

March 08, 2024

## Network18 Media & Investments Limited: Update on material event

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial paper programme	1,500.0	1,500.0	[ICRA]A1+; Outstanding
Short-term – Overdraft/ Working capital demand loan	322.50	322.50	[ICRA]A1+; Outstanding
Short-term – Unallocated limits	177.50	177.50	[ICRA]A1+; Outstanding
<b>Total</b>	<b>2,000.0</b>	<b>2,000.0</b>	

\*Instrument details are provided in Annexure-I

### Rationale

On February 28, 2024, TV18 Broadcast Limited, which is a subsidiary of Network18 Media & Investments Ltd (NW18), intimated the stock exchanges regarding the strategic joint venture (JV) between Reliance Industries Limited (RIL, rated [ICRA]AAA(Stable)/[ICRA]A1+), Viacom 18 Media Private Limited (Viacom18 (rated [ICRA]A1+), a subsidiary of TV18) and The Walt Disney Company (Disney). As part of the transaction, the media undertaking of Viacom18 will be merged into Star India Private Limited (SIPL) through a court approved Scheme of Arrangement. In addition, RIL will invest Rs. 11,500 crore in the JV to fund its growth plans. Post completion of the deal, the JV will be controlled by RIL with Mrs. Nita Ambani as the Chairperson of the JV. The JV will be jointly held by RIL (16.34%), Viacom18 (46.82%) and Disney (36.84%).

ICRA has taken cognisance of the above development and expects the business position of the NW18 Group to benefit from the consequent merger and become a dominant player in the Indian Media industry. ICRA will continue to monitor the developments in this respect and the impact of the same on NW18's credit risk profile.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, rating sensitivities: [Click here.](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">TV Broadcasting</a> <a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	Parent / Group Company: RIL Independent Media Trust, of which RIL is the sole beneficiary, holds a majority stake in Network18. ICRA expects the RIL Group to continue extending timely financial support to Network18 Group, should there be a need, as they are a key player in the telecom and media value-chain that RIL is focusing on.
Consolidation/Standalone	The rating is based on the consolidated financial profile of the company. The list of entities considered for consolidation as on March 31, 2023, is provided in Annexure II.

### About the company

Network18 is the operating-cum-holding company of the Network18 Group with modest operations. Network18's key direct and indirect investments include TV18 (listed subsidiary) and, Viacom18 Media Private Limited. The Network18 Group includes other entities involved in the business of digital content, which operates News18.com, Firstpost and Moneycontrol, etc. Among these investments, TV18, with a strong portfolio of channels across genres, is the most significant contributor to the Group's

revenues and the primary contributor to its operating profits. The standalone business profile of Network18 comprises revenues from the digital content, publishing and allied business segments. At present, the company publishes three magazines – Forbes and Overdrive.

Through its 51.17% subsidiary, TV18 Broadcast Limited, the Group operates news channels like – CNBC TV18, CNBC Awaaz, CNBC Bajar, CNBC TV18 Prime HD, CNN News18, News18 India, and 14 regional news channels under the News18 umbrella. TV18's subsidiary, Viacom18 Media Private Limited houses a portfolio of entertainment channels such as Colors, Rishtey, MTV India, MTV Beats, Sports18, Comedy Central, Colors Infinity, Vh1, Nick, Sonic, Nick Jr and 10 regional entertainment channels in six geographies under the brand Colors, including various HD feeds of entertainment channels. It houses the Group's filmed entertainment business under Viacom18 Motion Pictures. The company's OTT platform, JioCinema, is housed under Viacom18. AETN18, is a 51:49 JV between TV18 and A&E Television Networks, which operates History TV18 (an infotainment channel). Network18 is also the largest shareholder (~39%) in entertainment ticketing platform, Bookmyshow.

#### Key financial indicators (audited)

Network18 Consolidated	FY2022	FY2023	9M FY2024*
Operating income (Rs. crore)	5,880.2	6,223.0	6878.2
PAT (Rs. crore)	811.6	-101.1	285.0
OPBDIT/OI (%)	18.4%	2.2%	-6.9%
PAT/OI (%)	13.8%	-1.6%	-4.1%
Total outside liabilities/Tangible net worth (times)	1.0	2.0	NA
Total debt/OPBDIT (times)	2.0	42.9	NA
Interest coverage (times)	11.2	0.6	-2.3

Source: Company, ICRA Research; \* Provisional numbers; All ratios as per ICRA's calculations; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; NA: Not available

#### Status of non-cooperation with previous CRA: Not applicable

Any other information: None

#### Rating history for past three years

Instrument	Type	Current rating (FY2024)						Chronology of rating history for the past 3 years			
		Amount rated (Rs. crore)	Amount outstanding as on Oct 20, 2023 (Rs. crore)	Date & rating in FY2024			Date & rating in FY2023	Date & rating in FY2022		Date & rating in FY2021	
				Mar 08, 2024	Dec 15, 2023	Nov 24, 2023	Nov 30, 2022	Nov 26, 2021	Apr 29, 2021	Nov 09, 2020	Apr 14, 2020
1 Commercial paper programme	Short term	1,500.0	1475.0	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
2 Fund-based limits	Short term	322.50	-	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
3 Unallocated limits	Short term	177.50	-	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Commercial paper programme	Very Simple
Short-term - Overdraft / Working capital demand loan	Simple
Short-term – Unallocated limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#).

