

**Our thought on Today's OFS of Den networks and Hathway:**

The Jio Futuristic Digital Holdings, Jio Digital Distribution Holdings and Jio Television Distribution Holdings will sell 11.63 percent stake (5,54,85,048 equity shares) in the Den Networks and 19.09% stake (33,79,83,855 equity shares) in Hathway Cable through offer for sale on March 26 and March 30 at Rs 48.50 per share and Rs 25.25 per share respectively.

We believe this action is positive for overall TV18, Network 18, Den Networks and Hathway Cable & Datacom as it would clear regulatory hurdle on precursor for merger.

Den and Hathway Merger ratio is in favor of network 18. But it is positive for TV18 /Network 18 as it would lead to merger of all 4 companies under Network 18. Merger ratio is in favor of Den as on 100 shares of Den would give 191 shares of Network 18. While 100 shares of Hathway would give 78 shares of Network 18. It would create a franchisee which is going to be largest company in country with omni presence in distribution, digital and broadcasting space.

**Our view:** Apply in OFS and add buy on weakness. long term holder can add TV18 also.

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**Stock Rating Scale**

BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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