

## SUN TV Network

### Performance Highlights

(₹ cr)	3QFY11	3QFY10	% yoy	2QFY11	% qoq
<b>Revenue</b>	<b>598.0</b>	<b>395.1</b>	<b>51.4</b>	<b>424.8</b>	<b>40.8</b>
EBITDA	501.8	312.5	60.6	332.3	51.0
OPM (%)	83.9	79.1	481	78.2	569
<b>PAT</b>	<b>225.5</b>	<b>151.9</b>	<b>48.4</b>	<b>167.4</b>	<b>34.7</b>

Source: Company, Angel Research

Post the 3QFY2011 result con-call we have tweaked our estimates to factor in lower DTH revenues, increase in analogue revenues, high broadcast fees and rise in movie amortisation costs. **We maintain an Accumulate on the stock.**

**Strong results led by advertising and subscription revenues:** Sun TV (STNL) posted yet another quarter of robust results on both the revenue and earnings front. Revenues were driven by higher movie revenues (*Endhiran* got recorded) and ~43%yoy growth in international revenues (positive surprise). Operating margins expanded by 481bp yoy aided by cost rationalisation and incremental growth in movie revenues, driving a 48% yoy growth in earnings of the company.

**Outlook and Valuation:** Over FY2010-12, we have modeled in 23.5%, 25.3% and 27.9% CAGR in top-line, core EBIT (post amortisation) and earnings respectively, for STNL. Moreover, we expect STNL's cash balance to swell to a whopping ₹12bn (~₹32/share) in FY2012 driven by strong rise in free cash flow (almost tripling over FY2010-12E) on the back of strong earnings growth. Hence, we expect STNL's RoE to sustain at ~29-30% levels and RoC to rise to 58% (36% in FY2010). We maintain an Accumulate on the stock, with a revised Target Price of ₹518 (₹523), based on 24x revised consolidated EPS of ₹21.6.

### Key Financials (Consolidated)

Y/E March (₹ cr)	FY2009	FY2010	FY2011E	FY2012E
<b>Net Sales</b>	<b>1,039</b>	<b>1,453</b>	<b>2,004</b>	<b>2,216</b>
% chg	19.5	39.8	37.9	10.6
<b>Net Profit</b>	<b>368</b>	<b>520</b>	<b>719</b>	<b>851</b>
% chg	12.7	41.2	38.2	18.4
OPM (%)	70.9	75.1	77.3	78.1
<b>EPS (₹)</b>	<b>9.3</b>	<b>13.2</b>	<b>18.2</b>	<b>21.6</b>
P/E (x)	52.6	37.2	26.9	22.8
P/BV (x)	11.4	10.3	8.2	6.6
RoE (%)	21.6	27.9	33.1	31.7
RoCE (%)	30.2	39.7	46.2	44.3
EV/Sales (x)	18.3	13.1	9.5	8.6
EV/EBITDA (x)	25.8	17.4	12.3	11.0

Source: Company, Angel Research

## ACCUMULATE

CMP	₹491
Target Price	₹518

Investment Period	12 Months
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### Stock Info

Sector	Media
Market Cap (₹ cr)	19,361
Beta	0.6
52 Week High / Low	547/304
Avg. Daily Volume	68,905
Face Value (₹)	5
BSE Sensex	18,328
Nifty	5,506
Reuters Code	SUNTV.BO
Bloomberg Code	SUNTV@IN

### Shareholding Pattern (%)

Promoters	77.0
MF / Banks / Indian Fls	3.9
FII / NRIs / OCBs	9.1
Indian Public / Others	10.0

Abs. (%)	3m	1yr	3yr
Sensex	(8.5)	12.0	3.8
Sun TV	(3.4)	25.6	40.2

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**Exhibit 1: Quarterly performance (standalone)**

