October 18, 2017

Rating matrix		
Rating	:	Hold
Target	:	₹ 100
Target Period	:	12 months
Potential Upside	:	-2%

What's changed?	
Target	Changed from ₹ 78 to ₹ 100
EPS FY17E	Changed from ₹ 7.1 to ₹ 10.2
EPS FY18E	Changed from ₹ 7.7 to ₹ 10
Rating	Changed from Sell to Hold

Quarterly performance

	Q2FY18	Q2FY17	YoY (%)	Q1FY18	QoQ (%)
Revenue	560.6	602.2	-6.9	599.0	-6.4
EBITDA	104.5	50.5	107.1	79.9	30.8
EBITDA (%)	18.6	8.4	1027 bps	13.3	531 bps
PAT	66.2	30.9	114.1	41.6	59.4

Key financials

₹ Crore	FY16	FY17	FY18E	FY19E
Net Sales	2,501.5	2,452.1	2,402.5	2,572.5
EBITDA	322.7	298.3	397.4	423.4
PAT	173.5	170.3	238.6	233.3
EPS	7.5	7.3	10.2	10.0

Valuation summary

	FY16	FY17	FY18E	FY19E
P/E	13.7	14.0	10.0	10.2
Target P/E	13.4	13.7	9.8	10.0
EV / EBITDA	7.9	10.3	7.3	6.3
P/BV	1.1	1.1	1.0	0.9
RoNW	8.3	7.6	9.6	8.7
RoCE	11.0	10.9	12.0	12.2

Stock data

Particular	Amount
Market Capitalization	2,383.4
Total Debt (FY17) ₹ Crore	1,104.5
Cash & Investments (FY17) ₹ Crore	2,400.7
EV	1,087.1
52 week H/L	108 / 70
Equity capital	46.1
Face value	2.0

Price performance

	1M	3M	6M	12M
HT Media	-2.0	15.4	11.2	5.6
DB Corp	0.0	-2.1	-3.4	-7.1
Jagran Prakashan	-6.7	-2.0	-13.2	-14.4

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HT Media (HTMED) ₹ 102

Impressive cost rationalisation!!!

- Revenues were at ₹ 560.6 crore (decline of 6.9% YoY), below our estimate of ₹ 599.1 crore. Hindi ad revenues came in at ₹ 157 crore, with 7.7% YoY decline vs. our estimate of ~4% YoY growth. English print revenues were down 8.4% YoY to ₹ 238 crore (our estimate: 5% decline). Nevertheless, the company posted a healthy performance in the radio segment with 18.4% YoY growth to ₹ 42.8 crore as the newly launched stations continued to boost revenues
- Given the focus on cost savings, it reported EBITDA margins of 18.6% vs. our estimate of 13.4%. On the costs front, savings in administrative and other expenses aided the EBITDA beat
- PAT came in higher at ₹ 66.2 crore (vs. expectation of ₹ 39.4 crore), given the beat at the operating level, also aided by lower than expected tax rate

Print performance remains weak…

During Q2FY18, overall print revenues declined 8.1% YoY as both Hindi and English segments continued to slide in a challenging environment. The English print division ad revenues declined 8.4% YoY as ad volumes impacted across the market on account of RERA and GST. We note that English print has begun to show the impact of digital media disruption. Strong growth ahead does seem implausible despite the company's effort to shut some of its unprofitable editions. The Hindi print ad also suffered reporting a decline of 7.7% YoY. The management has guided for a recovery in the Hindi segment from H2FY18. We have factored in English and Hindi print ad revenue growth at -1.6% & 5.9% CAGR over FY17-19E to ₹ 1029.7 crore and ₹ 774.5 crore, respectively. On the circulation front, we expect 1.6% CAGR in FY17-19E to ₹ 308.1 crore, as we incorporate the impact of a yield correction in the Uttar Pradesh market as well as shutting down of some English editions.

Cost rationalisation bears fruit

We were highly impressed by the company's sharp focus on cost rationalisation, which enabled it to post 18.6% growth, up 530 bps QoQ. The company has reined in its costs focusing on "paper deployment" – cutting down unprofitable editions, "people deployment" i.e. employee rationalisation and overhead control. While part of the cost control is discretionary in nature, we believe it is an effective step. Therefore, we raise our EBITDA margin estimates to 16.5% in FY18 and FY19 vs. earlier estimate of 13.1% and 12.8%, respectively.

Steep cost savings amid difficult times to protect earnings; assign HOLD

We incorporate the benefits of effective cost control in our estimates. However, we await further details to account for the company's proposed demerger of the digital business (refer page 5). We also highlight that the lack of clarity over cash deployment either through acquisition/dividend, etc, despite its robust net cash (~₹ 1205 crore), remains a cause for concern. We note that the management justification of holding cash to provide for any potential acquisition opportunities that may be available in the course of business is also unconvincing. In addition, ad growth in the English segment continues to be elusive. We assign a **HOLD** rating to the company valuing it at 10x FY19E EPS of ₹ 10, with a revised target price of ₹ 100. We acknowledge that the company's steep cost savings amid difficult times would protect earnings. However, any multiple re-rating can only happen after there is clarity on the cash allocation or if there is a marked improvement in English print that is not visible as of now.

