



“Shemaroo Entertainment Limited
Q3 FY2021
Earnings Conference Call”

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Moderator: Ladies and gentlemen, Good and welcome to the Q3 FY21 Conference Call of Shemaroo Entertainment Limited hosted by Valorem Advisors. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Anuj Sonpal – CEO of Valorem Advisors. Thank you and over to you, sir.

Anuj Sonpal: Thank you. Good afternoon everyone and a warm welcome to you all. My name is Anuj Sonpal from Valorem Advisors. We represent the investor relations of Shemaroo Entertainment Limited. On behalf of the company, I would like to thank you all for participating in the company’s earnings conference call for the third quarter and nine months ended of financial year 2021.

Before we begin, I would like to mention a short cautionary statement. Some of the statements made in today’s earnings conference call maybe in forward looking in nature. Such forward statements are subject to risks and uncertainties which could cause actual results to differ from those anticipated. Such statements are based on management belief as well as assumption made by and information currently available to management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today’s earnings conference call is purely to educate and bring awareness about the company’s fundamental business and financial quarter under review.

Let me now introduce you to the management participating with us in today’s earnings concall. We have with us Mr. Hiren Gada – CEO and CFO of the company and we also have with Ms. Kranti Gada who is the Chief Operating Officer. Without much delay, I request Mr. Hiren Gada to give his opening remarks. Thank you and over to you, sir.

Hiren Gada: Thank you Anuj and Good afternoon everyone and thanks for joining our earning conference call for the third quarter ended financial 2021 they are December 2021. Let me start by giving you the key highlights for the third quarter and for the nine months ended December 2021. The operational income stood at 88 crores, EBITDA for the quarter stood at 7 crores and we had a loss after tax of 1.5 crores for the quarter. For the nine months ended December 2021

operational income stood at 234 crores, EBITDA stood 1.5 crores and a loss after tax of 23 crores.

As most of you are aware the company has been in an investment mode in various initiatives which are now started contributing revenues. Hence it is important to note that the expenses made on these new initiatives net of revenue for the period under review. So for the Q3 FY21 it was 16 crores and for the nine months ended December it was 45 crores. If you were to exclude these investments and new initiatives the EBITDA from the operations was the positive 23.5 crores for the quarter for Q3 and which indicates an EBITDA margin of 27% and overall EBITDA for nine months was positive at 46.4 crores indicating an EBITDA margin of 20% for nine months ended FY21.

For the third quarter digital media revenue stood at 40 crores down 17% year-on-year and for the nine-months ended December the digital media revenue stood at 113 crores which is down 26% year-on-year. Traditional media revenue in the third quarter revives significantly versus the previous quarter standing at around 48 crores down 1.5% year-on-year and for the nine months ended considering that the first two quarters it was there was a massive fall it stood at 121 crores which is down by nearly 50% on a year-on-year basis. Overall, the festival season and reduction in COVID cases has resulted in the resumption in economic activities and this in turn has led to a reasonable or significant revival in advertising spend as well.

Hence, we expect that broadcasters will resume the acquisition of same content over the next few quarters. Our continues cost rationalization efforts in the last few quarters are contributing positively on the overall financials. We continue to strategically yet cautiously invest in our new ventures. As you know we are in the phase of transition from and evolving from a B2B company to a B2C operating models and have witnessed some level of operational recovery as these new investments have stabilized. During the quarter, we continue to focus on strengthening the viewership and reach of our two broadcasting channels Shemaroo TV and Shemaroo MarathiBana.

I am happy to inform that Shemaroo MarathiBana completed one year of operations and strongly establish itself as a second most watched Marathi movie channel in the Marathi genre. Shemaroo TV strengthened and reached by closing on some key distribution partnerships and began monetization through advertisements towards the end of the quarter. On the digital side, our performance on YouTube continues to grow exceedingly well. Shemaroo Filmi Gaane has crossed 46 million subscribers to become the 21st most subscribed channel globally. As you know we had launched ShemarooMe in February 2019 which was our subscription-based OTT platform primarily targeted to the B2B2C audience and we have taken efforts to expand its global reach in which in this particular quarter we are partnered with Ooredoo and Qatar.

