

Mr. K. Prasad
Chief Financial Officer
Sagar Cements (R) Limited
Plot No.111, Road No.10
Jubilee Hills, Hyderabad – 500 033
Telangana

September 26, 2018

Kind Attn: Mr. K. Prasad, Chief Financial Officer

Dear Sir,

Re: Ratings Letter of Sagar Cements (R) Limited.

India Ratings and Research (Ind-Ra) has upgraded Sagar Cements (R) Limited's (SCRL) Long-Term Issuer Rating to 'IND A-' from 'IND BBB+'. The Outlook is Stable. The instrument-wise rating actions are as follows:

Instrument Type	ISIN	Size of Issue (million)	Rating/Outlook	Rating Action
Fund-based working capital limit	-	INR400	IND A-/Stable/IND A2+	Long-term rating upgraded; short-term rating affirmed
Non-fund-based working capital limit	-	INR150	IND A2+	Affirmed
Term loan	-	INR500	IND A-/Stable	Affirmed and Reassigned
Non-convertible debentures (NCDs)	INE433R07016	INR1,500	IND A-/Stable	Affirmed and Reassigned

Details of bank facilities are mentioned in the Annexure.

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.

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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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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


Sandeep Singh
Senior Director



Abhishek Bhattacharya
Director

Annexure: Details of Sanctioned Bank Facilities

Fund-based working capital limit		
Bank	Rating	Sanctioned Limits (INRm)
State Bank of India	IND A-/Stable/IND A2+	200
Yes Bank	IND A-/Stable/IND A2+	200
Total		400
Source: Company		

Non-fund-based working capital limit		
Bank	Rating	Sanctioned Limits (INRm)
State Bank of India	IND A2+	100
Yes Bank	IND A2+	50
Total		150
Source: Company		

Term loan		
Bank	Rating	Sanctioned Limits (INRm)
Yes Bank	IND A-/Stable	500
Total		500
Source: Company		