Y/E March (₹ cr)	3QFY11	3QFY10	% yoy	2QFY11	% qoq	9MFY2011	9MFY2010	% chg
<b>Net Sales</b>	<b>598.0</b>	<b>395.1</b>	<b>51.4</b>	<b>424.8</b>	<b>40.8</b>	<b>1,463.2</b>	<b>1,003.1</b>	<b>45.9</b>
Cost of Revenues	22.6	25.1	(10.0)	25.0	(9.7)	74.4	66.8	11.4
(% of sales)	3.8	6.4		5.9		17.5	15.7	
Staff cost	48.1	36.4	32.3	40.7	18.3	128.7	99.3	29.6
(% of sales)	8.0	9.2		9.6		30.3	23.4	
Other expenditure	25.5	21.1	20.8	26.8	(4.9)	66.1	57.4	15.3
(% of sales)	4.3	5.3		6.3		15.6	13.5	
<b>Total Expenditure</b>	<b>96.2</b>	<b>82.6</b>	<b>16.5</b>	<b>92.5</b>	<b>4.0</b>	<b>269.2</b>	<b>223.4</b>	<b>20.5</b>
<b>Operating Profit</b>	<b>501.8</b>	<b>312.5</b>	<b>60.6</b>	<b>332.3</b>	<b>51.0</b>	<b>1,194.0</b>	<b>779.7</b>	<b>53.1</b>
OPM (%)	83.9	79.1		78.2		281.1	183.6	
Depreciation & Amortisation	174.0	88.5	96.6	90.8	91.7	379.6	200.6	89.2
<b>EBIT</b>	<b>327.8</b>	<b>224.0</b>	<b>46.3</b>	<b>241.5</b>	<b>35.7</b>	<b>814.5</b>	<b>579.1</b>	<b>40.6</b>
EBIT (%)	54.8	56.7		56.9		191.7	136.3	
Interest	0.1	0.2	(18.8)	0.3	(56.7)	0.6	1.0	(41.2)
Other Income	9.1	8.4	8.6	9.3	(1.9)	29.6	34.1	(13.1)
<b>PBT (excl. Ext Items)</b>	<b>336.7</b>	<b>232.2</b>	<b>45.0</b>	<b>250.5</b>	<b>34.4</b>	<b>843.5</b>	<b>612.2</b>	<b>37.8</b>
Ext Income/(Expense)	-	-		-		-	-	
<b>PBT (Incl. Ext Items)</b>	<b>336.7</b>	<b>232.2</b>	<b>45.0</b>	<b>250.5</b>	<b>34.4</b>	<b>843.5</b>	<b>612.2</b>	<b>37.8</b>
(% of Sales)	56.3	58.8		59.0		57.6	61.0	
Provision for Taxation	111.2	80.3	38.6	83.0	34.0	279.6	209.9	33.2
(% of PBT)	33.0	34.6		33.1		33.1	34.3	
<b>Recurring PAT</b>	<b>225.5</b>	<b>151.9</b>	<b>48.4</b>	<b>167.4</b>	<b>34.7</b>	<b>563.9</b>	<b>402.3</b>	<b>40.2</b>
PATM (%)	37.7	38.5		39.4		38.5	40.1	
<b>Reported PAT</b>	<b>225.5</b>	<b>151.9</b>	<b>48.4</b>	<b>167.4</b>	<b>34.7</b>	<b>563.9</b>	<b>402.3</b>	<b>40.2</b>
Equity shares (cr)	39.4	39.4		39.4		39.4	39.4	
<b>EPS (₹)</b>	<b>5.7</b>	<b>3.9</b>		<b>4.2</b>		<b>14.3</b>	<b>10.2</b>	

