



Ref No.: SEL /Reg. 30 – LODR / Aug-2020 / 01

August 08, 2020

**Listing Department**  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra-Kurla Complex  
Bandra (E), Mumbai-400 051.  
**NSE Symbol: SHEMAROO**

**Corporate Relationship Department**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai-400 023.  
**Scrip Code : 538685**

Dear Sir/Madam,

**Re: SHEMAROO ENTERTAINMENT LIMITED - ISIN: INE363M01019**

**Sub: Intimation of Credit Rating under Regulation 30 of the SEBI (LODR), Regulations, 2015**

Pursuant to Regulation 30 read with Schedule III of SEBI (LODR) Regulations, 2015, we wish to inform you that CARE Ratings vide their letter No. CARE/HO/RL/2020-21/2105 dated August 05, 2020 and confirmation of ratings communicated to the Company on August 07, 2020, have reviewed and assigned the following ratings to Long term bank facilities availed by the Company:

Facilities	Amount (Rs. in Crores)	Ratings
Long term Bank facilities – Term Loan	35.80	CARE BBB+; (Triple B Plus; Credit watch with negative implications)
Long term Bank facilities – Cash Credit	175.00	
Long term Bank facilities – Bank Overdraft	44.00	
<b>Total</b>	<b>254.80</b>	

The Letter/Press Release of the aforesaid rating agency(ies) are enclosed for your ready reference. The same is also disseminated on the website of the Company i.e. [www.shemarooent.com](http://www.shemarooent.com).

This is for your information and records.

Thanking you,

Yours faithfully,  
**For Shemaroo Entertainment Limited**

**Sd/-**  
**Dipesh U. Gosar**  
**Company Secretary & Compliance Officer**  
**ICSI Membership No.: A23755**

Enclosure: A/a

**No. CARE/HO/RL/2020-21/2105**

**Mr. Hiren Gada**

**Director**

**Shemaroo Entertainment Limited**

Shemaroo House, 18, Marol Co-op Estate,

Off Andheri Kurla Road,

Andheri (E), Mumbai - 400059

August 5, 2020

**Confidential**

Dear Sir,

**Credit rating for bank facilities**

On the basis of recent developments including operational and financial performance of **Shemaroo Entertainment Limited (SEL)** for FY20 (audited) and Q1FY21 (provisional), our Rating Committee has reviewed the following ratings:

<b>Facilities</b>	<b>Amount (Rs. crore)</b>	<b>Rating<sup>1</sup></b>	<b>Rating Action</b>
Long term Bank Facilities – Term Loan	35.80	<b>CARE BBB+; (Triple B Plus; Credit watch with negative implications)</b>	Rating revised from CARE A-; Stable (Single A Minus; Outlook:Stable) ; and Placed on Credit watch with negative implications
Long term Bank Facilities – Cash Credit	175.00	<b>CARE BBB+; (Triple B Plus; Credit watch with negative implications)</b>	Rating revised from CARE A-; Stable (Single A Minus; Outlook:Stable) ; and Placed on Credit watch with negative implications
Long term Bank Facilities – Overdraft	44.00	<b>CARE BBB+; (Triple B Plus; Credit watch with negative implications)</b>	Rating revised from CARE A-; Stable (Single A Minus; Outlook:Stable) ; and Placed on Credit watch with negative implications
<b>Total</b>	<b>254.80 (Rupees Two Hundred and Fifty Four crore and Eighty Lakhs only)</b>		

2. Refer **Annexure 1** for details of rated facilities.
3. Our Rating Committee has placed the above ratings on ‘credit watch with negative implications’ on account of delay in disbursement of enhanced credit facilities and disbursement of term loans and the possible

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.  
CARE Ratings Ltd.

impact of the same on the credit profile of your company. CARE will take a view on the ratings once the exact implications of the above event on the credit risk profile of the company are clear.

4. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure II**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by August 6, 2020, we will proceed on the basis that you have no any comments to offer.
5. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
6. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
7. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
8. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
9. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.

CARE ratings are **not** recommendations to sanction, renew, disburse or recall any bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,



**[Madhusudhan Goswami]**

Analyst

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**[Manohar Annappanavar]**

Senior Manager

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Encl.: As above

**Disclaimer**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**Annexure 1**  
**Details of Rated Facilities**

**1. Long-term facilities**

**1.A. Term Loans**

Sr. No.	Lender	Rated Amount (Rs. Crore)	Remarks	Debt Repayment Terms
1.	State Bank of India	25.00	Sanctioned, but not disbursed	Repayable in 10 quarterly installments, after a moratorium of 6 months from the date of disbursement.
2.	Bank of India	10.80	Sanctioned, but not disbursed	Repayable in 10 quarterly installments, after a moratorium of 6 months from the date of disbursement.
<b>Total Term Loans</b>		<b>35.80</b>		

**1.B. Fund Based limits**

Sr. No.	Name of Bank	Fund Based Limits		
		CC*	Others (OD)	Total fund-based limits
1	State Bank of India	74.00	-	74.00
2	Bank of India	56.00	-	56.00
3	NKGSB Bank	45.00	-	45.00
4	Deutsche Bank	-	44.00	44.00
	<b>TOTAL</b>	<b>175.00</b>	<b>44.00</b>	<b>219.00</b>

\*CC=Cash credit; OD=Overdraft

**Total long-term facilities (1.A.+1.B.)      Rs.254.80 crore**

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

#### **Contact us**

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##### **About CARE Ratings:**

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

##### **Disclaimer**

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**