



May 14, 2024

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

Subject: Transcript of Earnings Conference Call

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith the Transcript of the Earnings Conference Call on Audited Financial Results for the quarter and year ended March 31, 2024 held on May 08, 2024.

Kindly take the above information on your record.

Thanking You,

For **Tips Films Limited**

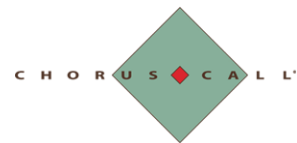
Dharmesh Navdhare
Company Secretary

TIPS FILMS LTD.

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“Tips Films Limited”
Q4 & FY'24 Earnings Conference Call
May 08, 2024



MANAGEMENT: **MR. KUMAR TAURANI – CHAIRMAN AND EXECUTIVE DIRECTOR – TIPS FILMS LIMITED**
MR. HARESH SEDHANI – CHIEF FINANCIAL OFFICER – TIPS FILMS LIMITED

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

Moderator: Ladies and gentlemen, good day and welcome to Tips Film Limited Q4 and FY24 earnings conference call. As a reminder, all participant line 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 the star and zero 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: Gentlemen, I welcome you to the Q4 and FY24 earnings conference call of Tips Films Limited. To discuss this quarter's business performance, we have from the management, Mr. Kumar Taurani, Chairman and Executive Director, 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 risk 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 management for their opening comment and then we can open the floor for Q&A. Thank you and over to you, sir.

Kumar Taurani: Good afternoon everyone and welcome to the Q4 and FY24 earnings call of Tips Films Limited. Your company is slowly and surely coming back into film production. The efforts we invest today will undoubtedly bear fruit in the future. Film production has evolved into a more streamlined and professional process. Projects that once took 1-2 years to complete can now be wrapped up within 8-10 months, thanks to improved coordination and efficiency in various aspects such as casting, financing, crew management and location scouting. Budgeting and planning have undergone significant enhancements, resulting in rare instances of projects exceeding their financial constraints.

Speaking of industry trends, the film sector witnessed a remarkable 15% growth, reaching INR197 billion during the calendar year 2023. Theatrical revenues soared on an all-time high of INR120 billion, with over 1,796 films released during the year. Despite a digital revolution, the number of screens grew by 4%, indicating sustained interest in the cinematic experience. Looking ahead, industry analysts project a promising future, with the film segment expected to grow to INR238 billion by the calendar year 2026.

Turning our attention to Tips Films' performance, we released two productions in the last quarter; Merry Christmas, released in January 2024. It received acclaim from both critics and audiences alike. We released our first Marathi movie, Sridevi Prasanna, in February 2024. Your company has demonstrated resilience and growth, with revenues reaching INR76.6 crores, a 26% -- FY23 figure.

As we -- chart our course forward, we stay fast in our optimism and commitment to delivering value to our stakeholders. With Tips Films also, we have adopted a more conservative accounting policy, and we are writing off 100% of the cost of the movie within 12 months of release. Earlier, 60% was written off in the first year, and remaining over 9 years.

I now invite Haresh Sedhani to delve into the financial performance of our company.

Haresh Sedhani:

Thank you, sir. Good afternoon, everyone, and welcome to the first call of the Tips Films Limited. Q4 and FY24 financial figures were as follows. Revenue for the Q4 FY24 stood at INR60.1 crores, PAT stood at INR4.6 crores. For FY24, revenue stood at INR 77.60 crores and PAT was INR1.1 crores.

With this, I now open the floor for questions and answers.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Agastya Dave from CAO Capital. Please go ahead.

Agastya Dave:

Thank you very much for the opportunity, sir. I would have congratulated you on a good quarter, but then I look at the annual numbers and they are very disappointing, so I don't know what to say here. So my understanding of the business is fairly, I won't call myself bringing up a decent understanding of the business. So if I go by the broad big picture, you're saying this is last year, some quarter, that you're targeting a INR125, INR130 crores turnover this year with a INR25 crores, INR30 crores, INR40 crores PAT , like rough numbers. I don't remember the numbers exactly.