On the product business front, we launched two new preloaded audio speakers Bhakti Maalai which is a Tamil devotional speaker and Bhakti Anand which is a sub Rs. 1,000 devotional product for gifting purpose.

In conclusion, I would say that we are definitely seeing signs of revival in our overall business sentiments and ad spent in the media sector and as the confidence in the economy and business environment gets reaffirm we expect things to normalize in a few quarters. With that I open the floor for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Darshil Jhaveri an Individual Investor. Please go ahead.

Darshil Jhaveri: I would just like to ask sir that when will our PAT resume normalcy that is around 8 to 10 crores because they have not previous.....

Hiren Gada: So unfortunately, I am not in a position to give any forward-looking statement, but I want to just note a couple of thing. So firstly, obviously in spite of the investments in a way this has been a turnaround quarter for us where the profitability the launch has reduced significantly and at this point we are seeing that momentum and trend visibility and continuation for over the next few months. So we are hoping that in a few quarters from now we should be back to a reasonable level of profitability and secondly as I was earlier also mentioning that if you actually exclude the investment on new projects the core profitability has been reasonably good which is both the combination of the overall evolution and the business model itself and the cost rationalization measures that have been taken over the earlier quarters.

Darshil Jhaveri: Are we expecting to invest a new venture in the following quarters too which will impact the profitability?

Hiren Gada: So one of the large investments has been in the TV channel project as I elaborated in my earlier speech which is Shemaroo TV and Shemaroo MarathiBana. Both have now started at least in terms of advertising revenue while this is just a beginning. So once this revenues stabilize and reach a certain level to that extent the investment required on this particular project would come down in that proportion.

Moderator: Thank you. The next question is from the line of Rohit Trivedi an Individual Investor. Please go ahead.

Rohit Trivedi: So I have got three questions first is about inventory would you be able to tell us that age wise what were the inventory so let us say what is the worth of the inventories less than two years old, less than five years old or more than five years. Number two on the TV channels part of it would be great if you can tell us that whether the TV channels have breakeven in terms of the EBITDA or not and what is not done, what is the kind of way forward for that or

some time horizon for the right turning into EBITDA positive and followed is in terms of the digital and traditional kind of right media it is a bit of surprise that digital media has gone down significantly while the momentum down in the traditional media is only around 1.5% or something, so in the digital media part of it would be great if you can throw like more details that which part of the digital media has actually gone down more and where do you see the recovery right for example would you choose another part of the digital media these are the three questions?

Hiren Gada:

So I will answer it in a slightly different order than what you have asked. The TV channel as I have elaborated, we have just started the monetization so obviously it is sometime away from turning EBITDA positive because the expense continues in terms of distribution content, marketing and other operational expenses and monetization has so Shemaroo MarathiBana we had started in the previous quarter which is in Q2 and Shemaroo TV we have just started towards the end of Q3. So in a way we still have not had one full month of monetization of Shemaroo TV yet. So it is still sometime away from this two actually breakeven and start contributing towards the profitability that is the second question. The third question was regarding digital media so as we have been sharing for last few quarters for quite a few years the Talco business for us has been a large contributor to the digital media top line and bottom line as well and this was essentially a business which we were doing which was a VAS based offering value added service and it was largely you can say targeted to the feature phone user and this change we saw coming about roughly three years back that obviously the consumer is moving away from feature phone to smart phone and therefore this product will get in a way transitioned into a smart phone product and smart phone based product is a app on OTT apps. So essentially what we have seen in the last so of course we launched ShemarooMe approximately two years back little less than two years back and in the meantime this the Talco business which we were doing the VAS based offering which was there for feature phone this thing so that has significantly come off because obviously the consumer has moved and again this is something that I have been sharing for last few quarters and there is never bound to be direct one is to one correlation of that business getting 100% replaced here and secondly there will be a certain transition time here and thirdly whether that business itself will get fully replaced or it will see a different shape or form is a question because earlier there was only one providers in the feature phone that the consumer could only buy a Talco, but today in a smart phone in an OTT situation the consumer can buy virtually any of the available offering. So for us the transition is actually in a different way which is actually getting into An our own offering on a B2B2C basis where we partner with not just Talco, but many other video platforms that are there and Be through growth in the syndication business through lot of the newer existing and newer OTT offerings that are there in the horizon or currently available in the industry and today I can easily and happily say that the syndication or distribution of our content across the whole lot of platforms is significant we are a large and significant partner for many of the existing offerings that are there and that is over and above our own ShemarooMe offering. So that is