Variance analysis							
	Q2FY18	Q2FY18E	Q2FY17	Q1FY18	YoY (%)	QoQ (%)	Comments
Revenue	560.6	599.1	602.2	599.0	-6.9	-6.4	Both English and Hindi print ad growth was soft while circulation revenues declined sharply by ~8.6% YoY
Other Income	43.5	50.0	78.0	53.1	-44.2	-18.1	
Raw Material Expenses	159.4	165.9	178.0	164.6	-10.5	-3.2	The company benefited owing to lower pagination and effective sourcing policy of procurement
Employee Expenses	121.8	131.2	152.8	131.3	-20.2	-7.2	Lower employee cost was owing to effective cost restructuring exercise
Administrative Expenses	172.8	221.6	220.8	223.5	-21.7	-22.7	Steep benefits were seen in overheads as the company has reined in discretionary expenditures
(Increase)/Decrease in inventories	2.1	0.0	0.2	-0.3	NM	NM	
Other expenses	0.0	0.0	0.0	0.0	NA	NA	
EBITDA	104.5	80.3	50.5	79.9	107.1	30.8	Effective cost savings led to higher-than-expected EBITDA
EBITDA Margin (%)	18.6	13.4	8.4	13.3	1027 bps	531 bps	
Depreciation	31.7	31.1	30.4	32.0	4.3	-1.1	
Interest	19.9	20.8	24.5	19.4	-19.1	2.4	
Total Tax	21.9	19.6	22.4	23.9	-2.3	-8.4	
PAT	66.2	39.4	30.9	41.6	114.1	59.4	PAT came in higher given the beat at the operating level
Key Metrics							
English Ad Growth (%)	-8.4	-5.0	-6.1	-7.3			The English segment decline was attributable to soft economic growth as well as the company's intent to restrict unprofitable business
Hindi Ad Growth (%)	-7.7	4.0	1.2	-0.4			Hindi ad growth suffered due to uncertainty regarding the legislation such as GST and RERA, which impacted the ad growth from key segments
Circulation Revenue (%)	-8.6	-4.0	0.3	-8.0			Lower growth is owing to some yield correction in UP market as well as shutting down of some English editions

Source: Company, ICICIdirect.com Research

Change in estimates							
		FY18E			FY19E		Comments
(₹ Crore)	Old	New	% Change	Old	New	% Change	
Revenue	2,500.3	2,402.5	-3.9	2,691.8	2,572.5	-4.4	
EBITDA	328.3	397.4	21.0	343.9	423.4	23.1	
EBITDA Margin (%)	13.1	16.5	344 bps	12.8	16.5	366 bps	We revise our margin estimates upwards taking into account effective cost control
PAT	165.3	238.6	44.3	178.8	233.3	30.5	
EPS (₹)	7.1	10.2	44.4	7.7	10.0	30.2	

Source: Company, ICICIdirect.com Research

Assumptions							
			Current		Earlier		
	FY16	FY17	FY18E	FY19E	FY18E	FY19E	Comments
English Ad Growth (%)	2.1	-9.9	-6.0	3.0	-1.6	3.0	
Hindi Ad Growth (%)	14.7	1.1	1.0	11.0	5.9	11.0	Incorporate weak H1FY18 performance

Source: Company, ICICIdirect.com Research

Company Analysis

Weak macroeconomic environment impacts Hindi ad revenue…

HT Media runs a Hindi daily, *Hindustan*, which enjoys a leadership position in the markets of Bihar, Jharkhand, Delhi, etc.

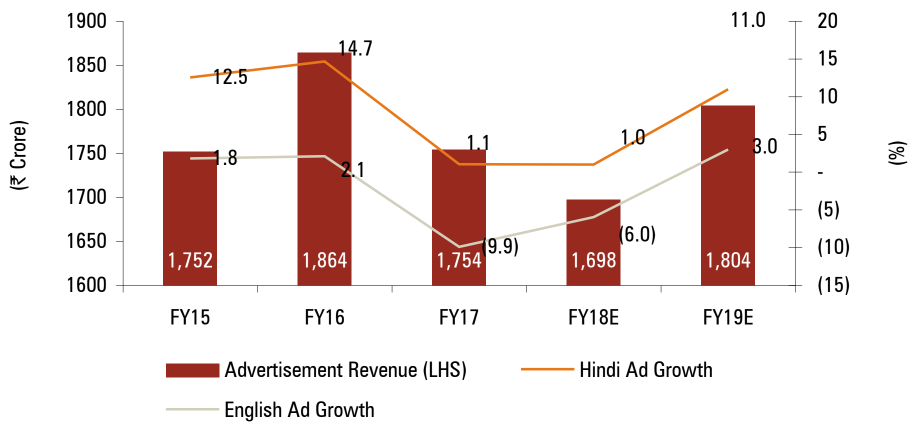
Hindi print ad also suffered reporting a decline of 7.7% YoY, owing to a weak macroeconomic environment across markets and very high advertisement by the UP government in the base quarter. As per the management, RERA continued to impact real estate advertising. The company also postponed a major initiative to the next quarter due to uncertain GST implementation. The company witnessed a 5% improvement in ad yields while volumes declined 12%. The management has guided for a recovery in the Hindi segment from H2FY18 onwards. We factor in Hindi print ad revenue growth at 5.9% CAGR in FY17-19E to ₹ 774.5 crore.

