

IPO Note: UFO Moviez India Ltd.

Industry: Media and Entertainment

Recommendation: Subscribe

Date: April 24, 2015

Issue Snapshot

Company Name	UFO Moviez India Ltd.
Issue Size	Rs. 600 Crore
The Offer	Public issue of 96,00,000 – 97,56,098 Equity Shares. (Comprising of Offer for Sale of Equity Shares by 3i Research Mauritius Limited and P5 Asia Holding Investments (Mauritius) Limited)
Issue Opens	April 28, 2015 to April 30, 2015
IPO Process	100% Book Building
Face Value	Rs. 10.00
Price Band	Rs. 615 to Rs. 625
Bid Lot	24 Equity Shares and in multiples of 24 Equity Shares thereafter.
IPO Grading	NA
Exchanges	NSE & BSE
BRLM	Axis Capital Ltd., Citigroup Global Markets India Pvt. Ltd.
Registrar	Karvy Computershare Private Limited

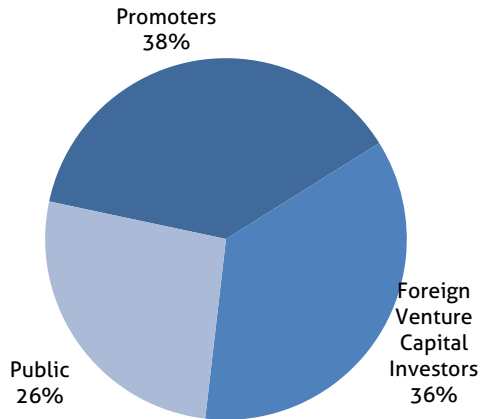
Equity Shares offered through this Offer	Amt* (Rs. Cr.)	As a % of total	Nos. of Share	
			Lower Band	Upper Band
Equity Shares offered through this Offer	600	100.0%	9756098	9600000
- Offer for sale	600	100.0%	9756098	9600000
I. QIB Portion (Not more than)	300	50.0%	4878049	4800000
- Anchor Investor Portion (upto 60% of the QIB Portion)				
- Mutual Funds only (5% of the QIB Portion)				
II. Non-Institutional Portion (Not less than)	90	15.0%	1463415	1440000
III. Retail Portion (Not less than)	210	35.0%	3414634	3360000

*Note: Amount calculated on the basis of upper price band

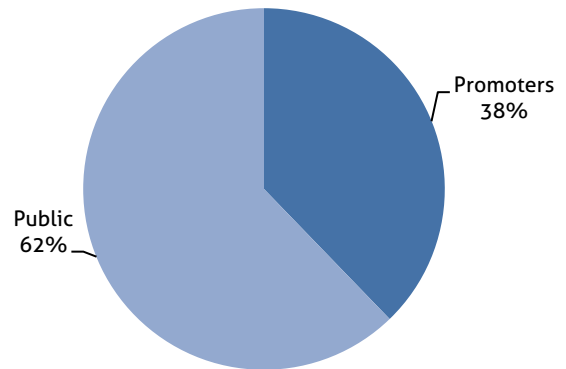
Pre and post Issue Equity Shares	Nos. of Share	
Equity Shares outstanding prior to the Issue	2,58,97,669	
Equity Shares outstanding after the Issue	2,58,97,669	2,58,97,669

Objects of the Offer

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the sale of Equity Shares by the Selling Shareholders. Further, the Company expects that listing of the Equity Shares will enhance its visibility and brand image and provide liquidity to its existing shareholders. The Company will not receive any proceeds of the Offer and all the proceeds of the Offer will go to the Selling Shareholders.



Post-Issue (Calculated: Upper Price Band)



About the company

The Company was originally incorporated as a private limited company under the name of 'Valuable Media Private Limited' on June 14, 2004. The company was converted into a public company and its name was changed to "UFO India Limited" on November 10, 2006. Further, pursuant to a scheme of amalgamation the erstwhile holding company, UFO Moviez Limited, was amalgamated with and into UFO India Limited. Subsequently, the name of the Company was changed to UFO Moviez India Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on June 12, 2008.

