



August 07, 2023

To,  
Listing Department  
**BSE Limited**  
P.J Towers, Dalal Street,  
Fort, Mumbai – 400 001

To,  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E), Mumbai – 400 050

Scrip Code: **543614**

Symbol: **TIPSFILMS**

**Sub: Transcript of Earnings Conference Call**

Dear Sir/Madam,

In terms of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of earnings conference call on Unaudited Financial Results for the quarter ended June 30, 2023 held on Monday, July 31, 2023.

You are requested to take this information on your record.

Thanking you,

For **Tips Films Limited**

**Vinit K. Bhanushali**  
Company Secretary

Encl: a/a

**TIPS FILMS LTD.**

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501, Durga Chambers, 5th Floor, Linking Road, Khar (West), Mumbai 400052  
Tel : 022- 6643 1188 Email : info@tipsfilms.in Website : www.tipsfilms.in  
CIN: U74940MH2009PTC193028



“Tips Films Limited Q1 FY24 Earnings Conference  
Call”

**July 31, 2023**



**MANAGEMENT:** **MR. KUMAR TAURANI – CHAIRMAN AND EXECUTIVE  
DIRECTOR, TIPS FILMS LIMITED**  
**MR. SUNIL CHELLANI – SENIOR VICE PRESIDENT**  
**MR. HARESH SEDHANI – CHIEF FINANCIAL OFFICER,  
TIPS FILMS LIMITED**  
**MR. GIRISH KUMAR – INVITEE**

**MODERATOR:** **MR. NIKUNJ JAIN – ORIENT CAPITAL**



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**Moderator:** Ladies and gentlemen, good day and welcome to Tips Films Limited Q1 FY24 Earnings Conference Call.

As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing ‘\*’ then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Nikunj Jain from Orient Capital. Thank you and over to you, sir.

**Nikunj Jain:** Good morning ladies and gentlemen. I welcome you for the Q1 FY24 Earnings Conference Call of Tips Films Limited.

To discuss this quarter performance, we have from the management Mr. Kumar Taurani – Chairman and Executive Director, Mr. Sunil Chellani – Senior Vice President and Mr. Haresh Sedhani – Chief Financial Officer.

Before we proceed with this call, I would like to mention that some of the statements made in today’s call may be forward-looking in nature and may involve risks and uncertainties. For more details kindly refer to the Investor Presentation and other filings that can be found on the Company’s website.

Without further ado, I would like to hand over the call to the management for their opening comments and then we will open the floor for Q&A. Thank you and over to you, sir.

**Kumar Taurani:** Thank you Nikunj. Good afternoon everyone and a warm welcome to the Q1 FY24 Earnings Call of Tips Films Limited.

This quarter we did not had any film release and therefore we have not been able to book any substantial revenue. As you know, fixed cost has to be borne and that is what is reflecting in our quarterly results. The nature of our business is such that only annual comparisons are meaningful at the current stage of our business. As we scale up to do more films every year these fluctuations in our results will reduce. As I have stated earlier, in 2 years we will obtain a run rate of releasing 5 to 6 films annually and in another 2 to 3 years after that we should be able to do 10 to 12 films releases per annum.

I would also like to assure you that our profit guidance of around Rs. 30 crores for FY24 remains intact. Production of Ishq Vishk Rebound is almost completed and some minor postproduction is left in Merry Christmas. Ishq Vishk Rebound is made for OTT audiences and will see a digital release. Merry Christmas will be released first in theaters and then on OTT and satellite. We are actively looking for an optimum release window for Merry Christmas this merry Christmas. One



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Marathi movie is on the floor and another will commence shooting in next 2 to 3 months. Scripting work for Bhoot Police 2 will be completed soon subject to availability of dates this may go on the floor by quarter 4 this year. We will provide more details once schedules are finalized. Scripting work has Started for Race 4, we expect it to be over by the end of this year.

With this I know hand over the call to Mr. Haresh Sedhani to discuss the financials of the Company.

**Haresh Sedhani:**

Thank you, sir. Good afternoon everyone and welcome to the second Earning call of the Tips Films Limited.

