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Sunshine Pictures Limited - a production house engaged in films, television, web shows, music, and digital originals. Its debut film Force was a commercial success, followed by titles like Commando, Holiday, The Kerala Story, and Bastar.



SUNSHINE PICTURES LIMITED

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ONE Page Summary

SUNSHINE PICTURES LIMITED

IPO Details

Issue Opens	Tue , Aug 18, 2026
Issue Close	Thu , Aug 20, 2026
Total Size	₹ 268-282 Crs.
Price Band	₹ 342– ₹ 360
Face Value	₹ 10/- Per Eq. Shares
Implied Market cap at Lower Band	₹ 1065 Crs
Implied Market cap at Upper Band	₹ 1121 Crs

Recommendation:

“Subscribe,,

Company Background

SUNSHINE PICTURES LIMITED Incorporated in year 2007, they are a production-house engaged in the business of originating, creating, developing, producing, marketing and distribution of **films, TV serials and web series (“Projects”)**. Since their incorporation, they have produced various prominent works in modern Indian cinema. Their debut production **‘Force’**, under their banner was a box office hit. Since then, they have produced and distributed prominent, commercial and socially relevant films such as **‘Commando: A One-Man Army’**, **‘Holiday: A soldier is never off duty’**, **‘Force 2’**, **‘Commando 2: The black money trail’**, **‘The Kerala Story’**, etc. Their production, **‘The Kerala Story’ emerged as the highest return-on-investment blockbuster in 2023**, reflecting the company’s ability to balance commercial appeal with critical acclaim (Source: D&B Report).

They are a technology-driven content creator and specialize in multi-formats commercial films, emphasizing innovation in storytelling and production techniques (Source: D&B Report). Company leverages a fully digitized workflow from script development to post-production, ensuring seamless integration of creative and technical processes. They adopt industry-standard digital tools for script breakdown, budgeting, scheduling, and production planning, which enhances project efficiency and cost control.

In the post-production phase, they utilize advanced technologies including digital intermediate **(DI)** color grading, high-resolution editing suites, Dolby Atmos sound mixing, and sophisticated visual effects **(VFX)** pipelines. These tools enable them to achieve cinematic quality standards comparable to leading global studios, while ensuring consistency and scalability across projects. Company has been progressively growing in the field of motion picture production since its inception. As on the date of this Red Herring Prospectus, they have produced; **(i)** thirteen (13) commercial films out of which seven (7) were co-produced with reputable studios and six (6) were self-produced; **(ii)** two (2) web series; **(iii)** three (3) TV serials; and **(iv)** one (1) short commercial film. Further, as on date, they are co-producing their film **“Hisaab”** with Jio Studios, which is under post production stage and scheduled for release in Fiscal 2027 and they are solely producing one (1) commercial film tentatively titled **“Samuk”**, and producing a web series tentatively titled **“Nanavati vs Nanavati** which are both scheduled to release in Fiscal 2027. They have recently launched **two verticals**, namely **Sunshine Music and Sunshine Digital (Originals)**. Presently, they are live on there **YouTube channel with thirty-six (36) original music videos** and their maiden digital web series **“Bawra Mann”** as well as **“Ankahee”**. Additionally, they also have **six (6) films and two (2) web series in the pipeline for production**.

Investment Rationale & Recommendation

Sunshine Pictures is well positioned for growth, supported by a visible content pipeline through CY29, established studio relationships and an asset-light, project-based operating model. Its mix of sole productions and selective co-productions enables efficient capital allocation while balancing IP ownership and execution risk.

At the upper price band , The company is valued at **27.5x FY26 P/E**, based on post-dilution EPS of ₹12.85. With a diversified slate across films, digital originals and music, disciplined project selection and strong operating leverage, we see scope for sustained growth and profitability. **Given the attractive growth opportunity, differentiated business model and prudent capital allocation, Hence we recommend Investor to Subscribe the Issue with Long Term Horizon**

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DETAILED NOTE

Anchor Bid on : Fri, Aug 14, 2026
 Issue Opens on : Tue, Aug 18, 2026
 Issue closes on : Thu, Aug 20, 2026

Fresh Issue of up to 48,00,034 Equity Shares and Offer for Sale of up to 30,37,157 Equity Shares

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	21-08-2026
Refunds/Unblocking ASBA Fund	24-08-2026
Credit of equity shares to DP A/c	24-08-2026
Trading commences	25-08-2026