The company was promoted by Shri Sanjay Shankar Gaiikwad, Shri Narendra Hete, Valuable Technologies Limited, Valuable Media Limited and Apollo International Limited. At present, Shri Sanjay Shankar Gaiikwad, is the Managing Director (Executive Non- Independent Director) of the Company. He has been associated with the Company since incorporation. Shri Kapil Kumar Agarwal is the Joint Managing Director (Executive Non-Independent Director) of the Company. 3i Research Mauritius Limited and P5 Asia Holding Investments (Mauritius) Limited has made investments in the company.

Business Overview

UFO Moviez Limited, India's largest digital cinema distribution network and in-cinema advertising platform (in terms of numbers of screens) as at October 31, 2014, according to CRISIL. The Company operates India's largest satellite-based, digital cinema distribution network (in terms of numbers of screens) using their UFO-M4 platform, as well as India's largest D-Cinema network (in terms of numbers of screens), according to CRISIL. In fiscal year 2014, they digitally delivered more than 1,500 movies in 22 languages to 4,703 screens with aggregate seating capacity of approximately 2.15 million viewers spread across India. Since the beginning of their operations, they have digitally delivered more than 8,800 movies in India until February 28, 2015. As at February 28, 2015, their global network spans 6,626 screens worldwide, including 4,911 screens across India and 1,715 screens across Nepal, the Middle East, Israel, Mexico and the USA.

The Company believes their digitization and delivery model has been a key driver of extensive digitization of Indian cinemas and has enabled widespread, same day release of movies across India. Prior to the advent of digital cinema exhibition, movies were exhibited using analogue celluloid prints, which involved a high upfront production cost and required distributors to physically deliver the prints to cinemas. As distributors were unable to predict the actual demand for a movie, they were often unable to produce an optimal number of prints, either producing too few prints, leading to potential loss of revenue, or too many prints, leading to excess expenses. This challenge, together with the logistical challenges of physically delivering heavy celluloid prints, limited the wide-spread release of movies across India. As there were only a limited number of physical reels available for each movie, only cinemas in metropolitan areas and large cities would generally receive movies during their first week of release. Cinemas outside of those areas would generally receive used physical reels a few weeks after their initial release. This delay, coupled with the lack of any inherent security measures in celluloid prints to prevent piracy, meant that customers in those locations would generally have had access to the movies via pirated media, leading to potential loss of revenue for distributors and exhibitors and a poor viewing experience for audiences due to the viewing of low-quality pirated media.

Company adds value to all stakeholders in the movie value chain, spanning movie producers, distributors, exhibitors and the cinema-going audience. They provide value to movie producers and distributors by reducing distribution costs, providing reach to a wide network of over 4,911 screens across India as at February 28, 2015, providing a faster method of delivery of content and reducing piracy through encryption and other security measures. They provide value to movie exhibitors throughout India by providing access to first day release of movies on their digital platform. Audiences benefit from faster access to new movie releases and a consistently high quality viewing experience. Company has an overall 54% market share in India's digital cinema exhibition industry in terms of screens that use digital cinema distribution networks, as a result of which, almost every film released in India is released on company's network.

UFO has created a pan-India, high-impact, in-cinema advertising platform with generally long-term advertising rights to 3,770 screens, with an aggregate seating capacity of approximately 1.85 million viewers and a reach of over 1,800 locations across India, as at February 28, 2015. Company's in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. Their in-cinema advertising platform offers a number of key advantages over traditional advertising methods, including 1) High levels of transparency, such as logging of actual advertisements played, enhances advertiser confidence, 2) Remote capability (in approx. 3,330 screens) which allows for last minute scheduling and content changes, and 3) Advanced technology, such as multilingual support. Further, their in-cinema advertising platform simplifies the logistics of advertising, as they control and arrange advertising on their network, eliminating the need for advertisers to deal with a large and fragmented group of exhibitors. Company has been able to attract 1,056 advertisers from private and government sectors in Fiscal Year 2014. The consolidated Advertisement revenue grows at a CAGR of 64.21%. UFO's in-cinema advertising platform also allows small exhibitors who otherwise are not able to effectively monetize their advertising inventory due to their limited scale and reach to receive a greater share of advertisement revenue than they are able to using traditional advertising methods.

