

CONFIDENTIAL

KIRBROT/215237/BLR/011901073
January 28, 2019

Mr. Chittaranjan Mate
Chief Financial Officer
Kirloskar Brothers Limited
Yamuna,
S. No.98/3 to 7,
Baner,
PUNE - 411045

Dear Mr. Chittaranjan Mate,

Re: Review of CRISIL Ratings on the bank facilities of Kirloskar Brothers Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.

Please find in the table below the ratings outstanding for the debt instruments/facilities of the company, and the rating actions by CRISIL on the ratings as on date.

| | |
|-----------------------------------------|-----------------------------------------|
| Total Bank Loan Facilities Rated | Rs.1850 Crore |
| Long-Term Rating | CRISIL AA-/Negative (Reaffirmed) |
| Short-Term Rating | CRISIL A1+ (Reaffirmed) |

(Bank-wise details as per Annexure 1)

As per our Rating Agreement, CRISIL would disseminate the ratings, along with the outlook, through its publications and other media, and keep the ratings, along with the outlook, under surveillance over the life of the instrument/facility. CRISIL reserves the right to withdraw, or revise the ratings, along with the outlook, at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL believes may have an impact on the ratings.

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Sameer Charania
Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

CRISIL Limited

Corporate Identity Number: L67120MH1987PLC042363

Annexure 1 - Bank-wise details of various facility classes (outstanding facilities)

| S.No. | Bank Facility | Bank | Amount (Rs. in Crore) | Outstanding Rating |
|-------|-----------------------------------|-----------------------------------------------|-----------------------|-------------------------|
| 1 | Cash Credit | Canara Bank | 68.0 | CRISIL AA- /Negative |
| 2 | Cash Credit | HDFC Bank Limited | 44.0 | CRISIL AA- /Negative |
| 3 | Cash Credit | Credit Agricole Corporate and Investment Bank | 25.0 | CRISIL AA- /Negative |
| 4 | Cash Credit | Bank Of India Limited | 160.0 | CRISIL AA- /Negative |
| 5 | Cash Credit | ICICI Bank Limited | 7.0 | CRISIL AA- /Negative |
| 6 | Cash Credit | Citibank N. A. | 16.0 | CRISIL AA- /Negative |
| 7 | Letter of credit & Bank Guarantee | Canara Bank | 313.75 | CRISIL A1+ |
| 8 | Letter of credit & Bank Guarantee | ICICI Bank Limited | 237.0 | CRISIL A1+ |
| 9 | Letter of credit & Bank Guarantee | Credit Agricole Corporate and Investment Bank | 75.0 | CRISIL A1+ |
| 10 | Letter of credit & Bank Guarantee | HDFC Bank Limited | 136.0 | CRISIL A1+ |
| 11 | Letter of credit & Bank Guarantee | Bank Of India Limited | 718.25 | CRISIL A1+ |
| 12 | Term Loan | ICICI Bank Limited | 50.0 | CRISIL AA- /Negative |
| | Total | | 1850.0 | |

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Chief Financial Officer
Kirloskar Brothers Limited
Yamuna,
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PUNE - 411045

Dear Mr. Chittaranjan Mate,

Re: Review of CRISIL Rating on the Rs.100 Crore Commercial Paper Programme of Kirloskar Brothers Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.

CRISIL has, after due consideration, reaffirmed its "**CRISIL A1+**" (pronounced as CRISIL A one plus rating) rating on the captioned debt instrument. Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

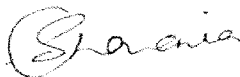
For the purpose of issuance of the commercial paper programme, this letter is valid for 60 calendar days from the date of the letter. In the event of your company not placing the above instrument within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid (unless revised) throughout the life of the commercial paper programme with a maximum maturity of one year.

As per our Rating Agreement, CRISIL would disseminate the rating through its publications and other media, and keep the rating under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Sameer Charania
Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



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