



UFO Moviez to digitise 1,500 cinema halls at Rs 150 cr

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UFO Moviez India Ltd will invest Rs 150 crore to digitise 1,500 cinema theatres across the country by the end of March 31, 2012. This will take the number of digital theatres to 3,500. Of them, about 1,250 theatres would be equipped with technology to exhibit 3D films.

"Besides expanding our presence in India, we will enter into agreements with local players in Russia, Malaysia, Indonesia, Singapore and Sri Lanka to digitise cinema halls there. We will

take care of the technology aspect, while local players would invest. We have already entered the Nepali market. By March 31, 2012, we target to digitise 750-1,000 theatres abroad," Mr Rajesh Mishra, Chief Executive Officer (India Operations), told *Business Line*.

He was here in connection with the 'Media and entertainment business conclave' organised by FICCI. Founded by Valuable Group, UFO is jointly promoted by Apollo International Limited, an arm of the \$1.5 billion Group Apollo. Besides providing

technology to cinemas, it delivers MPEG-4 high definition content through satellites.

INVESTMENTS

UFO Moviez, in which 3i, a global private equity firm has invested, would go for a fresh round of funding in six months. "We are in talks with PE players. We hope that we will conclude deals in six months," Mr Mishra said.

He, however, did not answer queries on the quantum of investments expected from the PE firms.

Going forward, the digitisation would be a very effective way of tackling piracy and cutting costs for film producers. "It will give producers the time arbitrage, allowing them to maximise collections by increasing the reach manifold," he said.

The company, however, did not charge from cinema hall owners but collected fee from either producers or exhibitors who were responsible for distribution of films. About half of the halls it digitised were in the South India, including 190 in Andhra Pradesh.