Issue - Break up

Issue Break Up category wise	No. Of Eq. Shares	Issue Size In Crs.	
		@Lower	@Upper
QIB - (50%)	3,918,595	134	141.07
NIB - (15%)	1,175,578	40	42.32
NIB 2	783,719	27	28.21
NIB 1	391,859	13	14.11
RET - (35%)	2,743,018	94	98.75
Total	7,837,191	268	282

NIB -2 = NII Bid Above ₹ 10 Lakhs || NIB – 1 + NII Bid Between ₹ 2 to 10 Lakhs

Issue highlights

IPO Funds Utilization :
 Funding the working capital requirements of the Company 112.50 Crs.

Shareholding Pattern (%)

Shareholders	Pre-offer		Fresh Issue Shares	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoters	2,63,45,968	99.99%	30,37,157	2,33,08,811	74.83%
Promoter Group	2,782	0.01%		2,782	0.01%
Total for Promoters and Promoter Group	2,63,48,750	100.00%	30,37,157	2,33,11,593	74.84%
Total for Public Shareholders	-	-	48,00,034	78,37,191	25.16%
Total Equity Share Capital	2,63,48,750	100.00%		3,11,48,784	100.00%

Issue Details

Issue Size - ₹ 268- 282 Crs
Face Value - ₹ 10/-
Price Band - ₹ 342-360
Bid Lot - 41 Shares and in multiples
Post Issue Implied Mkt. Cap - ₹ 1065 Crs –1121Crs

Shareholding (No. of Shares)

Pre - Issue	Post – Issue
26,348,750	31,148,784

*@Lower price Band ^@ Upper Price Band

BRLM's - GYR Capital Advisors

Registrar – Bigshare Services Pvt Ltd

Shareholding (%)

Shareholder	Pre Issue	Post Issue
Promoters & Group	1000%	74.83%
Public Others	0.00%	25.16%
Total	100.00%	100.00%

Category	Retail Category	Small HNI 2 - 10 Lakhs	Big HNI > ₹ 10 Lakhs
Min. Bid Lot	41 Shares	574 Shares	2788 Shares
Min. Bid	₹ 14,760 ^	₹ 2,06,640^	₹ 10,03,680^
Appl for 1x	66,903 Apps	683 Apps	1365 Apps



Back Ground

The company was incorporated as 'Energetic Films Private Limited', on July 14, 2007. Vipul Amrutlal Shah, Shefali Vipul Shah, Aryaman Vipul Shah and Maurya Vipul Shah are the Promoters of the company. Currently, the Promoters hold 2,63,45,968 Shares in the company, representing 99.99% of the pre-issued, subscribed and paid-up Equity Share capital of the Company.

Brief about Directors

Vipul Amrutlal Shah is one of the Promoters, Chairman and Managing Director of the Company. He has been on the Board since incorporation and has over 25 years of experience.

Shefali Vipul Shah is one of the Promoters and Whole-time Director of the Company. She has been on the Board since incorporation and has over 26 years of experience.

Aryaman Vipul Shah is one of the Promoters and Whole-time Director of the Company. He has been associated with the Company since April 1, 2021 and has been on the Board since August 13, 2024, with over 4 years of experience.

Maurya Vipul Shah is a Whole-time Director of the Company. He has been associated with the Company since May 1, 2021 and has been on the Board since August 13, 2024, with over 4 years of experience.

Manmohan Shetty is a Non-Executive Independent Director of the Company. He has been associated with the Company since September 20, 2024 and has over 31 years of experience.

Kapil Bagla is a Non-Executive Independent Director of the Company. He has been associated with the Company since September 20, 2024 and has over 21 years of experience.

Paresh Ganatra is a Non-Executive Independent Director of the Company. He has been associated with the Company since September 30, 2024 and has over 19 years of experience.

Pawan S Bachani is a Non-Executive Independent Director of the Company. He has been associated with the Company since May 4, 2026 and has over 8.5 years of experience.

Dhwani Sanjay Vora is the Company Secretary and Compliance Officer of the Company. She has been associated with the Company since December 18, 2025 and has 8 years of experience.

Sunil Karda is the Chief Financial Officer of the Company. He was associated with the Company from April 1, 2010 to September 30, 2016 and was re-appointed on September 20, 2024. He has over 18 years of experience.

Ravichand Govind Nallappa is the Chief Operating Officer of the Company. He has been associated with the Company since October 1, 2015. He has over 25 years of experience.