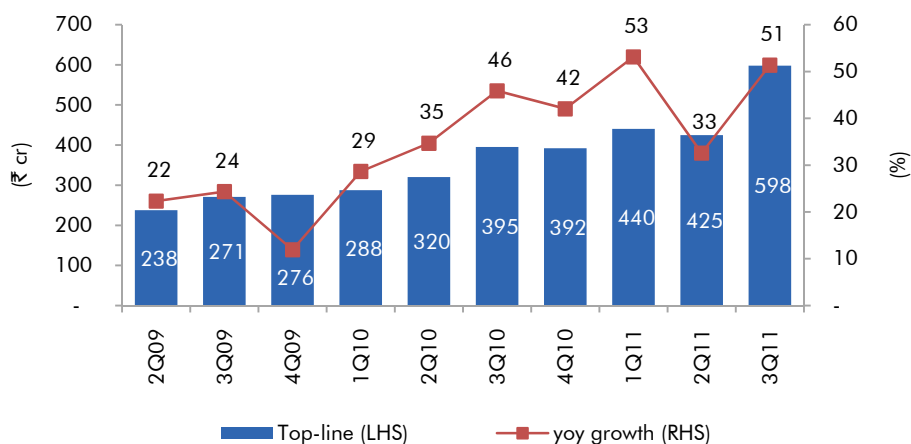
Source: Company, Angel Research

### Multiple levers drive strong top-line growth

STNL continued its growth momentum, reporting robust 51% yoy top-line growth, led by 1) ~16% yoy/13% qoq growth in advertising revenues, 2) 20% yoy/4% qoq growth in broadcast fees, 3) ~59% yoy/ flattish qoq growth in DTH revenues (6.72mn subscriber base, ₹35-36 ARPU), 4) ~43%yoy/ 23.5% qoq growth in international revenue (positive surprise), and 5) ~40% yoy jump/ 2% qoq decline in analogue revenues. Ad revenues grew largely on account of higher ad-volumes (FMCG contributed ~75% to the ad-volumes), better inventory utilisation and increased traction in the niche channels (kids/comedy) launched in 1QFY2010. Broadcast fees increased on the back of higher pay slots. Analogue subscription revenues registered robust growth on account of distribution re-jig done by management with the establishment of new teams, and DTH subscription revenues were flat qoq despite the ~2% qoq rise in DTH subscribers, on account of lower ARPU of ~₹35-36 (~₹40 earlier).

The Rajnikanth starrer, *Endhiran/Robot*, recorded revenues of ₹151cr during the quarter and revenue from sale of satellite rights of the movie of ₹15cr will be recorded in 4QFY2011. *Endhiran* have been a profitable venture for STNL (~₹47cr profit). Although, management has denied any plans of producing another movie, the possibility cannot be ruled out.

**Exhibit 2: Top-line growth trend**



Source: Company, Angel Research

**Exhibit 3: Segmental revenue breakup**

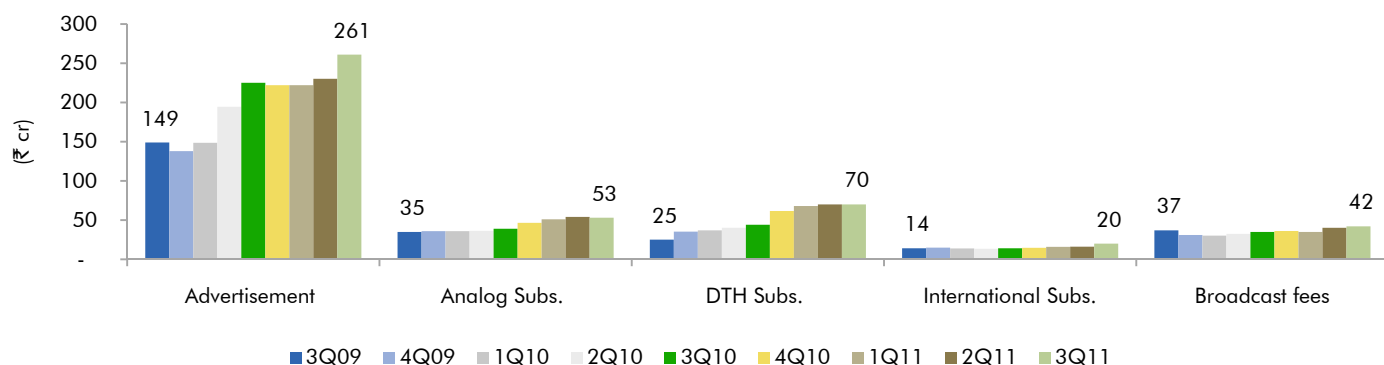
Y/E March (₹ cr)	3QFY11	3QFY10	% yoy	2QFY11	% qoq
Advt. Income	261	225	16.0	230	13.3
Broadcast Fee	42	35	20.0	40	4.2
Program License Inc (Int Rev)	20	14	42.9	16	23.5
Subs Income - Analogue	53	39	35.9	54	(1.9)
Subs Income - DTH	70	44	59.1	70	-
Others (Incl Movies)	152	38	298.9	14	985.6
<b>Total Revenues</b>	<b>598</b>	<b>395</b>	<b>51.4</b>	<b>425</b>	<b>40.8</b>

**% of total Revenues**

Advt. Income	43.6	56.9	54.2
Broadcast Fee	7.0	8.9	9.5
Program License Inc (Int Rev)	3.3	3.5	3.8
Subs Income - Analogue	8.9	9.9	12.7
Subs Income - DTH	11.7	11.1	16.5
Others (Incl Movies)	25.4	9.6	3.3

