

# A professional venture

**A media company newly established by a team of professionals acquires some brands of Jasubhai Digital Media**

Last fortnight, when the Delhi-based media company 9.9 Mediaworx Private Limited acquired a part of the brands and businesses of the Mumbai-based Jasubhai Digital Media (JDM) in an all-stock deal for an undisclosed sum, it did not come as a surprise. For quite some time now, JDM was on the block and there were speculations about various investors showing interest in its acquisition. But what was unexpected was the acquisition of JDM by a media company established hardly a fortnight ago by a team of professionals led by Pramath Nath Sinha, former McKinsey partner and, before that, MD and CEO, ABP Group (publishers of *Anand Bazar Patrika*, *The Telegraph* and *Business World*). This is the second largest media deal after TV 18 acquired Tata Infomedia, another B2B publication house.

Sinha says it is an absolutely self-funded transaction and no external capital has been received for the deal, which was executed through Kotak Investment Bank. According to a market speculation, the deal has been valued at Rs60 crore. Being a new player, 9.9 Mediaworx is almost an unknown quantity, though its founders are quite known in the corporate world — especially in the media domain. Its source of funding is quite hazy, but some market sources think that Sinha and his colleagues might have started the company with resources of their own or local backers. According to Sinha, JDM will have an equity stake in the new entity, though the quantum of the stake is not being given out.

JDM is a part of the 40-year-old Jasubhai Group, which has been in the publication of business and technology media, engineering and manufacturing, related trade shows and expo. It will now be renamed as 9.9 Digital Media. JDM is an integrated media and service player, offering products across platforms that include print, conferences,

multimedia and online, IT and manufacturing technology. The publications are: end-user computing magazine *Digit* (circulation: 80,000 copies per month), the gaming magazine *Skoar* (40,000 copies per month), *The CTO Forum*, *Logistics 2.0* and *Industry 2.0* magazines, along with the events and websites associated with these magazines. In addition, the hiving-off includes offerings of wide-ranging content and technology solutions to customers in the US,



Maulik: hyper active

Europe and Asia. These combined streams generated a revenue of around Rs30 crore for JDM last year.

For Sinha, the deal is attractive, with a readymade JDM infrastructure and experience in place, requiring further little or no investment involved. Secondly, the JDM brand name is strong enough to continue to stand on its feet. Three, the human capital and resources in JDM are good. "Therefore, there are no additional costs involved," says Sinha. The only investment that 9.9 Media might like to make after a while would be around Rs5 crore on scaling up JDM's online business. "But that won't be immediate," says Sinha. "The online property is strong enough with 3-4 million page views per month right now," he adds.

However, Sinha and his team would also work towards improving the content of *The CTO Forum*, *Logistics 2.0* and *Industry 2.0*. "Digit and *Skoar* are okay

in their content, right now," he feels. According to a media source, the deal also becomes attractive for 9.9, with JDM's annual IT event — The CTO Forum, which has been attracting most IT heads for the past five years and has been a decent revenue generator. Also, the deal includes Type1, JDM's content training division, which has a 250-member team offering e-learning course and courses in graphics design solutions.

According to Maulik Jasubhai, managing director and publisher, JDM, for the past years, his group activities have increased manifold with new interest areas in verticals such as architecture, engineering, construction and design, energy and exploration, chemical and process, pharma and biotechnology. Also, Maulik spends more time overseas, especially in the Middle East, in growing these verticals. "Being the only son of Jasubhai," he says candidly, "and the overseas business demanding serious commitment, concentration and time factor were the key issues for me and also constraints to look after all the verticals, simultaneously." Moreover, the

new verticals and overseas business have shown an 80 per cent year-on-year growth for the past three years. According to Maulik Jasubhai, JDM will have a financial stake in 9.9 Mediaworx. "We have decided to invest in 9.9 Mediaworx," says Maulik. "And will continue to invest in it."

For 9.9 Media (pronounced nine dot nine), the acquisition is first in its media foray, which fits into its business plans in the print and digital space. The company has launched four other divisions — 9.9 Insights (to offer content to targeted audiences of professionals and companies through multiple formats of publications, conferences and online services), 9.9 Digital and 9.9 Print (to offer specialised publications), as well as 9.9 Ventures, which will look out for opportunities to invest in and acquiring media-related businesses.

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