

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

June 11, 2020

Dear Sir/Madam,

Re: Rating Letter for Bank Loan Ratings of Naga Limited

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

Instrument Type	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Term loans	June 2033	INR2,656.1 (increased from INR1,432.1)	IND BBB+/Stable	Affirmed; Outlook revised to Stable from Positive
Fund-based working capital limits	-	INR2,150 (increased from INR1,430)	IND BBB+/Stable/IND A2	Affirmed; Outlook revised to Stable from Positive
Non-fund-based working capital limits	-	INR700 (reduced from INR1,250)	IND BBB+/Stable/IND A2	Affirmed; Outlook revised to Stable from Positive

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.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its

criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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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.

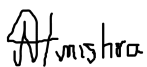
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In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at +91 22 4000 1700.

Sincerely,

India Ratings



Ashoo Mishra
Director



Krishan Binani
Director

Annexure: Facilities Breakup

Instrument Description	Banks Name	Ratings	Sanction Amount (INR million)
Term Loan	HDFC Bank	IND BBB+/Stable	1079.15
Term Loan	Standard Chartered bank	IND BBB+/Stable	255.09
Term Loan	ICICI Bank	IND BBB+/Stable	203
Term Loan	IDBI Bank	IND BBB+/Stable	173.78
Term Loan	IndusInd Bank	IND BBB+/Stable	198.84
Term Loan	Karur Vysya Bank	IND BBB+/Stable	550
Term Loan	State Bank of India	IND BBB+/Stable	155.45
Term Loan	Fullerton India Credit Company Limited	IND BBB+/Stable	40.8
Fund Based Working Capital Limit	Axis Bank	IND BBB+/Stable/IND A2	600
Fund Based Working Capital Limit	State Bank of India	IND BBB+/Stable/IND A2	1000
Fund Based Working Capital Limit	HDFC Bank	IND BBB+/Stable/IND A2	300
Fund Based Working Capital Limit	ICICI Bank	IND BBB+/Stable/IND A2	100
Fund Based Working Capital Limit	Citi Bank	IND BBB+/Stable/IND A2	150
Non-Fund Based Working Capital Limit	Axis Bank	IND BBB+/Stable/IND A2	550
Non-Fund Based Working Capital Limit	ICICI Bank	IND BBB+/Stable/IND A2	150