

Kalinga Media & Entertainment Private Limited

March 31, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.00	CARE B; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE B+; Stable
Short Term Bank Facilities	4.63	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 29, 2024 placed the rating(s) of Kalinga Media & Entertainment Private Limited (KMEPL) under the 'issuer non-cooperating' category as KMEPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. ABC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 22, 2025, March 04, 2025 & March 06, 2025. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The rating was revised on account of lack of adequate information and is constrained by moderation in financial performance, inherent high dependence on advertisement revenue and high competitive intensity in the news broadcasting space. However, rating derives strength from its strong promoter group and comfortable leverage ratio.

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on March 29, 2024, the following were the rating strengths and weaknesses (updated for the information available from Registrar of Companies).

Key weaknesses

Moderation in Financial performance:

The total operating income of the company deteriorated to Rs. 15.53 crores during FY22 as against Rs. 17.61 crores during FY21. The EBIDTA margins was -1.17% during FY22 vis-à-vis 10.53 % during FY21. In FY23, the TOI of company stood at Rs. 15.22 crore with EBIDTA margin of -7.30%. In FY24, TOI of the company stood at Rs. 18.08 crore with PBILDT margin of 4.44%.

Inherent high dependence on advertisement revenue:

The company's major source of income is through advertisements as it contributed over 50% of the total revenue over the past years.

High competitive intensity in the news broadcasting space:

Indian news broadcasting space is reflected by high degree of competitive intensity. With large number of channels competing for both viewership as well as limited corporate advertisement budget, there is huge focus on exclusive coverage of events, news collection from remote corners of the country and retention of journalistic talent. With launch of multiple new channels in all the segments there is significant competition for viewership leading to increase in carriage fee. The carriage fee pay-out gets influenced by other existing/new channels which may have deep pockets. With digitalisation, multi-system operator (MSO) and other cable operators will be able to carry more channels leading to reduction of carriage fee.

Key strengths

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Strong Promoter Group:

Though the company has short track record of promoters, however it is a subsidiary of Kalinga Institute of Industrial Technology Society (KIIT) which enjoys good reputation in Eastern India, which is demonstrated by the high enrolment rate of around 96-98%. KIIT had a total strength of 26,205 students in Academic year 2018-19 in various undergraduate, post graduate and doctoral programs at its institutes located in Bhubaneswar, Odisha.

Comfortable leverage ratio:

The capital structure of the company is comfortable marked by debt equity ratio of 0.05 times in FY22 as against 0.16 times in FY21. The overall gearing stands at 0.20 times in FY22 vis-à-vis 0.24 times in FY21. In FY23, the debt equity ratio stood at 0.01x and overall gearing stood at 0.14x. In FY24, overall gearing of the company stood at 0.12x.

Applicable criteria

[Policy in respect of non-cooperation by issuers](#)

[Definition of Default](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry**Industry classification**

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Media, Entertainment & Publication	Entertainment	TV Broadcasting & Software Production

Incorporated in April, 2013, Kalinga Media & Entertainment Pvt. Ltd. (KMEPL) is promoted by Mr. Himansu Sekhar Khatua, Mr. Umapada Bose, Mr. Dwiti Chandragupta Vikramaditya and Mr. Satyendra Patnaik for setting up a free to air TV news channel viz. 'Kalinga TV.' The company commenced commercial operation from March 15, 2015. The channel is available on Pan India basis through Multi System Operators (MSO's). The channel is engaged in carrying on the business of TV news, direct telecast of news clippings and short films, develop and establish news and feature agency utilizing satellites or other media through its new TV channel 'Kalinga TV'. KMEPL is a subsidiary of Kalinga Institute of Industrial Technology Society (KIIT, having 97.56% holding).

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	15.22	18.08
PBILDT	-1.11	0.80
PAT	0.71	1.31
Overall gearing (times)	0.48	0.38
Interest coverage (times)	-2.13	2.73

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	January, 2022	5.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-Bank Overdraft	-	-	-	-	4.63	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	5.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (29-Mar-24)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (03-Jan-23)	1)CARE BB+ (CE); Stable; ISSUER NOT COOPERATING* (15-Nov-21)
2	Fund-based - ST-Bank Overdraft	ST	4.63	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (29-Mar-24)	1)CARE A4; ISSUER NOT COOPERATING* (03-Jan-23)	1)CARE A4+ (CE); ISSUER NOT COOPERATING* (15-Nov-21)

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - ST-Bank Overdraft	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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