



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

2nd September, 2017

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 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) [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) [signifying a strong degree of safety regarding timely payment of financial obligations and carrying low credit risk].

ICRA has revised the ratings taking into account the weak performance of the Building Material Segment, which, in the opinion of ICRA, is likely to keep the Company's overall profitability and cash flows under pressure in the near to medium term, given its substantial debt-servicing obligation due to setting up of the division and also considering the fact that the Company's traditional business continued to suffer in the Financial Year 2016-17 due to challenging operating environment in the Company's main user industries, as reflected by modest sales growth, high receivables and low returns from core operations. The ratings, however, continue to factor 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 leading global players which enhance the Company's competitive position. The ratings also reflect the Company's conservative capital structure and financial flexibility derived from moderate utilisation of working capital limits, a sizeable portfolio of liquid investments and income thereon which provide an additional liquidity back-up.

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


S. C. Saha
Company Secretary