BUSINESS OVERVIEW

Incorporated in 2007, Sunshine Pictures is a production-house engaged in originating, creating, developing, producing, marketing, and distributing films, TV serials, and web series ("Projects"). Since incorporation, the company has produced several prominent works in modern Indian cinema. Their debut production Force was a box office hit. Subsequent productions include Commando: A One-Man Army, Holiday: A Soldier is Never Off Duty, Force 2, Commando 2: The Black Money Trail, and The Kerala Story. The Kerala Story emerged as the highest return-on-investment blockbuster in 2023.

Source: RHP

The company is a technology-driven content creator specializing in multi-format commercial films, with emphasis on innovation in storytelling and production techniques. They leverage a fully digitized workflow from script development to post-production. Industry-standard digital tools are adopted for script breakdown, budgeting, scheduling, and production planning, enhancing efficiency and cost control. In the post-production phase, the company utilizes advanced technologies including DI color grading, high-resolution editing suites, Dolby Atmos sound mixing, and VFX pipelines.

Furthermore, the company's project evaluation process is supported by a data-driven approach. They incorporate insights from audience analytics, genre-specific performance trends, regional and linguistic viewership preferences, and OTT consumption data to inform greenlighting decisions. Their technology-first approach enhances production quality and positions them to respond dynamically to evolving industry demands.

As part of their business process, the company engages in research and development of scripts, end-to-end production of content, intellectual property creation, monetization of rights, and distribution. Their proven track record has earned credibility and repeat collaborations with major industry players

The company has produced thirteen commercial films, of which seven were co-produced with reputable studios and six were self-produced, two web series, three TV serials, and one short commercial film. They are co-producing the film *Hisaab* with Jio Studios, scheduled for release in Fiscal 2027, solely producing one commercial film tentatively titled *Samuk*, and producing a web series tentatively titled *Nanavati vs Nanavati*, both scheduled for release in Fiscal 2027.

The company has launched two verticals, Sunshine Music and Sunshine Digital (Originals). Presently, they are live on their YouTube channel with thirty-six original music videos and their maiden digital web series *Bawra Mann* as well as *Ankahee*. Additionally, they have six films and two web series in the pipeline for production.

The production of projects at Sunshine Pictures begins with conceptualization of content and crafting of a script including story, screenplay, and dialogues. Once finalized, the cast and crew are selected, followed by budgeting of pre-production, production, and post-production expenses. A separate Print and Advertising (P&A) budget is prepared covering marketing and distribution. Editing is generally carried out in-house, while dubbing, sound, and VFX are outsourced to professionals under close monitoring.

The company engages in projects as sole producer or co-producer with reputable studios. They maintain a portfolio with a mix of co-produced and standalone projects. Co-production is adopted for big-budget projects, where they partner with studios and share intellectual property and profits. Sole production involves financing and executing the entire project, retaining all rights including distribution, titles, and intellectual property, while monetizing through theatrical releases, OTT, music rights, remakes, sequels, spin-offs, dubbings, renditions, stage plays, and television production.

The company follows a prudential approach to filmmaking, keeping tight control on budgets without compromising creative vision. They have implemented a no-cash or minimum-cash payment policy, making payments through banking channels. On-set accountants are deployed to manage payments, track daily expenses, and audit. This economic approach enables viable costs and reduces financial risk.

The company has presence on social media platforms including YouTube, Instagram, and Facebook. On YouTube, they have a subscriber base of 1,96,000 with over 19.39 crore views. On Instagram, they have 1,32,000 followers and 1,06,000 on Facebook. Streaming of short-form content on these platforms adds to revenue

The company is led by Promoter and Managing Director Vipul Amrutlal Shah, who has over 25 years of experience in the M&E industry. His debut as a director was *Aankhen* in 2002, followed by *Waqf: The Race Against Time*, *Namastey London*, *Singh Is Kinng*, and *London Dreams*. He is supported by Promoter and Whole-time Director Shefali Vipul Shah, and other Promoters Aryaman Vipul Shah and Maurya Vipul Shah, who joined under succession planning and bring fresh perspectives. The promoters remain actively involved in operations. The company is also supported by qualified Key Managerial Personnel and Senior Management Personnel who manage operations and align with changing market trends and audience preferences.