Source: Company, Angel Research

**Exhibit 4: Segmental revenue growth trend**



Source: Company, Angel Research

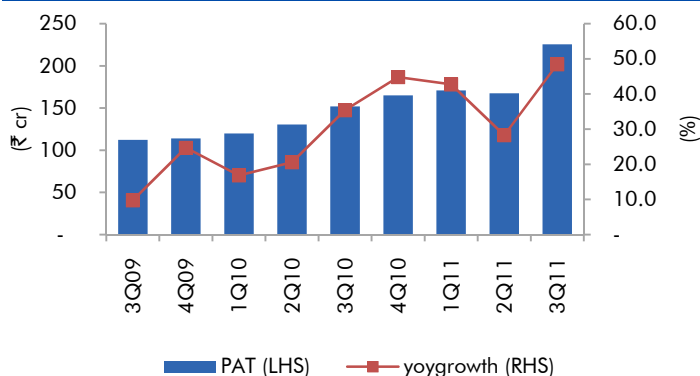
**Recurring earnings growth robust at 48% despite 97% jump in depreciation/amortisation**

For 3QFY2011, STNL posted a robust growth of 48.2% yoy to ₹225.5cr (₹152cr) in earnings on a recurring basis, despite the increase in depreciation/amortisation expense (up 97% yoy) aided by operating margin expansion and 9% yoy increase in other income.

**Cost rationalisation, higher operating leverage aid OPM expansion by 481bp**

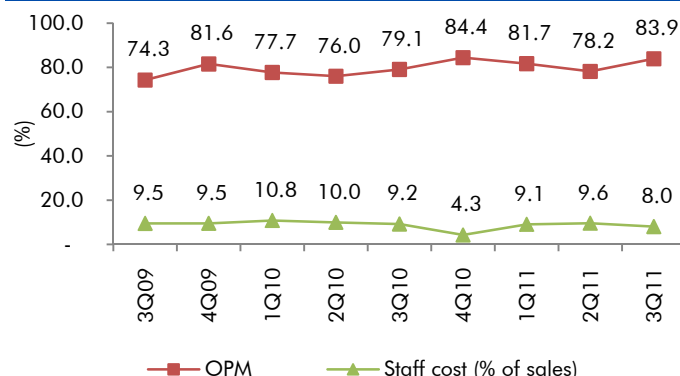
At the operating level, STNL posted a 481bp yoy expansion, driving a whopping 61% yoy growth in operating profit to ₹502cr (₹312.5cr) aided by cost rationalisation, incremental growth in movie revenues (contributes ~25% to total revenues), which was largely on account of revenue traction from *Endhiran*, and increase in the pay slots resulting in 20% yoy increase in the broadcast fees, which directly reflected in margins (due to no cost attached). The company's focus on reducing operating costs saw a decline in the cost of revenues (down 258bp yoy), staff cost (down 116bp yoy) and other expense (down 108bp yoy).

**Exhibit 5: Earnings growth rate moderates**



Source: Company, Angel Research

**Exhibit 6: Expect OPM at ~77-78% for FY11/12**



Source: Company, Angel Research

## Investment Arguments

- **STNL's ad revenues to outpace regional advt., we peg 21% CAGR:** During FY2010-12, we peg STNL's standalone ad revenues to post 21% CAGR, ahead of 14% CAGR in regional advertising during the period, driven by – 1) absorption of rate hikes (5-33% hike in ad rates across channels effective Jan 2010), 2) increased traction in niche kids/comedy channels launched in 1QFY2010, and 3) strong management focus on utilising inventory during off-peak hours and new weekend programming.
- **Multiple levers led by DTH to drive 31% CAGR in pay revenues:** During FY2010-12, we expect STNL to register a robust 31% CAGR in overall subscription revenues aided by – 1) strong 39% CAGR in DTH revenues on the back of 19% CAGR in DTH subscribers and rise in ARPU's to ₹36, and 2) 20% CAGR in analogue revenues aided by restructuring of distribution business and Malayalam channels (*Surya TV, Kiran TV*) turning pay from April 1, 2010.
- **Radio to near break-even at operating level by FY2012:** On a consolidated basis (Kal and SAFM), we expect the radio subsidiaries to report top-line CAGR of 20% during FY2010-12 to ₹81cr (₹56cr) driven by – 1) uniform brand identity of the radio channels to *Red FM* (will act as an effective tool for marketing the stations with agencies and customers), and 2) Ad rate hike of 12-15% announced by *Red FM* effective June 2010. The government regulations on radio broadcasting, paving way to Phase-III of radio licensing auction, will act as a further upside to our estimates.
- **Sun Pictures – 'Endhiran' broke all records:** Sun Pictures released *Endhiran* (with a budget of over ₹132cr) in 3QFY2011 in three languages, viz. Tamil, Telugu and Hindi. The movie registered returns of ~26% at EBIT level (marginally above our estimate of 20-25%). For FY2011, we estimate STNL's revenues from movie distribution (including release of *Endhiran*) to post 196% yoy growth to ₹200cr (₹67.5cr) and then taper down to ₹135cr in FY2012, as the revenue traction from *Endhiran* wanes.

