

May 24, 2024

Network18 Media & Investments Limited: Change in Limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial Paper Programme	1500.00	1500.00	[ICRA]A1+; Outstanding
Short-term – Overdraft/ Working Capital Demand Loan	322.50	367.50	[ICRA]A1+; Outstanding
Short-term – Unallocated Limits	177.50	132.50	[ICRA]A1+; Outstanding
Total	2000.00	2000.00	

*Instrument details are provided in Annexure-I

Rationale

This rationale is being released to convey the change in the lender wise facilities of the rated limits, based on the latest information received from the entity.

The key rating drivers, liquidity position and rating sensitivities for the outstanding ratings for the Commercial Paper (CP) and bank facilities is available in the previous detailed rating rationale at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	TV Broadcasting Corporate Credit Rating Methodology
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 two 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	FY2023	FY2024
Operating income	6,223.0	9,297.5
PAT	-101.1	-507.5
OPBDIT/OI	2.2%	-7.1%
PAT/OI	-1.6%	-5.5%
Total outside liabilities/Tangible net worth (times)	2.0	0.4
Total debt/OPBDIT (times)	42.9	-11.0
Interest coverage (times)	0.6	-2.1

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2025)			Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	Amount outstanding as of May 13, 2024 (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024				Date & rating in FY2023	
					May 24, 2024	Mar 08, 2024	Dec 15, 2023	Nov 24, 2023	Nov 30, 2022	Nov 26, 2021
1 Commercial Paper Programme	Short term	1500.00	1400.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
2 Overdraft/ Working capital demand loan	Short term	367.50	--	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
3 Unallocated Limits	Short term	132.50	--	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

Complexity level of the rated instruments

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	367.50	[ICRA]A1+
NA	Short-term – Unallocated limits	NA	NA	NA	132.50	[ICRA]A1+
INE870H14SD2	Commercial paper	14-Feb-24	7.98%	14-May-24	100	[ICRA]A1+
INE870H14SF7	Commercial paper	26-Feb-24	7.88%	27-May-24	75	[ICRA]A1+
INE870H14SE0	Commercial paper	27-Feb-24	7.88%	28-May-24	125	[ICRA]A1+
INE870H14SG5	Commercial paper	29-Feb-24	7.88%	30-May-24	75	[ICRA]A1+
INE870H14SH3	Commercial paper	5-Mar-24	7.86%	4-Jun-24	100	[ICRA]A1+
INE870H14SJ9	Commercial paper	7-Mar-24	7.75%	6-Jun-24	125	[ICRA]A1+
INE870H14SI1	Commercial paper	13-Mar-24	7.75%	12-Jun-24	100	[ICRA]A1+
INE870H14SL5	Commercial paper	10-Apr-24	7.30%	27-Jun-24	150	[ICRA]A1+
INE870H14SN1	Commercial paper	19-Apr-24	7.24%	12-Jul-24	100	[ICRA]A1+
INE870H14SM3	Commercial paper	22-Apr-24	7.24%	15-Jul-24	50	[ICRA]A1+
INE870H14SO9	Commercial paper	29-Apr-24	7.22%	29-Jul-24	100	[ICRA]A1+
INE870H14SP6	Commercial paper	6-May-24	7.29%	31-Jul-24	150	[ICRA]A1+
INE870H14SS0	Commercial paper	7-May-24	7.30%	6-Aug-24	125	[ICRA]A1+
INE870H14SR2	Commercial paper	8-May-24	7.30%	7-Aug-24	25	[ICRA]A1+
Yet to be placed	Commercial paper	NA	NA	NA	100	[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
Colosseum 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
Big Tree Entertainment Singapore Pte Ltd.	Subsidiary of associate Big Tree Entertainment Private Limited	35.35%	Equity Method
Fantain Sports Private Limited	Subsidiary of associate Big Tree Entertainment Private Limited	29.82%	Equity Method
PT Big Tree Entertainment Indonesia @	Subsidiary of associate Big Tree Entertainment Singapore PTE Limited	35.35%	Equity Method
Big Tree Entertainment Lanka (Pvt) Limited	Subsidiary of Big Tree Entertainment Singapore PTE Limited	35.35%	Equity Method
Dyulok Technologies Private Limited	Subsidiary of associate Big Tree Entertainment Private Limited	37.55%	Equity Method
Foodfesta Wellcare Private Limited	Subsidiary of associate Big Tree Entertainment Private Limited	39.29%	Equity Method
Big Tree Entertainment DMCC	Subsidiary of Big Tree Entertainment Singapore PTE Limited	35.35%	Equity Method
Townscript USA, Inc.	Subsidiary of Dyulok Technologies Private Limited	37.55%	Equity Method
Townscript PTE. Limited, Singapore	Subsidiaries of Dyulok Technologies Private Limited	37.55%	Equity Method
Bookmyshow Live Private Limited	Subsidiary of associate Big Tree Entertainment Private Limited	39.29%	Equity Method
Big Tree Sport & Recreational Events Tickets Selling L.L.C	Subsidiary of Big Tree Entertainment Singapore PTE Limited	17.32%	Equity Method
Bookmyshow Venues Management Private Limited	Subsidiary of Big Tree Entertainment Private Limited	39.29%	Equity Method
Bookmyshow SDN. BHD	Subsidiary of Big Tree Entertainment Singapore PTE.Limited	35.35%	Equity Method
TribeVibe Entertainment Private Limited#	Subsidiary of Bookmyshow Live Private Limited	21.54%	Equity Method
Media18 Distribution Services Limited	Subsidiary	100.00%	Full Consolidation
Web18 Digital Services Limited	Subsidiary	100.00%	Full Consolidation
Digital18 Media Limited	Subsidiary	100.00%	Full Consolidation
Popclub Vision Tech Private Limited (Formerly Preebee Lifestyle Private Limited)	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

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