



**Press Release**  
**YASH RAJ FILMS PRIVATE LIMITED**  
**July 11, 2025**  
**Rating Reaffirmed**

| Product                            | Quantum (Rs. Cr) | Long Term Rating                | Short Term Rating |
|------------------------------------|------------------|---------------------------------|-------------------|
| Bank Loan Ratings                  | 280.00           | ACUITE A-   Stable   Reaffirmed | -                 |
| Total Outstanding Quantum (Rs. Cr) | 280.00           | -                               | -                 |
| Total Withdrawn Quantum (Rs. Cr)   | 0.00             | -                               | -                 |

**Rating Rationale**

Acuité has reaffirmed its long-term rating of ‘ACUITE A-’ (read as ACUITE A minus) on the Rs. 280.00 crore bank facilities of Yash Raj Films Private Limited (YRF). The outlook is 'Stable'.

**Rationale for Rating Reaffirmation**

The rating reaffirmation factors in the moderation in company's operating performance which is expected to improve in FY2026 on the back of major movie releases. The rating continues to factor in the experienced management and established presence of YRF in the film industry. The rating further derives strength from its healthy financial risk profile and adequate liquidity position supported by healthy cash accruals and liquid investments. However, the rating continues to remain constraint on account of inherent cyclicalities in the film industry. Further, the company's timely release of its planned projects and improvement in revenue and profitability such that the capital structure is maintained will remain a key rating monitorable.

**About the Company**

Yash Raj Films Private Limited (YRF) was established by the legendary filmmaker Mr. Yash Chopra. It was established in 1970 and later incorporated in the year 1973 at Mumbai. It is the one of the only privately held and fully integrated studio in India and has produced over 80 films. It undertakes all aspects of the film making value chain from production to postproduction, domestic & international distribution, music & home entertainment, marketing, design, digital, licensing, merchandising, talent management, brand partnerships, music studios and film studios - all in-house. It is currently managed by Mr. Aditya Chopra – son of Mr. Yash Chopra and a renowned director himself. He is the director of Dilwale Dulhania Le Jayenge one of the most successful Indian films. He is supported by his CEO Mr. Akshaye Widhani who leads a team of senior management who look after the various segments of the business.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuité has considered the standalone financial and business risk profile of YRF to arrive at this rating.

**Key Rating Drivers**

**Strengths**

**Experienced management and established presence in the film industry**

With a legacy spanning over five decades and a collection of more than 80 films, YRF is the country's only

privately held, fully integrated studio. The studio is currently led by Mr. Aditya Chopra, son of the founder, along with CEO Mr. Akshaye Widhani and a seasoned leadership team overseeing its diverse business verticals. YRF has produced some of the most successful films in the recently as well as in past. Its recent commercially successful projects include War, Tiger Zinda Hai, Dhoom 3, Sultan and Ek Tha Tiger. Previously, it has also produced Dilwale Dulhania Le Jayenge, Dil to Pagal Hai, Mohabbatein, and Bunty Aur Babli amongst others. All these have been

some of the highest grossing films in their respective years. Acuité expects YRF to continue to benefit from its experienced management and established presence in the film industry.

### **Healthy financial risk profile**

YRF's financial risk profile remains healthy with strong tangible net worth which stood at Rs.784.27 Cr. as on March 31, 2024 as against Rs.728.19 Cr. as on March 31, 2023. Further in FY2025 (E.) the net worth is expected to further improve and will be in the range of Rs.800-850 Cr. YRF has followed a conservative leverage policy with gearing ratio of 0.40 times as on March 31, 2025 (E.) as against 0.15 times as on March 31, 2024 and 0.20 times as on March 31, 2023. The marginal increase in gearing level is on account of additional working capital limits availed during the year to fund the working capital requirements of the company. The company's operations are working capital intensive as film production requires long gestation period. YRF's total debt stood at Rs.118.27 Cr. as on March 31, 2024, which is estimated to increase to Rs.337.97 Cr. as on March 31, 2025 (Est.), wholly comprising of working capital debt. Subsequently, the interest coverage ratio moderated yet stood healthy at 28.64 times in FY2025(E) against 50.19 times in FY2024. Acuite believes in the absence of any major debt funded projects the overall financial risk profile of the company is expected to remain healthy over the near to medium term.

### **Diversified revenue profile streams and an exclusive talent management division**

YRF currently has four major revenue streams which includes theatrical, licensing, talent management and others. YRF's total revenues declined and stood in the range of ~Rs.320-350 Cr. in FY2025 (Est.) as against Rs.739.77 Cr. in FY2024. The decline in revenue is due to no major releases in FY2025. Further the revenues are expected to improve in FY2026 as they are expecting War 2 starring Hritik Roshan, NTR Jr., Kiara Advani to be released in August 2025 and other movies in FY2026 which provides revenue visibility in near term. The company also has an exclusive talent management division - YRF Talent. YRF Talent is the sole & exclusive representatives of some well-known artistes in the industry across all touchpoints such as films, endorsements, events, appearances, digital or personal public relations. Revenue from talent management division moderated in FY2025 (Est.) as compared to FY2024. Acuite believes fluctuations in operating income is inherent to the film industry and in case of YRF, the expected moderation will have limited impact on the financial risk profile and liquidity position of the company.