UFO deliver movie content through 1) UFO-M4("E-Cinema") -The satellite-based cinema distribution network using UFO-M4 platform, and 2) D-Cinema network

- UFO-M4 ("E-Cinema") is company's satellite-based, E-Cinema movie delivery platform. "E-Cinema" is a commonly used term to describe various technologies used to digitally deliver movie content other than through D-Cinema. The UFO-M4 platform provides an end-to-end platform for the satellite delivery of movies (excluding movies from the major Hollywood studios that created the D-Cinema standard format), to exhibitors across 3,462 cinema screens across India as at February 28, 2015, which then exhibit the movies using UFO digital cinema equipment.
- Under the D-Cinema network, company's primary activities include 1) Collecting VPF D-Cinema from certain major Hollywood studios and other movie studios, and 2) Providing D-Cinema equipment to D-Cinemas across India. UFO has D-Cinema deployment contracts with certain major Hollywood studios which allows them to collect VPF D-Cinema from those studios. As at February 28, 2015, company has collect VPF D-Cinema for 1,449 screens across India. They further provide D-Cinema equipment to 680 D-Cinema screens across India as at February 28, 2015. In fiscal year 2014, company digitally delivered 57 movies from major Hollywood studios across their D-Cinema network.

Recently a movie produced by a major Hollywood studio that would have otherwise been delivered only through D- Cinema platform was simultaneously delivered on both the E-Cinema and D-Cinema platforms.

UFO receives revenue primarily from 1. Advertisers, for in-cinema advertising, 2. Movie producers and distributors, for the secured delivery and screening of their movies and 3. Exhibitors, who are the owners of screens, through equipment rental and sales of digital cinema equipment.

For fiscal years 2012, 2013 and 2014, consolidated total revenues of the company were Rs. 207.6 crore, Rs. 337.5 crore and Rs. 421.1 crore, respectively. Consolidated total revenue increased by Rs. 213.4 crore from fiscal year 2012 to fiscal year 2014, representing a compound annual growth rate of 42.40%. For fiscal years 2012, 2013 and 2014, consolidated restated earnings before interest, tax, depreciation and amortization (EBITDA) was Rs. 52.3 crore, Rs. 106.9 crore and Rs. 131.7 crore, respectively, representing a compound annual growth rate of 58.68% from fiscal 2012 to fiscal 2014. For fiscal years 2012, 2013 and 2014, consolidated restated profit after tax attributable to equity shareholders of the Company was Rs. 4.4 crore, Rs. 33.4 crore and Rs. 46.5 crore, respectively, representing a compound annual growth rate of 226.76% from fiscal 2012 to fiscal 2014. For the nine months ended December 31, 2014, consolidated total revenue was Rs. 357.2 crore and consolidated restated profit after tax attributable to equity shareholders of the Company was Rs. 36.9 crore. The company expects that the advertising revenue and EBITDA for the quarter ended March 31, 2015 to be lower than the quarter ended March 31, 2014 primarily due to lower number of new blockbuster movies released for screening during the quarter ended March 31, 2015 as well as the cricket world cup held during the quarter ended March 31, 2015 that diverted a significant share of advertising budget from advertisers.