## Outlook and Valuation

Post the 3QFY2011 result con-call we have tweaked our estimates to factor in lower DTH revenue, increase in analogue revenues, high broadcast fees and rise in movie amortisation costs.

### Exhibit 7: Change in estimates (consolidated)

(₹ cr)	Old Estimate		New Estimate		% chg	
	FY11	FY12	FY11	FY12	FY11	FY12
Revenue	1,984	2,231	2,004	2,216	1.0	(0.7)
OPM (%)	77.2	78.1	77.3	78.1	8	3
EPS (₹)	18.5	21.8	18.2	21.6	(1.4)	(1.0)

Source: Company, Angel Research

Over FY2010-12, we have modeled in 23.5%, 25.3% and 27.9% CAGR in top-line, core EBIT (post amortisation) and earnings respectively, for STNL. Moreover, we expect STNL's cash balance to swell to a whopping ₹12bn (~₹32/share) in FY2012 driven by strong rise in free cash flow (almost tripling over FY2010-12) on the back of strong earnings growth. Hence, we expect STNL's RoE to sustain at ~29-30% levels and RoIC to rise to 58% (36% in FY2010) during the mentioned.

We believe higher valuations for STNL are justified given its -1) strong earnings (recurring) CAGR of 29.6% over FY2010-12E, 2) dominant leadership in 3 out of 4 lucrative southern markets, which account for ~73% of regional TV ad market, 3) strong group strength including political clout and presence across media value chains (distribution via Kal cables and DTH via Sun Direct), 4) unique low-cost business model (broadcast fees and low SG&A expenses), which enables it to garner significantly higher operating margins, and 5) significant reduction in losses in radio subsidiaries (management has indicated breakeven at the operating level for SAFM this quarter, Kal is already breaking even at the operating level). **We maintain an Accumulate on the stock, with a revised Target Price of ₹518 (₹523), based on 24x FY2012E EPS of ₹21.6.**

### Exhibit 8: Key Assumptions

	FY2009	FY2010	FY2011E	FY2012E	Comments
Ad revenue growth (%)	27.4	39.5	22.6	19.3	Rate hike absorption (5-33% in STNL; 12-15% in Red FM)
Pay revenue growth (%)	0.6	47.7	49.5	12.6	Distribution re-jig and subscriber addition
Movie revenue growth (%)	-	139.1	196.3	(32.5)	Endhiran to spike revenue in FY11, see spill-over in FY12
Staff cost as % of sales	9.8	9.2	9.8	9.9	Spike due to higher pay to MD and new team set up
Core EBIT Margin (%)	57.5	59.1	57.1	60.7	Expansion due to lower losses in radio and high OPM

Source: Company, Angel Research

**Exhibit 9: Peer Valuation**

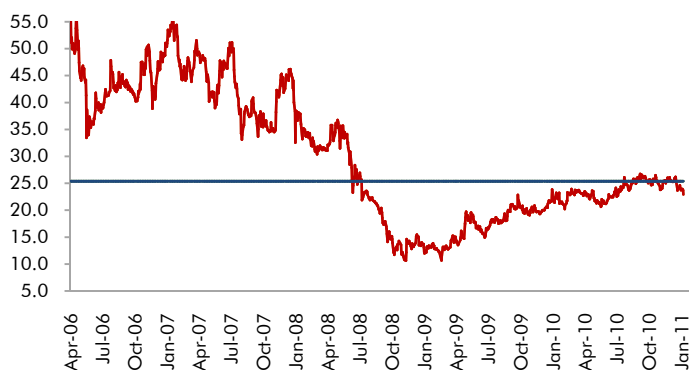
Company	Reco	Mcap (₹ cr)	CMP (₹)	TP (₹)	Upside (%)	P/E (x)		EV/Sales (x)		RoE (%)		CAGR*	
						FY11E	FY12E	FY11E	FY12E	FY11E	FY12E	Sales	PAT
Sun TV	Accumulate	19,361	491	518	5.4	26.9	22.8	9.7	8.6	33.5	31.9	23.9	28.6
Zee Ent <sup>^</sup>	Neutral	11,216	115	-	-	18.7	20.8	-	-	13.3	14.5	22.7	22.8

