

Media-print

Industry Code (as per CMIE Prowess): 0101015005000000'

June 2022

Overall Industry Risk Score: **11/20 | Marginally Favourable**

Sample Size: 9 Companies

Median Rating Value of sample size: AA

Individual Parameters Contributing to the Score

Demand & Supply Balance  **8/20**

Moderate Over Supply

The print media industry has seen one of the most severe impact of the Covid pandemic. The circulation of print media had dipped very sharply during the lockdown in the first quarter of FY21, though there has a gradual improvement in subsequent quarters and although there has been a partial recovery in newspaper circulation, many readers may have permanently moved to digital news. The impact has been on both the advertising revenues and circulation revenues. As per CMIE data, the production of newspapers increased from 4,726 million copies in FY21 to 4,963 million copies in FY22. The industry sales witnessed 10.7% y-o-y growth from Rs.12.5 billion for March 2021 quarter to 13.5 billion for March 2022 quarter. The industry performance during FY23 is expected to be better on account of the gradual recovery in economic momentum.

Extent of Competition  **12/20**

Neutral

The number of players in the print media is limited with the presence of groups with a long established track record in either the national or regional levels. However, with the rise in smart phone penetration, most of the leading media groups have started offering digital products.

Regulatory Risk



12/20

Predictable Regulatory environment

In order to protect the freedom of press, The Press Council of India (established under PCI Act 1965) has been the premier institution overseeing the regulations and governing the conventional media like print media. The advent of digital platforms has led to significant need for regulation of content on digital media. The Government has recently come out with Information Technology (Intermediary Guidelines & Digital Media Ethics) Rules 2021 under IT Act 2000 for the social media platforms. The Act comes within the purview of Ministry of Electronics & Information Technology.

Input related Risk



12/20

Largely predictable supply of inputs from diversified sources or Raw Materials with rare, occasional disruptions / fairly predictable price band

The availability of skilled manpower is an advantage for the print media industry. However, the prices of newsprint can be volatile and can impact the margins of the players.