Breakdown of revenue from Operations

As of (Rs. Cr.)	FY12	FY13	FY14	9MFY15
Sale of Services				
Advertisement revenue	37.0	69.5	99.9	86.6
Virtual Print Fees – Non-DCI (E-Cinema)	61.7	76.1	82.1	66.8
Virtual Print Fees –DCI (D-Cinema)	24.7	74.9	130.5	110.9
Lease rental income – Non-DCI (E-Cinema)	23.8	25.2	28.2	26.8
Lease rental income – DCI (D-Cinema)	2.5	8.2	13.7	11.1
Digitisation income	5.5	6.7	6.5	5.0
Registration fees income	1.9	1.5	0.9	0.8
Other services	0.7	0.9	2.9	5.8
Total Sale of Services (A)	157.9	263.0	364.8	313.8
Sales of Products				
Lamp sale	14.0	15.4	17.1	12.9
Sale of digital cinema equipments	34.9	57.8	38.5	28.1
Total Sale of Products (B)	48.9	73.3	55.6	41.0
Total Revenue from operations (A)+(B)	206.7	336.2	420.4	354.7

Recent Development

Acquisition of Valuable Digital Screens Private Limited (“VDSPL”)

On December 18, 2014, company has entered into an investment agreement with Valuable Technologies Limited (“VTL”) one of the Promoters, VDSPL and other parties for the acquisition of entire equity shares of VDSPL.

VDSPL is an India-based business that has two primary operations:

- The “Club Cinema” business provides digital screening of movies in clubs and community centres at private screens, such as remote industrial townships, corporate auditoriums, educational institutions and other leisure and entertainment complexes. Club Cinema provides a complete digital cinema solution for screening of recently released films outside of traditional cinemas, facilitating content acquisition for such screening from movie producers and distributors and renting and provision of digital cinema equipment.
- The “Caravan Cinema” business provides movie screenings with low capital expenditures in targeted rural areas, especially “Haats” (weekly market place at villages), creating a unique opportunity for advertisers to reach a captive audience by partnering with various brands. Currently, movies are screened free to viewers and Caravan Cinema derives its revenues through advertising.

Key Points

Leading player in the digital cinema space in India.

Company's end-to-end, high-quality digital cinema solution has made them an essential partner for movie producers, distributors and exhibitors in India. This has helped to create the leading digital cinema distribution network, in terms of market share, size and scale. An overall 54% market share in India's digital cinema exhibition industry in terms of screens that use digital cinema distribution networks, and based on this, almost every film released in India is released on company's network. Company has grown the number of screens that use the digital cinema distribution network in India to 4,911 as at February 28, 2015. It has further established the market share with their pan-India presence, with a network of sales offices and service centres with field engineer staff across India, and a dedicated workforce, with in-house teams for software development, advertisement sales and repairs and maintenance.

Business model focused on creating value for all stakeholders in the cinema industry.

Company has focused their business model on creating value for all stakeholders in the cinema industry, from movie producers and distributors to exhibitors, the cinema-going audience and advertisers. They provide value to movie producers and distributors of movies by reducing distribution costs, providing a reach to a wide network of over 4,911 screens across, a faster method of delivery of content, and encryption and other security measures to reduce piracy. They provide value to exhibitors of movies by providing them access to first day release of movies on their digital platform. Exhibitors also benefit from sharing a portion of the advertisement revenue, which enhances their overall revenue and provides them with a source of capital for improving their cinemas. Cinema-going audiences benefit from faster access to new movie releases and a consistently high quality viewing experience. Advertisers benefit from high levels of transparency, remote capability, and advanced technology. By providing value for each participant in the cinema industry, company has positioned themselves as an essential player and partner of each participant.

Market leader in reach in the fast growing in-cinema advertising market in India.

UFO's in-cinema advertising platform can offer advertisers value through being a pan-India, high impact platform that enables them to reach a targeted, captive audience with high flexibility and control over the advertising process, along with high levels of transparency. Their in-cinema advertising platform offers a greater advantage to the advertising platforms offered by large Indian cinema chains because company can provide reach to over 3,700 screens spanning 1,800 locations across India, which is six to seven times greater than PVR Cinema, the largest cinema chain in India, thereby making them a market leader in terms of reach (through number of screens) in India. The consolidated advertisement revenue has grown from Rs.37.04 crores in fiscal year 2012 to Rs.99.86 Crores in fiscal year 2014, representing a CAGR of 64.21% over the past two years, and has been a dependable revenue stream for company, comprising 17.84%, 20.59% and 23.72% of the consolidated total revenues in fiscal 2012, 2013 and 2014, respectively. Given the benefits of the platform, company has been able to attract 1,056 advertisers from private and government sectors in fiscal year 2014. Advertisers that have used company's platform include large, national advertisers,