We adopted a more conservatory accounting policy since our demerger and we are writing off 100% of the cost of the movie within 12 months of the release. Earlier we were writing off 60% in the first year and the remaining over 9 years.

Q1 FY24 financial figures are as follows:

Revenue for Q1 FY24 stood at Rs. 66 lakhs. We had a loss of Rs. 183 lakhs. For our business quarterly comparisons are not fundamentally correct, so we would like to emphasis that evaluating of the growth of the film business on the yearly basis will enable a more comprehensive evaluation of our progress.

I now open the floor for question and answers.

**Moderator:**

Thank you very much. We will now begin the question-and-answer session. We will take the first question from the line of Ravi Naredi from Naredi Investments. Please go ahead.

**Ravi Naredi:**

Sir, as there is no movie in this quarter you released, so there was no data to reveal, but how you arrange fund to make the movie?

**Kumar Taurani:**

Good question. See what we did when we separated 2 companies, we given around Rs. 50 crores cash to that films Company and plus some property we given plus there was a deal we did last year with Zee TV and we have got money from there and there was 2 keyman insurance policies were due, so other 2 policies insurance policies were there around Rs. 10 crores, Rs. 12 crores that also get, around Rs. 90 crores, Rs. 95 crores we were having with ourselves plus we have a loan arrangement with 2 banks one is Yes Bank and Kotak Mahindra around of Rs. 60 crores, but we have not used. We have used only Rs. 2 crores, Rs. 3 crores or Rs. 4 crores loan, we have not used much, so we have funding of our own at present, but I think banks are giving for corporate bank funding 50% banks funding is allowed plus there is a many deals happens in between film productions, so now we have already closed the deal of digital rights of Merry Christmas to Netflix, so we have already sign the deal and satellite, theatrical and music also we have signed with Tips Industries music, so we have already done quite a bit of sale and Ishq



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Vishk we are also discussing with few people. So, I don't see any problem in cash flow, but banks are there and we sell content to get money from there, so we don't have that issue.

**Ravi Naredi:** Sir can you tell what would be the cost of the movie of Merry Christmas?

**Kumar Taurani:** Actually that is a very confidential thing but let movie release. At present I can't say may be in future after release we can reveal to you.

**Ravi Naredi:** I put it different way, whatever movie this Merry Christmas you are making digital rights were sold in 30% of the cost of the movie?

**Kumar Taurani:** See I will answer you like this, today everybody needs good content, so music rights, satellite rights and digital rights all put together producers are collecting 75% - 80%, 150% -200% of the movie from these 3 rights. Theatrical rights ultimately cost you 20% - 25% or may be free.

**Ravi Naredi:** 30% you have wrote-off?

**Kumar Taurani:** 75% - 80% I have recovered from these 3 non-physical formats TV, digital, music and that is theatrical will be my cost actually, but sometimes we recover more money from them maybe our cost not me, but entire industry cost of film is Rs. 50 crores or RS. 70 crores and we receive from these 3 only we get Rs. 150 crores that also happens. It depends on actors, story director everything.

**Ravi Naredi:** So, this year we are making how many movies?

**Kumar Taurani:** We are releasing 3 movies this year for sure, Ishq Vishk, Merry Christmas and there is one Marathi movie and we are also producing 1 or 2 more Marathi films may be that also release this year.

**Ravi Naredi:** Can you tell how this process goes on? Who decides the director? Who decides the story? Who decides the music? Everything can you tell something about this?

**Kumar Taurani:** So, we have 2 teams in the Company, 1 team is under me and 1 team is under Mr. Ramesh Taurani and we have all creative people sitting. They go through the script and whatever they like that we like this script and maybe we can approach directors, sometimes directors approaches us also that I have this subject ready, I have this film ready with a Star cast and everything, will you produce that, so we do that. So, it is different kind of models, but ultimately we ourselves with team listen the story and we all take a collective call that this script can be made, this film is good, it has a good scope of business, so we do that.

