



Ref No.: SEL/Reg-30/June-2020/01

2nd June 2020

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

**The Secretary,
BSE Limited**
PhirozeJeejeebhoy Towers
Dalal Street,
Mumbai-400 023.
Scrip Code : 538685

Dear Sir/Madam,

Re: SHEMAROO ENTERTAINMENT LIMITED - ISIN: INE363M01019

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding material impact of Covid-19 pandemic.

Pursuant to Regulation 30 of Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, following are the brief details relating to the impact of the COVID-19 pandemic and the resultant lockdown on the operations of the Company:

1. Impact of the Covid-19 pandemic on the business

- The lockdown and restrictions imposed on various activities due to COVID-19 pandemic across the world had a bittersweet impact on Shemaroo's business.
- As people stayed at home with limited entertainment options, the Company noticed a spike in its subscriber base and subscription-based businesses. The subscription-led businesses saw a reasonable uptick in the number of users and consumption, directly translating into revenue.
- On the other hand, despite an increase in consumption, the Company's advertisement-dependent businesses were heavily impacted because of most of the brands slashed their advertising spends in view of this unprecedented slowdown in the economy and their business activities coming to a standstill.
- Availability of content is constrained because of stoppage of fresh production since the start of the lockdown period.

2. Ability to maintain operations including factories/units/office spaces functioning and closed down

- Since most of the content is delivered electronically, we have been able to manage operations remotely and the transition to work from home has been reasonably smooth.

SHEMAROO ENTERTAINMENT LIMITED

Shemaroo House, Plot No. 18, Marol Co - Op. Industrial Estate, Off Andheri Kurla Road, Andheri (E), Mumbai - 400 059.

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shemarooent.com | CIN: L67190MH2005PLC158288



- Shemaroo has managed to ensure smooth functioning of operations by providing all the necessary infrastructure including laptops / desktops, VPN access, video conferencing tools, etc. to allow employees to operate from home.
- All the business teams and critical support functions have been provided with all the required assistance to ensure there is no disruption in the operations of the Company.

3. Schedule, if any for restarting the operations

- the Company has been in operation remotely during the lockdown and partially operating even from office complying with the advisories issued by concerned authorities from time to time. Entire offices will be opened as per the directions received from the concerned authorities from time to time.

4. Steps taken to ensure smooth functioning of operations post resumption

- The Company has prepared a three-pronged approach to the resumption of office post conclusion of the lockdown period:
 - i. From a **manpower planning perspective**, it has identified people in each function whose physical presence in office is essential to maintain smooth operations of the Company.
 - ii. From an **infrastructure perspective**, it has taken safety measures such as suspending biometric attendance, making hand sanitizer available at key areas around the office including entry and exit points, ensuring that thermal screening takes place during entry and exit, maintaining social distancing in seating and common areas, etc.
 - iii. From a **regulatory perspective**, the Company has prepared a detailed manual capturing the guidelines to be followed on resumption of offices to be shared with all the employees at the time of resumption.

5. Estimation of the future impact of Covid-19 on the operations

- Shemaroo understands that this is a temporary setback and is positive that the economy and the media and entertainment sector will bounce back soon with rejuvenated demand and advertising spends.
- Subject to the Covid-19 situation improving in the country, the Company anticipates normalcy to start setting in towards the end of Q2 FY2020-21.

6. Details of impact of Covid-19 on Shemaroo Entertainment

- **Profitability:** The profitability of the Company is expected to be under pressure for the following reasons:
 - i. Decline in content buying by broadcasters due to the drop in their advertising revenue.
 - ii. Investment in new initiatives.
- **Liquidity position:** The Company has enough cash flows to meet its immediate operational requirements.



- **Ability to service debt and other financing arrangements:** The Company has enough cash flows to meet any immediate debt and other financing obligations.
- **Assets:** Since our core asset i.e. Content is intangible in nature, there has been no impact of Covid-19.
- **Internal financial reporting and control:** The Company has adopted enough measures along with daily review mechanisms to effectively manage internal MIS and other processes.
- **Demand for Its products / services:** This has been adequately captured in the earlier sections.

7. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business

- The Company is well-positioned and basis the current situation, it does not foresee any material impact on the business due to non-fulfillment of the obligations by any party.

8. Other relevant material updates about Shemaroo Entertainment's business

- No other material updates.

This your information and records.

Thanking you,

Yours faithfully,

For Shemaroo Entertainment Limited

Dipesh U. Gosar
Company Secretary & Compliance Officer
ICSI Membership No. A23755