such as Honda Motorcycle and Scooters India Ltd, TVS Motors and Hero Moto Corp in the automobile space, Coca-Cola, Emami Ltd and ITC Consumer Products Ltd in the fast-moving consumer goods space, IIFL, HDFC Bank and ICICI Pru Life in the financial services space and other multinational corporations such as Vodafone, Johnson & Johnson and Google. Company's in-cinema advertising platform positions them well to take advantage of the growth of advertising in India.

Advanced end-to-end technology platform with high uptime levels.

Company has built an advanced end-to-end technology platform in India backed by a dedicated workforce, with inhouse teams for software development, advertisement sales and repairs and maintenance. With respect to their UFO-M4 platform, the use of satellite technology, enabled with the advanced UFO-M4 compression and encryption technology, provides them with technological advantages, including the ability to deliver high quality movies on a real time basis with lower bandwidth requirements, remote capability in approximately 3,330 screens, advanced security features and flexible management of operations. UFO's technology platform cultivates customer loyalty and satisfaction which further enhances the relations with their customers. Further, the digital cinema equipment that they provide to exhibitors is, in the majority of cases owned by company, and generally provided under long term agreements of five to 10 years with the option to terminate for convenience only after a period of approximately four years.

Experienced management team with established track record.

The management team has substantial industry knowledge and expertise, with a majority of the executive officers and executive directors having been involved in the media, movie and technology industries for numerous years, which has served as a key driver of the growth of the business. Further, several members of the management team have established relationships with leading movie producers, distributors, exhibitors and advertisers, which have been critical to the success. Through their relationships and expertise, the management team has a proven track record of conceptualizing, implementing and growing new and innovative business models, which have resulted in the improved revenues and created value for various stakeholders.

Strong profitability with diversified and visible revenue streams.

Company has a strong track record of growth and profitability, with the consolidated total revenues increasing from Rs.207.65 Crores in fiscal 2012 to Rs.421.09 crores in fiscal 2014 representing a CAGR of 42.40%. The consolidated EBITDA increased from Rs.52.30 Crores to Rs.131.70 Crores over the same period, representing a CAGR of 58.68%.

Company revenues are also diversified and come from three primary sources: distributors, exhibitors and advertisers. In fiscal 2014, Revenue from: a. Distributors, which includes Virtual Print Fees - Non - DCI (E-Cinema) and Virtual Print Fees - DCI (D-Cinema), accounted for 50.50% of the consolidated total revenues, b. Exhibitors, which includes Lease rental income - Non - DCI (E-Cinema), Lease rental income - DCI (D-Cinema) and sales of products (including lamps and digital cinema equipment), accounted for 23.18% of the consolidated total revenues, and c. Advertisers, which includes advertisement revenue (primarily from in-cinema advertising), accounted for 23.72% of the consolidated total revenues.

By providing services for each of the participants of the movie distribution, exhibition and advertising ecosystems, UFO has established the role as an essential part of the digital cinema space and able to benefit from the diverse revenue streams from those participants, reducing the dependence on any one revenue stream. Further, the pan-India presence provides them with a wide distributor and exhibitor base and reduces the dependence on any one major distributor or exhibitor.

Further, the contracts with UFO M-4 exhibitor customers are typically the long term contracts, which was entered into for periods of approximately ten years and allow for exhibitors to terminate for convenience only after a period of approximately four years by giving them visible and dependable streams of revenue. Company also share a portion of their advertisement revenues from advertisers with exhibitors, which aligns their interests with company, giving them a strong incentive to continue utilising companies systems.

These factors mitigate company dependence on any one revenue stream and create a dependable, highly visible revenue streams that position them well to continue growth.

Strategy

- Leverage existing platform for growth of advertising business
- Leverage existing platform for growth of exhibition business.
- Continue to innovate in new areas that leverage our platforms.

