



Conviction Ideas - 87

NDTV

Buy: Rs.93

Target: Rs. 110

Holding Period: 2 Months

COMPANY OVERVIEW:

New Delhi Television launched 25 year back, a pioneer in India's news television. It is today the most watched and the most respected news network in India. From the path-breaking "The World This Week" (nominated as one of India's 5 best television programs since Independence), to the first private news on Doordarshan "The News Tonight", and producing India's first 24-hour news channel "Star News", NDTV has been in the forefront of every single news revolution. The company was promoted by its Executive Chairperson, Prannoy Roy, and Managing Director and Executive Co-Chairperson, Radhika Roy. Together with a 500 plus strong team of reporters and producers around the country, they have been instrumental in building the company's brand and credibility. Over the years NDTV's programming has brought focus on a number of social issues through innovative campaigns like the Greenathon, which is now an annual event, 7 Wonders of India and the Save Our Tigers campaign, which won the Best Public Service Campaign for a Brand by a News Channel.

BUSINESSES:

The company currently beams four main channels and they are NDTV 24X7, NDTV India, NDTV Profit and NDTV Good Times.

NDTV 24X7 is the flagship channel from NDTV network is most watched English news channel. Winner of numerous awards, including the Asian Television Award for Best News Channel, NDTV 24X7 is home to the finest journalists and TV production team across the country. It also beams its cutting-edge programming beyond Indian shores, broadcasting in the UK on the Sky Digital platform, in the U.S. on the Direct TV platform, in Canada on the ATN platform, in Australia on the Vision Asia platform, in Europe on the World TV platform, and in Singapore on the Singtel platform.

NDTV India is 24-hour Hindi news channel stands strong as one of India's leading credible news channels – preferred by an audience which seeks quality programming and pure news, rather than sensational infotainment.

NDTV Profit is a 24-hour business news channel that has established benchmarks for simple, clear and transparent reporting in the world of business. Besides vast coverage of the daily stock market action, it is well watched for its breaking news and incisive reporting on economic and corporate developments.

NDTV Good Times is the nation's very first lifestyle channel, targeting young and contemporary India is a runaway hit and a market leader. From health to new age holistic mantras, from fashion to food, from travel to luxury must-haves, the channel appeals to the global Indian with his heart on his sleeve, his feet in the here-and-now, and his hand quick to reach into his pocket for the finest life has to offer.

CONSOLIDATED FINANCIAL HIGHLIGHTS:

	FY2011	FY2012	FY2013
Total Income Cr.	425.0	483.3	526.8
Reported Profit Cr.	-173.8	-87.3	1.9
EPS Rs.	0	0	0.3
Book Value Rs.	41.5	29.9	30.2
Dividend Rs.	Nil	Nil	Nil

INVESTMENT RATIONALE:

NDTV is one of the India's leading television broad cast company. The company's news channel is the most watched news channel in India. Due to various reasons the company's past financial performance is not encouraging. But things are changing due to digitization in India and strict cost control. Now the company has turnaround in FY13 after showing losses for many years. The company has shown marginal consolidated profit for full year. Third and Fourth quarter results of FY13 were encouraging and if the trend continues for FY14, the company's financials will look far better. Moreover in next one year, elections both at state and central is to come which is positive for news channel companies like NDTV. Currently valuation looks attractive based on market cap when compared with other media companies. Investors can consider buying NDTV as a turnaround candidate with medium term view on hopes of improvement in performance in coming days.