really the reason for the fall in the revenue in this particular quarter. Overall, if I were to see the last three quarters the revenue has on a quarter-on-quarter basis the revenue has been actually growing. I would also add that if we take the nine months overall total two or three different things have also played out. So in the initial months of the lockdown the ad spent and ad revenue on the digital media had also significantly come off and that actually led to a large degrowth kind of a thing on many of the platforms like YouTube and all. YouTube as far as this quarter is concerned has definitely come back strongly, but as far as the nine months is concerned all of these impacts have played out so consumption going up. So we have seen a significant spike overall in the consumption, but the translation has been delayed and we are now seeing some of that as far as at least as far as YouTube is concerned on that. So this is summary explanation for the digital the growth question that you had and third question was regarding inventory. So the current inventory that we have is essentially the unsold stock so there is nothing which has been sold two years back and held as inventory if it was sold two years back it was actually stopped out of inventory. So I am not sure that I am answering or you can give me the underline question I can probably try answer it in a way that you get the information you are seeking, but this is a clarification. The stock that we have currently is not it is on the unsold component of the stock whatever is sold out has been stocked out.

Rohit Trivedi:

So I have read the accounting policy very closely and I am tracking the company for a long period of time so we have about 750 crores of inventory right my question is then in that case do you say that all the 750 crore inventory worth of the inventory let me put it like this it is only what is the last two years I do not think so?

Hiren Gada:

So definitely there is some part of the inventory which has been bought earlier and some of it would have been bought in the last two or may be three years. Right now, I do not have that breakup on that plus there is a lot of content which where the long term rights are there, where perpetual rights are there where we carry forward the second 5 year cycle or more than 10 year rights where we carry forward the second 5 year cycle. There would be some content where we are carrying it for more than 5 years.

Rohit Trivedi:

Yes, so that is what exactly is the data that I am looking forward to so if you do not have the data kind of right on hand probably it could be great if I have a kind of right to you and if I get that specific data point?

Hiren Gada:

See unfortunately that is something that we are not in a position to share for various reasons, but if you have an underlying question on that I am happy to try and address that.

Rohit Trivedi:

We need to know the right relevance of the inventory in this kind of right OTT and digital kind of right is so let us say if more than 500 crores of inventory is less than 5 years old and it is not moving than that gives the kind of completely different picture while let us say if more than 500 crores of inventory is only two years old right or less than two years old than that

kind of it completely gives the different picture in the right COVID situation and everything, so what I am trying to understand is the worth of inventory in the current time?

Hiren Gada:

Let us try and discuss on that because that is probably more relevant, and I will try and give you some color on that. So first let me clarify two things one is when I bought a movie beyond a point is one question. What is the vintage and relevance of the movie is the second question? So I may have bought something say last year, but that movie may have been a movie of 1995. So that is one way to look at it anyway coming back to the relevance there are two or three different indicators that I want to give. So one is that a lot of that inventory in different way we are using on YouTube. Finally, what we are putting up on YouTube is where we have the digital right where we have for a bulk of our library and if you see the consumption pattern on YouTube that shows a continues upward growth the fact that our channel Filmi Gaane is rank 21st in the world and among the top 10 in India in terms of number of subscribers. Also these are best few indicators that where the relevant or the connect of that content is with the mass consumption or consumer days of the country and therefore I am extremely confident not only confident I am proud that we have a library which is very solidly Markey library in terms of connect to audience and therefore it is one of the highly valuable libraries as far as the industry is concerned that there is absolutely no two ways about and I just want to give YouTube as a thing which you can yourself correlated to in terms of the graph that you see or you can yourself visit YouTube and see the kind of numbers that our channels or our videos or our content is delivering. So that is and today YouTube is the number one video consumption platform in the digital media.

