Kisaan Engineering Works Private Limited

October 05, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term Bank Facilities	RBI	42.70	CARE B+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB-; Stable and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	RBI	6.00	CARE A4; 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 Kisaan Engineering Works Private Limited (KEWPL) to monitor the rating vide e-mail communications dated July 06, 2026, July 31, 2026, August 07, 2026, August 25, 2026, August 31, 2026, September 09,2026, September 22,2026, September 24, 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, KEWPL has not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. The ratings on KEWPL bank facilities will now be denoted as '**CARE B+; Stable; ISSUER NOT COOPERATING/ CARE A4; 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 assigned to the bank facilities of Kisaan Engineering Works Private Limited (KEWPL) have been revised owing to non-availability of requisite information. Further, the ratings remain constrained on account of modest scale of operations, weak financial risk profile marked by high overall gearing ratio and weak debt coverage indicators. The ratings, further, remained constrained on account of working capital-intensive nature of operations, foreign exchange fluctuation risk and presence in a highly fragmented industry. However, the ratings draw strengths from the established relationship with reputed customers and Experienced promoters.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on September 03, 2025 the following were the rating strengths and weaknesses (updated from information available from KEWPL).

Key weaknesses

Modest scale of operations

The scale of operations of the company although improved on back of increase in demand for its products and was modest with total operating income of ₹92.56 crore in FY26 (Prov.) improved from ₹84.21 crore in FY25. The small scale limits the financial flexibility of the company in times of stress. Considering the reduced manufacturing expenses, primarily comprising Rolling, Cutting and Forging/Proof Machine Charges, profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin improved and was moderate of 8.34% in FY26 (Prov.) from 4.68% in FY25. Consequently, PAT margin also improved and was 1.31% in FY26 (Prov.) from 0.83% in FY25.

Weak financial risk profile

The capital structure has improved due to reduced debt level mainly in form of unsecured loan and accretion of profits to reserves but continued to remain leveraged as on March 31, 2026 (Prov.), with an overall gearing ratio of 3.20x against 3.98x as on March 31, 2025.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority
[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

As a result of improved overall profitability, debt coverage indicators also improved in FY26 (Prov.) but was modest, as indicated by profit before interest, lease rentals, depreciation, and taxation (PBILDT) interest coverage of 2.37x, which improved from 1.23x in FY25. The total debt to gross cash accruals (GCA) ratio also improved and stood high at 9.19 years as on March 31, 2026 against 17.05 years as on March 31, 2025.

Working capital intensive nature of operations
The entity's operations are working capital intensive as reflected by gross current asset days of 163 days during FY26 (PY: 241 days). The same is primarily on the higher side owing to high collection period as the client base as the company receives payments from its clients in 90-120 days leading to high collection period of 95 days in FY26 (PY: 110 days). Inventory holding period was also high at 68 days in FY26 (PY: 84 days) since the company is required to maintain a sufficient level of inventory to cater to the tailored requirements of its customers. The company usually makes payment within 30-35 days to its suppliers.

Foreign exchange fluctuation risk
KEWPL also earns nearly 40-50% of its revenue from the export market, whereas import on the other side is nil. Hence, company is a net exporter and is exposed to the adverse fluctuation in foreign currency exchange rates as the company has no formal hedging policy in place. The company earned Rs. 0.86 crore in FY25 due to forex fluctuation.

Presence in a highly competitive and fragmented industry
The products sold by KEWPL are generally used by engineering and capital goods industry which are inherently cyclical in nature. The slowdown in these industries may adversely affect the business operations of KEWPL. Moreover, entry barriers in the industry are very low which results in high competition amongst the players, in turn restricting the pricing power and impacting the profitability of players operating in this industry.

Key strengths

Established relationship with reputed customers
The revenue of the company is primarily derived by supplying customized iron castings to its clients. KEWPL's customer base includes renowned and established companies in the oil and gas sector. The company has long standing relationship with these clients which reflects medium term revenue visibility.

Experienced promoters
KEWPL is promoted by Pankaj Agarwal, Managing Director, who has over 35 years of industry experience and looks after overall operations of the company. He is supported by Rishi Agarwal, Director having 16 years of experience looking after overall operations of the entity.

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable Criteria:
Definition of Default
Information Adequacy Risk and Issuer Non-Cooperation
Rating Outlook and Rating Watch
Financial Ratios – Non-financial Sector
Short Term Instruments
Manufacturing companies

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Castings & Forgings

Kisaan Engineering Works Private Limited (KEWPL), based in Ghaziabad, Uttar Pradesh, was established on November 19, 1948, and is promoted by Rishi Agarwal and Pankaj Agarwal. The company provides variety of products such as forging, rings, shafts, crankshafts, flanges, rolls, and gears to make a one-stop-shop for the customers. The company also manufactures high-quality forged flanges, including Blind Flanges, Slip-On Flanges, Spectacle Lap Joint Flanges, Threaded Flanges, Long Weld Neck Flanges, and Socket Weld Neck Flanges. In addition to flanges, KEWPL also produces a wide range of industrial components such as gears, forged rings, rolls, crankshafts, hollow bars, and self-reinforced nozzles. The organization is certified with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, PED, AD 2000 MERKBLATT W0, EIL, and IBR.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (Prov.)
Total operating income	84.21	92.56
PBILDT*	3.94	7.72
Profit after tax (PAT)	0.70	1.21
Overall gearing (x)	3.98	3.20
Interest coverage (x)	1.23	2.37

Audited; Note: Prov.-Provisional; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	RBI	Simple	-		-	-	30.00	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	RBI	Simple	-		-	30-09- 2030	12.70	CARE B+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee	RBI	Simple	-		-	-	5.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	RBI	Simple	-		-	-	1.00	CARE A4; 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 2026-2027	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
1	Fund-based - LT-Term Loan	LT	12.70	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable (03-Sep-25)	-	-
2	Fund-based - LT-Cash Credit	LT	30.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable (03-Sep-25)	-	-
3	Non-fund-based - ST-Bank Guarantee	ST	5.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4 (03-Sep-25)	-	-
4	Non-fund-based - ST-Letter of credit	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4 (03-Sep-25)	-	-

*Issuer did not cooperate; based on best available information.
LT: Long term; ST: Short term

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

Annexure-4: 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.

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