Exhibit 1: Ranks of Hindi dailies in some Hindi speaking states

States	Top three Hindi newspaper with Average Issue Readership (in thousand)		
Bihar	Hindustan (4814)	Dainik Jagran (2913)	Aj (245)
Chandigarh	Dainik Bhaskar (170)	Amar Ujala (73)	Punjab Kesari (38)
Chhattisgarh	Dainik Bhaskar (899)	Nava Bharat (Mah/Chh) (617)	Hari Bhoomi (895)
Delhi	Navbharat Times (1808)	Hindustan (1028)	Punjab Kesari (608)
Haryana	Dainik Bhaskar (1282)	Dainik Jagran (1006)	Punjab Kesari (975)
HP	Amar Ujala (445)	Punjab Kesari (371)	Divya Himachal (211)
J&K	Amar Ujala (114)	Punjab Kesari (40)	Dainik Jagran (27)
Jharkhand	Hindustan (1678)	Prabhat Khabar (1322)	Dainik Jagran (869)
MP	Dainik Bhaskar Group (4124)	Nai Dunia (1055)	Nava Bharat (MP) (131)
Rajasthan	Rajasthan Patrika (6733)	Dainik Bhaskar Group (6234)	Dainik Navjyoti (490)
UP	Dainik Jagran (8900)	Amar Ujala (6646)	Hindustan (4233)
Uttaranchal	Amar Ujala (829)	Dainik Jagran (710)	Hindustan (388)

Source: Company, ICICIdirect.com Research

Exhibit 2: Total advertisement revenues and growth (%)



Source: Company, ICICIdirect.com Research

English segment continues to bleed

HT Media, which runs the second largest English daily *Hindustan Times* with a readership of 3.8 million as per IRS December 2012, has declined by 2.2% over FY14-17 in its English ad revenues.

The English segment continues to struggle for growth as national advertisers have curtailed their ad spends due to the economic slowdown and shifted to cheaper vernacular advertising. The English print division ad revenues declined 8.4% YoY, as ad volumes were impacted across markets on account of RERA and GST. **We note that English print has**

begun to show the impact of digital media disruption. Strong growth ahead does seem implausible despite the company's effort to shut some of its unprofitable editions.

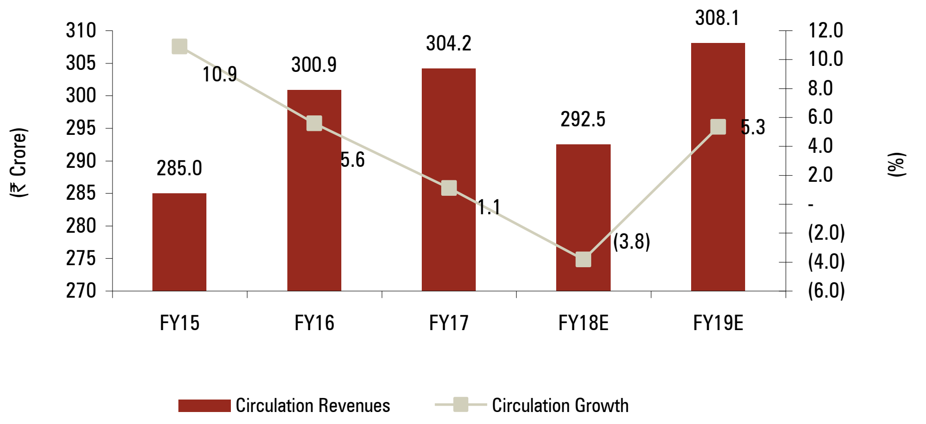
The management guided for a stabilisation of English print from here on. We have, however, built in muted growth for the English print. We factor in English print ad revenue will witness 1.6% CAGR decline in FY17-19E to ₹ 1029.7 crore.

