



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

21st July, 2016

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

Kind Attn. : Ms. Bharti Bhambwani

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 has revised the long-term scale rating on the working capital credit facilities enjoyed by the Company from its bankers on consortium basis to [ICRA]BBB+ (pronounced as ICRA triple B plus) [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 revised the short-term scale rating on the aforementioned facilities to [ICRA]A2+ (pronounced as ICRA A two plus) [signifying a strong degree of safety regarding timely payment of financial obligations and carrying low credit risk]. The said ratings are valid till 31st March, 2017.

ICRA has revised the ratings due to the continuing deterioration in the profitability of the Company since the last three fiscals, which was largely a result of the difficult operating environment in the main user industries of the Company, leading to a slow pace of fresh order bookings as well as execution, and increasing receivables. While revising the rating, ICRA has also taken note of the Company's debt-funded expansion into the building material segment, the manufacturing set up for which has recently been commissioned, as, although the expansion would result in diversification of cash flows, entry into an unrelated business is likely to post challenges at least in the near term.

Thanking You,

Yours faithfully,
For International Combustion (India) Limited

S. C. Saha
Company Secretary