

December 31, 2025

## Ushodaya Enterprises Private Limited: Short-term rating reaffirmed; long-term rating reaffirmed and withdrawn

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan	17.13	-	[ICRA]AA (Stable); reaffirmed and withdrawn
Short-term – Fund-based limits	135.00	135.00	[ICRA]A1+; reaffirmed
Short-term – Non-fund based limits	10.00	10.00	[ICRA]A1+; reaffirmed
<b>Total</b>	<b>162.13</b>	<b>145.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

The rating action for Ushodaya Enterprises Private Limited (UEPL) factors in the established and strong market position of the Telugu vernacular newspaper, Eenadu, in Andhra Pradesh (A.P.) and Telangana, the robust financial risk profile with low leverage and strong liquidity position as well as the strong financial flexibility enjoyed by UEPL by being a part of the Ramoji Group and by having a majority stake in Eenadu Television Private Limited (ETPL). The ratings also consider the healthy presence of its food products under the Priya Foods brand. The operating margins are expected to continue being in the range of 10-12% in the medium term. Further, UEPL's leverage and debt coverage metrics are projected to remain robust as the company does not have external debt.

These strengths are offset by the volatility in earnings, as reflected in operating margins ranging between 10% and 22% during FY2020–FY2025 and core return on capital employed (RoCE) being impacted due to losses from the ETV Bharat division, high unpredictability in newsprint cost and advertisement revenues owing to any unexpected economic downturn. The newspaper's publication is still exposed to concentration risks as the operations are limited to A.P. and Telangana. The newspaper circulation is expected to remain below pre-Covid levels in the medium term due to the increasing penetration of the digital medium and changing media consumption habits. With the increase in digital penetration, print media is undergoing a structural challenge, however, the extent of the impact is yet to be seen. The ratings consider high operating losses from the ETV Bharat business division, a digital platform for news and infotainment in twelve languages, which was launched in March 2019. UEPL made significant investments in this division and has reported cumulative operating losses of Rs. 280-300 crore in the last five years. ICRA would continue to monitor the turnaround in operations and profitability of the loss-making business divisions.

ICRA has withdrawn the long-term rating assigned to the term loan following its full repayment and receipt of the no-objection certificate (NOC), in line with ICRA's policy on rating withdrawals.

The Stable outlook reflects ICRA's opinion that the company would continue to benefit from Eenadu's leadership position in the print division, strong debt protection metrics and liquidity position.

## Key rating drivers and their description

### Credit strengths

**Strong market position of Eenadu newspaper in AP and Telangana** – UEPL, through its Telugu newspaper Eenadu, leads the print medium in A.P and Telangana. In addition, with presence in food products across pickles, spices, instant mixes, trading in commodities and edible oil, among others, Priya Foods has a healthy presence in the food products industry in A.P. and Telangana. It, however, continues to face competition from the unorganised segment in the food division.

**Strong financial profile and liquidity position** – UEPL has a strong financial profile and liquidity position. The company's leverage and debt coverage metrics are expected to remain robust as it does not have external debt. In addition, it had sizeable cash and liquid investments of Rs. 1,510 crore as on March 31, 2025, against a total debt of Rs. 68 crore (including lease liability of Rs. 58 crore).

**Strong financial flexibility by being a part of the Ramoji Group** – The Ramoji Group, of which UEPL is a part, has diversified its business interests, with huge asset holdings in various companies such as the 1,700-acre land holding in Ramoji Film City. It enjoys strong financial flexibility as a part of the Group and has majority stake in ETPL, with a professional and experienced management team.

### Credit challenges

**Volatility of earnings due to fluctuations in newsprint prices** – The profitability of the print business remains susceptible to newsprint prices and advertisement revenues. The main cost element for a newspaper company is the newsprint cost which has been volatile in the past, and it may not always be possible to pass on the increase to the customers. This, along with unstable advertisement revenues and losses from the ETV Bharat division, has resulted in unpredictability in earnings as reflected in operating margins ranging from 10-22% during FY2020–FY2025 and core RoCE being impacted. The newspaper's publication remains exposed to concentration risks as the operations are limited to A.P and Telangana.

**Continued operating losses in ETV Bharat impacting overall profits** – ETV Bharat, a digital platform for news and infotainment in twelve languages, was launched in March 2019. The company made significant investments in this division and has reported cumulative operating losses of Rs. 280-300 crore in the last five years. ICRA will continue to monitor the turnaround in operations and profitability of the loss-making business divisions.

