



## RATING RATIONALE

20 Nov 2023

### Raj Television Network Limited

**Brickwork Ratings reaffirms and withdraws the ratings for Bank Loan facilities of Rs.22.74 Crs of Raj Television Network Limited.**

#### Particulars:

Facility	Amount Rated (Rs in Crores)		Tenor	Rating History with BWR (05 August 2022)	Rating Recommended
	Previous	Present			
Corporate Loan-	3.58	<b>1.43</b>	Long Term	BWR BB + /Stable Reaffirmation	<b>BWR BB+/Stable Reaffirmed and simultaneously withdrawn</b>
Cash Credit	13.00	<b>13.00</b>			
GECL	8.56	<b>5.15</b>			
Term Loan	4.64	<b>3.16</b>			
Term Loan (Proposed)	10.00	<b>00.00</b>			<b>Withdrawal</b>
<b>Total</b>	39.78	<b>22.74</b>	<b>INR Twenty Two crores and Seventy Four lakhs only/-</b>		

\*Details of Bank loans provided in Annexure II

#Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

#### RATING ACTION

The client has provided the NDS upto 31 October 2023. The bank statements of the rated facilities show no irregularities in repayment and no penal charges. The revenue has significantly increased from Rs 6.96 Lakhs in FY 22 to Rs 8.54 Lakhs in FY 23. The long term borrowings include secured term loans from banks which decreased from Rs 113299.54 in FY 22 to Rs 73951.06 in FY 23. The gearing ratio is optimal at 0.44 times in FY 23. The ISCR and DSCR is at 1.85 times and 0.64 times in FY 23. The current ratio is at 1.26 times which indicates adequate liquidity. These financial figures for FY 23 indicate an improved financial performance. Hence on account of the request letter for withdrawal of ratings by the client, No Objection Certificate, Undertaking for the proposed facilities from the client, improved financial figures for FY 23 and MIS Clearance, the rating team recommends the reaffirmation and simultaneously withdraw the rating of BWR BB+/Stable for the fund based sanctioned facilities and withdrawal of rating assigned to the proposed facilities as per the BWR Withdrawal Policy.

#### COMPANY PROFILE (As available with BWR)

The Raj Television Network Limited ("RTNL") is a BSE and NSE listed company incorporated on June 3, 1994 under erstwhile Companies Act 1956. The company is one of the largest



Television satellite broadcasters in south India. RTNL was promoted by Mr. Raajhendhran with his three brothers in 1994. Prior to the incorporation, the promoters were in the business of movie production under the brand name of "Raj Video Vision" since 1983 .The company undertakes several production projects with the right mix of self-produced and outsourced productions. With self-produced content, the company gets complete right over the content and can build its own intellectual property base. Raj TV currently operates 12 Television channels in five languages including Tamil, Telugu, Kannada, Malayalam and Hindi. The Channel offers a right mix of movies, serials, debates, cultural, educational, cookery, handicrafts and religious programs. Raj TV, Raj Music Tamil, Raj Digital Plus, Raj Music Kannada & Raj News Kannada, Raj Music Telugu & Raj News Telugu, Vissa-Telugu, Raj Pariwar-Hindi, Raj Music Malayalam & Raj News Malayalam, Raj Movies Tamil, Raj Nagaichuvai, Raj TV Asia are the channels operated by Raj Television Network. The company has a library of ~1300 films ranging in different languages with subscribers of ~200 lakhs as on 31Mar2022.

**KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: NA**

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Nil**

**RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal & suspended]**

Sn. No	Instrument/Facility	CurrentRating(Year2023)		RatingHistory		
		Type	Rating	05 August 2022	03 May 2021	15 June 2020
1	Fund Based facilities - Sanctioned	Long term	BWR BB+/Stable Reaffirmed and simultaneously withdrawn	BWR BB + /Stable Reaffirmation	BWR BB+/Stable (Upgrade)	BWR BB/Stable Issuer Not Cooperating Downgraded
2	Fund Based facilities - Proposed	Long term	Withdrawal	BWR BB + /Stable Reaffirmation	BWR BB+/Stable (Upgrade)	BWR BB/Stable Issuer Not Cooperating Downgraded
	<b>Total</b>			<b>INR Twenty Two crores and Seventy Four lakhs only/-</b>		

**COMPLEXITY LEVELS OF THE INSTRUMENTS - SIMPLE**

For more information, visit

[www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- [Approach to Financial Ratios](#)
- [General Criteria](#)
- [Rating Withdrawal Policy](#)
- [Service Sector](#)

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**Raj Television Network Limited**  
**ANNEXURE I**

**Details of Bank Loan Facilities rated by BWR**

Bank Name	Facility	Amount Rated (Rs in Crores)		Tenor
		Previous	Present	
Canara Bank	Corporate Loan-	3.58	1.43	Long Term
Canara Bank	Cash Credit	13.00	13.00	
Canara Bank	GECL	8.56	5.15	
Canara Bank	Term Loan	4.64	3.16	
State Bank of India	Term Loan (Proposed)	10.00	00.00	
	<b>Total</b>	39.78	22.74	INR Twenty Two crores and Seventy Four lakhs only/-

**ANNEXURE II**

**INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS :**

NA

**ANNEXURE III**

**List of entities consolidated : NA**



**For print and digital media** The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

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