



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

19th April, 2023

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 of the Company, Care Ratings Limited (CARE), has re-affirmed the rating of CARE BBB- (pronounced as CARE triple B minus) [signifying a moderate degree of safety regarding timely servicing of financial obligations] on the long-term credit facilities being enjoyed by the Company from its bankers and the outlook on the said rating has been stated as Stable. CARE has also re-affirmed the rating of CARE A3 (pronounced as CARE A three) [signifying a moderate degree of safety regarding timely servicing of financial obligations and carrying higher credit risk as compared to instruments rated in the two higher categories] on the the short-term credit facilities being enjoyed by the Company from its bankers.

CARE has re-affirmed the above ratings primarily taking into account the experienced promoters of the Company with established track record in material handling & industrial gear segments, reputed and diversified clientele, moderate order book position providing revenue visibility in the near term & technological tie-ups with reputed global players which enhance the competitive position of the Company. The rating also factors in moderate financial performance of the Company with significant improvement witnessed in FY 2021-22 and 9MFY23 (1st April, 2022 to 31st December, 2022) on the back of increased demand in material handling equipment & industrial gear segments. The rating also draws comfort from satisfactory capital structure marked by low reliance on external debt.

The rating however is partially offset by weak performance of the building material segment which has continued to exert pressure on overall profitability & cash flows of the Company. CARE, however, has opined that in collaboration with a reputed global player, the segment's sales have improved & losses have reduced & that it is expected to break even in Q1FY24 with the introduction of newer products.

The rating is also constrained by cyclicity associated with the engineering & capital goods industry, competitive nature of industry & susceptibility of profitability to volatility in prices of raw materials due to fixed price contracts with customers.

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

P. R. Sivasankar
Company Secretary