Rohit Trivedi:

I cannot take YouTube as a single indicator and kind of right extrapolate that for the 100 portion of the inventory because YouTube is only giving kind of right 12% or 14% of our total revenue at the max and in terms of profitability even less than that, so my only point is Mr. Gada taking a 10% or 14% of the kind of right inventory of an indicator for the 100% of the worth or available for the inventory is kind of quite difficult I would put it like this, so if we can get some clear picture, some data that would be kind of really helpful to all the investor to know that yes they are content their content is worth kind of right, worth full in the present time and that is why the company should have at least this much of the valuation?

Hiren Gada:

Sir there are two different things one is what is the revenue second is what is the consumption and what I want to say the point I am trying to make is that what is the revenue has a dependency on many factors. So YouTube today may have a certain revenue whatever it may be contributing to the overall picture and all of that is one part of the thing, but the fact that today YouTube is the largest digital video consumption platform which has more than 300 million monthly active users such that YouTube is the most mass consumption platform when it comes to video consumption and if my content is delivering this kind of numbers on such a vast media platform it shows the mass connect of that content that is the empirical evidence that I am trying to give which is easily co-relatable and easily traceable and easily measurable by anyone that is the point. Second point is that today if you open

movie channel for example you will see a lot of the movies being played on the channel which again is another track of the fact that content is being played it is delivering rating, it is delivering advertising revenue to the broadcaster and it is delivering value essentially. So all of that is available in terms of at least for a common person to kind of I would not say touch and feel, but it is a common person to kind of track and experience that is the point I am trying to make. So YouTube at some point was not even giving me \$100 a month. Today many zeros got added to that, does that mean the relevance of that platform or the measurability of that platform has reduced no that is what I am trying to say.

Rohit Trivedi: I was actually expecting the more kind of right data driven answer in terms of the right inventory, age and its relevance, but that is perfectly fine. Last one question is about are we cash flow positive from the last quarter in terms of operations or not?

Hiren Gada: If I take my investment off, we are definitely cash flow positive.

Moderator: Thank you. The next question is from the line of Shailendra from Igene Entertainment. Please go ahead.

Shailendra: I just want to ask that how is your OTT platform ShemarooMe is doing I mean can you tell more about the numbers?

Hiren Gada: So ShemarooMe is a B2B2C kind of platform. So we have integrated with Airtel, Vodafone with Tata Sky Binge we have integrated with JioFiber, we have integrated on multiple international Talco participants and the revenue in that sense comes through partner platforms costumer base using the platform. In terms of direct B2C our focus till now has not been very high, we have not invested in marketing and all and to that extent the numbers I mean it is irrelevant to talk about any B2C numbers over there.

Shailendra: I mean number of users on the OTT platform?

Hiren Gada: The question is that in terms of number of users as I said if I take my B2B partner number of users and usage is significant high, but it is not relevant because it is finally through another partners customer base whereas we have till now not significantly invested in creating our own customer base and that has been the strategy from the beginning.

Shailendra: Sir first of all I am very much optimistic and like believer in your company and I have understood the business model and the long history, and I am very much optimistic, but the thing is that I just wanted to understand the shifting in the business model like this digital distribution, so I just wanted to understand how is it going like?

Hiren Gada: So as I said we made a timely investment in our platform and launched it two years back so we were ready with a lot of integrations and partnerships even before the lockdown and the

lockdown obviously accelerated the usage and consumption at that point I mean today we from our partner platform we do get a significant flow of consumption and usage on that and so that is really how that journey has been. In addition to that as I mentioned earlier also that for example on YouTube our numbers viewership has gone up very significantly on today we are a large content partner for any of the other existing OTT platform that are there I mean all the major leading OTT platforms we are a very large content partner. So we have classified and well I would say a strong business based established as far as the digital is concerned and they are participating in the digital ecosystem with a very strong offering with a very strong multiple model it is not one single model basically.

Shailendra: I believe that Shemaroo Entertainment is going to be a billion-dollar company sooner than later, but just only one input that I wanted to give you is that in terms of the numbers if we receive more number in terms of the growth and the growth margins and almost a growth numbers than it would be great to hear so it is just a small input if you can consider.

