

Ref: IFL/Sect/BSE/2021-22/083

August 19, 2021

BSE Limited,  
Deptt. of Corporate Services,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001Re: **Revision in Credit Rating**

Dear Sir/Madam,

This is to inform that CARE Ratings Ltd. has informed about the Credit Ratings for the facilities and revised ratings stand as under:

	Instruments/Facilities	Ratings	Ratings Action
1.	Unsecured Non-Convertible Debenture	CARE BB; Negative (Double B; Outlook:Negative)	Downgrade from CARE BB+ Negative( Double B Plus; Outlook:Negative)
2.	Secured Non-Convertible Debenture		
3.	Long Term Bank Facilities		
4.	Short Term Bank Facilities	CARE A4 (A Four)	Reaffirmed

**Rationale for Rating Downgrade**

The revision in ratings assigned to the long-term bank facilities and non-convertible debentures of IFCI Factors Limited (IFL) factors in the stressed liquidity and capitalization profile of the parent i.e. IFCI Limited (IFCI) and recent revision in the ratings of IFCI to CARE BB; Negative. The revision in IFL's ratings is also underpinned by inability of IFCI to provide any equity support to IFL going forward as the former looks to liquidate its investments in subsidiaries and non-core assets to meet its debt obligations.

The ratings of IFL continue to remain constrained by the decline in its factoring business and corporate loan book, weak profitability metrics, and declining capitalization profile. IFL also reported persistent stress on its asset quality profile with GNPA and NNPA ratios at 63.35% and 12.94% respectively on account of decline in the overall asset base of the company as its net loan book declined further to Rs 249 crore, down 22% Y-o-Y.

**आई एफ सी आई फैक्टर्स लिमिटेड**

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Website: www.ifcifactors.com

CIN : U74899DL1995GOI074649

The complete Credit Rating Report by CARE may also be referred from their website.

You are requested to take the same on record.

Thanking you

Yours truly,  
For IFCI Factors Limited

  
Mani Dev Sadh  
Company Secretary

