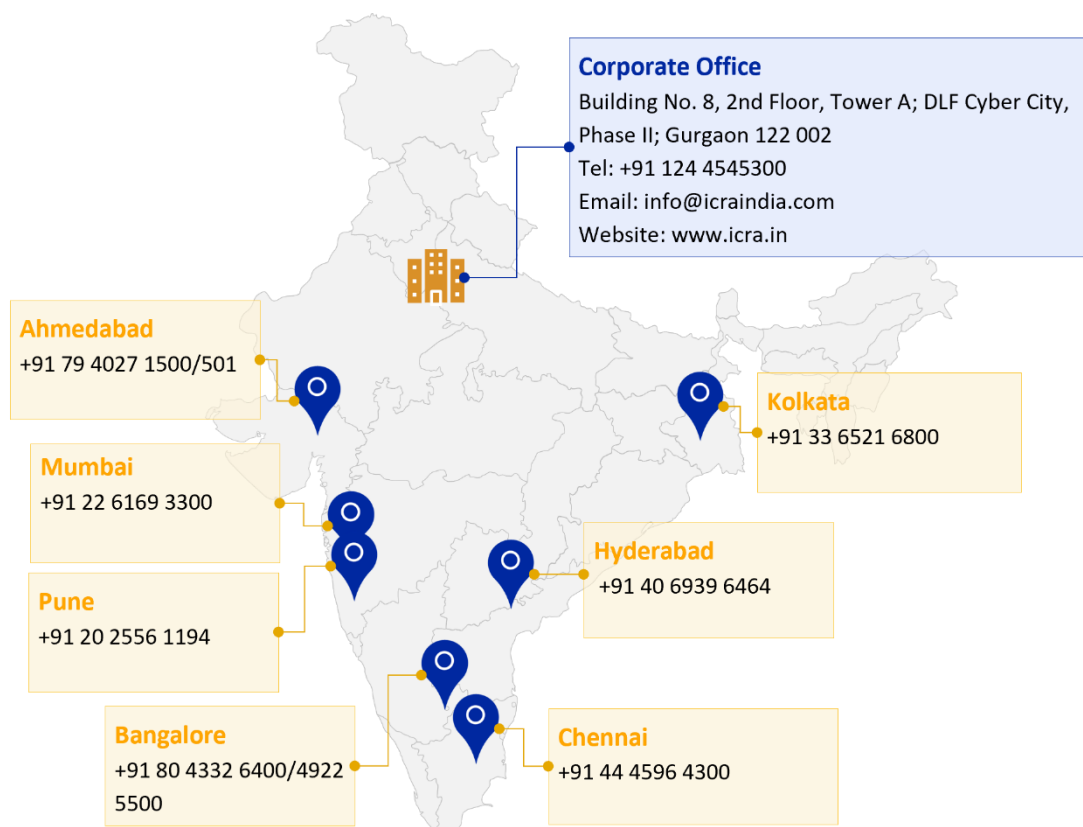
### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.