Source: Company, Angel Research, Note: # denotes CAGR for FY2010-12E, ^ Zee Entertainment figures are consensus estimates from Bloomberg

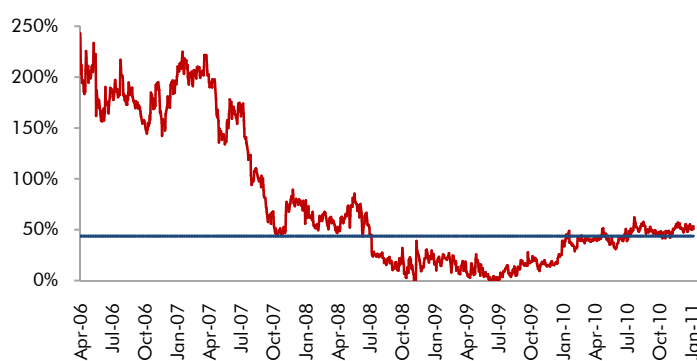
**Exhibit 10: Angel v/s Consensus estimates**

Top-line (₹ cr)	FY2011E	FY2012E	EPS (₹)	FY2011E	FY2012E
Angel estimates	2,004	2,216	Angel estimates	18.2	21.6
Consensus	1,943	2,181	Consensus	18.0	21.6
Diff (%)	3.0	1.5	Diff (%)	1.1	0.0

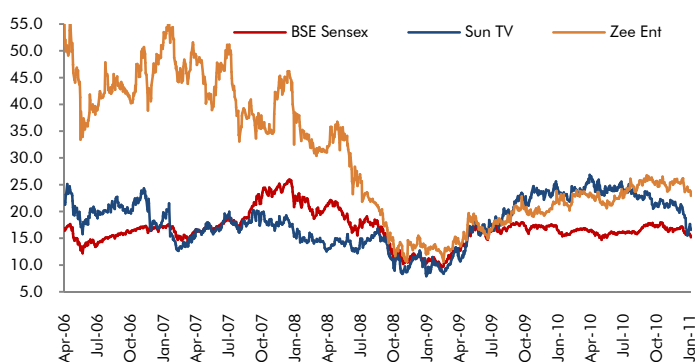
Source: Company, Angel Research

**Exhibit 11: STNL trading at its 3yr avg P/E of 24x**


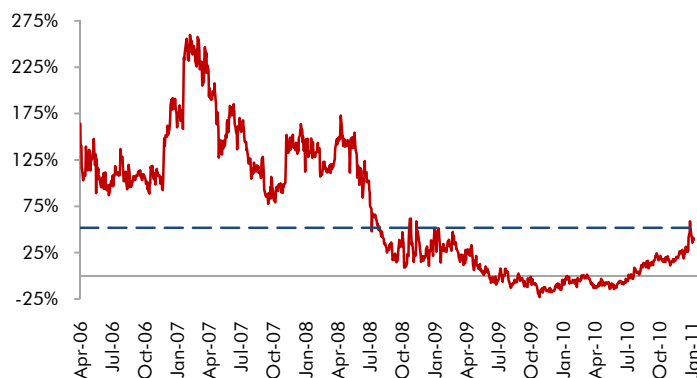
Source: Company, Angel Research; Note: Blue line denotes 3yr avg P/E