Source: RHP



The key details of co-productions:

Project Name	Co-Production / Studio / Distributor	Year of Release	Nature of Arrangement	Main Terms
Force (film)	Fox Star Studios India Pvt. Ltd.	2011	Co-production	Net receipts after recovery of production cost, P&A, and specified expenses shared in ratio 50:50.
Commando: One Man Army (film)	Reliance Big Entertainment Pvt. Ltd.	2013	Co-production	Net receipts shared in ratio 50:50.
Holiday: A Soldier is Never Off Duty (film)	Cape of Good Films Pvt. Ltd. v/s Reliance Big Entertainment Pvt. Ltd. v/s Sunshine Pictures Ltd.	2014	Co-production	Net receipts shared in ratio 43.55: 44.20: and 12.25.
Force 2 (film)	Viacom 18 Media Pvt. Ltd. v/s Force Productions LLP (Sunshine Pictures 40% share, JA Entertainment 60% share)	2016	Co-production through LLP	Net receipts shared in ratio 50:30:20.
Commando 2 (film)	PEN India Ltd. v/s Reliance Big Entertainment Pvt. Ltd. v/s Sunshine Pictures Ltd.	2017	Co-production	Net receipts shared in ratio 25.00: 37.50: 37.50.
Commando 3 (film)	Phantom Films Ltd. v/s Sunshine Pictures Ltd.	2019	Co-production	Net receipts shared in ratio 50:50 in perpetuity.
Sanak (film)	Zee Entertainment Enterprises Ltd.	2021	Co-production	Net receipts shared in ratio 50:50.
Hisaab (upcoming film)	Jio Studios	2027	Co-production	Net receipts shared in ratio 50:50.

The Company Project

As on March 31, 2026, the company has produced; (i) thirteen films which include seven co-produced films and six self-produced films; (ii) two web-series; (iii) three TV Serials; and (iv) one short film

Project Name	Date of Release	Star Cast	Director	Contribution to Company's Revenue (In Crs.)
Action Replayy (film)*	5/11/2010	Akshay Kumar, Aishwarya Rai, Aditya Roy Kapoor	Vipul Amrutlal Shah	45.57
Kuch Love Jaisa (film)	27-05-2011	Shefali Vipul Shah, Rahul Bose	Shukla Barnali Ray	4.2
Force (film)	30-09-2011	John Abraham, Sgenelia D'Souza, Vidyut Abraham Jamnawal	Nishikanth Kamath	24.47
Bhai Bhaiya aur Brother (TV serial)	4/6/2012	Sooraj Thapar, Vrajesh Hirjee, Muni Jha	Deven Bhojani	4.28
Commando: One Man Army (film)	12/5/2013	Vidyut Jammwal, Pooja Chopra, Jaideep Ahlawat	Dilip Ghosh	16.13
Holiday: A Soldier is Never Off Duty (film)	6/6/2014	Akshay Kumar, Sonakshi Sinha, Freddy Daruwala	A.R. Murugadoss	90.86
Pukaar Call for the Hero (TV serial)	24-11-2014	Rannvijay Singh, Adah Sharma, Raj Babbar	Vipul Amrutlal Shah, Deven Bhojani, Vihan Suryavanshi	15.75
Force 2 (film)	18-11-2016	John Abraham, Sonakshi Sinha, Tahir Raj Bhasin	Abhinay Deo	6.77
Commando 2 (film)	3/3/2017	Vidyut Jammwal, Adah Sharma, Esha Gupta	Deven Bhojani	23.68
Commando 3 (film)	29-11-2019	Vidyut Jammwal, Adah Sharma, Gulshan Deviah, Angira Dhar	Aditya Datt	6.66
Happy Birthday Mummy Ji (Short Film)	23-07-2021	Shefali Shah	Shefali Shah	0.3
Sanak (film)	15-10-2021	Vidyut Jammwal, Rukmini Maitra, Neha Dhupia	Kanishk Varma	41.43
Humans (Web series)	14-01-2022	Shefali Vipul Shah, Kirti Kulhari, Ram Kapoor, Vishal Jethwa	Vipul Amrutlal Shah, Mozez Singh	42.57
The Kerala Story (film)	5/5/2023	Adah Sharma	Sudipto Sen	147.04
Commando (Web series)	11/8/2023	Prem Parija, Adah Sharma	Vipul Amrutlal Shah	28.03
Bastar (film)	15-03-2024	Adah Sharma	Sudipto Sen	26.17
Bhed Bharam (TV serial)	18-11-2024	Gaurav Chopra, Yashpal Sharma, Vaishali Thakkar	Yousuf Basrai, Rajendra Waghdare	49.5
The Kerala Story 2 Goes Beyond (film)	27-02-2026	Aditi Bhatia, Ulka Gupta, Aishwarya Ojha	Kamakhyia Narayan Singh	39.71