**Annexure-I: Instrument details**

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Overdraft / Working capital demand loan	NA	NA	NA	322.50	[ICRA]A1+
NA	Short-term – Unallocated limits	NA	NA	NA	177.50	[ICRA]A1+
INE870H14QR6	Commercial paper	28-Jul-23	7.04%	25-Oct-23	125.00	[ICRA]A1+
INE870H14QS4	Commercial paper	28-Jul-23	7.04%	27-Oct-23	50.00	[ICRA]A1+
INE870H14QT2	Commercial paper	31-Jul-23	7.04%	30-Oct-23	50.00	[ICRA]A1+
INE870H14QT2	Commercial paper	31-Jul-23	7.04%	30-Oct-23	50.00	[ICRA]A1+
INE870H14QW6	Commercial paper	10-Aug-23	7.08%	6-Nov-23	100.00	[ICRA]A1+
INE870H14QX4	Commercial paper	11-Aug-23	7.08%	7-Nov-23	50.00	[ICRA]A1+
INE870H14QX4	Commercial paper	11-Aug-23	7.08%	7-Nov-23	25.00	[ICRA]A1+
INE870H14QV8	Commercial paper	11-Aug-23	7.08%	8-Nov-23	50.00	[ICRA]A1+
INE870H14QU0	Commercial paper	14-Aug-23	7.08%	10-Nov-23	100.00	[ICRA]A1+
INE870H14QV8	Commercial paper	14-Aug-23	7.08%	8-Nov-23	50.00	[ICRA]A1+
INE870H14QY2	Commercial paper	17-Aug-23	7.08%	13-Nov-23	50.00	[ICRA]A1+
INE870H14QZ9	Commercial paper	25-Aug-23	7.15%	24-Nov-23	100.00	[ICRA]A1+
INE870H14QZ9	Commercial paper	28-Aug-23	7.15%	24-Nov-23	75.00	[ICRA]A1+
INE870H14QZ9	Commercial paper	29-Aug-23	7.15%	28-Nov-23	75.00	[ICRA]A1+
INE870H14RB8	Commercial paper	1-Sep-23	7.13%	1-Dec-23	50.00	[ICRA]A1+
INE870H14RC6	Commercial paper	5-Sep-23	7.13%	5-Dec-23	50.00	[ICRA]A1+
INE870H14RD4	Commercial paper	6-Sep-23	7.09%	6-Dec-23	50.00	[ICRA]A1+
INE870H14RD4	Commercial paper	6-Sep-23	7.09%	6-Dec-23	50.00	[ICRA]A1+
INE870H14RF9	Commercial paper	8-Sep-23	7.09%	8-Dec-23	25.00	[ICRA]A1+
INE870H14RE2	Commercial paper	11-Sep-23	7.09%	11-Dec-23	50.00	[ICRA]A1+
INE870H14RI3	Commercial paper	25-Sep-23	7.07%	22-Dec-23	100.00	[ICRA]A1+
INE870H14RH5	Commercial paper	27-Sep-23	7.07%	27-Dec-23	100.00	[ICRA]A1+
INE870H14RH5	Commercial paper	28-Sep-23	7.07%	27-Dec-23	50.00	[ICRA]A1+
Yet to be placed	Commercial paper	NA	NA	NA	25	[ICRA]A1+