**Exhibit 12: STNL's 3yr avg Prem over Sensex at 44%**


Source: Company, Angel Research; Note: Blue line denotes 3yr avg Premium

**Exhibit 13: 1yr Fwd P/E for ZEEL higher than STNL**


Source: Company, Angel Research

**Exhibit 14: STNL trades 3yr avg Prem of 38% to ZEEL**


Source: Company, Angel Research, Note: Blue line denotes 3yr avg Premium

**Profit & Loss Statement (Consolidated)**

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011E	FY2012E
<b>Gross sales</b>	<b>870</b>	<b>1,039</b>	<b>1,453</b>	<b>2,004</b>	<b>2,216</b>
Less: Excise duty	-	-	-	-	-
Net Sales	870	1,039	1,453	2,004	2,216
<b>Total operating income</b>	<b>870</b>	<b>1,039</b>	<b>1,453</b>	<b>2,004</b>	<b>2,216</b>
% chg	28.3	19.5	39.8	37.9	10.6
<b>Total Expenditure</b>	<b>272</b>	<b>303</b>	<b>362</b>	<b>455</b>	<b>485</b>
(Inc)/Dec in stock in trade	-	-	4	7	8
Cost of Production	77	111	119	130	146
Staff Cost	96	116	134	196	220
Power & Fuel	7	14	14	16	17
Others	93	62	91	106	94
<b>EBITDA</b>	<b>598</b>	<b>737</b>	<b>1,091</b>	<b>1,548</b>	<b>1,731</b>
% chg	27.5	23.3	-	-	11.8
(% of Net Sales)	68.7	70.9	75.1	77.3	78.1
Depreciation & Amortisation	124	220	321	493	482
<b>EBIT</b>	<b>474</b>	<b>516</b>	<b>770</b>	<b>1,055</b>	<b>1,249</b>
% chg	34.4	9.0	49.1	37.0	18.3
(% of Net Sales)	54.4	49.7	53.0	52.7	56.3
Interest & other Charges	16	14	5	2	2
Other Income	56	67	35	40	44
(% of PBT)	10.8	11.7	4.4	3.7	3.4
Share in profit of Associates	1.1	0.2	0.8	1.0	1.2
<b>Recurring PBT</b>	<b>513</b>	<b>569</b>	<b>800</b>	<b>1,093</b>	<b>1,290</b>
% chg	32.6	10.9	40.5	36.7	18.0
Extraordinary Expense/(Inc.)	-	-	-	-	-
<b>PBT (reported)</b>	<b>513</b>	<b>569</b>	<b>800</b>	<b>1,093</b>	<b>1,290</b>
Tax	201	229	299	390	449
(% of PBT)	39.2	40.3	37.4	35.7	34.8
<b>PAT (reported)</b>	<b>312</b>	<b>340</b>	<b>501</b>	<b>703</b>	<b>842</b>
Add: Share of associates	-	-	-	-	-
Less: Minority interest (MI)	(14)	(28)	(18)	(15)	(8)
<b>PAT after MI (reported)</b>	<b>327</b>	<b>368</b>	<b>520</b>	<b>719</b>	<b>851</b>
<b>ADJ. PAT</b>	<b>327</b>	<b>368</b>	<b>520</b>	<b>719</b>	<b>851</b>
% chg	32.8	12.7	41.2	38.2	18.4
(% of Net Sales)	37.6	35.4	35.8	35.9	38.4
<b>Basic EPS (₹)</b>	<b>8.3</b>	<b>9.3</b>	<b>13.2</b>	<b>18.2</b>	<b>21.6</b>
<b>Fully Diluted EPS (₹)</b>	<b>8.3</b>	<b>9.3</b>	<b>13.2</b>	<b>18.2</b>	<b>21.6</b>
% chg	32.8	12.7	41.2	38.2	18.4



**Balance Sheet (Consolidated)**

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011E	FY2012E
<b>SOURCES OF FUNDS</b>					
Equity Share Capital	197	197	197	197	197
Preference Capital	-	-	88	88	88
Reserves & Surplus	1,252	1,505	1,689	2,168	2,753
<b>Shareholders Funds</b>	<b>1,449</b>	<b>1,702</b>	<b>1,974</b>	<b>2,453</b>	<b>3,038</b>
Minority Interest	60	38	37	37	37
Total Loans	69	72	0	0	0
Deferred Tax Liability	1	26	34	34	34
<b>Total Liabilities</b>	<b>1,580</b>	<b>1,838</b>	<b>2,045</b>	<b>2,524</b>	<b>3,109</b>
<b>APPLICATION OF FUNDS</b>					
Gross Block	1,019	1,491	1,888	2,257	2,577
Less: Acc. Depreciation	474	677	990	1,484	1,966
<b>Net Block</b>	<b>545</b>	<b>815</b>	<b>898</b>	<b>773</b>	<b>611</b>
Capital Work-in-Progress	222	157	315	248	258
Goodwill	-	-	-	-	-
<b>Investments</b>	<b>180</b>	<b>181</b>	<b>228</b>	<b>328</b>	<b>528</b>
Non Current Assets	<b>8</b>	<b>23</b>	<b>30</b>	<b>35</b>	<b>40</b>
Current Assets	880	881	1,035	1,486	2,066
Cash	430	365	437	711	1,247
Loans & Advances	192	274	266	331	332
Other	258	241	332	444	486
Current liabilities	256	219	461	346	393
<b>Net Current Assets</b>	<b>624</b>	<b>662</b>	<b>574</b>	<b>1,140</b>	<b>1,673</b>
Misc Exp	0	0	0	0	0
<b>Total Assets</b>	<b>1,580</b>	<b>1,838</b>	<b>2,045</b>	<b>2,524</b>	<b>3,109</b>