SHAREHOLDING PATTERN AS ON Mar 2013

	%
ROMOTERS	61.45
INSTITUTIONS	
FII	1.21
Mutual Funds	0.18
Insurance and DII	0.24
NON-INSTITUTIONS	
Bodies Corporate	20.45
Public and others	16.63

NSE SYMBOL	NDTV
FACE VALUE Rs.	4
EPS Rs.	0.3
BOOK VALUE Rs.	30.2
P/E	

Previous Conviction Ideas:

Sl. No.	Company Name	Recommendation Date & Price		Target Price	CMP	Status
86	JK Tyre	9-May-13	₹ 116	₹ 135	116	
85	Jammu & Kashmir	2- May-13	₹ 1375	₹ 1520	1340	
84	JK Lakshmi	17- Apr-13	₹ 90	₹ 104	101	Target Achieved
83	Bajaj Corp	3- Apr-13	₹ 243	₹ 275	271	Target Achieved
82	ITC	13-Mar-13	₹ 300	₹ 330	340	Target Achieved
81	GIPCL	6-Mar-13	₹ 71	₹ 82	71	Target Achieved
79	Yes bank	13-Feb-13	₹ 522	₹ 575	520	
78	Chettinad Cement	6-Feb-13	₹ 910	₹ 1090	700	
76	ABirla Nuvo	23-Jan-13	₹ 1170	₹ 1290	1087	
75	JB Chemicals	16-Jan-13	₹ 90	₹ 104	84	
74	Vijaya Bank	9-Jan-13	₹ 66	₹ 77	54	
73	NMDC	2-Jan-13	₹ 170	₹ 196	128	
72	HIL Limited	26-Dec-12	₹ 490	₹ 575	381	
71	Tata Motor DVR	19-Dec-12	₹ 174	₹ 195	172	
70	LIC Housing	12-Dec-12	₹ 274	₹ 314	256	
69	Gujarat Alkalies	3-Dec-12	₹ 141	₹ 171	180	Target Achieved
68	Texmaco Rail	29-Nov-12	₹ 64	₹ 74	47	Target Achieved
67	Bajaj Auto	22-Nov-12	₹ 1830	₹ 2050	1827	Target Achieved
66	Sundaram Finance	15-Nov-12	₹ 480	₹ 575	543	
65	IDFC	31-Oct-12	₹ 161	₹ 180	157	Target Achieved
64	Karur Vysya Bank	10-Oct-12	₹ 433	₹ 495	475	Target Achieved
63	JB Chemicals	03-Oct-12	₹ 75	₹ 90	84	Target Achieved
62	Cairn India	26-Sep-12	₹ 335	₹ 375	297	
61	Zensar Tech	12-Sep-12	₹ 270	₹ 305	247	
60	Bajaj Corp	5-Sep-12	₹ 185	₹ 220	271	Target Achieved
58	JKTyre	22-Aug-12	₹ 116	₹ 128	115	Target Achieved
57	Kale Consultants	16-Aug-12	₹ 168	₹ 192	469	Target Achieved
56	Goodricke	8-Aug-12	₹ 145	₹ 175	131	
55	Orient Paper	1-Aug-12	₹ 64	₹ 78	7*	Target Achieved
54	Ceat	25-Jul-12	₹ 96	₹ 114	115	Target Achieved
53	Venky's	18-Jul-12	₹ 458	₹ 520	559	Target Achieved

