



Press Release

CARE reaffirms A-(Single A minus) Credit Rating to Shemaroo Entertainment Limited

Mumbai, 13 February'15: Shemaroo Entertainment Limited (Shemaroo), one of the largest independent content aggregators in Bollywood, today announced that CARE has reaffirmed '**CARE A- (Single A minus)**' rating to the long term bank facilities of Shemaroo. The rating has been revised from CARE BBB- (Triple B Minus) to CARE A- (Single A minus). Earlier this year, Shemaroo Entertainment was assigned A-/Stable rating by CRISIL.

Rating Rationale by CARE:

The revision in the rating assigned to bank facilities of Shemaroo Entertainment Limited (SEL) takes into account significant improvement in the capital structure of the company after raising equity through Initial Public Offer (IPO), and improved financial performance of the company in FY14 (refer to the period April 1 to March 31) and 9MFY15.

The ratings continue to derive strength from the experienced promoters, their established business relationship in the Indian film industry, well-placed market position in the broadcast syndication business along-with availability of significant content library, growing new age media business enhancing the content monetization capability and healthy growth environment of Indian film and television industry.

However, the rating strengths are tempered by the working-capital intensive nature of the operations and competitive nature of broadcast syndication business, which is also highly susceptible to the vagaries of economic cycles. SEL's ability to scale up its operations with diversified revenue stream in a new age media business and maintain the profitability by generating healthy realizations from broadcasting rights are the key rating sensitivities.

About CARE Advisory

CARE Advisory is a Division of CARE Kalypto Risk Technologies and Advisory Services Pvt. Ltd., a wholly owned subsidiary of Credit Analysis and Research Ltd. (CARE), a leading credit rating and information services company in India. CARE Advisory offers services in the areas of Corporate and Infrastructure Advisory and is focused on both public sector and private sector clients. The focus areas of CARE Advisory include investment banking activities (including valuations), business and financial restructuring, financial appraisal and feasibility studies and designing and implementation of bid management processes.

About Shemaroo

Celebrating the golden jubilee, Shemaroo Entertainment Ltd (BSE Scrip Code: 538685; NSE Scrip Code: SHEMAROO) is among few entertainment companies that has hallmarked several pioneering efforts with its innovative and out- of-the- box thinking. Founded in 1962, Shemaroo Entertainment Ltd is an established Filmed Entertainment “Content House” in the country, active in **Content Ownership, Creation, Aggregation** and **Distribution** with a large content library of over 2800 titles.

Shemaroo is engaged in the *distribution of content* for *satellite channels, physical formats* and *emerging digital technologies like the Mobile, Internet, Broadband, IPTV* and *DTH* among others. With its partnership with the major telecom operators and other digital media platforms, Shemaroo is at the forefront of the digital age. The company has also tied up with many content providers across the country. The “Shemaroo” brand today is synonymous with quality entertainment in the Indian entertainment eco system. For further Information, please visit www.shemarooent.com

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