For additional information & risk factors please refer to the Red Herring Prospectus



Revenue From Operation

Operational Segment	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Standalone		Consolidated		Consolidated	
	Revenue (In Crs.)	As % of Revenue	Revenue (In Crs.)	As % of Revenue	Revenue (In Crs.	As % of Revenue
Production and distribution of Films and associated rights	66.76	89.68%	53.81	52.08%	130.83	97.78%
Production and distribution of web series / TV serials and associated rights	0.99	1.32%	49.5	47.90%	2.75	2.06%
Others (Music rights exploitation, Talent management, social media platforms such as YouTube, Instagram, and music label etc.)	6.69	8.99%	0.02	0.02%	0.21	0.16%
Total Revenue from operations	74.44	100.00%	103.33	100.00%	133.8	100.00%

Competitive Strength

The company is led by Promoter and Managing Director Vipul Amrutlal Shah, with over 25 years of experience in the film industry. He directed Aankhen (2002), followed by Waqt: The Race Against Time, Namastey London, London Dreams, and produced Singh Is Kinng. Promoter and Whole-Time Director Shefali Vipul Shah supports the company, along with Aryaman Vipul Shah and Maurya Vipul Shah, who joined under succession planning and bring contemporary insights. Promoters Vipul Amrutlal Shah and Shefali Vipul Shah contribute to script selection, production design, adoption of technology, marketing, and distribution. Their industry knowledge and recognition help align projects with audience preferences

The senior management team adds creative and operational expertise. Aashin A. Shah, Vice President Production, associated since 14-07-2007, oversees the production pipeline, budgets, contracts, and coordination. He has contributed to films including Hisaab, Governor, The Kerala Story, Sanak, Commando series, Force, Holiday, Action Replayy, and web series Human and Commando. Ravichand Govind Nallappa, Chief Operating Officer, associated since 01-10-2015, has over 25 years of experience in business administration, distribution, and operations. He previously worked with B.R. Films, Rajshri Media, Pen India, and others. The Board of Directors comprises experienced professionals from the film and media industry, guiding strategy and day-to-day operations.

Established Track Record and long-standing relationships in the industry

Incorporated in 2007, Sunshine Pictures is a production-house engaged in production and distribution of films and web series. Since inception, the company has delivered several prominent works in modern Indian cinema. Their debut production Force was a box office hit. Subsequent productions include Commando: A One-Man Army, Holiday: A Soldier is Never Off Duty, Force 2, Commando 2: The Black Money Trail, Human (web series), The Kerala Story, and The Kerala Story 2. Goes Beyond

The Co's Production Earned recognition and awards , The Kerala Story became the highest return-on-investment blockbuster in 2023, reflecting their ability to balance commercial appeal with critical acclaim

Currently, the company has produced thirteen commercial films, of which seven were co-produced with reputed studios and six were self-produced, two web series, three TV serials, and one short commercial film.

Currently, they are co-producing Hisaab with Jio Studios, scheduled for release in Fiscal 2027. They are solely producing one commercial film tentatively titled Samuk and one web series for Amazon Seller Services Pvt. Ltd., tentatively titled Nanavati vs Nanavati, both scheduled for release in Fiscal 2027.

The company has launched two verticals, Sunshine Music and Sunshine Digital (Originals). Presently, they are live on YouTube with thirty-six original music videos and their maiden digital web series Bawra Mann. They also have six films and two web series in the pipeline for production. With 18 years of operating experience, the company enjoys goodwill across the industry. Their reputation for quality production has resulted in repeat business from top studios and distributors, while their network provides access to leading talent including writers, actors, directors, and musicians.



Differentiated and Robust Business Model

The company originates, develops, produces, and markets motion pictures and audio-visual content, focusing on maximizing monetization while controlling costs to reduce risk and optimize profit. Unlike traditional models tied to box-office outcomes, they follow a differentiated approach with innovative structures that lower risk and strengthen both revenue and earnings.

