AXIS CAPITAL

# SUNSHINE PICTURES LIMITED

## IPO NOTE

*August 2026*

## ISSUE HIGHLIGHTS

- **Sunshine Pictures** incorporated in 2007, is 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*.**

- Currently, **the company has produced 13 films (7 co-productions, 6 self-productions), 2 web series, 3 TV serials, and 1 short commercial film.**

- The company has a strong pipeline with 6 films and 2 web series under development, including *Hisaab* (co-produced with Jio Studios), *Samuk*, and *Nanavati vs Nanavati* for Amazon, all slated for FY 2027.

- It has also expanded into music and digital entertainment through **Sunshine Music** and **Sunshine Digital**, releasing 36 music tracks and 2 digital originals.

- Operating under co-production and sole production models, Sunshine balances risk with ownership of intellectual property. It integrates in-house capabilities with outsourced services like **VFX** to ensure efficiency.

- The company also plans to strengthen theatrical distribution by acquiring films from other producers.

- 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

- Led by Vipul Amrutlal Shah and supported by Shefali Vipul Shah, the company combines creative excellence with fiscal discipline to build long-term value in India's entertainment industry.

## BRIEF FINANCIAL DETAILS*

*(₹ In Cr)*

| Particular | As at Mar' 31, 2026 (Standalone) | 2025 (Consolidated) | 2024 (Consolidated) |
|---|---|---|---|
| Equity Share Capital | 26.35 | 26.35 | 0.12 |
| Reserves | 118.79 | 78.72 | 70.47 |
| Net Worth | 145.13 | 105.07 | 70.60 |
| Total Borrowings | 9.09 | 11.16 | 16.67 |
| Revenue from operations | 74.44 | 103.33 | 133.80 |
| 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 | 31.60 |
| Cash flow from investing activities | 25.95 | (10.81) | (29.97) |
| Cash flow from financing activities | (3.90) | (7.36) | (0.66) |

*Source: RHP, * Restated Consolidated*

### Issue Details

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

**Issue size: ₹ 268 - 282 Cr**
**Face value: ₹ 10/-**

**Price band: ₹ 342 - 360**
**Bid Lot: 41 Shares and in multiples**

**Post Issue Implied Market Cap:**
**₹ 1,065 – 1,121 Cr**

**BRLM**: GYR Capital Advisors
**Registrar**: Bigshare Services Pvt Ltd

**Issue opens on: Tuesday, 18th August,2026**
**Issue closes on: Thursday, 20th August,2026**

### 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

| | No. of Shares | ₹ In Cr @Lower | ₹ In Cr @Upper | % of Issue |
|---|---|---|---|---|
| QIB | 39,18,595 | 134.02 | 141.07 | **50%** |
| NIB | 11,75,578 | 40.20 | 42.32 | **15%** |
| *-NIB2* | *7,83,719* | *26.80* | *28.21* | - |
| *-NIB1* | *3,91,859* | *13.40* | *14.11* | - |
| RET | 27,43,018 | 93.81 | 98.75 | **35%** |
| **Total** | **78,37,191** | **268.03** | **282.14** | **100%** |

*NIB-2 =NII Bid Above ₹ 10 Lakhs*
*NIB-1=NII Bid between ₹ 2 to 10 Lakhs*

| Category | Retail Category | NII-Bid between ₹ 2 - 10 Lakhs | NII - Bid Above ₹ 10 Lakhs |
|---|---|---|---|
| Minimum Bid Lot (Shares) | 41 Shares | 574 Shares | 2,788 Shares |
| Minimum Bid Lot Amount (₹) | ₹ 14,760^ | ₹ 2,06,640^ | ₹10,03,680^ |
| Appl for 1x | 66,903 Applications | 683 Applications | 1,365 Applications |

**Listing: BSE & NSE**

### Shareholding (No. of Shares)

| Pre-issue | Post-issue |
|---|---|
| 2,63,48,750 | 3,11,48,784 |

~@Lower price Band ^@ Upper Price Band

### Shareholding (%)

| | Pre-Issue | Post-Issue |
|---|---|---|
| Promoters | 99.99% | 74.83% |
| Promoter Group | 0.01% | 0.01% |
| Public | - | 25.16% |
| **Total** | **100.00%** | **100.00%** |

## BACKGROUND

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.