Now I do understand it would be some seasonality, especially because you are doing very few number of movies and you mentioned that in the presentation that that will get smoothed out as you approach 10 movies a year. So my understanding, if you can just clarify this, what exactly happened?

So you guys have done almost INR80 crores this year and there is a shortfall of INR45 crores from your prediction. So are we expecting this number to come in Q1-Q2? And then whatever you were planning in FY'25, that would come on top of that or you guys have actually underperformed quite dramatically based on your own expectations? And if that is the case, then exactly what happened?

Kumar Taurani:

Yes. So Agastya, please understand this. Our film Merry Christmas has not done as good as we expected. And our director Sriram Raghavan is a very reputed director. His all films -- last three, four films has done very well. But unfortunately, this Merry Christmas has not done that good what we are expecting. We expected around INR90 -100 crores from box office. But I think we end up doing INR 18, INR 20 crores. So that was a big setback. Because of that, everything is in problem, you see. So that's a major setback. But these things happen in our business. But if we could have released three, four films, maybe we make money in some movie, we are breaking

even in some and maybe we are losing some money. So we can expect 30% profit is not a big deal, actually. So that happened -- what now happened has happened.

Agastya Dave: Right. Okay. So there is something [inaudible 0:07:49]

Moderator: Sorry to interrupt, sir. Agastya, your voice is coming as a little static. Can you come closer to the mic and speak?

Agastya Dave: Yes. Hello.

Moderator: Yes, is it better?

Agastya Dave: Yes. So, again, please correct me if I am wrong because my understanding was that you guys were saying that you were banking more on OTT sales and like outside box office sales for bulk of your revenues. And that box office thing was kind of, like it was supposed to be a cherry on top. So, is that understanding wrong?

Kumar Taurani: No, that's right. Whatever we said, we sold OTT, we sold music, and satellite is still pending. Satellite is not doing so well. Everybody knows that. But ultimately, satellite also will get sold and money will come. But the major setback was box office.

Agastya Dave: Got it. And sir, next year, what is the target number of releases? This year it was what, two?

Kumar Taurani: This year, we released one Merry Christmas and this one Marathi film. And I think this current year, I think we have one film with -- this one, we have already started which will release in first quarter. And then after that, we have signed David Dhawan and Varun Dhawan for a movie. And there is one and two other movies also we are working on. So, I feel we will release minimum three films at least. We are trying -- targeting to release at least three films this year. So that's what we have thought.

Agastya Dave: Sir, just one last comment and then I am done. I am, again, not an expert in your field at all. I don't watch many, at least Hindi movies. But one thing that I got from this Merry Christmas, like looking at the reviews, some of the reviewers said good things about the movie. They just said that it was not marketed properly. And I didn't come across anyone who said that it was a bad movie as such.

It was just that not many people knew that this movie is coming out or the movie is so good. And everyone that I heard on the reviewing side, they said that the marketing was the problem. Again, sir, I do not know whether they are right or wrong. It is just something that I noticed. I thought I will bring it to your attention. Thank you very much, sir.

Kumar Taurani: Agastya, let me tell you, I think these are the excuses why the movie has not done well. Everybody was knowing that Merry Christmas is releasing, promotion happened properly, we invested money in promoting the film also. So, I feel somewhere, sometimes this happens.

There was a movie called Bhagat Singh. We made that movie and we spent a lot of money and we got a very huge four stars, five stars. And we got a national award also. But we lost, at that time, entire money was gone. Nobody came to see the film. And then there was a movie Raaz. We made a movie Raaz, where the critics said it is a written off movie. They had given us half a star, only half a star. And we made a lot of money in that movie. So, these things happen in our business. That is a part of life.

Agastya Dave: It is understandable, sir. It is part and parcel of the business. Thank you very much for your explanation, sir. And all the best for next year. Thank you.

Moderator: Thank you. The next question is from the line of Anay Mittal from Nvest Analysis Advisor. Please go ahead. So the current participant has been disconnected. We will move on to the next question .The next question is from the line of Ravi Naredi from Naredi Investment. Please go ahead.

