



EQUITY INTELLIGENCE

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## TV 18 Broadcast Ltd. | Rs. 67

*Fast Emerging Media Conglomerate!*

The Network 18 Group has been restructured recently to clearly demarcate business areas and simplify the group structure. TV 18 Broadcast Ltd was born out of this restructuring and now operates India's leading television broadcasting and distribution assets. This includes India's leading business news channels - CNBC-TV18 and CNBC Awaaz, India's premier general news channels – CNN-IBN and IBN 7, and IBN-Lokmat, a leading Marathi regional news channel in partnership with the Lokmat group.

'TV18 Broadcast' also operates a joint venture with Viacom, (Viacom18) which houses a portfolio of India's market leading entertainment channels – Colors, MTV, VH1 and Nick - and Viacom18 Motion Pictures, the group's filmed entertainment business.

In a pioneering foray into television distribution, the group has established a strategic alliance with Sun Group, SUN18, the first truly Pan-India distribution company and slated to be one of the biggest distribution entities in the market.

The group has also recently announced a move into the Indian factual entertainment space through AETN18, a joint venture with A+E Networks (formerly A&E Television Networks) which operates acclaimed global brands like History, Bio, Crime & Investigation Network and Lifetime.

The present market capitalization of Rs. 2500 Cr, looks very low considering the potential of a big media conglomerate with pan India presence and potential reach of 1.2 billion people. TV 18's bouquet of media and entertainment channels has a strong brand value and presence among viewers which makes it a favorite among the advertisers. The company's plans to expand with new channels are likely to hurtle it into the big league of Zee and Star.

India's growth story permeates to the media and entertainment industry as well. The consumption in this sector is set to grow further. Broadcasters are positioned to make more money from subscription than advertisement in the coming years and TV 18's bouquet of channels will be an attractive package on offer.

TV 18 Broadcast Ltd. is a company that has the potential to grow into a large media conglomerate. At the current price of Rs. 67, (Market Cap – Rs. 2500 Cr), the stock is attractively priced for medium to long term investors.

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Disclaimer : Equity Intelligence holds TV 18 Broadcast.