Circulation revenues declines hit by UP and shutting down of editions

During Q2FY18, the company took a hit on the cover prices in UP owing to competitive pressure as all three players continued their second products at lower cover prices (possibly due to IRS). Moreover, the decline in English circulation revenues, due to shutting down of edition, also served as a dampener to overall circulation revenues leading to a 8.7% YoY decline in circulation revenues to ₹ 69 crore.

Even, going ahead, overall circulation revenue growth would be diluted due to slow growth in English print coupled with reduced ability to take further cover price hikes. We factor in circulation revenue CAGR of 0.6% in FY17-19E to ₹ 308.1 crore in FY19E.

Exhibit 3: Circulation revenues and growth trend



Source: Company, ICICIdirect.com Research

Radio growth remains healthy

The radio segment continued to post strong growth of 18.4% YoY to ₹ 42.8 crore in the quarter led by incremental revenues from the new station acquired in Phase III auction. Revenue growth for four core stations was 7% YoY. As per the management, the second frequency in Delhi, Mumbai is profitable at the EBITDA level. We expect 16.8% CAGR in the radio segment in FY17-19E to ₹ 216.6 crore given the incremental revenues from the new stations.

Digital business witnesses decline in Q2FY18

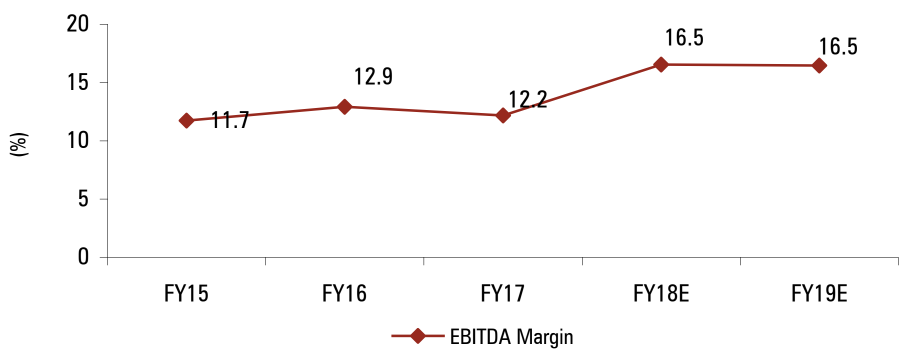
HT Media's digital business revenues de-grew 9.7% YoY to ₹ 33.7 crore in Q2FY18 as Shine revenues have been soft while a restructuring of mobile and HT Campus business also impacted the revenue performance. We highlight that the company registered EBITDA losses of ₹ 38.9 crore in FY17 vs. ₹ 65.3 crore last year. The management has reiterated that the losses would only reduce, going ahead. For H1FY18, EBIT losses were at ₹ 23.7 crore (Q2FY18 EBIT losses - ₹ 11.6 crore).

Cost rationalisation bears fruit

We are highly impressed by the company's sharp focus on cost rationalisation, which enabled it to post 18.6% growth, up 530 bps QoQ. The company has reined in its cost focusing on "paper deployment" –

cutting down unprofitable editions, "people deployment" i.e. employee rationalisation and overhead control. While part of the cost control is discretionary in nature, we believe it is an effective step. Therefore, we raise our EBITDA margin estimates to 16.5% in FY18 and FY19 vs. earlier estimates of 13.1% and 12.8%, respectively.

