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| <p>1 BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 Security Code No. 500380 Through: BSE Listing Center</p> | <p>2 National Stock Exchange of India Ltd. “Exchange Plaza” Bandra-Kurla Complex Bandra (East) Mumbai – 400 051 Symbol: JKLAKSHMI, Series : EQ Through: NEAPS</p> |
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Dear Sir,

Re: **Enhancement in Company’s Credit Rating for Long Term Borrowings.**

The Rating Agency, CARE Ratings Limited has upgraded the Company’s Credit Rating for its various Long Term Borrowings by One Notch to **CARE AA; Stable (Double A; Outlook: Stable)** from **CARE AA- Stable (Double A Minus; Outlook: Stable)** as detailed hereinbelow: -

| Facilities | Revised Rating | Rating Action |
|----------------------------|---|---|
| Long Term Bank Facilities | CARE AA; Stable (Double A; Outlook: Stable) | Revised from CARE AA- Stable (Double A Minus; Outlook: Stable) |
| Non-Convertible Debentures | CARE AA; Stable (Double A; Outlook: Stable) | Revised from CARE AA- Stable (Double A Minus; Outlook: Stable) |
| Fixed Deposit | CARE AA (FD); Stable [Double A (Fixed Deposit); Outlook: Stable] | Revised from CARE AA-(FD) [Double A Minus (Fixed Deposit); Outlook: Stable] |

The Enhancement in the Rating assigned to the Long Term Bank facilities and Instruments of the Company takes into account substantial improvement in the Company’s Consolidated Financial Risk Profile over the past few years leading to Below Unity Gearing Level and comfortable Total Debt/PBILDT Ratio as at FY 21 end. The Rating revision further factors in Strong Operational Performance driven by the Company’s Robust Volume Growth across regional markets, improved cost efficiencies and Higher Sales Realization achieved during FY20 and FY21. The improved Financial Performance has led to a built-up of Strong Liquidity position at Consolidated level thereby enabling the Company to undertake the proposed Capex of 2.50 Million Tonne Per Annum (MTPA) in Udaipur Cement Works Limited (UCWL) over the next 2.5 years comfortably without significantly increasing the consolidated gearing. The revision in Rating also considers the improvement in the operational risk profile of JKLC’s subsidiary i.e. Udaipur Cement Works Limited (UCWL) resulting in healthy contribution of cash accruals at consolidated level.

CARE has reaffirmed Short Term Bank Facilities / Commercial Paper Rating at the highest possible level of **A1+ (A One Plus)**.

Submitted for your information & noting.

Thanking you and assuring you our best co-operation at all times.

Yours faithfully,
For JK Lakshmi Cement Limited

(B.K. Daga)
Sr. Vice President & Company Secretary

