

Chennai-based media company Vision Time India's FY19 rev is Rs. 119.55 cr

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MUMBAI: Chennai-based media company Vision Time India's revenue for FY19 is Rs. 119.55 crore on a provisional basis. The operating revenue of the company was Rs. 113.26 crore in FY18 as compared to Rs. 123.83 crore in FY17. The net profit was Rs 3.38 crore in FY18 and Rs 5.77 crore in FY17.

Vision Time India, was established as a proprietorship concern in 1992 with Gopalan Vaidehi as proprietor. Later it was converted into a company Vision Time India Private Limited on 24th June, 2002. It has evolved into a multimedia company with its arms spreading across different areas of Media, Broadcast, Advertising and Digital business.

The company offers services like Media Buying, Media Marketing, Content Creation, Digital Marketing, Event Activation & Management, Branding Solutions and Media Research. Directors of Vision Time India Private Limited are Raja Ramamurthy, Subramanian Ramamurthy, Gopalan Vaidehi and Dinesh Ramamurthy.

The company's revenue is highly concentrated with GroupM and Sun TV Network contributing 80% of the total revenue. The promoters have more than two decades of experience in media, marketing and advertising industry Brand image of vision time in Tamil small screen. On media services front, Vision Time works with 100+ brands and on content creation front the company has created 7000 hours of content through 30+ TV shows.

Trend Loud, the digital arm of Vision Time, takes care of all digital media business channel creation and content on YouTube. Trend Music, the music division of the company, mainly acquires movie music rights and deployment of the same across all digital network. Tangible net worth of the company represents Rs. 34.56 crore in FY18. It includes paid up capital of Rs. 0.40 crore and remaining is reserves & surplus.

Brickwork Ratings has reaffirmed the ratings for the Bank Loan Facilities of Rs 28 crore of Vision Time India Private Limited.

The rating agency has principally relied upon the audited financial results up to FY18, provisional financials of FY19 and projection up to FY21, publicly available information and information/clarification provided by the company.

The rating reaffirmation draws strength from extensive media industry experience of the promoters and management, long track record of operations of the company with established relationship with reputed clientele, adequate gearing and debt coverage indicators and moderate net worth. The ratings are, however, constrained by revenue concentration risk vested with Group-M and Sun TV Network, longer operating cycle of media business and substantial increase in related parties transaction.

Going ahead, achieving their projected income, realizing the advances given to related parties and profit through effective working capital management, improvement in collection of longstanding receivables and exploring new demands with growing digital trend will be the key rating sensitives.