Moderator: Thank you. The next question is from the line of Rohit Trivedi an Individual Investor. Please go ahead.

Rohit Trivedi: I mean of course Shemaroo MarathiBana we have launched it I think before a year and a month now close to 13 months and I am fine with that it has not kind of turn EBITDA positive, but is it giving us so is it cash flow positive I do not think so, but still I would like to have the clarification that from you and second is after a year let us say now we have stabilized at the sixth provision in the Marathi genre channel, so let us say even if we can move place or two kind of right forward into the direction let us say place number 4 or even place number 5 something like that because we cannot be remember 1 or 2 that is what is very clear, so in that case what is the breakeven time and what is the let us say EBITDA contribution in percentage terms that we are looking forward to let us say after three years because this will give us a lot of detail about the profitability of the new initiative which are huge in terms of the TV channel, so if let us say Shemaroo MarathiBana is going in that direction then we can expect that Shemaroo GEC would have probably the same concurring direction over a period of time, so that is kind of number one and there is a second question, but I will come to that later on?

Hiren Gada: So Shemaroo MarathiBana at this point is not yet broken even. So as I said earlier also we started monetizing it in Q2. So as of now we just have about four or five months of revenue behind us. So definitely we have opened well in terms of the ratings. It of course coincided with the bad time of the industry losing advertising revenue significantly due to the COVID. The TV advertising is still not fully 10% back to normal which now there is a reasonable visibility that over the next few months that should normalize to the Pre COVID levels. I would answer your other question on what the potential in a slightly different way is the overall Marathi language television the TV ad spent on the Marathi language category on a steady state is in the range of between 800 to 1,000 crores per annum and obviously the top 6 to 8

channels or there about will take a large part of that pie. So there is a reasonable pie and a reasonable play available on Marathi category to be able to have a healthy profit margin and contribution. Obviously, we are still it is early days as far as the revenue and monetization is concerned, but I think we are as of now we are headed in the right direction and I will also add overall outlook I think for the advertising for next year is significantly better as the economy grows as per whatever projections are being put out. I think the overall ad spent in the economy will be significantly higher. Let us not forget one thing that India is a consumption-based economy with a very large consumer base and the advertising in only way that a consumer brand can reach. So India has the only way that a consumer brand can or a primary vehicle for the brand to reach to its audience and so any brand building that needs to happen will need media and TV is the largest most watched media in terms of spends and things like that and if in last almost 15 years plus if you see the India TV advertising has been growing at 14 odd percent CAGR. We have had 19-20 was an overall slowdown here and 2021 obviously was a year where because of COVID lockdown the advertising spent of most brand came off because they were not selling a product I mean it was auto manufacturer is not selling its product they are not going to advertise. The industry is now in coming out of that I would say huge drop or fall in its revenue and looking forward I think to a very good 21-21 as far as ad spent are concerned.

Kranti Gada:

I just wanted to add that overall, as a strategy we are very committed to delivering just range of a market perspective I just want to give you a product perspective. We are committed to giving a very rich experience to our consumers so we have invested in the best quality content and will continue to invest and even in terms of the branding and overall experience we have set the highest standards for the channel and we also are aware that we have a catching up to do given that there are new entrant and therefore will also be investing in building the consumption habit and the consumer habit for our brand.

Rohit Trivedi:

But at the same point of time, it would be highly appreciate if kind of from market perspective we can get some clear data because having the right positive sounding statement I do not think having some data is another thing. So for example if you can tell me that how much is the total investment in terms of the employee kind of right salaries and content for all the new initiatives taken together. So when I say new initiative we will launch the kind of right speaker before one and half years, we launched the channel before the year, we have got ShemarooMe which was launched before a year and half if I am not wrong and then we have got the Shemaroo GEC launch and we have got very small few initiatives in terms of the hotels and everything, so whichever is small I am aware about that, but let us say what is the total worth of investment in this kind of new B2C spacing initiatives in last kind of right thing in total together?