Exhibit 4: EBITDA margin trend

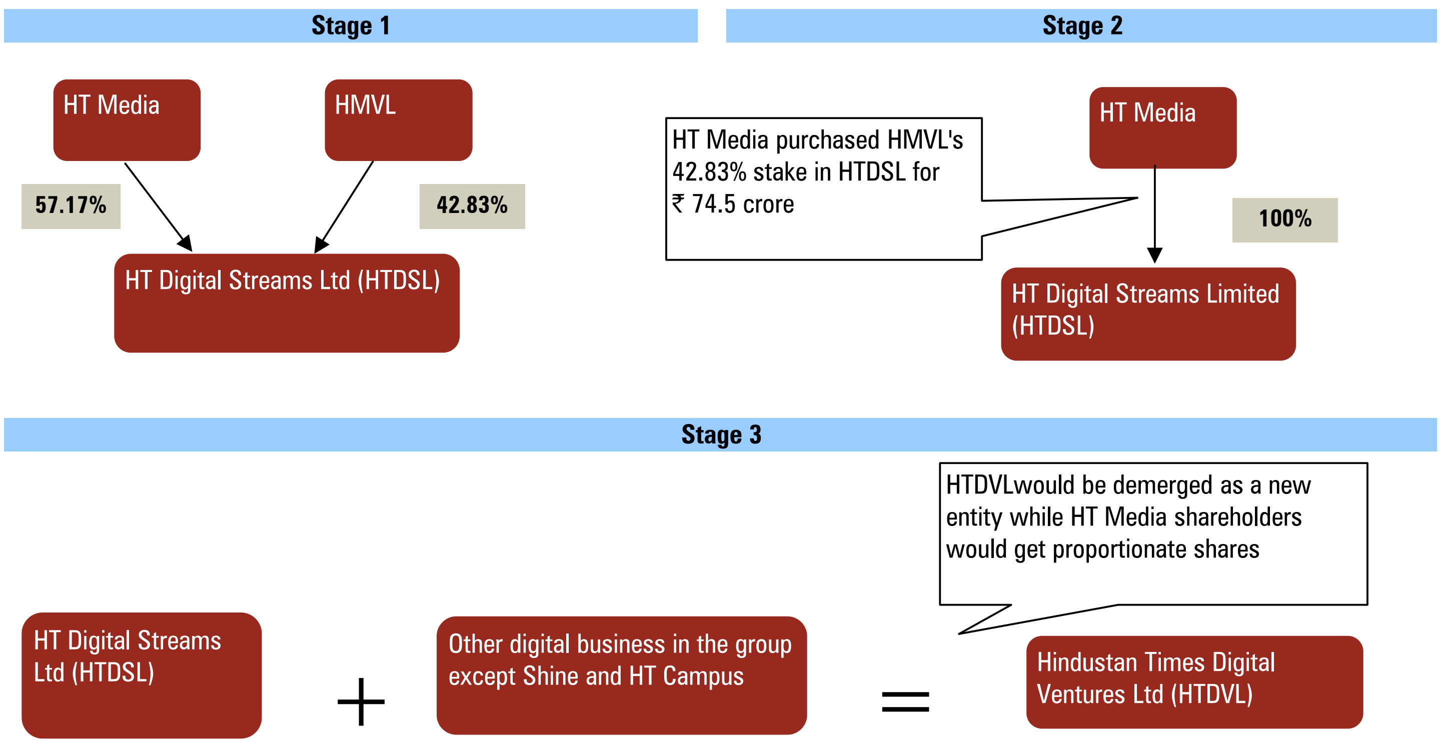


Source: Company, ICICIdirect.com Research

Digital business demerger

The digital content business (HTDSL) where earlier HT Media and HMVL had shareholding (57.17% of HT Media and 42.83% of HMVL), was transferred to HT Media after it picked up a stake of HMVL for ₹ 74.5 crore. Now HTDSL and all other digital properties of HT Media (except Shine, HT Campus) are being demerged into a separate entity 'Hindustan Times Digital Ventures (HTDVL) where HT Media shareholders would get proportionate shares. We do not have further details of revenues and cost break-up of the resulting company and await the swap ratio for the same.

Exhibit 5: Demerger arrangement



Source: Company, ICICIdirect.com Research

Other Highlights

- **Revenue growth impacted by weak macroeconomic environment:** Overall print advertisement revenues were impacted across markets owing to RERA implementation and continued impact of GST. The company did witness a muted ad spend by the government and education sector along with retail and real estate sectors. Circulation revenue decline was on account of a clampdown on unprofitable copies. In the Hindi segment, circulation growth was impacted by cut in cover prices in some markets due to increase in competitive intensity

- **Cost optimisation drive results into superior EBITDA performance:** The company undertook a cost optimisation drive a couple of quarters back. They evaluated the cost on parameters of 'Paper deployment', 'People deployment' and 'Overhead control'. The company has shut down some non-profitable editions, which explains the 21.7% reduction in other expenses and 20.2% reduction in employee cost. However, the management did clarify that some of the cost reduction (discretionary) was also on account of revenue decline, which could gradually come up in coming quarters as revenue growth resumes.

- **Inorganic opportunity, preferred use of cash:** The management reiterated that the cash of ₹ 1,205 crore on the balance sheet would be used for any inorganic opportunity. They further reiterated that they are not considering a dividend or any buyback as of now.

- **Other:** HT Media has demerged its B2C division of IESPL Bridge School of Management, which is into higher education catering to HMVL. As per the company, *shine.com* has 5 million registrations, compared to 7.5 million for Info edge owned *Naukri.com*, which also enjoys pricing power compared to *shine.com.*