**Ravi Naredi:** Who decide about the music or everything?



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- Kumar Taurani:** Entire teams' call.
- Ravi Naredi:** But this is a new business and new Company, so we have so many questions that is why I have asked.
- Kumar Taurani:** No, it is not a new Company. It is a new Company as we have demerged from the earlier Company. So, in Tips Industries we produce 50 films original and dubbed things and these 50 films that property also is a property of Tips Films, so we have quite an experience of last 25, 30 years, so all good.
- Moderator:** Thank you, sir. The next question is from the line of Ms. Anika Mittal from Nvest Analytics Advisory LLP. Please go ahead.
- Anika Mittal:** Sir what is the expected top line and bottom line of the Company for the complete financial year 24?
- Kumar Taurani:** You want to know topline bottom line this year you say?
- Anika Mittal:** Yes, sir for financial year 24.
- Kumar Taurani:** I see it will be around between Rs. 130 crores - Rs. 140 crores and bottom line will be around Rs. 30 crores.
- Moderator:** Thank you, sir. We take the next question from the line of Bala Murali Krishna from Oman Investments. Please go ahead, sir.
- Bala Murali Krishna:** Sir actually last quarter we have booked some revenue of Gaslight around some Rs. 6 crores is balance for booking, so earlier we told that, that will be booked in this quarter, but it is still not recognized under revenue?
- Kumar Taurani:** Yes, so our deal there was that satellite will release after 4 months, so 31st December it released, so that will happen anytime this quarter, so we will be billing them soon this quarter and money will also reflect this quarter.
- Bala Murali Krishna:** And regarding with guidance, here we have spoken about around Rs. 150 crores guidance and PAT of 25%, so now it is thing a little bit lower somewhat....
- Kumar Taurani:** No, see again film businesses not depend on theatrical release. Merry Christmas is a theatrical release, if we had a Rs. 150 crores topline, so it will even cross Rs. 150 crores, so I am being little conservative in that sense that is why I say that.



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**Moderator:** Thank you, sir. We take the next question from the line of Mr. Darshan Shah an Individual Investor. Please go ahead, sir.

**Darshan Shah:** Sir actually to analyzing the film business, we will have a couple of fundamental questions only regarding the process, so my first question was the cost of producing films like Blockbuster with good name, Stars and everything, so there are significant cost and outcomes and it can be a hit or miss depending on the mood of the audience, so what strategies does the Company adopt to ensure that the film is a success or at least we recover most of our cost, how do we do that?

**Kumar Taurani:** See I agree with you, but now these days there is a lot of chances that you can presale the film and what we do, we don't go in producing those big films. What we do is like I give you an example when we were making Race 3, we went to Mr. Salman Khan that we want to sign you for this film as a main lead, so he said that what is the budget of this film, so we said around Rs. 130 crores without main actors fees, so he said my fees will be around Rs. 100 crores, so how you will fund this project? We said you just sign with us and we will go with and we will tie up with someone and we will come back to you, if the cost is Rs. 230 crores then we will find that we find a customer of Rs. 250 crores or Rs. 275 crores or Rs. 300 crores and we get customers. Then he said that no need, I will fund you the film, I will give you the entire amount, you produce in my funding and I will buy from you plus little margin and we did some deals for little margin and some music rights and he funded the entire film, so we don't need to fund the film and we didn't have risk also. He liked the story, we made the film and gave it to him and we are a profit sharing only, so we will do that to follow that model we have already decided that I think in our pervious call may be you see we already said that.

**Darshan Shah:** That is one good thing to hear that even you can sign with big Stars because they also have their own production houses, so you don't need to put up a lot of capital and they can also co-sign with you. So, regarding this presale process I wanted to ask I was hearing about this thing, so let us say you make a film it cost you something and then you have all these rights that you sell, so how do you decide which OTT platform to sell it? So, do you negotiate with all of them or do they approach you from the front that we are interested in signing, how does that process work between signing and everything?

**Kumar Taurani:** It is either thing, sometimes we approach, sometimes they also come to us that we are interested in this film and we don't like to at one moment talking to all the parties. We prefer talking to one party or the deal is closed that is fine, finished. If it is not happening then we will approach another party, so we go by that method.

**Darshan Shah:** And the same goes for TV rights also because I have also seen that after the OTT some films are also on TV, sir which channel specifically to sell to that also happen, sir the same process?