Prudential Approach - With standalone productions, the company bears the entire risk and retains all revenues. They finance, produce, market, and promote the film, holding complete ownership of rights, titles, and intellectual property. Among these The Kerala Story (2023) was a notable success, made on a modest budget yet ranking among the highest grossing Hindi films by return on investment. However, consistent commercial success is difficult, as changing audience preferences mean even well-crafted films may not recover costs. The Co's model mitigates this risk by maximizing revenue potential and optimizing production costs, increasing the likelihood of profitability.

Maximizing revenue potential - Standalone productions represent intellectual property that can be monetized through rights such as OTT, satellite television, and music. Songs and music videos provide incremental revenue, as once integrated into the film budget, subsequent licensing or streaming generates income with minimal additional cost, directly boosting profitability. Successful films also enable downstream opportunities including remakes, sequels, spin-offs, dubbings, stage plays, web series, and television productions. Further monetization avenues include e-books, comics, games, and merchandising. Strong franchises reduce risk and enhance predictability of earnings.

Reining in the cost of talent- Traditionally, the largest cost of film making is the upfront fee paid to actors and directors, often accounting for 40-70% of total production cost. While popular stars can drive box-office success, such high fees make profitability dependent on a hit outcome.

Optimising other costs -The company mitigates this by negotiating partnerships with leading actors, combining a reduced upfront fee with a share of profits. This ensures their active involvement in production, marketing, and promotion, while keeping talent costs among the lowest in the industry relative to total production cost. The company maintains low overheads through a lean structure and tight control on production budgets, while prioritizing in-house story development to ensure creative and financial viability. Actors and crew are treated professionally with competitive fees, avoiding extravagance. On-set accountants manage payments and expenses to keep projects on budget. Post-production is partly in-house for creative control, with dubbing, sound, VFX, and video outsourced under close supervision. Where possible, filming locations are chosen to benefit from subsidies and tax credits. Emerging technologies, including generative AI, are expected to further reduce costs in location, editing, and post-production, while improving speed to market. This prudential approach lowers risk, ensuring profitability even if box-office performance is weak, while retaining full upside from theatrical, OTT, television, and music revenues when films succeed.

De-risking the Portfolio - The company adopts co-production for large-budget films, partnering with reputed studios under fixed-fee arrangements. This ensures assured revenues regardless of box-office results, while retaining part of the IP, profit share, and downstream rights. Co-productions reduce risk, provide earnings visibility, and fund standalone projects. The portfolio balances certainty from co-produced films with upside from independent productions, limiting exposure to any single project at 30% of the annual budget.

High-quality standards - The company is a technology-driven content creator, specializing in multi-format commercial films with emphasis on innovation in storytelling and production techniques. Their focus on quality and advanced post-production has resulted in a strong filmography recognized across the industry, making them a preferred production house for leading studios.



Key Risks

The Co's Success primarily depend on on audience acceptance of their film , web series TV Serials Which is extremely difficult to predict and therefore inherently risky

The company is heavily dependent on the success of its films at the Indian box office, which contributes a significant share of revenues. Their ability to monetize projects is restricted to the rights they retain or own, making box-office performance a key risk factor for overall earnings.

The company does not own production hardware or equipment and relies mainly on rental arrangements with third-party local providers. Cameras, lights, grips, picture vehicles, and other setting equipment are rented as per project requirements, making the business dependent on external suppliers for essential resources

The company derives most of its revenue from its top five customers, mainly studios and independent distributors Any loose of customer can be big loss

The Co's to complete productions , ability productions, and acquire content depends on maintaining cordial relationships with creative talent and industry participants. Any disruption in these relationships could affect their operations and growth prospects.

Competitions

India's Entertainment Industry is driven by established Giants Like Yash Raj Films, Dharma Productions, and Maddock Films, who dominate with large budgets and advanced production capabilities. Mid-sized players such as Balaji Telefilms and Sunshine Pictures are growing through innovative storytelling and digital expansion.

