



Research Report

SUN TV NETWORK Ltd



Prepared By-

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About

Sun TV Network was established in 1985 as Sumangali Publications Private Limited and was later renamed as Sun TV Network Limited. Sun TV, the flagship channel of the company, was started in 1993. STNL is primarily involved in television broadcasting. Besides, it produces/distributes movies under the banner Sun Pictures

Key Business

Television Broadcasters

Airing FM Radio Stations

IPL Franchisee Of Sunrisers Hyderabad

Sun NXt OTT

Synopsis of Financials

- The Total Income for the year ended March 31, 2023 at Rs. 4,023.40 crore as against Rs. 3,749.64 crore during the previous year ended March 31, 2022.
- The sustained growth and consistent higher margins are reflective of the Company's continued dominance in broadcasting business in the Southern states and increase in digital business over last year.
- Profit Before Tax was at Rs. 2,238.12 crore as against Rs. 2,193.14 crore in the previous year. Profit After Tax was at Rs. 1,674.53 crore as against Rs. 1,644.80 crore in the previous year. Total Comprehensive income was at Rs. 1,676.06 crore as against Rs. 1,646.09 crore in the previous year.

Stock data (as 26th June 2024)

Nifty Price	: 23,835
52 week High (in Rs.)	: 793
52 week Low (in Rs.)	: 432
Market Cap. (in Crore)	: 30,388 CR
NSE Code	: SUNTV

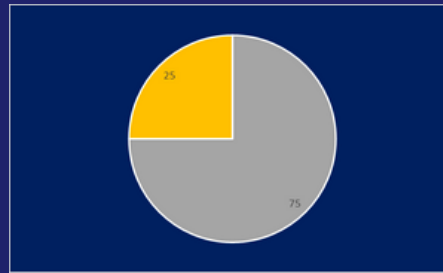
Stock data



-NIFTY50

- SUN TV NETWORK

Shareholding Pattern (March 2024)



-PUBLIC GROUP

-PROMOTER GROUP

Financial Summary

Particulars	March 2024	March 2023	March 2022
Sales	4,282	3,772	3,585
Sales Growth %	13.52%	5.22%	12.84%
Expenses	1,644	1,379	1,306
Operating Profit	2,638	2,393	2,279
OPM %	62%	63%	64%
Profit after tax	1,926	1,707	1,642
EPS in Rs	48.85	43.30	41.66

Quarterly Results

Particular	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Sales	826	887	840	1,349	1,048	923	961
Expenses	289	303	343	552	321	334	438
Operating Profit	537	584	498	797	728	589	523
OPM %	65%	66%	59%	59%	69%	64%	54%
Other Income	89	100	91	122	112	140	142
Interest	3	2	2	3	2	2	2
Depreciation	80	114	80	90	219	115	108
Profit before tax	544	569	507	827	619	612	555
Tax %	25%	25%	25%	28%	25%	26%	25%
Net Profit	407	425	380	592	465	454	415

Source: Screener

Key Ratios

Sl.No.	Ratios	Numerator	Denominator	March 31, 2023 Amount in Rs Crores		March 31, 2022 Amount in Rs Crores	
				Numerator	Denominator	Numerator	Denominator
1.	Current ratio	Current Assets	Current Liability	5,671.35	795.28	4,999.05	639.15
2.	Debt-Equity Ratio	Total Debt	Shareholder's Equity	31.80	9,138.14	58.02	8,053.21
3.	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1,978.58	36.26	2,035.30	62.29
4.	Return on Equity Ratio	Profit for the year	Average Shareholders Equity	1,674.53	8,595.68	1,644.80	7,501.10
5.	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	3,661.37	1,457.67	3,504.88	1,410.14
6.	Trade payables Turnover Ratio	Operating expenses and other expenses	Average Trade Payables	989.95	218.48	851.22	231.52

Sl.No.	Ratios	Numerator	Denominator	March 31, 2023 Amount in Rs Crores		March 31, 2022 Amount in Rs Crores	
				Numerator	Denominator	Numerator	Denominator
7.	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	3,661.37	4,617.99	3,504.88	4,246.96
8.	Net Profit Ratio	Profit for the year	Revenue from Operations	1,674.53	3,661.37	1,644.80	3,504.88
9.	Return on Capital Employed	Earnings before interest and taxes (Profit Before Tax- Finance Income + Finance cost)	Capital Employed (Total Assets - Liabilities)	2,081.04	9,138.14	2,113.59	8,053.21
10.	Return on investments	Income generated from Investment ((MV(T1) - MV(T0) - Sum [C(t)])*)	Time weighted average investments (Annual) ((MV(T0) + Sum [W(t) x C(t)])*)				
	- Quoted in active market			112.34	2,228.67	89.97	1,981.17
	- Unquoted			71.48	1,863.65	55.34	952.54

