

Web based media and service

Industry Code (as per CMIE Prowess): 0101041520050000'


June 2022

Overall Industry Risk Score: **14/20 | Favourable**

Sample Size: 15 Companies

Median Rating Value of sample size: BBB

Individual Parameters Contributing to the Score

Demand & Supply Balance  **12/20**

DS Equilibrium

The economic slowdown over the last 2 years further impacted by the pandemic, has impacted the ad revenues of the media broadcast business. However, on a relative basis, the performance of this industry has been better than the print media. The gradual shift of the advertisers to digital media may continue to impact the ad revenues of the conventional media broadcasters. India's digital advertising industry is expected to grow to Rs. 266.7 billion in 2022 from Rs. 189.4 billion in 2021. Television would account for 40% of the Indian media market in 2024, followed by print media (13%), digital advertising (12%), cinema (9%), and OTT and gaming industries (8%). The industry reported marginal 2.63% y-o-y growth in sales from Rs.51.3 billion for March 2021 quarter to Rs.52.7 billion during the quarter ended March 2022. The increased broadband penetration in the country will accelerate the trend.

Extent of Competition  **12/20**

Neutral

Limited number of organised players exist in this industry and entry barrier are fairly high. But competition is emerging from alternative platforms such as OTT.

Regulatory Risk



16/20

Stable Regulatory environment

Digital India initiative is a major boost for this industry. Improved consumption of power in the rural areas has increased the demand for this industry. Nationwide electrification programme has helped this industry to increase its base.

Input Related Risk



16/20

No supply disruptions / very narrow price band or fluctuations

There is assured availability of skilled manpower for the media sector. Most of the big channels have a large library of content which can be monetised.