Key Concern

- Any downturn in the Indian or international cinema industries could materially adversely affect the business, financial condition, results of operations and prospects.
- The company depend on relationships and agreements with movie producers and distributors, and any failure to maintain these relationships, or to establish and capitalise on new relationships, could have a material adverse effect on the business, prospects, financial condition and results of operations.
- Advertisement revenue is dependent on a number of factors, including the number of screenings of movies, which is subject to factors outside of the company control.
- The company faces intense competition and if The company is not able to compete effectively, the business, results of operations and financial condition will be adversely affected.
- The company business relies heavily on the technology systems and any failures or disruptions may materially and adversely affect the operations.

Outlook & Valuation

UFO Moviez India Ltd is India's largest digital cinema distribution network and in-cinema advertising platform in terms of number of screens. Over the years, the company has created own unique platform by establishing server, projector, software, etc and thus effectively managing screens across the country. During FY14, the company has digitally delivered more than 1,500 movies in 22 languages to 4,703 screens with aggregate seating capacity of ~ 2.14 million viewers spread across India. In aggregate, the company has digitally delivered more than 8,800 movies in India. Moreover, the company has 54% market share in India's digital cinema exhibition industry in terms of screens that use digital cinema distribution networks, thus resulting in almost every film released in India going through company's network. UFO moviez draws revenue from three segment including advertisement revenue, distribution revenue primarily from movie producers & distributors and exhibitors (who owns screens) rental revenue. Thus given, the uniqueness of the business model and strong impetus to grow in future, the company has strong future ahead. Further, India is lagging behind other developed and developing nations in terms of screens per million populations. US has 117 screens per million population and China 13, while India stands at 8 screens per million. Hence, company could witness huge demand from Indian Entertainment Industry.

On financial front, the company has done remarkable achievements, with consolidated revenue growing at a CAGR of 42% during FY12-FY14, while EBITDA margin has expanded from 25.30% to 31.33%. EBITDA growth during the same period was 59% CAGR. Net profit during the profit soared to Rs 46.5 crore from Rs 4.36 crore in FY12. Simultaneously, healthy operating cash flows aid the company to put a lid on its debt and currently the company has 0.2x gearing ratio, thus providing room to go for further capex without leveraging its balance sheet.

Given, the uniqueness of the business, 54% market share in India's digital cinema exhibition industry and low screens per million population in India, the valuation of the IPO is a tad on the higher side. At higher price band, the company is trading at P/E of sub 30x with annualized EPS for FY15E and P/BV of 3.5x of annualized FY15 calculated Book Value. Thus, we believe the company has the capability to become a wealth creator for the investors going ahead and hence we recommend our investors to SUBSCRIBE the issue from long term investment perspective.

Financial Statement

Income Statement

(In Rs. Cr)	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	9MFY15
Net Sales	73.2	108.8	206.7	336.2	420.4	354.7
Total Expenditure	71.6	97.1	155.3	230.5	289.4	236.2
Operating Profit	1.6	11.7	51.4	105.7	131.0	118.6
Other Income	0.3	1.2	0.9	1.3	0.7	2.5
Depreciation	19.7	25.4	39.0	53.6	65.5	56.9
Interest	6.0	3.3	4.7	12.1	16.4	12.0
PBT	-23.8	-15.8	8.7	41.2	49.8	52.1
Tax	0.0	0.0	2.4	2.4	-1.1	12.7
Adj. Profit	-23.8	-15.8	6.2	39.1	50.1	40.6
EPS (Rs.)	-12.7	-7.9	2.4	15.1	19.3	15.7
OPM (%)	2.2	10.7	24.8	31.4	31.2	33.4
PATM (%)	-32.5	-14.5	3.0	11.6	11.9	11.5