The rise of OTT platforms has reshaped competition, boosting demand for original content and multilingual projects. Partnerships with global studios are widening reach, while challenges like intense competition, regulatory changes, piracy, and the need for VFX and AR/VR integration remain. Success will depend on balancing creativity with operational efficiency

Peer Comparison

Company Name	Consolidated/ Standalone	Face Value (In Rs.)	Current Market Price as on 24th Jul' 2026	EPS		P/E Ratio	RoNW (%)	Net Asset Value Per	Total Income
				Basic	Diluted				
Sunshine Pictures Ltd	Consolidated	10	-	15.19	15.19	-	27.58%	55.08	76.28
Panorama Studios International Ltd	Consolidated	2	48.6	0.6	0.6	81	7.10%	8.47	317.35
Baweja Studios Ltd	Consolidated	10	28.55	3.29	3.29	8.68	5.52%	59.73	669.51
Balaji Telefilms Ltd	Consolidated	2	84.04	-4.09	-4.09	NA	-7.96%	51.22	221.17

Source: RHP



Indian Film Entertainment Industry

Indian media and entertainment (M&E) sector demonstrated substantial growth in CY 2025, increasing by INR 230 billion from INR 2.55 trillion in CY 2024 to INR 2.78 trillion in CY 2025, representing approximately 9.1% YoY growth. Between CY 2022 and CY 2026, the sector has expanded at a compound annual growth rate (CAGR) of approximately 6.3%, rising from INR 2.24 trillion to a projected INR 2.86 trillion. The M&E sector contributes around 0.8% of India's GDP, provides direct employment to around 2.75 million people, and indirect employment to over 10 million people

The Indian film entertainment industry has experienced a remarkable surge in recent years, fueled by a confluence of factors. Increased production, coupled with box office successes and evolving audience preferences, have propelled the industry's market size to a substantial INR 205 billion in 2025 from INR 172 billion in 2022. This impressive growth trajectory, reflecting a CAGR of approximately 6%, underscores the industry's robust health and its potential for continued expansion

Financial Briefs

(₹ in Crs)

Particular	As On 31st Mar		
	2026	2025	2024
	(Standalone)	(Consolidated)	(Consolidated)
Equity Share Capital	26.35	26.35	0.12
Reserves	118.79	78.72	70.47
Net Worth	145.13	105.07	70.6
Total Borrowings	9.09	11.16	16.67
Revenue from operations	74.44	103.33	133.8
Revenue Growth (%)	-27.96%	-22.77%	-
EBITDA	58.55	50.76	73.97
EBITDA Margin (%)	78.65%	49.12%	55.29%
Net Profit for the Year	40.02	34.46	53.35
Net Profit Margin (%) stated~	53.77%	33.35%	39.87%
EPS Basic & Diluted ()	15.19	13.08	20.24
ROCE (%)	36.20%	41.23%	82.08%
NAV - ()	55.08	39.88	26.79
Cash flow from operating activities	-33.21	28.48	31.6
Cash flow from investing activities	25.95	-10.81	-29.97
Cash flow from financing activities	-3.9	-7.36	-0.66

Source: RHP

Restated Summary Statement of Cash Flows

(₹ in Crs.)

Particulars	Year ended March 31,		
	2026	2025	2024
Profit before tax	54.06	46.23	71.06
Adjustments Related to Non-Cash & Non-Operating Items	4.04	5.46	-0.62
Operating Profits before Working Capital Changes	58.1	51.69	70.44
Adjustments for Changes in Working Capital	-82.64	-14.62	-21.96
Net cash generated from operations before tax	-24.54	37.07	48.48
Income tax (paid)/Refund, (net)	-8.67	-8.59	-16.88
Net cash generated from operating activities	-33.21	28.48	31.6
Net cash used in investing activities	25.95	-10.81	-29.97
Net cash used in financing activities	-3.9	-7.36	-0.66
Net (decrease)/ increase in cash and cash equivalents during the period	-11.16	10.31	0.97
Cash and Cash Equivalents at the beginning of the year	11.64	1.33	0.36
Cash and cash equivalents as at the end of the period	0.48	11.64	1.33

KC Securities (Kantilal Chhaganlal Securities) Outlook

- **Rating - Subscribe with Long Term Horizon**
- **Valuation:** At the upper price band, the company is valued at 27.52x FY26E P/E, which is fairly Valued from Growth Perspective
- Backed by a strong production pipeline through CY29, Sunshine Pictures is strategically positioned to benefit from the expanding content opportunity.
- The Company's asset-light, project-led model enables tighter control over costs and capital deployment, while co-production arrangements help share execution and financial risks. A disciplined approach to budgeting and project commissioning, combined with stringent content selection, should support healthy profitability and reduce downside exposure. We see management's focus on capital efficiency, quality-led content creation and strategic collaborations as key enablers of scalable and sustainable growth, particularly as audience preferences continue to evolve.

Source: RHP



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