**Kumar Taurani:** Like last year we had few films major ones were Ramaiya Vastavaiya, Phata Poster Nikhla Hero and Jayantabhai Ki Luv Story and there are other few movies, dubbed Punjabi and Hindi, so



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earlier these big films were with Zee TV and our contract matured in 2020 then there was a COVID time, so everybody was very scared, so nobody was wanting to buy the film, but last year in 2022 Zee came back and Zee said I am interested I want to buy and we had a good deal with them.

**Darshan Shah:** So, we will be open as a film making business, we will be open to exclusively sell it to OTT or OTT plus cinema, so you could have any of those depending on how you feel the film is or do you have specific contract with specific people that we will only sell it to you and not release in the theater?

**Kumar Taurani:** These days 80% or 90% of the cases is very clear that you are making this film for OTT or a theatrical and if you are making for theatrical then first theatrical then after 8 weeks on the digital OTT and after that around 4 months it is on satellite, so that is the pattern for theatrical and OTT is the direct is OTT and after 4 months it is on satellite, so we follow both and sometime we feel that we have made this OTT film, but it turned out to be very good may be we try in theatrical, so that also happens and sometime we make a theatrical film and we feel that this will score more in OTT and from OTT very good offer comes from the money point of view, so sometime we do that as well.

**Darshan Shah:** And the final 2 question thank you for your patience. You rightly said that OTT might sometimes offer you a good chunk of money you said right now, so that process of because I can understand you might want not to share the cost of the film because that is very confidential like you said to the previous participant also, then that these deal signing that happens, so how do you come at a number? How do you derive that number that this is the amount that we want to collect, do you forecast depending on the actress popularity and how much it will sell or what is that process like the entire valuation of the I want to sign at minimum this cost?

**Kumar Taurani:** It is a collective thing that actor is popular but we are into this business for last 30-35 year, so we know what can be the potential the picture, maybe sometimes we go wrong, but majority if you see we can't go wrong, so according to that we take the call. I am not saying this about myself, but entire industry, so there experience, teamwork count everybody suggested, so it happens.

**Darshan Shah:** So, my final question be I heard that you were releasing a couple of Marathi films also, so what is our regional pipeline looking like? Will you be exclusively focusing on that also in the coming years?

**Kumar Taurani:** I always maintain that within 3 years or 4 years we have to make 10 to 12 pictures every year and this 10 to 12 pictures will be a combination of OTT films, theatrical films, regional films, Hindi films all together it will happen.





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**Moderator:** Thank you. We take the next question from the line of Mr. Yogansh Jeswani from Mittal Analytics. Please go ahead, sir.

**Yogansh Jeswani:** Sir couple of questions again I am fairly new to the industry and to the Tips so some of my questions could be very basic, so please pardon me for that, so you mention that we have a perpetuity rights of IPR of 50 so movie and what should be the cost of these movie in terms of inventory on our books or like you mentioned that you have write-off of a lot of the inventory within first 1 year, so this is completely written off?

**Kumar Taurani:** Yes this is completely written off all free.

**Yogansh Jeswani:** So, this 50 we got from Tips Industries at the time of the split?

**Kumar Taurani:** Yes.

**Yogansh Jeswani:** And sir what would be the potential of these 50 movies in terms of monetization going forward say for like 3, 4, 5 years and when we contract these 2 say a satellite or an OTT, is there a typical structure that we go in for say 1 year or 2 year or a 3 year and when the coming for the next cycle how does that work? If you could just more talk to us about the inventory monetization over a 3, 4, 5-year period, how does it happen?

**Kumar Taurani:** See these old films content is in demand and our films are not very old. We Started this business in 90s around 95 - 96, so these movies are of that time. I think still they are in demand and our success ratio is also very good, our success ratio is of 85% to 90%. So, there is a demand for our films, we always get premium on that and I feel that at least for 15 to 20 years there will be no issues for us plus the biggest advantage it will be that whatever movies we are producing now it is also getting added to the library, so the ones that will be added to the library, so I think after 20 like when this current cycle is over of our rights, majority of the films will come back to us in '26, '28, '29 our 95% movies will come back to us, but now on '25 we can have a deal with rights Starting, on '26, '28 and '29 whatever rights are ending that can be consolidated in one deal plus in that we will add those films which we are making at present, which we have sold for either 5 or 7 years, so that will also come back in '28-29. So, after clubbing them a very big stock will come and you be assure that every year its value will be Rs. 20 crores according to my estimation.