**Cash Flow Statement (Consolidated)**

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011E	FY2012E
Profit before tax	513	569	800	1,093	1,290
Depreciation	124	220	321	493	482
Change in Working Capital	(93)	56	(109)	(162)	(41)
Interest / Dividend (Net)	(32)	(26)	(29)	(38)	(41)
Direct taxes paid	213	202	281	390	449
Others	54	(14)	24	(22)	10
<b>Cash Flow from Operations</b>	<b>354</b>	<b>604</b>	<b>726</b>	<b>975</b>	<b>1,252</b>
Inc./ (Dec.) in Fixed Assets	(392)	(494)	(554)	(302)	(329)
Inc./ (Dec.) in Investments	(180)	(0)	(47)	(100)	(200)
<b>Cash Flow from Investing</b>	<b>(572)</b>	<b>(494)</b>	<b>(602)</b>	<b>(402)</b>	<b>(529)</b>
Issue of Equity	76	6	107	15	8
Inc./ (Dec.) in loans	(49)	(4)	(73)	(4)	(3)
Dividend Paid (Incl. Tax)	(46)	(184)	(115)	(345)	(231)
Interest / Dividend (Net)	17	8	29	36	39
<b>Cash Flow from Financing</b>	<b>(1)</b>	<b>(174)</b>	<b>(53)</b>	<b>(298)</b>	<b>(187)</b>
Inc./ (Dec.) in Cash	(220)	(64)	71	275	536
<b>Opening Cash balances</b>	<b>649</b>	<b>430</b>	<b>365</b>	<b>437</b>	<b>711</b>
<b>Closing Cash balances</b>	<b>430</b>	<b>365</b>	<b>437</b>	<b>711</b>	<b>1,247</b>

**Key Ratios**

Y/E March	FY2008	FY2009	FY2010	FY2011E	FY2012E
<b>Valuation Ratio (x)</b>					
P/E (on FDEPS)	59.3	52.6	37.2	26.9	22.8
P/CEPS	55.4	47.5	32.9	24.4	20.6
P/BV	13.4	11.4	10.3	8.2	6.6
Dividend yield (%)	0.5	0.5	1.5	1.0	1.2
EV/Sales	21.8	18.3	13.1	9.5	8.6
EV/EBITDA	31.8	25.8	17.4	12.3	11.0
EV / Total Assets	12.0	10.3	9.3	7.5	6.1
<b>Per Share Data (₹)</b>					
EPS (Basic)	8.3	9.3	13.2	18.2	21.6
EPS (fully diluted)	8.3	9.3	13.2	18.2	21.6
Cash EPS	8.9	10.3	14.9	20.1	23.8
DPS	2.5	2.5	7.5	5.0	5.8
Book Value	36.8	43.2	47.8	60.0	74.9
<b>Dupont Analysis</b>					
EBIT margin	54.4	49.7	53.0	52.7	56.3
Tax retention ratio	0.6	0.6	0.6	0.6	0.7
Asset turnover (x)	1.1	0.8	0.9	1.0	0.9
RoIC (Post-tax)	35.3	24.6	28.5	32.7	33.7
Cost of Debt (Post tax)	0.1	0.1	0.1	9.1	9.3
Leverage (x)	0.8	0.4	0.2	0.0	0.0
Operating RoE	63.7	33.3	33.7	32.7	33.7
<b>Returns (%)</b>					
RoCE (Pre-tax)	33.1	30.2	39.7	46.2	44.3
Angel RoIC (Pre-tax)	59.2	45.7	57.6	73.7	88.6
RoE	23.6	21.6	27.9	33.1	31.7
<b>Turnover ratios (x)</b>					
Asset Turnover	0.9	0.7	0.8	0.9	0.9
Inventory / Sales (days)	0	0	1	1	1
Receivables (days)	108	85	83	80	79
Payables (days)	15	16	10	8	8
Work. cap. ex-cash) (days)	81	104	34	78	70
<b>Solvency ratios (x)</b>					
Net debt to equity	0.4	0.4	0.0	0.0	0.0
Net debt to EBITDA	0.1	0.1	0.0	0.0	0.0
Interest Coverage	29.8	37.4	155.9	527.5	624.3

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### Disclosure of Interest Statement

	SUN TV Network
1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

Note: We have not considered any Exposure below ₹1 lakh for Angel, its Group companies and Directors.

Ratings (Returns) :	Buy (> 15%)	Accumulate (5% to 15%)	Neutral (-5 to 5%)
	Reduce (-5% to 15%)	Sell (< -15%)	