

No. IFCI/CS/2018- 498

June 19, 2018

**BSE Limited**

Department of Corporate Services  
Phiroze JeeJeebhoy Tower  
Dalal Street, Fort  
Mumbai – 400001

**CODE: 500106**

Dear Sir / Madam,

**Re: Revision in Credit Rating and Rating Rationale**

This is to inform that the Rating Agency, Brickwork Ratings India (P) Ltd. (Brickwork), has revised the ratings of debt instruments of IFCI Limited, as under:-

Long Term Debt Instruments from 'BWR A+' to 'BWR A-', and Secured NCDs from 'BWR AA+ (SO)' to 'BWR AA- (SO)'. The outlook for Long Term Debt Instruments has been revised from 'Negative' to 'Stable' while maintaining 'Stable' outlook for Secured NCDs.

**Rating Rationale:**

BWR has essentially relied upon the audited financial results up to FY18, publicly available information and information and clarifications provided by the Company.

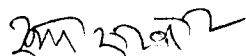
The rating action takes into account worsening of the asset quality indicators leading to high provisioning requirements, losses & deterioration in capital adequacy and consistent shrinkage in the loan portfolio. These constraints are partially offset by majority shareholding of GoI, various measures taken by the company towards recoveries, comfortable short term liquidity position and monetization of non-core investments. While the company divested its stake in certain non-core assets at a significant profit, it was not sufficient to cover up the losses. IFCI will continue to liquidate such investments during FY19 to improve its financials.

BWR has also taken note that the company expects resolution of many accounts under the NCLT during FY19 and has already made the required provisions for the same.

Going forward, as per Brickwork, the Company's ability to bring down the ratio of stressed assets (NPA + Restructured Accounts), minimise losses and improve capital adequacy above the regulatory minimum, shall remain key rating sensitivities.

This is for your information and record.

Yours faithfully  
For **IFCI Limited**



**(Rupa Sarkar)**  
Company Secretary

**आई एफ सी आई लिमिटेड**

पंजीकृत कार्यालय:

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वेबसाइट: www.ifcilt.com

सीआईएन: L74899DL1993GOI053677

**IFCI Limited**

**Regd. Office:**

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**National Stock Exchange of India Limited**

Exchange Plaza  
Plot No. C/1, G Block, Bandra Kurla Complex  
Bandra (East)  
Mumbai – 400 051

**CODE: IFCI**

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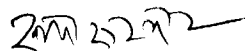
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