

Mr. T.R.Sivaraman
Chief Financial Officer
Naga Limited
No. 1, Trichy Rd, Lakshmi Nagar, Cooperative Nagar,
Dindigul, Tamil Nadu 624005

December 08, 2022

Dear Sir/Madam,

Re: Rating Letter for BLR of Naga Limited

India Ratings and Research (Ind-Ra) has revised Naga Limited's Outlook to Negative from Stable while affirming the Long-Term Issuer Rating at 'IND A-'. The instrument-wise rating actions are as follows:

Instrument Type	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Term loans	June 2033	INR2,170 (increased from INR1,907.8)	IND A-/Negative	Affirmed; Outlook revised to Negative from Stable
Fund-based working capital limits	-	INR2,550 (reduced from INR2,700)	IND A-/Negative/IND A2+	Affirmed; Outlook revised to Negative from Stable
Non-fund-based working capital limits	-	INR900 (increased from INR700)	IND A-/Negative/IND A2+	Affirmed; Outlook revised to Negative from Stable
Proposed fund-based working capital limits		INR198.30	WD	Withdrawn (the company did not proceed with the instrument as envisaged)

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that

by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Abhash Sharma
Director



Prashant Tarwadi
Director

Annexure: Facilities Breakup

Instrument Description	Banks Name	Ratings	Outstanding/Rated Amount(INR million)
Non-Fund Based Working Capital Limit	Axis Bank Limited	IND A-/Negative/IND A2+	550
Non-Fund Based Working Capital Limit	ICICI Bank	IND A-/Negative/IND A2+	150
Fund Based Working Capital Limit	Axis Bank Limited	IND A-/Negative/IND A2+	700
Fund Based Working Capital Limit	State Bank of India	IND A-/Negative/IND A2+	1000
Fund Based Working Capital Limit	HDFC Bank Limited	IND A-/Negative/IND A2+	300
Fund Based Working Capital Limit	ICICI Bank	IND A-/Negative/IND A2+	100
Term Loan	HDFC Bank Limited	IND A-/Negative	997.1
Term Loan	Karur Vysya Bank	IND A-/Negative	551.4
Term Loan	IDBI Bank	IND A-/Negative	148.5
Fund Based Working Capital Limit	IDBI Bank	IND A-/Negative/IND A2+	150
Term Loan	ICICI Bank	IND A-/Negative	22
Term Loan	IndusInd Bank Limited	IND A-/Negative	102
Term Loan	State Bank of India	IND A-/Negative	91.3
Non-Fund Based Working Capital Limit	HDFC Bank Limited	IND A-/Negative/IND A2+	200
Fund Based Working Capital Limit	IDFC First Bank	IND A-/Negative/IND A2+	300
Term Loan	IDFC First Bank	IND A-/Negative/IND A2+	256.5
Term Loan	Kotak Mahindra Bank	IND A-/Negative/IND A2+	1.3
Proposed Fund Based Working Capital Limit	NA	WD/WD	198.3