



This unlisted stock has been creating a lot of buzz among the trading community, who has been busy trying to assign a fair price to the stock.

Chennai Super Kings (CSK) has been the most successful franchise of the Indian Premier League (IPL), winning three titles and making it to the final playoffs every edition it has been part of. In the ongoing edition of IPL too, CSK has been chart toppers after the first 10 matches.

With former Team India skipper Mahendra Singh Dhoni leading from the front, the team has its own cult following among cricket fans.

India Cements bought the CSK franchise for Rs 364 crore, or \$91 million. The amount was paid in 10 instalments over 10 years. i.e. Rs, 36.4 crore each year till 2017-18.

This unlisted stock with Dhoni connection has analysts swooning over soaring valuation

Artha Capital projects average ticket price to reach Rs 1,750 and total ticketing revenue to jump to Rs 60.48 crore by FY23. Analysts say CSK has a brilliant business model with a paid-up capital of just Rs 3.1 crore.

Revenue growth of the franchise jumped to Rs 170.93 crore in FY16 from Rs 60.6 crore in FY09. However, in 2018 Star India bid a huge sum of \$2.55 billion for a five-year contract, taking per franchise revenue share to Rs 352.6 crore till FY23.

CSK's sponsorship revenue is projected at Rs 39.58 crore and is likely to remain constant till FY23.

IPL has by far been the most successful sporting event in India, in which CSK has enjoyed its own pedigree. In the stock market too, CSK is enjoying its first mover advantage over seven other franchises.

Data compiled by Artha Capital, a Chennai-based consultancy firm, pegged average ticket price and total ticket revenue of Chepauk, CSK's home ground, at Rs 1,000 and Rs 27.44 crore, respectively. One-third of the 50,000-seating capacity on the ground remains unutilised as Madras High Court has put a stay on its use.

After its demerger from India Cements (record date: October 9, 2015), 94,000 retail shareholders were allotted CSK shares on a 1:1 ratio, each having a face value of 10 paise.

The scrip, which is still unlisted, traded in the Rs 12-15 range in the last week of November 2018 and then jumped over 200 per cent to Rs 30-35 by mid-April 2019. He expects the company to get listed in next 8-10 Months. "We have been very conservative while calculating the valuation of CSK. Its value may grow to Rs 150-160 by next IPL and multi-fold till its listing," he said.

FY19 total revenue at Rs 522 crore, which may rise to Rs 579.4 crore by FY23. He pegs CSK valuation at Rs 1,075 crore or \$155.47 million as on date.

The franchise has a success rate of 66.7 per cent and has won over 100 matches in IPL even after being suspended for a couple of years.

According to Ginodia, CSK's current market cap is over Rs 1,000 crore and it can cross Rs 2,500 crore if and when listed. "With a population of over 1.2 billion, India is a big market for cricket. It is also the youngest nation in the world. CSK has superb value in it to unlock .