



## Television Eighteen India Limited

ICRA has placed the ratings of Network18 Media & Investments Limited (Network18), Television Eighteen India Limited (TV18) and IBN18 Broadcast Limited (IBN18) under rating watch with developing implications following its announcements relating to restructuring of businesses under Network 18 Group.

ICRA has a rating of LBBB- (pronounced L triple B minus) for Rs. 3,822.8 million term loans and Rs. 850.0 million fund based limits of Network18†; for Rs. 2568.75 million term loans of TV18 and for Rs. 1,513.5 million term loans and Rs. 418.1 million fund based limits of IBN18. ICRA also has MA- (pronounced M A minus) rating outstanding on FD programme of all these three companies†.

The current rating action (rating watch) however excludes ICRA's rating of A1+ (SO) (pronounced A one plus Structured Obligation) on Commercial Paper (CP) programme of TV18. The rating for the CP programme is based on the unconditional and irrevocable guarantee from ICICI Bank for timely repayment of instruments issued

† For complete rating scale and definitions, please refer to ICRA's website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications.

under the programme. A1 is the highest-credit-quality rating assigned by ICRA to short term debt instruments. Instruments rated in this category carry the lowest credit risk in the short term. Within this category, certain instruments are assigned the rating of A1+ to reflect their relatively stronger credit quality. The letters SO in parenthesis suffixed to a rating symbol stand for Structured Obligation.

Under the proposed restructuring the business of the group would be split into two new entities - New TV18 (previously IBN18) and New Network18. The New TV18 would have all the broadcasting business including business news channels (CNBC TV18, CNBC Awaaz), CNN-IBN, IBN7, and the Group's 50% stake in Colors, MTV, Nick, VH1 and IBN Lokmat. The New Network 18 would hold a controlling interest in TV18 and will also get all non-broadcasting business of the group - namely, digital, publishing, sports, event management besides holding the group's investments in Homeshop18, Newswire18, Den, Yatra and Capital 18.

While the broad contour of the restructuring has been made public, ICRA would be awaiting further details on the proposed restructuring

to assess its impact on the credit profile of the company.

### Company Profile

Network18 Media & Investments Limited, Television Eighteen India Limited and IBN18 Broadcast Limited are part of the Network18 group, originally promoted by two prominent media professionals, Mr. Raghav Bahl and Mr. Sanjay Ray Chaudhari.

The group currently owns and manages two 24-hour business news channels, CNBC-TV18 (in English) and CNBC Awaaz (in Hindi), has various portals that provide online information services and operates newswire (Newswire 18). The IBN18 arm of the group operates three general news channels; CNN IBN (English), IBN 7 (Hindi) and IBN-Lokmat (Marathi, 50% JV with Lokmat Group), operates four other channels— MTV, Nickelodeon, VH1 and Colors through a 50:50 JV— Viacom18 Media Private Limited (IBN18's JV with Viacom Inc.). Setpro18 Distribution is primarily engaged in distribution of channels, seeding of set top boxes within India or abroad and collection of subscription revenues for broadcasters.

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