**Yogansh Jeswani:** Rs. 20 crores are for 50 movies you are saying per annum?

**Kumar Taurani:** No, already at present we have 50 movies both original and dubbed together and all of this assume for a minute that our target is to make 100 movies by 29-30, if we are doing 100 movies then it is not a big deal to get Rs. 20 crores Rs. 25 crores every year from digital and satellite.



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**Yogansh Jeswani:** In today's date if we consider these 50 movies block then does this 50 movies block runs simultaneously? Or again this goes in different bits and pieces and parts and to different players?

**Kumar Taurani:** No, what happened was that all of our movies were booked with Colors then after that when our 3, 4 new movies came then we in 2013 made one deal with Zee when 3 or 4 movies were there then we gave them all of our 3 movies for 7 years which ended in 2020 and earlier the contract which we had with Colors was till 16 and 18, so in 16, 18 we sold that lot separately and likewise basically ours movies are divided in 4 lots and according to that sale is done according to that apart from new films. This Bhoot Police is different, Gaslight is different, they are for different years, but basically rest of the majority is in 3 lots. Our movies are in 3 lots, so we keep on trying after 7 to 12 years so now this new deal will happen, so we will try that to make the dates same grade, so we tell the channel that we have few films have a 4 year right sometimes that also happens, so we keep on doing that also.

**Yogansh Jeswani:** So, basically it remains very dynamic depending on the block of movies that is coming that is coming for renewal, the kind of market that we had and I the kind of deal we can strike with the OTT or satellite and wherever who will give better deal we will go to them, so that dynamic goes on here right?

**Kumar Taurani:** We don't go into that bidding process, we see that our film is about what, where is the product being sold, what is the good sale, what is the latest sale, who bought what, so we come to know what is going in the industry and then we decide our price and if we got the price decided with one party itself then we just close the deal and move ahead. I don't agree that we go in bidding process.

**Yogansh Jeswani:** And the money that comes in this is off the deal, this comes in one shoot in the first year of the deal or this gets booked over next 3, 4, 5 years depending on the number of years?

**Kumar Taurani:** Not in 3, 4 years like with Zee 99% of our money comes in 3 to 6 months. Whatever deal we have made either for 5 years or 7 years or of 10 years money comes in 3 to 6 months like last time the deal which we made with Zee was a great deal and was a very big deal, so we have received 90% of the money, a small amount is still pending and it has been a year now, but I feel that within the next 1 month that money will also come.

**Yogansh Jeswani:** Sir typically what you feel is a better customer for us? Is digital a better customer for us or satellite is a better customer for us? In terms of say margins or in terms of say the kind of deals that we get?

**Kumar Taurani:** For new releases it is definitely digital and for catalogues which are old films is satellite.

**Yogansh Jeswani:** Sir one small question again on the example that you shared about Race 3 where in the budget was Rs. 230 crores and after our discussion with Salman, we could get a better deal out of it



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where in the risk from our balance sheet from Tips Films balance sheet was passed on to the Star balance sheet itself, so in such a scenario what is that Tips Films is then bringing on to the TV, again means if we think about it so the star cast Salman has his own brand name which he has the pull, money also he is putting in, so then what is the role that we are playing in such a scenario?

**Kumar Taurani:** Like Race is a big franchise, so its advantages are there and they don't have the hassle for production, handling the movie, making such a big movie in a proper way they also need people who have experience, so I think this is better for them. And mostly the star take the minimum profit, so they don't have any issue there then why should they not do that, so that is okay it is a win-win situations for both of us, so that is fine.

**Yogansh Jeswani:** Would be able to highlight how much was the money that we made in a deal like Race 3 or will that be a little confidential?

**Kumar Taurani:** See in that we had retained the music rights and music rights value was around Rs. 25 crores and I think retaining that was an advantage for us plus we charged some money also, I don't remember but I think somewhat Rs. 5 crores to Rs. 7 crores were there, so that was our profit.