52	Tata Sponge *	11-Jul-12	₹ 339	₹ 375	291	
51	Cera Sanitaryware	4-Jul-12	₹ 287	₹ 330	459	Target Achieved
49	Mangalam Cement	20-Jun-12	₹ 122	₹ 152	125	Target Achieved
48	Alembic Pharma	13-Jun-12	₹ 52	₹ 62	127	Target Achieved
47	IDFC	6-Jun-12	₹ 126	₹ 153	157	Target Achieved
46	FDC	30-May-12	₹ 81	₹ 95	92	Target Achieved
45	Force Motor	23-May-12	₹ 458	₹ 550	399	
44	Chettinad Cement	16-May-12	₹ 700	₹ 875	700	Target Achieved
43	Automobile Corp	9-May-12	₹ 350	₹ 425	220	
42	Everest Industries	2-May-12	₹ 160	₹ 205	186	Target Achieved
41	Goodricke Group	24-Apr-12	₹ 155	₹ 175	131	
40	Amararaja Battery	18-Apr-12	₹ 158	₹ 138	260	Target Achieved
39	HSIL Limited	11-Apr-12	₹ 165	₹205	111	
38	Goodyear Tyres	4-Apr-12	₹ 365	₹440	289	
37	Gateway Distriparks	28-Mar-12	₹ 150	₹180	121	
36	Sundaram Finance	21-Mar-12	₹ 320	₹363	543	Target Achieved
35	Raymond	14-Mar-12	₹ 400	₹460	313	Target Achieved
34	Hydrabad Industries	29-Feb-12	₹ 345	₹420	381	Target Achieved
33	Cera Sanitaryware	22-Feb-12	₹ 219	₹260	459	Target Achieved
32	Zensar Tech	15-Feb-12	₹ 181	₹215	247	Target Achieved
31	NIIT Tech	9-Feb-12	₹ 240	₹310	263	Target Achieved
30	Fag Bearings	1-Feb-12	₹ 1199	₹1430	1414	Target Achieved
29	Escorts	25-Jan-12	₹ 84	₹102	64	
28	Oracle Financial	18-Jan-12	₹ 2020	₹ 2280	2521	Target Achieved
27	Tata Motors	11-Jan-12	₹ 205	₹ 240	308	Target Achieved
26	Zensar Tech	5-Jan-12	₹ 135	₹ 165	247	Target Achieved
25	Mangalore chemicals	30-Nov-11	₹ 33	₹ 40	40	Target Achieved
24	Amararaja Battery	17-Nov-11	₹ 112	₹ 130	260	Target Achieved
23	LIC Housing	2-Nov-11	₹ 235	₹ 275	256	Target Achieved
22	Raymond	20-Oct-11	₹ 356	₹ 415	313	Target Achieved
21	Grindwell Norton	12-Oct-11	₹ 235	₹ 268	260	Target Achieved
20	FDC	5-Oct-11	₹ 89	₹ 106	92	
19	Biocon	28-Sep-11	₹ 345	₹ 385	282	
18	United Phosphorus	21-Sep-11	₹ 155	₹ 179	152	
17	Gujarat Industries	14-Sep-11	₹ 76	₹ 86	71	Target Achieved
16	Ashok Leyland	7-Sep-11	₹ 27	₹ 32	22	Target Achieved

15	Gateway Distriparks	24-Aug-11	₹ 130	₹ 150	121	Target Achieved
14	Balmer Lawrie	17-Aug-11	₹ 660	₹ 750	685	
13	Wyeth	10-Aug-11	₹ 1016	₹ 1150	829	
12	L.G. Balakrishnan	3-Aug-11	₹ 290	₹ 340	188	Target Achieved
11	CRISIL	27-Jul-11	₹ 8600	₹ 9600	955	Target Achieved
10	ITC	20-Jul-11	₹ 205	₹ 226	340	Target Achieved
9	Sundaram Finance	13-Jul-11	₹ 276	₹ 320	543	Target Achieved
8	Yes Bank	6-Jul-11	₹ 325	₹ 374	520	Target Achieved
7	Goodyear	29-Jun-11	₹ 322	₹ 396	289	Target Achieved
6	IDFC	22-Jun-11	₹ 122	₹ 154	157	Target Achieved
5	City Union Bank	15-Jun-11	₹ 45	₹ 54	55	Target Achieved
4	Ineos ABS	8-Jun-11	₹ 595	₹ 690	515	Target Achieved
3	IGL	1-Jun-11	₹ 342	₹ 409	291	Target Achieved
2	GMDC	25-May-11	₹ 138	₹ 180	147	Target Achieved
1	Amararaja Batteries	18-May-11	₹ 104	₹ 128	260	Target Achieved

- **Tata Sponge adjusted buy price post open offer is 285**
- **Model Portfolio was given in Conviction Idea 50 , 59 ,77 ,80**
- ***Demerged**

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