Hiren Gada:

Sir given this every quarter for last four quarters or so we have been sharing this number and it is available on a website also, it is available in our earnings presentation and for this

particular quarter if I have to give the number is 16 crores and it is for this particular quarter is 16 crores and for the 9 month it is 45 crores.

Rohit Trivedi: And if I am not wrong, I have taken the total of only last two years so total would be close to 155 to 160 crores?

Hiren Gada: Not so much I currently do not recall what the number was for previous so Q3 and Q4 also we had shared in FY20 those numbers, but it is all available our IRR team can help us locate where it is available or if they can give you that because this number, we have consciously shared because we know that it is a large investment being made and the consolidated number has been reported every quarter.

Rohit Trivedi: So if IR team can really provide me that it would be great helpful and last thing so it would be great if you can provide your data about this kind of right new initiatives in terms of the revenue also and I know the revenue would be small I know the revenue may not turn into profit for a period of time, but quite often so let us say we have launched digital speaker business for the last year and half and after that we have not heard anything other than positive statement that it is doing great if it is doing great we should have got some numbers, so market having positive kind of statement are one thing and having some data, some numbers to look at and something to measure is another I mean before me also few people have already given this kind of feedback and I have not seen much changes in the presentation or data point?

Hiren Gada: In fact based on the feedback itself we had shared the investment numbers separately, but I take your feedback. See there are some information that we can share there is some we cannot due to various reasons either there are confidentiality issues, there are competitive issues, there are different reasons for which some of the numbers are not sharable and we since come back and see what all we can still do out of that in a best possible way.

Rohit Trivedi: You should understand the concern of the market because if the market does not get the data market believes that something is not doing right and actually a good B2B business is being converted into a very good I would say B2C business. Therefore, is kind of concern because quite often whether the data is positive or negative market needs data that is my only point and last thing is kind of on the debt part of it, I know we are investing kind of hugely into the new initiatives so debt has increased in kind of last three years that is specifically last two years I am aware about that and I have track that kind of right very closely. My only question is from the management perspective what is the trajectory of the debt both short term and long term going forward because that is also a one point that market looks very closely that whether the cash flow is positive or not and whether the company has got the significant amount of debt in proportion to the market cap or not if I see our market cap to that is kind of a bit more well even the total market cap so what is the peel of the right management towards that trajectory if you can clarify?

Hiren Gada: As of now if I have to overall give an outlook on the debt my own sense is that March quarter we should be picking on the debt front and even if I have to give I can share the number for December also. So September the total borrowing was 267 crore and December it is 270 crores so we are more or less at that level marginally it may go up in March and I would say we are largely the investment is as far as the new channel particularly which is the large project is kind of in this quarter we should get done with that.

Moderator: Thank you. The next question is from the line of Rupal from Deloitte. Please go ahead.

Rupal: The first question is that in terms of when it comes to non-premium content and to give an example let us say the Bollywood movie that has been there for 7 years and there is a chance to monetize it right just Shemaroo have a compete when it comes to monetization. the reason I asked that is because all the platform through which Shemaroo seems to be catering I mean it is pretty exhaustive I doubt that companies will be able to make or monetize that much of the money that Shemaroo can do over the course of few years post acquiring the non-premium content it is one and if this is true what is the strategy to make sure that it further expands its scope of monetization and keep this level of compared to the compete it does well that so....

Hiren Gada: Sorry I am not able to grasp your question if you can just slightly repeat it.

Rupal: The first question I was asking is when it comes to non-premium content and by that I am referring to some Bollywood movie that has been there for 7 years and then he acquired content for that the ability to monetize older content or non-premium content does Shemaroo have a serious competitor in that space, serious competition you can actually do more of the monetization in Shemaroo itself. My own hypothesis is based on all the platforms through which Shemaroo sells that is very hard for somebody else to actually go and mirror that including YouTube and traditional media and all the brands put together and the second thing is how do you make sure that going forward you have this laggard always?