### Liquidity position: Strong

UEPL's liquidity position is strong with cash and liquid investments of Rs. 1,510 crore as on March 31, 2025. Further, the company has fund-based working capital facilities of Rs. 135 crore with nil utilisation in the last 12 months. It does not have any scheduled debt repayment obligation, with term loan repaid in H1 FY2026. Further, the company has capital expenditure (capex) plans of Rs. 40 crore for the food division in FY2026 and FY2027, which will be funded through internal accruals.

### Rating sensitivities

**Positive factors** – Not applicable.

**Negative factors** – Pressure on UEPL's rating may arise if there is a significant decline in revenues or operating margins or if a significant debt-funded capex weakens the debt protection metrics on a sustained basis. Any substantial depletion in the company's liquidity can also result in a rating downgrade.

## Analytical approach

Analytical approach	Comments
<b>Applicable rating methodologies</b>	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Print Media</a> <a href="#">Policy on withdrawal of credit ratings</a>
<b>Parent/Group support</b>	Not applicable
<b>Consolidation/Standalone</b>	The ratings are based on the company's standalone financial statements.

## About the company

Incorporated in 1974, UEPL has five divisions — Eenadu newspaper publication, Priya Foods (sale of pickles, spices, instant mixes and ready-to-eat products, commodities trading, branded edible oil trading, etc.), renewable energy (wind and solar power plants), Eenadu digital (ETV Bharat, a digital platform for news and infotainment in twelve languages) and radio (four radio FM channels in Vijayawada, Rajahmundry, Tirupati and Warangal). It held a majority stake of 50.94% in ETPL as on March 31, 2024. At present, the Ramoji Group holds a 97.56% stake in the company, while the remaining 2.44% stake is held by the Reliance Group. The Ramoji Group consists of UEPL, Ushakiron Movies Limited (Ramoji Film City, 1,700-acre land holding), Dolphin Group of Hotels, Kalanjali (Indian arts, crafts and textiles), Margadarsi Chit Fund Limited (financial services) and Mayuri Film Distributors (film distribution).

## Key financial indicators (audited)

UEPL (Standalone)	FY2024	FY2025*
<b>Operating income</b>	1,350.7	1,281.1
<b>PAT</b>	145.9	149.8
<b>OPBDIT/OI</b>	8.3%	10.7%
<b>PAT/OI</b>	10.8%	11.7%
<b>Total outside liabilities/Tangible net worth (times)</b>	0.1	0.1
<b>Total debt/OPBDIT (times)</b>	0.7	0.5
<b>Interest coverage (times)</b>	11.1	18.4

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; \* Provisional

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

## Any other information: None

## Rating history for past three years

Instrument	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Dec 31, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund-based term loan	Long-term	-	[ICRA]AA (Stable); Withdrawn	Feb 17, 2025	[ICRA]AA (Stable)	Jan 29, 2024	[ICRA]AA (Stable)	Nov 30, 2022	[ICRA]AA (Stable)
Fund-based limits	Short-term	135.00	[ICRA]A1+	Feb 17, 2025	[ICRA]A1+	Jan 29, 2024	[ICRA]A1+	Nov 30, 2022	[ICRA]A1+
Non-fund-based limits	Short-term	10.00	[ICRA]A1+	Feb 17, 2025	[ICRA]A1+	Jan 29, 2024	[ICRA]A1+	Nov 30, 2022	[ICRA]A1+

### Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	Simple
Short-term – Fund-based limits	Simple
Short-term – Non-fund-based limits	Simple

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	Long-term – Fund-based – Term loan	Feb 2019	NA	NA*	-	[ICRA]AA (Stable); withdrawn
NA	Short-term – Fund-based limits	NA	NA	NA	135.00	[ICRA]A1+
NA	Short-term – Non-fund-based limits	NA	NA	NA	10.00	[ICRA]A1+

Source: Company; \* Loan is repaid

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis – Not applicable**

## ANALYST CONTACTS

**Ashish Modani**  
+91 22 6169 3300  
[ashish.modani@icraindia.com](mailto:ashish.modani@icraindia.com)

**Anupama Reddy**  
+91 40 6939 6427  
[anupama.reddy@icraindia.com](mailto:anupama.reddy@icraindia.com)

**Abhishek Lahoti**  
+91 40 6939 6433  
[abhishek.lahoti@icraindia.com](mailto:abhishek.lahoti@icraindia.com)

**Aashay Jain**  
+91 80 4332 6431  
[aashay.jain@icraindia.com](mailto:aashay.jain@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, 2025 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.