

No. IFCI/CS/2017- 245

March 29, 2017

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

CODE: IFCI

Dear Sir / Madam,

Re: Revision in Credit Rating and Rating Rationale

This is to inform that the Rating Agency, Credit Analysis & Research Ltd. (CARE), has revised the ratings of IFCI Limited's borrowing as under:-

Long Term Instruments from "CARE A+" to "CARE A", Long Term Subordinate Bonds from "CARE A" to "CARE A-" and for Long Term Structured Debts from "CARE AA (SO)" to "CARE AA- (SO)". The outlook on these Long Term Ratings are negative.

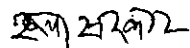
The Short Term Rating has been reaffirmed at CARE A1+

Rating Rationale:

The revision in the ratings assigned to the various bank facilities and instruments of IFCI Ltd (IFCI) factor in the sharp deterioration in the asset quality parameters as on December 31, 2016 and decline in profitability with net loss in 9MFY17 (refers to the period April 01 to December 31). The rating revision also factors in de-growth in the loan portfolio and vulnerability of asset quality on account of client concentration. The ratings however, continue to derive strength from the majority ownership by Government of India (GOI), adequate capitalization, adequate liquidity and diversified resource profile of the company.

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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