



International Combustion (India) Limited

Regd. Off.: Infinity Benchmark, 11th Fl., Plot No. G-1,
Block-EP & GP, Sector 44, Sakinaka, Kalyan, 400 091, India
14th October, 2019


M/s. Bombay Stock Exchange Ltd.
Corporate Relationship Department
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 reaffirmed the long-term scale rating on the fund-based and non-fund based working capital credit facilities enjoyed by the Company from its bankers on consortium basis of [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]. The outlook on the long term scale rating is Stable. ICRA has also reaffirmed the short-term scale rating on the aforementioned facilities of [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].

ICRA has reaffirmed the ratings primarily factoring in 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. The ratings also reflect the Company's conservative capital structure and moderate utilisation of working capital limits and a sizeable portfolio of liquid investments which support its liquidity. ICRA has also taken into account the improvement in the Company's revenues and profitability during the Financial Year ended 31st March, 2019, as reflected by a net profit of Rs. 3.56 crore on an operating income of Rs. 135.01 crore in FY 2019 vis-à-vis a net loss of Rs. 2.35 crore on an operating income of Rs. 108.52 crore in the previous Financial Year ended 31st March, 2018, driven by improved demand in the Engineering/Material Handling Equipment as well as the Geared Motors/ Gear Boxes segments. 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