



# Single screens in city receive digital dose

## Flush With PE Funds, UFO Bets Big On Theatres

Krishnendu Mukherjee | TNN

**Kolkata:** When was the last time you watched a movie in Chaplin or Globe sipping on a cold drink with crushed ice and shopped from the pavements of New Market? Pause before you think those are the bygone days.

If plans of UFO Moviez are anything to go by then old single screen theatres in the city are set to get a new life.

Flush with PE funds, the firm has already embarked upon a project to digitize single screen theatres in the city. "We have recently digitized Purabi in north Kolkata and prior to that Paradise and Roxy got the digital touch. Since we are not into the business of running movie halls, distribution and production, we are waiting for the hall owners to approach us first," said Kapil Agarwal, joint managing director of UFO Moviez, adding that Shyamal Talkies in Birbhum is next in the line to get a digital shot.

Global PE giants 3i and Providence Equity Partners have invested \$28 million and \$60 million respectively in the firm in March this year. According to Agarwal, of the 200 UFO digital screens in Bengal, only 20 are multiplexes. "Single screen theatres still draw the crowd, but you have to reshape it and give a perfect finish so that they can pack a punch. And



PARADISE	
Funds Spent On Digitization	₹10 lakh
Monthly Rental	₹17,500
Monthly Ad Revenue	₹5000-6000
PURABI	
Funds Spent On Digitization	₹6 lakh
Monthly Rental	₹12,500
Monthly Ad Revenue	₹5000-6000
SHYAMAL TALKIES, BIRBHUM (WORKS ON)	
Funds To Be spent On Digitization	₹5-6 lakh
Monthly Rental	₹12,500
Monthly Ad Revenue	₹5000-6000

not only Kolkata, we have penetrated deeper into remote places like Kharagpur and Asansol with our project," he added.

UFO digitizes the movies and then it's encrypted to a computer file. Then the file is downloaded via satellite in theatres.

And it means business for the dying single screen theatres in the city. While Rs 6-10 lakh is spent for digitization, movie hall owners pay a paltry monthly rental of Rs 10,000-13,000 to UFO. The bucks don't stop here — theatre owners also get 25%

share of ad revenue from UFO.

For the distributors, it makes business sense as well. They pay Rs 250 per show for Bengali movies and Rs 300-350 per show for Hindi movies as charges against distribution and delivery of content.

On global front, he said the firm would expand in Nepal, Sri Lanka, Bangladesh and Middle-East soon. "About Rs 100-150 crore will be invested in these places as the industry size there is not large compared to India."