Source: Annual Report

Yearly Results

Particulars	March 2024	March 2023	March 2022
Equity Capital	197	197	197
Reserves	10,339	9,075	7,958
Borrowings	38	63	95
Other Liabilities	847	814	648
Total Liabilities	11,421	10,148	8,898
Fixed Assets	1844	1729	1791
CWIP	7	131	244
Investments	7,061	5,512	3,589
Other Assets	2508	2775	3274
Total Assets	11,421	10,148	8,898

Synopsis Quater Results

Con-Call May 24: Key Highlights

Financial Performance:

- Sun TV generates revenue primarily through advertising and subscription fees from its television channels. The company operates in various regional languages, including Tamil, Telugu, Kannada, and Malayalam.
- Historically, Sun TV has shown steady revenue growth, supported by its strong market presence in South India. Its financial performance is influenced by factors such as viewership ratings, advertising spending trends, and regulatory changes affecting the media industry.
- The company's stock performance reflects investor sentiment towards the media sector and specific company developments. Factors impacting stock performance include financial results, market conditions, and strategic initiatives.

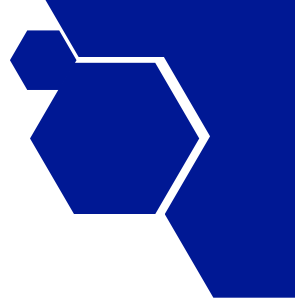
Product Portfolio:

- Sun TV: A leading Tamil language general entertainment channel.
- Gemini TV: Telugu language general entertainment channel.
- Sun NXT: A digital content platform providing access to Sun TV's shows, movies, music, and other content on-demand. It caters to audiences globally who prefer streaming content over traditional television.
- In addition to television, Sun TV Network also operates radio stations under the brand "Suryan FM" in several cities across South India. These stations broadcast music, entertainment, and news content in regional language

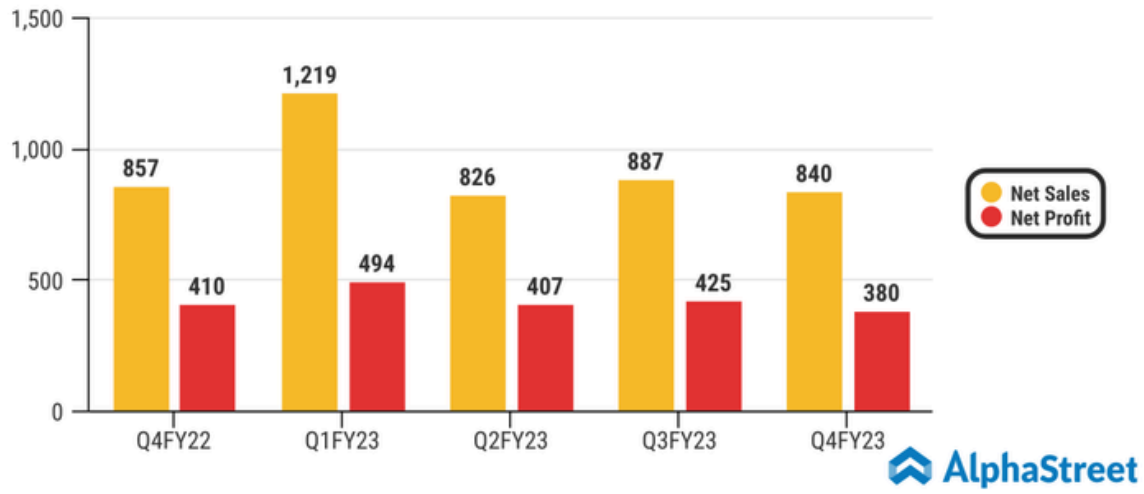
Market Dynamics and Competitive Landscape:

- Sun TV's marketing strategy revolves around targeting regional audiences in South India, primarily Tamil, Telugu, Malayalam, and Kannada-speaking populations. They tailor their content and promotions to appeal to these specific demographic groups, leveraging cultural nuances and preferences.
- Recognizing the shift in consumer behavior towards digital platforms, Sun TV has invested in Sun NXT, a streaming service that offers on-demand access to their content. They use digital marketing strategies to promote Sun NXT and engage viewers online.
- Sun TV Network holds a strong position in South India, where it competes with other regional broadcasters like Zee Telugu, Star Vijay, Asianet, and Colors Kannada. These competitors offer similar content in regional languages and vie for audience attention and advertising revenues.