### Directors and Senior Management Personnel

**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 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.

**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.

**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.

**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.

## OBJECTS OF THE ISSUE

| Objects | Amount (₹ Cr) |
|---|---|
| • Funding the working capital requirements of the Company | 112.50 |
| • General Corporate Purposes | [●] |
| **Total** | [●] |

## 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%** |

*Source: RHP*

## 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.

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 *Waqt: 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.

**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. |

| Project Name | Co-Production / Studio / Distributor | Year of Release | Nature of Arrangement | Main Terms |
|---|---|---|---|---|
| *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 PROJECTS

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 (₹ crore) |
|---|---|---|---|---|
| *Action Replayy* (film)* | 05-11-2010 | 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 | 4.20 |
| *Force* (film) | 30-09-2011 | John Abraham, Genelia D'Souza, Vidyut Jammwal | Nishikanth Kamath | 24.47 |
| *Bhai Bhaiya aur Brother* (TV serial) | 04-06-2012 | Sooraj Thapar, Vrajesh Hirjee, Muni Jha | Deven Bhojani | 4.28 |
| *Commando: One Man Army* (film) | 12-05-2013 | Vidyut Jammwal, Pooja Chopra, Jaideep Ahlawat | Dilip Ghosh | 16.13 |
| *Holiday: A Soldier is Never Off Duty* (film) | 06-06-2014 | 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) | 03-03-2017 | 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 | 0.30 |
| *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) | 05-05-2023 | Adah Sharma | Sudipto Sen | 147.04 |
| *Commando* (Web series) | 11-08-2023 | 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 | 49.50 |
| *The Kerala Story 2 Goes Beyond* (film) | 27-02-2026 | Aditi Bhatia, Ulka Gupta, Aishwarya Ojha | Kamakhya Narayan Singh | 39.71 |

** The film was acquired by the Company for distribution from the Promoter Group Entity.*

In addition to above projects, they have also produced the below set projects which were released on March 31, 2026.

| Project Name | Date of Release | Star Cast | Director |
|---|---|---|---|
| ***Governor*** | 12-06-2026 | Manoj Bajpayee, Adah Sharma, Ajay Madhok | Chinmay Mandlekar |

### Revenue from Operations:

| Operational Segment | Fiscal 2026 Standalone Revenue (₹ Cr) | Fiscal 2026 Standalone As % of Revenue | Fiscal 2025 Consolidated Revenue (₹ Cr) | Fiscal 2025 Consolidated As % of Revenue | Fiscal 2024 Consolidated Revenue (₹ Cr) | Fiscal 2024 Consolidated 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% | 49.50 | 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%** | **133.80** | **100.00%** |

## COMPETITIVE STRENGTHS

- ***Experienced Promoters supported by Senior Management team***

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 company's productions have 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 company's model mitigates this risk by maximizing revenue potential and optimizing production costs, increasing the likelihood of profitability.

- *Maximising 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 in filmmaking is the upfront fees 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.

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.

- *Optimising other costs*

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 BUSINESS STRATEGIES

- ***Increase their production capacity***

The company links growth directly to producing more content and has a pipeline of films and web series across low-, medium-, and big-budget categories. They plan to expand sourcing by enlarging the writer pool and commissioning more story ideas, while growing production capacity through hiring and grooming young talent. This will allow multiple projects across formats, extend the revenue pipeline, and strengthen the brand over time, making the company an attractive workplace for aspiring creators.