Asset Liability Statement

(In Rs. Cr)	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	9MFY15
Equity & Liabilities						
Shareholders Funds	103.1	180.6	309.7	346.5	400.2	441.9
Share Capital	18.7	20.2	25.9	25.9	25.9	25.9
Reserves & Surplus	84.5	160.5	283.8	320.6	374.3	416.0
Non-Current Liabilities	54.7	58.5	86.0	108.2	145.1	125.0
Long Term borrowings	35.1	33.0	53.7	68.4	99.9	67.5
Deferred Tax Liabilities (Net)	0.0	0.0	0.0	0.0	0.0	0.0
Other Long Term Liabilities	19.6	25.5	31.7	38.6	44.3	56.5
Long Term Provisions	0.0	0.0	0.6	1.2	0.8	0.9
Current Liabilities	42.1	50.5	96.3	162.9	182.6	239.3
Short Term Borrowings	0.0	0.0	3.8	16.8	0.9	32.0
Trade Payables	7.9	20.9	20.1	35.1	59.2	66.7
Other Current Liabilities	33.5	28.6	70.2	108.4	117.9	136.8
Short Term Provisions	0.7	1.0	2.2	2.6	4.7	3.8
Total Equity & Liabilities	199.9	289.7	506.4	628.6	742.6	812.7
Assets						
Non-Current Assets	142.2	211.4	385.7	464.5	562.6	572.0
Fixed Assets	115.0	118.6	197.3	267.6	346.2	318.3
Capital Work-in-Progress	7.6	7.6	50.8	31.2	19.9	14.6
Goodwill on consolidation	14.4	41.8	116.8	130.9	136.6	167.6
Long -term Loans and Advances	4.3	24.9	17.4	24.2	37.8	38.5
Other Non-Current Assets	0.9	18.4	3.4	10.7	22.2	32.9
Current Assets	57.7	78.3	120.7	164.2	180.0	240.7
Current investments	0.0	0.0	1.3	11.7	5.3	9.6
Inventories	5.3	4.1	10.3	10.6	9.7	8.9
Trade Receivables	14.3	38.8	38.7	75.4	91.2	133.6
Cash & Cash Equivalents	16.1	19.9	51.8	42.1	51.8	53.8
Short Term Loans & Advances	21.1	15.6	17.6	22.0	15.1	22.5
Other Current Assets	1.1	0.0	1.0	2.5	6.9	12.3
Total Assets	199.9	289.7	506.4	628.6	742.6	812.7

Cash Flow Statement

(In Rs. Cr)	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	9MFY15
Cash flow from Operations Activities	9.4	13.0	69.4	84.3	119.9	69.1
Cash flow from Investing Activities	-34.9	-72.3	-184.1	-109.5	-142.9	-55.5
Cash flow from Financing Activities	20.9	66.4	111.7	41.9	23.1	-18.6
Net increase/(decrease) in cash and cash equivalents	-4.6	7.1	-3.1	16.6	0.1	-5.0
Cash and cash equivalents at the beginning of the year/ period	14.6	10.0	17.1	14.6	30.3	33.7
Cash and cash equivalents at the end of the year/ period	10.0	17.1	14.6	30.3	33.7	31.6

Source: RHP

Ratios

(In Rs. Cr)	Mar-12	Mar-13	Mar-14	9MFY15
Earning per share (EPS) (Rs.)	0.47	11.39	16.66	15.70
Return on Net Worth (RONW) (%)	0.41	8.82	10.94	11.89
Net Asset Value per share (Rs.)	118.4	132.61	153.33	170.62

Source: RHP, Ashika Research

Comparison with listed industry peers

Name of the company	Face value (Rs.)	EPS (Rs.)	Nav per Share (Rs.)	P/E (x)	RONW (%)
UFO Moviez India Limited	10	16.66	153.33	29.41-29.89	10.94%
Entertainment Network (India) Limited	10	17.54	111.72	21.11	15.70%
Inox Leisure Limited	10	4.85	46.23	23.57	8.31%
TV18 Broadcast Limited	2	0.61	17.92	41.72	3.38%
PVR Limited	10	13.69	87.14	34.11	15.65%
Zee Entertainment Enterprises Limited	1	9.19	27.33	29.56	33.99%

Source: RHP, Ashika Research

Note: UFO Moviez has a unique business model and thus it is not comparable. The above comparison is of the companies in the media space.

Disclosure

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