



International Combustion (India) Limited

Regd. Off.: Infinity Benchmark, 11th Fl., Plot No. G-1
Block-EP & GP. Sector-V. Salt Lake Kolkata - 700 091. India
4th June, 2020

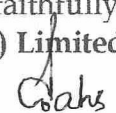
M/s. Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai - 400 001

Scrip Code : 505737
Sub : Credit Rating

Dear Sirs,

Pursuant to Regulation 30 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the credit rating agency ICRA Limited (ICRA) has downgraded the long-term rating on the fund-based and non-fund based working capital credit facilities enjoyed by the Company from its bankers on consortium basis from [ICRA]BBB- (pronounced as ICRA triple B minus) [signifying a moderate degree of safety regarding timely servicing of financial obligations and carrying moderate credit risk] to [ICRA]BB+ (pronounced as ICRA double B plus) [signifying a moderate risk of default regarding timely servicing of financial obligations]. The outlook on the long term rating has been revised from Stable to Negative. ICRA has also downgraded the short-term rating on the aforementioned facilities from [ICRA]A3 (pronounced as ICRA A three) [signifying a moderate degree of safety regarding timely servicing of financial obligations and carrying higher credit risk as compared to instruments/ facilities rated in the higher categories] to [ICRA]A4+ (pronounced as ICRA A four plus) [signifying a minimal degree of safety regarding timely servicing of financial obligations and carrying very high credit risk and susceptibility to default].

ICRA has downgraded the ratings and revised the outlook thereon primarily considering the weakening demand, adversely impacting the Company's financial performance, further accentuated by the Covid-19 pandemic and the consequent lockdown imposed by the Government, which may, in turn, lead to a further deterioration in the Company's credit profile. The ratings, however, continue to consider the Company's proven track record in the Engineering/Material Handling Equipment as well as the Geared Motors/ Gear Boxes segments and its technological tie-ups with reputed global players, which enhance the Company's competitive position. ICRA also notes the Company's conservative capital structure. The ratings are, however, constrained by the continuing weak performance of the Building Material Segment, which, in the opinion of ICRA, is likely to exert pressure on the Company's overall profitability and cash flows until the segment's scale of operation surpasses the break-even level.

Thanking You,
Yours faithfully,
For International Combustion (India) Limited

S. C. Saha
Company Secretary