Ravi Naredi: Again after Tips song here usually as producer you sell movie during the making of film. So, companies do not suffer any major loss or gain. Is it true?

Kumar Taurani: Yes, we have not major loss. There are no major loss this year.

Ravi Naredi: No major gain also?

Kumar Taurani: No major gain also. Correct. You are right.

Ravi Naredi: Okay. And songs of any movie when you sell how much cost of film you recover from them usually? I am not asking any particular?

Kumar Taurani: Generally, if you see my presentation also we have written around 15%, 16% recover from music cost.

Ravi Naredi: And sir how many movies we have planned by March 25?

Kumar Taurani: I think we are targeting at least three movies this year before March 25.

Ravi Naredi: And what is the cost of this Dhawan Brothers movie?

Kumar Taurani: We are still working on the cost because we have not locked the script yet, but it will be expensive movie. I feel it's 100 crores plus movie.

Ravi Naredi: Because we do not have 100 crores so how we arrange the fund and how the system goes on because it is very new subject for us if you can tell something?

- Kumar Taurani:** Recently, Taurani family we have offloaded we did a block deal for that other company and we have got money from there and we will invest. Promoters will invest their own money and we will make films. We have taken money for this purpose because we want money to make films.
- Ravi Naredi:** And if you give any movie to distributor, sell the distributor, how many years back again it comes to you for resale?
- Kumar Taurani:** It's depending upon deal to deal basis. Theatrical we give less than 1 year and that OTT satellite 5 years, 7 years that's okay.
- Moderator:** Thank you. The next question is from the line of Bala Murali Krishna from Oman Investment Advisor. Please go ahead.
- Bala Murali Krishna:** Hi, good evening. Sir, I want to know that I heard that three movies were targeted, but what could be the numbers in terms of revenue and profitability we were targeting for this year?
- Kumar Taurani:** This financial year?
- Bala Murali Krishna:** Yes.
- Kumar Taurani:** See to work out numbers now please give us 1 year, 2 years. We started this business, we separated from that our earlier music business 2 years back and we are still figuring we must have a lineup of films. So we don't know, we are targeting to release three films. If we complete those three films and release this year then I think around INR200 crores will be top line. But depending upon the films getting released this year and they are doing well in theatres also OTT is buying movies from us. So there is a -- depending on many factors our business. So we have to just wait, but target is to we should do INR200 crores business this year.
- Bala Murali Krishna:** Okay, sir. And any comments on the bottom line?
- Kumar Taurani:** Bottom line you can expect around PAT target is around 15%, 20% 30 crores, 40 crores.
- Bala Murali Krishna:** And so this quarter we have released two movies. So is there still any recognition of revenues pending from these two movies or everything is stabilized in this quarter?
- Kumar Taurani:** Yes, it is pending. We are still satellite rights to be Merry Christmas satellite rights are still pending. And plus we are trying we have offer from China, Merry Christmas to be released in China. Our Director Sriram Raghavan has a big name in China. His earlier movie done very big business. So we are discussing with them and maybe we release our Merry Christmas in China. If that gets released, I feel big money can come from there.
- Bala Murali Krishna:** Yes, that's a good news, sir. And regarding the Q3, sir, we have a revenue of INR12.6 crores. So what is this regarding how we recognize this revenue? We don't have any films released in that quarter. How we scale that revenue?