Revenue Highlights



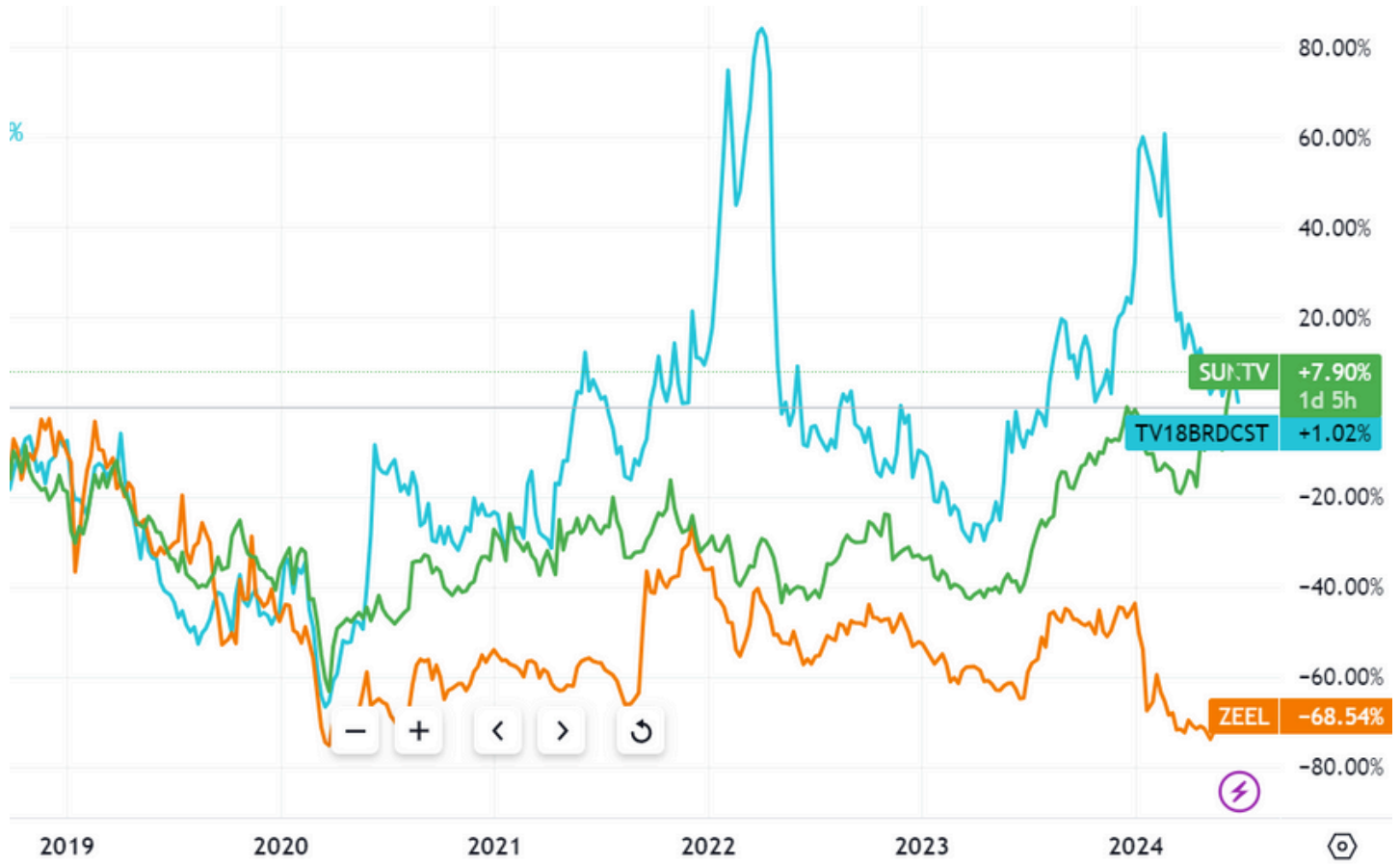
Net Sales vs Net Profit (in INR Cr)



Peer Comparison



Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
1.	Sun TV Network	760.90	15.59	29985.93	2.21	414.94	9.08	961.28	14.39	26.32
2.	Zee Entertainmen	157.35	46.50	15113.75	0.00	13.35	115.54	2169.92	2.74	6.62
5.	TV18 Broadcast	41.44		7104.33	0.00	-137.22	-363.12	2329.58	65.70	0.12

Source: Screener

Final Outlook

Sun TV : BUY | LTP: 764.65

By looking at the analysis of the company investors who are looking for a strong company which is good in its fundamentals and expects a good dividend payout then this company is good and after some dip this stock could be bought as it is now a great company with a market cap very huge from its peers and P/E also is very great among its peers so while going through the details i would be considering this stock for investment.

BUY/Hold For Long Term Will be good