Hiren Gada: So at this point I agree with you and it is an important part that today with the size of library and the kind of effort we have been making to build the monetization pipe. We definitely have multiple revenue stream virtually I can say that anywhere that you see a movie plays we would be participating in some way or the other or earning revenue in some way or the other there is absolutely no doubt about that. To look at competition, so competition can be looked at in couple of ways one is at a business model level I do not see any organized player and may be a few individual is from mom-and-pop or proprietary kind of players, but not with the scale and brand and so many other things organization, structure, process, system institutionalization etcetera and wide monetization base so I do not see that. There may be individual platform level there may be a few. So for example television we obviously compete and coexist with our broadcast partners. So a channel buy directly from the producer and we also buy from the producer to that extent we in a way compete with them, but we it is a

competition or whatever you may call it. In fact in most cases actually our aggregation actually helps and actually creates more value for them in most cases that is really how I would look at in terms of competition. Second question was what we do to maintain that I think continuous innovation, investment in people in processes and in the brands not only that I think on a lot of partnerships that we created whether it is with DTH partners, with many other platforms I think those are definitely giving us a significant edge.

Kranti Gada: I just want to say that it is a continuous effort on how do we keep our content relevant and in the consideration set for our consumers and it varies from one is of course the very wide distribution and deep partnerships. Second is also a lot of innovation in reinventing, reprocessing the content. For example, if shorter format platforms are becoming very popular for example all the user generated platforms that are seen coming up recently how do we partner with them and we actually have deep partnership with each of them also. Also something can I take a 3 minute clip and make a video memes out of my content. So we have seen focused just on mining the content at the same time he have a very active marketing effort across platforms and across what you call it media to keep the older content refresh and from time-to-time resurface older content and add value back to them so it is quite a effort is what I was saying.

Rupal: I also hope that you all are investing the AIML space in terms of figuring out the relevancy?

Hiren Gada: Yeah, there is a lot of in fact we have data specialist in our team who actually fully look at data in a significant way, in different cuts of data across consumption across different platforms.

Kranti Gada: Also just to map what is happening in the current ecosystem for example if there is a web series releasing with a particular actor we actually resurface a lot of older content and that is across platforms even if that particular web series is on a particular platform because we know that the demand and search result for that actor will go across.

Hiren Gada: To give a very small example recently a web series had a song from an old movie and somehow that song clicked well and we our team actually promoted it significantly across all platforms and the impact on consumption for us on YouTube actually went up literally more than 20x and it is still continues to get tremendous traction after more than a month I mean this one has been a standout many times those trends flatten back like two, three days or a week, but this one has actually held on more than a month now. So of course, what I am saying is that this is a continues exercise of reconnecting the content to the consumer and in a way so we actually do follow internally in our whole the same process something called mining and mapping and all of this form part of how we mine and map the content.

Moderator: Thank you. The next question is from the line of Anand an Individual Investor. Please go ahead.

Anand: I strictly wanted to check on the box office initiative for previous quarter the earlier quarter the box office initiative, so do you still traction on that or I know that lockdown is getting....

Hiren Gada: So I would say that box office was an innovation that we had done it was not a very big investment and it was more in terms of trying to see whether the T-Word model can any traction or not. Thankfully our investment has not been very high the response overall been quite mixed I would say not significantly high it has been movie to movie couple of movies did well, but not all of them. So content obviously was the big driver, promotion was another driver. Now that the theaters are reopening that particular offering may not have much of a way forward in that avatar, we are relooking at couple of options on how to take that box office forward, but definitely it has not seen any major traction on numbers.

Kranti Gada: But it helped reconnect with the consumers and relevant way at that point in time. So from a consumer point of view the consumers wants to keep seeing something new from the brand.

Hiren Gada: I would say help rejuvenate and reenergize the brands connect significantly and that is a good positive for us.

Moderator: Thank you. As there are no further questions, I would like to hand the conference over to Mr. Hiren Gada from Shemaroo Entertainment Limited for closing comments.

Hiren Gada: Thank you everyone for joining. I would say that this was definitely a good quarter of consolidation and turnaround for us and we are looking forward to the overall economy and sector moving to the next level and hopefully that should have a positive impact on the overall business. So thank you very much for joining our concall and spending time. Thank you.

Moderator: Thank you. On behalf of Shemaroo Entertainment Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.