- ***Diversify the portfolio***

The companyplans to produce a diverse mix of films across genres such as drama, thriller, comedy, biopics, historical fiction, socially relevant cinema, and family entertainment to meet varied audience preferences. They are expanding into multiple formats including theatrical releases, OTT, web series, short films, and television serials, supported by new verticals Sunshine Music and Sunshine Digital. Presently, they are live with thirty-six music videos and the web series *Bawra Mann*.

This multi-format approach broadens audience reach, reduces dependence on any single genre, improves monetization, and strengthens revenue predictability. Additionally, Sunshine Music enhances monetization through music rights, original audio content, and digital platforms.

- ***Launch new businesses***

The company plans to use its expertise in movie-making and industry network to identify new opportunities and invest in them. These may include areas within the production value chain such as studios, outsourced VFX, and post-production services. They also aim to strengthen their music label, leveraging relationships with top talent to build a strong content library over three to five years, creating a steady revenue stream.

- ***Embrace new age media***

The company focuses on technology-driven content creation, using innovation in storytelling and production techniques to deliver high-quality films recognized by leading studios. They see growth opportunities in digital convergence, AR/VR, and mobile content, and plan to build partnerships and leverage their library to connect with younger audiences. Their model balances standalone productions, which retain full rights and upside, with co-productions that provide assured revenues and reduce risk. Cost discipline, lean operations, and prudent portfolio exposure further strengthen profitability and earnings predictability.

## KEY RISK FACTORS

- The company's success is primarily dependent on audience acceptance of their film, web series and 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 derives most of its revenue from its top five customers, mainly studios and independent distributors. Any loss of these customers or decline in revenue from them could materially impact the company's business, financial condition, operations, and cash flow.
- The company's ability to complete productions, enter co-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.
- 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.

## COMPETITION

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.

## COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2026)

| Company Name | Consolidated/ Standalone | Face Value (₹) | Current Market Price as on 24th Jul,2026 (₹) | EPS (₹) | | P/E Ratio | RoNW (%) | Net Asset Value Per Share (₹) | Total Income (₹ Cr) |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Basic | Diluted | | | | |
| **Sunshine Pictures Ltd** | **Consolidated** | **10** | **[●]** | **15.19** | **15.19** | **[●]** | **27.58%** | **55.08** | **76.28** |
| Panorama Studios International Ltd | Consolidated | 2 | 48.60 | 0.60 | 0.60 | 81.00 | 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 |

## Key Performance Indicators

| Particulars | Fiscal 2026 (Standalone) | Fiscal 2025 (Consolidated) | Fiscal 2024 (Consolidated) |
|---|---|---|---|
| Revenue from Operations (₹ Cr) | 74.44 | 103.33 | 133.80 |
| Growth in Revenue from Operations (%) | (27.96%) | (22.77%) | 404.72% |
| Total Income (₹ Cr) | 76.28 | 105.80 | 139.46 |
| EBITDA (₹ Cr) | 58.55 | 50.76 | 73.97 |
| EBITDA Margin (%) | 78.65% | 49.12% | 55.29% |
| Profit After Tax (₹ Cr) | 40.02 | 34.46 | 53.35 |
| PAT Margin (%) | 53.77% | 33.35% | 39.87% |
| Net Worth (₹ Cr) | 145.13 | 105.07 | 70.60 |
| Return on Equity (RoE) (%) | 31.99% | 39.24% | 108.99% |
| Return on Capital Employed (RoCE) (%) | 36.20% | 41.23% | 82.08% |
| Net Asset Value Per Share (₹) | 55.08 | 39.88 | 26.79 |
| Debt-Equity Ratio | 0.06 | 0.11 | 0.24 |

## *Restated Summary Statement of Cash Flows*

*(₹ Cr)*

| 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 | 58.10 | 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** | **31.60** |
| **Net cash used in investing activities** | **25.95** | **(10.81)** | **(29.97)** |
| **Net cash used in financing activities** | **(3.90)** | **(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** |