Valuation

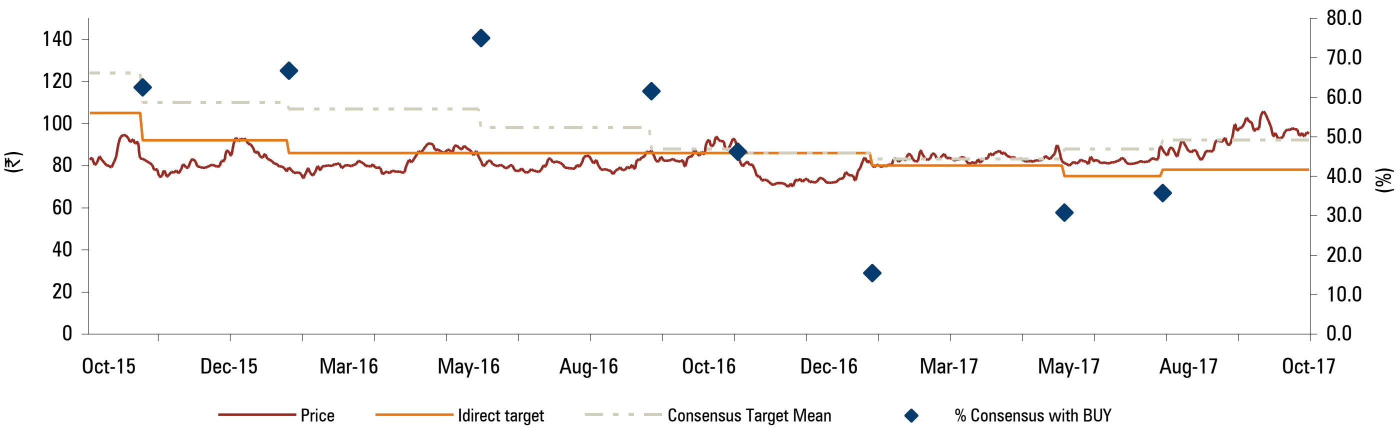
We have incorporated the benefits of effective cost control in our estimates. We, however, await further details to account for the company's proposed demerger of digital business. We also highlight that the lack of clarity over cash deployment either through acquisition/dividend, etc, despite its robust net cash (~₹ 1205 crore), remains a cause for concern. We note that the management justification of holding cash to provide for any potential acquisition opportunities that may be available in the course of business is also unconvincing. In addition, ad growth in the English segment continues to be elusive. We have a **HOLD** rating on the company valuing it at 10x FY19E EPS of ₹ 10, with a revised target price of ₹ 100. We acknowledge that the company's steep cost savings amid difficult times would protect earnings. However, any multiple re-rating can only happen after there is clarity on the cash allocation or if there is a marked improvement in English print, which is not visible as of now.

Exhibit 6: Valuations

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY16	2501.5	9.3	7.5	-3.5	13.7	7.9	8.3	11.0
FY17	2452.1	-2.0	7.3	-1.9	14.0	10.3	7.6	10.9
FY18E	2402.5	-2.0	10.2	40.1	10.0	7.3	9.6	12.0
FY19E	2572.5	7.1	10.0	-2.2	10.2	6.3	8.7	12.2

Source: Company, ICICIdirect.com Research

Recommendation History versus Consensus



Source: Bloomberg, Company, ICICIdirect.com Research

Key events

Date	Event
Jan-09	Acquires radio business of HT Music and Entertainment Company engaged in the business of providing entertainment, radio broadcast and all other related activities through its radio stations operating under the brand name 'Fever 104' in Delhi, Mumbai, Kolkata and Bangalore
Jun-09	Advertisement growth in the English print segment starts underperforming peers due to subdued macro situations
Jul-09	HT Media launches *Mint* in Chennai after launching it in Kolkata a few months back. This launch leads Mint to have a national footprint
Dec-09	Sells the Hindi business comprising Hindi daily newspapers, Hindustan including *Ravivasriya Hindustan*; magazines *Nandan* and *Kadambini*; and internet portals of the said publications on a slump sale to Hindustan Media Ventures, a subsidiary company with effect from December, 2009
Sep-13	Divests its stake in its Burda operations, which contributed about ₹ 38.2 crore to the company's other income
Apr-12	Reports negative ad growth of 3.1% on account of a 6.5% decline in English ad revenue
Apr-13	Ad growth for the year remains subdued at -0.4%, on back of economic slump
Mar-14	Completes share buy-back for a consideration of about ₹ 18.8 crore
Sep-15	HT Media buys 10 frequencies in phase III radio auctions with a payout of ₹ 339.8 crore

Source: Company, ICICIdirect.com Research

Top 10 Shareholders

Rank	Name	Latest Filing Date	% O/S	Position (m)	Change (m)
1	K. K. Birla Group	31/03/2017	69.50	161.8	0.0
2	Franklin Templeton Asset Management (India) Pvt. Ltd.	31/03/2017	4.98	11.6	0.0
3	ICICI Bank Ltd	31/03/2017	3.36	7.8	0.0
4	Reliance Nippon Life Asset Management Limited	31/03/2017	3.29	7.7	0.0
5	ICICI Prudential Asset Management Co. Ltd.	30/09/2017	2.39	5.6	0.0
6	Bajaj Allianz Life Insurance Company Limited	31/03/2017	1.23	2.9	0.0
7	Dimensional Fund Advisors, L.P.	31/08/2017	0.73	1.7	0.0
8	Danske Invest Management Company S.A.	31/05/2017	0.28	0.6	0.1
9	Firth Investment Management Pte. Ltd.	31/03/2017	0.24	0.5	0.0
10	Sundaram Asset Management Company Limited	31/08/2017	0.03	0.1	0.0

