Date: September 17, 2019

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 Sirs/ Ma'am,

Sub: Credit Rating for Rs. 127.0 crore bank limits of UFO Moviez India Limited's ("the Company")

Ref: - 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 September 16, 2019 has communicated that its Rating Committee, has revised the **outlook** on the long-term rating outstanding of [ICRA]AA- (pronounced ICRA double A minus) for the captioned line of credit **to Negative from Stable**, while keeping the rating unchanged. The short-term rating for the Company's line of credit continues to remain outstanding at [ICRA] A1+ (pronounced ICRA A one plus).

The aforesaid ratings will be due for surveillance anytime before March 31, 2020.

As per ICRA: (i) the revision in the outlook on the long-term rating of the Company factors in the reduced financial flexibility for the Company due to a sharp decline in its share price during the last six months; (ii) the liquidity position of the Company has moderated due to the high dividend payout of Rs. 94.0 crore in Q1 FY2020, resulting in a reduction in the available consolidated net cash surplus to Rs. 75.2 crore as on June 30, 2019 from Rs.118.9 crore as on March 31, 2019.

The management of the Company believes in rewarding its shareholders by way of regular dividend payouts and has been distributing enhanced dividend year on year since fiscal year 2016. The management further believes that the liquidity position of the Company remains healthy even after the payment of large amount of dividend of Rs. 94.0 crores (including DDT) in Q1 FY2020, as the Company, at a consolidated level, continues to maintain net cash of Rs 75.2 crore (Rs. 177.3 crore of Gross cash and Rs.102.1 crore of Gross Debt) as on June 30, 2019.

Secondly, the management of the Company believes that the financial flexibility with respect to its debt servicing ability remains intact through its strong operating cash-flow generations despite drop in its share price, which is a function of various macroeconomic and business factors.

Request you to kindly take the same on your record.

Thanking you.

Yours faithfully,
For **UFO Moviez India Limited**

S S Chavan

Sameer Chavan
Company Secretary