Date: March 13, 2020

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Fax: 022 – 2272 3121

BSE Scrip Code: 539141

To,  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East),  
Mumbai- 400 051  
Fax: 022-2659 8237/38

NSE Symbol: UFO

Dear Sir/ Ma’am,

Sub: Credit Rating for Rs. 187.6 crore bank limits of UFO Moviez India Limited’s (“the Company”) - Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform you that ICRA vide its letter dated March 13, 2020 has communicated that its Rating Committee has downgraded the ratings for the captioned line of credit (LOC), as detailed below:

<table>
<thead>
<tr>
<th>Type of Rating</th>
<th>Existing Rating</th>
<th>Revised Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term rating</td>
<td>[ICRA]AA- (pronounced ICRA double A minus)</td>
<td>[ICRA]A+ (pronounced ICRA A plus)</td>
</tr>
<tr>
<td></td>
<td>Outlook Negative</td>
<td>Outlook Stable</td>
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</tbody>
</table>

The revision in ratings factors in decline in the Company’s advertisement revenues which has resulted in a de-growth in operating profit margin and also considers that the dividend payout including dividend distribution tax of ~Rs. 148.1 crore in FY2020 (includes Rs. 30 per share dividend announced for FY2019 and the recent interim dividend of Rs. 15 per share declared on February 27, 2020) has reduced the Company’s liquidity buffer.

With respect to ICRA’s rationale that the Company’s liquidity buffer has reduced, the management of the Company believes that the liquidity position of the Company remains healthy even after the payment of two dividends (viz. Rs. 102.4 crore as Dividend payout for FY2019 and Rs. 45.7 crore as interim dividend for FY2020) totaling to Rs. 148.1 crore (including DDT) paid in FY2020, as the Company as on December 31, 2019, at a consolidated level, continues to maintain net cash of Rs. 43.3 crore even after reducing dividend payout of Rs. 45.7 crore (Rs. 152.8 crore of Gross cash after reducing dividend payout of Rs. 45.7 crore and Rs. 109.5 crore of Gross Debt). Further, the management of the Company believes in rewarding its shareholders by way of regular dividend payouts and has been distributing healthy dividend year on year since fiscal year 2016.

These ratings are valid till October 31, 2020.
Request you to kindly take the same on your record.

Thanking you.

Yours faithfully,
For UFO Moviez India Limited

Sameer Chavan
Company Secretary