Shareholding Pattern

(in %)	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17
Promoter	69.51	69.51	69.51	69.51	69.51
FII	10.04	7.28	7.36	7.27	7.68
DII	8.75	10.29	9.59	9.37	10.01
Others	11.70	12.92	13.54	13.85	12.80

Source: Reuters, ICICIdirect.com Research

Recent Activity

Buys			Sells		
Investor Name	Value	Shares	Investor Name	Value	Shares
Danske Invest Management Company S.A.	+0.08M	+0.07M	APG Asset Management	-5.50M	-4.28M
Florida State Board of Administration	+0.02M	+0.01M	HDFC Asset Management Co., Ltd.	-0.68M	-0.53M
			ICICI Prudential Asset Management Co. Ltd.	-0.00M	-0.00M

Source: Reuters, ICICIdirect.com Research

Financial summary

Profit and loss statement				₹ Crore
(Year-end March)	FY16	FY17	FY18E	FY19E
Total operating Income	2,501.5	2,452.1	2,402.5	2,572.5
Growth (%)	9.3	-2.0	-2.0	7.1
Raw Material Expenses	723.0	696.5	689.6	773.3
Employee Expenses	548.7	583.5	520.1	547.4
Other Expenses	907.1	873.8	795.4	828.4
Total Operating Expenditure	2,178.8	2,153.8	2,005.1	2,149.1
EBITDA	322.7	298.3	397.4	423.4
Growth (%)	20.2	-7.6	33.2	6.5
Depreciation	102.2	124.8	126.1	136.8
Interest	62.6	95.1	81.2	77.2
Other Income	156.2	229.5	196.7	208.0
Exceptional Items	-	-	(3.1)	-
PBT	314.1	307.9	389.9	417.4
MI/PAT from associates	60.2	70.5	53.5	50.6
Total Tax	80.3	67.1	97.9	133.6
PAT	173.5	170.3	238.6	233.3
Growth (%)	-3.5	-1.9	40.1	-2.2
EPS (₹)	7.5	7.3	10.2	10.0

Source: Company, ICICIdirect.com Research

Cash flow statement				₹ Crore
(Year-end March)	FY16	FY17	FY18E	FY19E
Profit after Tax	173.5	170.3	238.6	233.3
Add: Depreciation	102.2	124.8	126.1	136.8
Add: Interest Paid	62.6	95.1	81.2	77.2
(Inc)/dec in Current Assets	289.2	43.6	12.1	(41.4)
Inc/(dec) in CL and Provisions	-1.6	-8.5	-101.2	56.5
Others	0.0	0.0	0.0	0.0
CF from operating activities	626.0	425.3	356.7	462.4
(Inc)/dec in Investments	-512.3	-360.1	-200.0	-200.0
(Inc)/dec in Fixed Assets	-704.0	-254.3	-70.0	-70.0
Others	-90.9	230.1	11.5	10.5
CF from investing activities	-1,307.3	-384.4	-258.5	-259.5
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	713.1	47.2	-50.0	-50.0
Dividend paid & dividend tax	-13.0	-11.2	-11.2	-11.2
Interest paid	62.6	95.1	81.2	77.2
Others	-106.4	-199.2	-162.3	-154.4
CF from financing activities	656.3	-68.0	-142.3	-138.4
Net Cash flow	-24.9	-27.1	-44.1	64.4
Opening Cash	191.6	166.6	139.5	95.5
Closing Cash	166.6	139.5	95.5	159.9

Source: Company, ICICIdirect.com Research

Balance sheet				₹ Crore
(Year-end March)	FY16	FY17	FY18E	FY19E
Liabilities				
Equity Capital	46.1	46.1	46.1	46.1
Reserve and Surplus	2035.6	2185.8	2413.2	2635.3
Total Shareholders funds	2081.7	2231.9	2459.3	2681.4
Total Debt	1057.2	1104.5	1054.5	1004.5
Others	273.6	359.1	370.6	381.1
Total Liabilities	3412.5	3695.5	3884.4	4066.9
Assets				
Gross Block	2195.7	2440.8	2510.8	2580.8
Less: Acc Depreciation	878.2	1002.9	1129.0	1265.8
Net Block	1317.6	1437.9	1381.8	1315.0
Capital WIP	26.4	35.7	35.7	35.7
Total Fixed Assets	1344.0	1473.6	1417.5	1350.7
Goodwill on Consolidation	0.0	0.0	0.0	0.0
Investments	1901.0	2261.1	2461.1	2661.1
Inventory	161.6	154.6	151.5	162.2
Debtors	372.3	325.6	319.0	341.5
Loans and Advances	34.6	52.7	51.6	55.3
Other Current Assets	72.3	64.3	63.0	67.5
Cash	166.7	139.6	95.5	159.9
Total Current Assets	807.5	736.7	680.6	786.4
Creditors	428.2	402.6	394.4	422.4
Provisions	41.8	31.9	31.3	33.5
Other Current Liabilities	438.7	465.7	373.4	399.8
Total Current Liabilities	908.8	900.2	799.1	855.6
Net Current Assets	-101.3	-163.5	-118.5	-69.2
Other non current assets	268.8	124.3	124.3	124.3
Application of Funds	3412.5	3695.5	3884.4	4066.9

