

22nd September, 2021

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: 022-26598237/38

BSE Limited

Corporate Relationship Department
1st Floor, New Trading Ring,
PJ Towers, Dalal Street,
Fort, Mumbai - 400 001
Fax: 022-22723121/1278

Company Code: PVR / 532689

**Sub: Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements)
Regulations, 2015- Update on Credit Ratings**

Dear Sir,

In compliance with Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed the rating published by India Ratings & Research, the Credit Rating Agency.

This is for your information and records.

Thanking You.

Yours faithfully

For **PVR Limited**

Mukesh Kumar
SVP- Company Secretary
& Compliance Officer

PVR LIMITED

Block A, 4th Floor, Building No. 9A, DLF Cyber City, Phase III, Gurugram 122002 (Haryana) India.
T: +91 124 4708100 | F: +91 124 4708101 | W: www.pvrcinemas.com
Regd Office: 61, Basant Lok, Vasant Vihar, New Delhi 110057. CIN: L74899DL1995PLC067827

Mr. Rahul Gautam
SVP and Head of Corporate Finance
PVR Limited
Block A, 4th Floor, Building 9A,
DLF Cyber City, Phase III,
Gurugram – 122002

September 20, 2021

Dear Sir/Madam,

Re: Rating Letter of PVR Limited

India Ratings and Research (Ind-Ra) has affirmed PVR Limited's Long-Term Issuer Rating to 'IND AA-'. The Outlook is Negative. The instrument-wise ratings is as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Principal market debentures (PP-MLD)*	-	-	-	INR2,500	IND PP-MLD AA- emr/Negative	Assigned
Fund-based facility	-	-	-	INR650	IND AA- /Negative/IND A1+	Affirmed

*Yet to be issued.

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.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

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 email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Abhishek Bhattacharya
Senior Director

Annexure: Facilities Breakup

Instrument Description	Banks Name	Ratings	Sanction Amount (INR million)	
Fund Based Working Capital Limit	Axis Bank Limited	IND AA-/Negative/IND A1+	650	

India Ratings Assigns PVR's PPMLD 'IND PP-MLD AA-emr'/Negative; Affirms Existing Ratings

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SEP 2021

By Manish Divekar

India Ratings and Research (Ind-Ra) has affirmed PVR Limited's Long-Term Issuer Rating to 'IND AA-'. The Outlook is Negative. The instrument-wise ratings is as follows:

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Principal protected market linked debentures (PP-MLD)*	-	-	-	INR2,500	IND PP-MLD AA-emr/Negative	Assigned
Fund-based facility	-	-	-	INR650	IND AA-/Negative/IND A1+	Affirmed

*Yet to be issued. PP-MLD refers to full principal protection in the equity linked notes wherein the issuer is obligated to pay the full principal upon maturity. The suffix 'emr' denotes the exclusion of the embedded market risk from the rating. Ratings of the market-linked debentures is an ordinal assessment of the underlying credit risk of the instrument and do not factor in the market risk that investors in such instruments will assume. This market risk stems from the fact that coupon payment on these instruments will be based on the performance of a reference index or equity share (detailed in the information memorandum of the issue).

Analytical Approach: Ind-Ra has continued to take a consolidated view of PVR and its subsidiaries while arriving at the rating, due to the close strategic and operational linkages among them.

KEY RATING DRIVERS

For the detailed rationale, please [click here](#).

RATING SENSITIVITIES

Outlook Revision to Stable: The developments that could, individually or collectively, lead to a positive rating action include:

- a meaningful recovery in the key operational parameters such as occupancy, average ticket prices, and spend per head

- a recovery in the profitability and continued stable debt levels, leading to higher visibility of the net leverage (excluding rent capitalisation) being below 2.5x on a sustained basis.

Negative: The developments that could, individually or collectively, lead to a negative rating action include:

- a slower-than-expected ramp-up in operational parameters, and/or failure to achieve the intended cost optimisation, leading to lower profitability on a sustained basis

- a higher-than-expected capex or debt-funded acquisition or weak profitability, leading to higher visibility on the net leverage (excluding rent capitalisation) exceeding 2.5x, on a sustained basis, beyond FY22

COMPANY PROFILE

PVR was set up in 1995 as a 60:40 joint venture between Priya Exhibitors Private Limited and Village Roadshow Limited. It started its operations in 1997 at its first screen in Saket, Delhi. The company's screen network has now spread across India (mainly north, south and west), with about 11% of the screen portfolio classified as premium portfolio.

FINANCIAL SUMMARY

Financials (INR billion)*	FY21	FY20
Revenue	2.8	34.1
EBITDA	-4.5	5.8
EBITDA margin (%)	n.m	16.9
Interest expense	1.5	1.5
Total debt	13.5	12.9
Source: PVR, Ind-Ra; *As per Ind-Ra adjusted calculations n.m: not meaningful		

RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (million)	Rating	20 July 2021	23 December 2020	20 March 2020
Issuer rating	Long-term	-	IND AA-/Negative	IND AA-/Negative	IND AA/Negative	IND AA/RWN
PP-MLD	Long-term	INR2,500	IND PP-MLD AA-emr/Negative	-	-	-
Fund-based facility	Long-term/Short-term	INR650	IND AA-/Negative/IND A1+	IND AA-/Negative/IND A1+	IND AA/Negative/IND A1+	IND AA/RWN/IND A1+/RWN

BANK WISE FACILITIES DETAILS

[Click here to see the details](#)

COMPLEXITY LEVEL OF INSTRUMENTS

Instrument Type	Complexity Indicator
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PP-MLD	High
Fund-based working capital limits	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

ABOUT INDIA RATINGS AND RESEARCH

About India Ratings and Research: India Ratings and Research (Ind-Ra) is India's most respected credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

India Ratings is a 100% owned subsidiary of the Fitch Group.

For more information, visit www.indiaratings.co.in.

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Applicable Criteria

[Corporate Rating Methodology](#)

[Short-Term Ratings Criteria for Non-Financial Corporates](#)

Analyst Names

[Primary Analyst](#)

Manish Divekar

Analyst

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[Secondary Analyst](#)

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Associate Director

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