**Moderator:** Thank you, sir. We take the next question from the line of Mr. Rahul Jain an Individual Investor. Please go ahead.

**Rahul Jain:** I have 2 questions, so my first question is that do we get any benefits from government brands or any subsidies? And just wanted to know that how does the Company utilize such schemes and what are the impact on our financials? And the second is that government also makes some regulatory changes, so how does it impact our operations?

**Kumar Taurani:** Yes, of course we think of subsidies Race 3 we shot in Dubai, Abu Dhabi, so we got a lot of subsidy over there, I think it was Rs. 10 crores plus, so that we count as a profit in the films. One or two productions are done and when we make the set then we also put that if this picture has to be shoot here than one margin will come from here also then we do that and we also try that if there is any subsidy and we can replace our film little by going to that place and shooting there. If much difference is not there and if we get support from the picture location then we do that. We give the preference that we should get the benefit of that subsidy, ultimately it is a business, but creative doesn't suffers and creative is also intact then we definitely do that. Everyone has to obey the government regulations in all countries, we have to follow whatever they say and if something wrong happens then our bodies are there, our associations are there they approach to the government and then we talk to the government and it gets sorted out like earlier there was no industry status, got industry status, still we get 50% for loan, which should be more better, that is a process which will go on plus recently government has done a great job like if anybody does piracy then imprisonment punishment is also there for it, so that is a good thing government is supporting that way, so it is all good.



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**Moderator:** Thank you very much. We take the next question from the line of Mr. Ranjit Zaveri an Individual Investor. Please go ahead, sir.

**Ranjit Zaveri:** My question is in the presentation we have mentioned that the film industry remains very healthy and the outlook on content demand is positive, so, sir why are we doing the limited number of releases? Is it because of the less good content available in the market? Sir what is the outlook on the same?

**Kumar Taurani:** As far as content we are right, it is healthy and everything is fine, but good content is needed, we listen to many stories, we go through many scripts, many ideas, but work should be done. Understand one thing, assume that if we worked on one story then after that director should be convinced, if director is also convinced, writer is convinced, producer is also convinced, then we need actors, Star cast is required, who is sellable, this story's demand is so huge that it requires Rs. 50 crores, Rs. 40 crores, or Rs. 30 crores, so need an actor for that size, so there are so many permutation and combination, so it takes a long time, so for this we estimated that we listen to more narrations, at any given time we should have 20, 25 stories with us and we listen to them constantly and from that what we like we separate it and Start a process on that, like approaching the actor, approaching the director and time is required in all that processes and which is why we say we will enhance our capacity and within 3 to 4 years if we are thinking a plan of making 10, 11 movies then we should at least make then we should at least have a circle of 20, 25 movies that we will keep these 20, 25 movies in hand and in that we cannot do in Hindi only, so this year we are entering into Marathi. Last year we did a little bit partnership in Punjabi, and if we do such small things then again in 2, 3 years may be I am thinking that we should try 1, 2 movies in Gujarati also because their cost is also low. So, by doing all that together we can reach the target which we have set.

**Ranjit Zaveri:** Sir my follow up would be as you said that you are trying to enter the regional language, so sir you will be releasing 4 to 5 movies per annum over the next 2 years, so sir have you any guidance in your mind like what will be the share between the regional and the Bollywood?

**Kumar Taurani:** Our target for Bollywood is 2 to 3 movies a year and you assume 2 to 3 movies in regional.

**Ranjit Zaveri:** Sir what is the Company's marketing and distribution strategies for maximizing the reach and profitability of our upcoming films and can you just share a little bit what is the difference in the strategy between the Hindi movie with other regional languages like Gujarati?

**Kumar Taurani:** More or less it is same, there is not much difference. Ultimately you have to think where you are Starting to produce movie whether you are making this film for theater or OTT. If you are making for OTT then you will approach OTT players first then satellite and music these three territories are there but if you do theater then you have to approach digital first, digital music and satellite, and you have to tie and presale your movie before releasing in the theater and 90%-



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95% movies are sold this way, everybody takes it then that will be there and after that in theater the movie will be released.