## **Weaknesses**

### **Risks inherent in the film industry on account of changing preferences of audiences and long project gestation period**

The film industry is exposed to event-based risks like agitations against actors, producers, which can influence the release date and cash flows of the project. During the period under production, funds are invested in it, which get released only after realization of advances thus creating an inherent fund flow mismatch. Any unexpected delay in releases will have material effect on profitability and liquidity of the producers. Further, the performance of the film is dependent on music, cast, script and reception of audience to it. Acts of piracy can also impact the cash flows of the project. Thus, timely release of produced films becomes critical for cash flow management of a production house. YRF is one of the legacy studios in the industry and its rich library of produced movie provides a certain regular licensing income which partly mitigate cashflow risks. However, timely release of planned projects as per schedule and consequent improvement in operating performance will remain a key rating sensitivity.

## **Rating Sensitivities**

- Release of films as scheduled and improvement in operating performance
- Maintenance of capital structure and liquidity position

### **Liquidity Position Adequate**

YRF's liquidity position is adequate marked by healthy net cash accruals against no repayment obligations as it avails only working capital debt against high liquid investments. It generated net cash accruals of ~Rs.58 Cr. in FY2024. The net cash accruals are estimated to range between Rs. 44-90 Cr. during the period FY2025-FY2027. Further, the current ratio stood at 1.85 times in FY2025 (E). The reliance on working capital limits stood moderate with utilisation of ~71 per cent over the past six months ended March 2025. Furthermore, YRF held liquid investment of Rs. 305.43 Cr. and unencumbered cash and bank balance of Rs.37.51 Cr. as on March 31, 2024. Going ahead, YRF's liquidity position is likely to remain adequate on account of expected continued healthy net cash accruals generation, buffer available from unutilised working capital limits and support from healthy liquid investments and cash balances.

**Outlook: Stable**

**Other Factors affecting Rating**  
None

## Key Financials

| Particulars                   | Unit    | FY 24 (Actual) | FY 23 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income              | Rs. Cr. | 739.77         | 1466.84        |
| PAT                           | Rs. Cr. | 55.91          | 115.28         |
| PAT Margin                    | (%)     | 7.56           | 7.86           |
| Total Debt/Tangible Net Worth | Times   | 0.15           | 0.20           |
| PBDIT/Interest                | Times   | 50.19          | 81.03          |

### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

### Any other information

None

### Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

| Date        | Name of Instruments/Facilities | Term      | Amount (Rs. Cr) | Rating/Outlook |                     |
|-------------|--------------------------------|-----------|-----------------|----------------|---------------------|
| 17 Apr 2024 | Secured Overdraft              | Long Term | 180.00          | ACUITE A-      | Stable (Reaffirmed) |
|             | Dropline Overdraft             | Long Term | 100.00          | ACUITE A-      | Stable (Reaffirmed) |
| 18 Jan 2023 | Dropline Overdraft             | Long Term | 100.00          | ACUITE A-      | Stable (Reaffirmed) |
|             | Secured Overdraft              | Long Term | 180.00          | ACUITE A-      | Stable (Reaffirmed) |

**Annexure - Details of instruments rated**

| <b>Lender's Name</b> | <b>ISIN</b>          | <b>Facilities</b>  | <b>Date Of Issuance</b> | <b>Coupon Rate</b>   | <b>Maturity Date</b> | <b>Quantum (Rs. Cr.)</b> | <b>Complexity Level</b> | <b>Rating</b>                   |
|----------------------|----------------------|--------------------|-------------------------|----------------------|----------------------|--------------------------|-------------------------|---------------------------------|
| Kotak Mahindra Bank  | Not avl. / Not appl. | Dropline Overdraft | Not avl. / Not appl.    | Not avl. / Not appl. | Not avl. / Not appl. | 100.00                   | Simple                  | ACUITE A-   Stable   Reaffirmed |
| Yes Bank Ltd         | Not avl. / Not appl. | Secured Overdraft  | Not avl. / Not appl.    | Not avl. / Not appl. | Not avl. / Not appl. | 180.00                   | Simple                  | ACUITE A-   Stable   Reaffirmed |

*Note - Secured Overdraft facility from Yes Bank is fully interchangeable with Working Capital Demand Loan/FDOD.*

## Contacts

|  |   |
|--|---|
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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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