Source: Company, ICICIdirect.com Research

Key ratios				
(Year-end March)	FY16	FY17	FY18E	FY19E
Per share data (₹)				
EPS	7.5	7.3	10.2	10.0
Cash EPS	11.8	12.7	15.7	15.9
BV	89.4	95.9	105.7	115.2
DPS	0.6	0.5	0.5	0.0
Cash Per Share	7.2	6.0	4.1	6.9
Operating Ratios (%)				
EBITDA Margin	12.9	12.2	16.5	16.5
EBIT / Total Operating income	8.8	7.1	11.3	11.1
PAT Margin	6.9	6.9	9.8	9.1
Inventory days	23.6	23.0	23.0	23.0
Debtor days	54.3	48.5	48.5	48.5
Creditor days	62.5	59.9	59.9	59.9
Return Ratios (%)				
RoE	8.3	7.6	9.6	8.7
RoCE	11.0	10.9	12.0	12.2
RoIC	9.9	5.6	8.5	9.0
Valuation Ratios (x)				
P/E	13.7	14.0	10.0	10.2
EV / EBITDA	7.9	10.3	7.3	6.3
EV / Net Sales	1.0	1.3	1.2	1.0
Market Cap / Sales	1.0	1.0	1.0	0.9
Price to Book Value	1.1	1.1	1.0	0.9
Solvency Ratios				
Debt/EBITDA	3.3	3.7	2.7	2.4
Debt / Equity	0.5	0.5	0.4	0.4
Current Ratio	0.7	0.7	0.7	0.7
Quick Ratio	0.5	0.5	0.5	0.5

Source: Company, ICICIdirect.com Research

ICICIdirect.com coverage universe (Media)

Sector / Company	CMP (₹)	TP(₹)	Rating	M Cap (₹ Cr)	EPS (₹) FY17	FY18E	FY19E	P/E (x) FY17	FY18E	FY19E	EV/EBITDA (x) FY17	FY18E	FY19E	RoCE (%) FY17	FY18E	FY19E	RoE (%) FY17	FY18E	FY19E
DB Corp (DBCORP)	375	430	Buy	6,896	20.4	23.4	26.6	18.4	16.0	14.1	10.6	10.2	8.7	32.2	32.3	31.7	23.5	23.3	22.6
DISH TV (DISHTV)	72	75	Hold	7,701	1.0	0.5	1.5	70.5	145.9	49.0	8.8	8.7	8.6	20.8	17.4	24.4	22.3	9.8	22.5
ENIL (ENTNET)	788	890	Hold	3,758	11.6	13.1	23.1	68.1	60.1	34.1	30.0	24.9	16.9	9.3	9.5	15.4	6.4	6.4	10.8
HT Media (HTMED)	102	100	Hold	2,374	7.3	10.2	10.0	13.9	10.0	10.2	10.3	9.7	6.7	10.9	12.0	12.2	7.6	9.6	8.7
Inox Leisure (INOX)	232	325	Buy	2,228	3.2	6.3	9.3	72.8	36.6	24.8	17.4	17.4	12.3	7.3	12.1	15.1	5.5	9.9	12.8
Jagran Prakashan	174	210	Buy	5,403	10.6	12.2	14.2	16.3	14.2	12.2	8.1	7.7	6.9	20.1	20.3	21.0	16.1	16.2	17.0
PVR (PVRLIM)	1,380	1,440	Hold	6,452	20.5	26.7	37.3	67.4	51.7	37.0	20.0	19.7	18.2	13.7	15.2	18.2	10.2	11.6	14.0
Sun TV (SUNTV)	823	920	Buy	32,423	26.1	29.3	36.7	31.5	28.1	22.4	17.6	17.4	15.3	37.2	38.2	41.5	25.6	26.1	28.2
TV Today (TVTNET)	352	305	Buy	2,100	18.1	19.2	24.2	19.5	18.3	14.6	11.2	10.5	7.9	24.7	26.6	26.7	16.3	17.4	17.4
ZEE Ent. (ZEEENT)	485	580	Hold	46,579	23.1	13.8	18.6	21.0	35.2	26.1	22.2	21.7	20.5	21.2	22.3	24.5	15.0	13.7	16.0

Source: Company, ICICIdirect.com Research

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