Source: Company

**Annexure-II: List of entities considered for consolidated analysis**

Company Name	Relation	Ownership	Consolidation Approach
Network18 Media Trust	Subsidiary	100.00%	Full Consolidation
TV18 Broadcast Limited	Subsidiary	51.17%	Full Consolidation
Infomedia Press Limited	Subsidiary	50.69%	Full Consolidation
AETN18 Media Private Limited	Subsidiary of TV18	26.10%	Full Consolidation
e-Eighteen.com Limited	Subsidiary	91.95%	Full Consolidation
Moneycontrol Dot Com India Limited	Subsidiary of E-Eighteen.com	91.95%	Full Consolidation
NW18 HSN Holdings Plc	Associate	40.69%	Equity Method
Colosceum Media Private Limited	Subsidiary	100.00%	Full Consolidation
Greycells18 Media Limited	Subsidiary	89.69%	Full Consolidation
IBN Lokmat News Private Limited	Joint Venture of TV18	25.58%	Equity Method
Viacom18 Media Private Limited (Viacom18)	Subsidiary of TV18	26.10%	Full Consolidation
Viacom18 Media (UK) Limited	Subsidiary of Viacom18	26.10%	Full Consolidation
Viacom18 US Inc	Subsidiary of Viacom18	26.10%	Full Consolidation
Roptonal Limited	Subsidiary of Viacom18	26.10%	Full Consolidation
Indiacast Media Distribution Private Limited (Indiacast)	Subsidiary of TV18	38.63%	Full Consolidation
Indiacast UK Ltd	Subsidiary of Indiacast	38.63%	Full Consolidation
Indiacast US Ltd	Subsidiary of Indiacast	38.63%	Full Consolidation
Ubona Technologies Private Limited	Joint venture	50.00%	Equity Method
Eenadu Television Private Limited	Associate of TV18	12.54%	Equity Method
Big Tree Entertainment Private Limited	Associate of TV18	39.29%	Equity Method
Spacebound Web labs Private Limited	Subsidiary of associate Big Tree Entertainment Private Limited	23.57%	Equity Method

Company Name	Relation	Ownership	Consolidation Approach
<b>Big Tree Entertainment Singapore Pte Ltd.</b>	Subsidiary of associate Big Tree Entertainment Private Limited	35.35%	Equity Method
<b>Fantain Sports Private Limited</b>	Subsidiary of associate Big Tree Entertainment Private Limited	29.82%	Equity Method
<b>PT Big Tree Entertainment Indonesia @</b>	Subsidiary of associate Big Tree Entertainment Singapore PTE Limited	35.35%	Equity Method
<b>Big Tree Entertainment Lanka (Pvt) Limited</b>	Subsidiary of Big Tree Entertainment Singapore PTE Limited	35.35%	Equity Method
<b>Dyulok Technologies Private Limited</b>	Subsidiary of associate Big Tree Entertainment Private Limited	37.55%	Equity Method
<b>Foodfesta Wellcare Private Limited</b>	Subsidiary of associate Big Tree Entertainment Private Limited	39.29%	Equity Method
<b>Big Tree Entertainment DMCC</b>	Subsidiary of Big Tree Entertainment Singapore PTE Limited	35.35%	Equity Method
<b>Townscript USA, Inc.</b>	Subsidiary of Dyulok Technologies Private Limited	37.55%	Equity Method
<b>Townscript PTE. Limited, Singapore</b>	Subsidiaries of Dyulok Technologies Private Limited	37.55%	Equity Method
<b>Bookmyshow Live Private Limited</b>	Subsidiary of associate Big Tree Entertainment Private Limited	39.29%	Equity Method
<b>Big Tree Sport &amp; Recreational Events Tickets Selling L.L.C</b>	Subsidiary of Big Tree Entertainment Singapore PTE Limited	17.32%	Equity Method
<b>Bookmyshow Venues Management Private Limited</b>	Subsidiary of Big Tree Entertainment Private Limited	39.29%	Equity Method
<b>Bookmyshow SDN. BHD</b>	Subsidiary of Big Tree Entertainment Singapore PTE.Limited	35.35%	Equity Method
<b>TribeVibe Entertainment Private Limited#</b>	Subsidiary of Bookmyshow Live Private Limited	21.54%	Equity Method
<b>Media18 Distribution Services Limited</b>	Subsidiary	100.00%	Full Consolidation
<b>Web18 Digital Services Limited</b>	Subsidiary	100.00%	Full Consolidation
<b>Digital18 Media Limited</b>	Subsidiary	100.00%	Full Consolidation
<b>Popclub Vision Tech Private Limited (Formerly Preebee Lifestyle Private Limited)</b>	Subsidiary of associate Big Tree Entertainment Private Limited	23.57%	Equity Method

@ 99.99% shareholding held by Big Tree Entertainment Singapore PTE. Limited and 0.01% shareholding is held by Big Tree Entertainment Private Limited directly.  
# 51% shareholding held by Bookmyshow Live Private Limited and 4% shareholding is held by Dyulok Technologies Private Limited.

## ANALYST CONTACTS

**Rajeshwar Burla**  
+91 40 6939 6443  
[rajeshwar.burla@icraindia.com](mailto:rajeshwar.burla@icraindia.com)

**Ashish Modani**  
+91 20 6606 9912  
[ashish.modani@icraindia.com](mailto:ashish.modani@icraindia.com)

**Chintan Dilip Lakhani**  
+91 22 6169 3345  
[chintan.lakhani@icraindia.com](mailto:chintan.lakhani@icraindia.com)

**Ritik Sundarka**  
+91 80 4332 6414  
[ritik.sundarka@icraindia.com](mailto:ritik.sundarka@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+91 22 6114 3406  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001  
Tel: +91 11 23357940-45



### Branches



© Copyright, 2024 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.