

January 5, 2021

National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra- Kurla Complex, Bandra (E), Mumbai - 400 051	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400 001
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Kind Attention: Manager Corporate Relationship Department**Subject: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 – Credit Rating for Bank facilities**

Dear Sir,

This is to inform you that CARE Ratings Limited (CARE) has reviewed the rating assigned for Company's Bank facilities and based on the said review, CARE has *vide* letter dated January 5, 2021, placed the short term bank facility rating assigned to Dish TV India Limited to 'Under Credit watch with Negative Implications'.

This is to further inform that there has been no change in the rating assigned to the Company's facility previously assigned by CARE. The details of the rating reviewed is as below:

Name of the Facility	Amount (Rs. Crore)	Ratings	Rating Action
Short Term Bank Facilities	600.00	CARE A4 (Under Credit watch with Negative Implications) (A Four) (Under Credit watch with Negative Implications)	Placed on Credit watch with Negative Implications
Total Facilities	600.00 (Six Hundred Crore Only)		

In terms of the said communication, the Company has been informed of the below rationale for the said review –

"CARE has placed the ratings of bank facilities of Dish TV India Limited (DTIL) on 'Credit watch with negative implications' based on disclosure by the company regarding demand letter from Ministry of Information and Broadcasting for the disputed license fee including interest accrued thereon amounting to Rs.4164.05 crore, which is to be remitted within 15 days.

In light of the above events, CARE is engaging with management to understand its implications on overall financial risk profile of the company and its subsidiary. As per the initial discussion with the management, CARE understands that the matter regarding disputed license fees is subjudice and pending before the Hon'ble High Court of Jammu and Kashmir and the Hon'ble Supreme Court of India.

As per the management the Hon'ble High Court of Jammu and Kashmir had allowed the company to continue making payment of the License Fee as per the order dated 28.05.2010 passed by the TDSAT. Further, according to the management there would be no impact of the said letter till the matter is finally decided by the respective courts. However, CARE will continue to monitor the developments with regard to the said order and will resolve the watch once the exact implications of the above on the business and overall credit risk profile of the company are clear.

The reaffirmation of ratings assigned to the bank facilities of DTIL continue to factor in the reduced financial flexibility consequent to high pledge of the promoter holding in its listed group companies, the increasing competition faced both from peers and allied technology platforms and highly regulated DTH industry. Furthermore, the ratings also take into account the substantial provision made by DTIL (consolidated) towards license fee, which upon materialization would necessitate incremental debt funding. The ratings also consider the decline in the subscriber base and the quarter-on-quarter (q-o-q) decline in the average revenue per user (ARPU) in FY20 and in H1FY21.

The ratings, however, continue to derive strength from DTIL's leadership position in the Direct-to-Home (DTH) industry with net subscriber base of 23.65 million translating to market share of about 31% as on March 31, 2020."

You are requested to kindly take the above on record.

Thanking you,

Yours faithfully,

For **Dish TV India Limited**



Ranjit Singh

Company Secretary and Compliance Officer

Membership No. A15442