**Ranjit Zaveri:** Sir what are the challenges or opportunities we are now seeking in this sector apart from the content?

**Kumar Taurani:** Content is the main challenge, rest at present so many OTT players have come, everybody needs content. You see that cricket rights were given at Rs. 25,000 crores for digital and Rs. 23,000 crores for satellite, so Rs. 48,000 crores for cricket match was given for the next 5 years and that also has been taken by one station only, so the rest 4, 5 big players if you put altogether and take around Rs. 48,000 crores that everyone will contribute then that money comes in the industry, so this is a very huge opportunity and now everyone has to make their subscriber base, everyone has to make deep penetration, so I think there will be a good demand for content. Whichever Company makes good content that will be in demand.

**Moderator:** Thank you. We take the next question from the line of Saloni Shah an Individual Investor. Please go ahead.

**Saloni Shah:** I have few question for you, sir like you mentioned like there is Gaslight coming up, there is a Marathi movie coming up, so do you have any plans to venture into the web series for the OTT platform?

**Kumar Taurani:** Yes, in web series also work is going on in 1, 2 scripts and our major focus is on films, but we will not leave web series there also we are developing 2 to 3 scripts and you will see that in 25 one web series of ours will be released.

**Saloni Shah:** Do we have any specific process that we have adopted to manage the talent acquisition? How do we go about the whole talent acquisition process?

**Kumar Taurani:** It is depending upon the script basis like how is the film, what is the script and then director, writer, we and our team take the call together that we have to approach this actor and we approach and if that actor says yes then it is very good and if says no, he doesn't feel himself in that particular script then we go to other actor. This is the process.

**Saloni Shah:** And my last question is that how do we ensure that there is efficient budget utilization?

**Kumar Taurani:** Yes, that is also a very big challenge that we have to control our budgets, that movie doesn't get over budgeted that is also one factor and we try to stay within the budget and in that I think that we are 80%, 90% we are successful. We make movies in our budget and we keep small money as miscellaneous expenses like if tomorrow the budget increases then we keep 5% for that, so I think within that we manage.



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- Moderator:** Thank you, sir. We take the next question from the line of Mr. Harish an Individual Investor. Please go ahead, sir.
- Harish:** Sir we have read that the Bollywood film songs of yours is running in wedding ceremonies and all that is also without getting any royalty, so I just wanted to how will it impact the revenue part?
- Kumar Taurani:** Bollywood film songs is not getting royalty means what?
- Harish:** I have read in the news that your Bollywood songs are running at wedding ceremonies and for that you are not getting any revenue, royalty, so how it will impact on your financials, your revenue?
- Kumar Taurani:** No, that is not impacting my financials, like in film business I have sold my rights that is the problem of music Company. What will they do, they have to talk to the government, have to convince the government that today in weddings so many crores are spent, there are drinking parties, sangeet parties are there, artist take huge amount of money, musicians, decorators everybody is earning money, so why not us? In our music 2 rights are there, so one right goes to the artist, what have they done wrong, so I think the music companies should talk to the government and I think it is being done.
- Harish:** I am saying for music also, so what about music part?
- Kumar Taurani:** Means?
- Harish:** Sir there would be royalty for music also?
- Kumar Taurani:** Like we made one film we sold our music to the music Company, now they will exploit the right, they will do the business. Yes this could be done that from this if the revenue is decreased then may be producer would have to bear little loss saying that okay give us little less money like give Rs. 25 lakhs or Rs. 50 lakhs less money, but in 99% of the cases the way demand for the content is so I don't think it would make much difference in film Company. It is basically music Company's problem, so they will handle that.
- Moderator:** Thank you. Ladies and gentlemen that was the last question for the day. I would now like to hand the conference over to Mr. Nikunj for closing comments.
- Nikunj Jain:** Thank you. I would like to thank the management for taking the time out for this conference call today and also thanks to all the participants. If you have any queries please feel free to contact us. We are Orient Capital, Investor Relation Advisors to Tips Films Limited. Thank you so much.



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**Moderator:**

Thank you. On behalf of Tips Films Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.