- Kumar Taurani:** Haresh from where we got that money in Q3?
- Haresh Sedhani:** Q3, music rights of Merry Christmas.
- Bala Murali Krishna:** Okay that's all. Thank you.
- Moderator:** Thank you. The next question is from the line of Shikhar Mundra from Vivog Commercial Limited. Please go ahead.
- Shikhar Mundra:** How much of money are the promoters planning to put in, in the next 2 years, 3 years in the business?
- Kumar Taurani:** 200 to 300 crores.
- Shikhar Mundra:** And it will come as what an unsecured loan on the balance sheet?
- Kumar Taurani:** Yes.
- Shikhar Mundra:** And at what rate do we plan to lend it?
- Kumar Taurani:** We are tying up with the bank and we'll keep loan as an FD against that banks will give the loan to the company.
- Shikhar Mundra:** Okay. Okay. So I thought the promoters will directly give a loan because that was the purpose of...
- Kumar Taurani:** If we don't get a proper rate, so then we will give directly also.
- Shikhar Mundra:** Okay. So regarding Merry Christmas, can I know about the economics, like what was our cost of production and like how did we monetize it between the different avenues between Netflix, between the distribution rights?
- Kumar Taurani:** Sorry, Mr. Shikhar, we can't reveal that. This is a... We can't tell you what we got from where. And we also signed a contract with Netflix and all those people where we can't divulge these details.
- Shikhar Mundra:** And but have we written off the Merry Christmas movie completely from our books, from the current asset?
- Kumar Taurani:** No, not completely. We have some portion has been kept because of satellite rights and maybe movie release in China.
- Shikhar Mundra:** So how much percent of it we have written off? Can I know that at least?

Kumar Taurani: Yes, that maybe we can tell you. Harish, can you tell percentage that you have?

Haresh Sedhani: Percentage is 25% and it is amounting...

Kumar Taurani: No, no, no. We are not giving the amount, only the percentage. Tell us the percentage.

Haresh Sedhani: Percentage is 25% of the COP, excluding promotion cost.

Shikhar Mundra: 25% is present on the book. The rest is written off. Is that right?

Haresh Sedhani: Yes.

Shikhar Mundra: Sir, I have a doubt about this direct taxes paid. I can see, I mean, on the cash flow, INR6 crores of direct taxes, but we haven't heard earned any profit on the P&L statement. So why are these INR6 crores of cash flows outflow for taxes?

Kumar Taurani: Haresh?

Haresh Sedhani: It is INR50 lakhs, Not INR6 crores.

Shikhar Mundra: On the cash flow statement.

Haresh Sedhani: Cash flow, just a minute

Moderator: Thank you. The next question is from the line...

Haresh Sedhani: We have to answer the question. Yes, Haresh. Just a minute, sir. Okay, we will come back to you. If you have any other query, we will reply before call ends.

Moderator: Hello, sir. Should we move on to the next question?

Kumar Taurani: No, no. Just wait, please wait. Mr. Shekhar?

Moderator: He has currently got disconnected, sir.

Kumar Taurani: Okay, fine. Haresh, just say. Again, we will tell Mr. Shekhar also, but for other investors, let them hear. Okay. Say what you want to say, Harish.

Haresh Sedhani: It is a TDS amount deducted by the Netflix and other.

Kumar Taurani: Okay. Yes, next question, please.

Moderator: Okay. The next question is from the line of Ankur Kothari, an Individual Investor. Please go ahead.

- Ankur Kothari:** First is, how the promoter plan to infuse the fund in Tips Films ? And to what extent?
- Kumar Taurani:** We told you, we keep our money in FD and through bank. Or that also we give loan to the company. And I think INR200 crores to INR300 crores we have targeted.
- Ankur Kothari:** Okay. Last time in Q1 call, also you were guided for profit after tax of INR30 crores in FY '24?
- Kumar Taurani:** Yes, Mr. Ankur, I think you joined our call late. We have already, I told already, we don't have what we expected performance of Merry Christmas at the bottom. So, that was the problem we had.
- Ankur Kothari:** So, that is the single film has disrupted the matrix?
- Kumar Taurani:** Yes. And also we have targeted the year and it was delayed to the next year.
- Ankur Kothari:** Okay. So, we are confident of INR30 crores to INR40 crores in coming year?
- Kumar Taurani:** Yes, yes. We have to target to release at least to make these four films a year. And this time we want to jack up to 8-10 films a year. So, we are moving towards that. Give us few quarters or few years, 2-3 years and bear with us and we will be there.
- Moderator:** Thank you. The next question is from the line of Ajinkya Nikam, an Individual Investor. Please go ahead.
- Ajinkya Nikam:** How capital infusion will take place from accounting perspective? On a musical podcast channel and new musical, Kids Music con-call Q3 FY 2023, you mentioned about the infusion of liquidation, liquidating Tips music stake. So, we are curious to know about where it will be invested and how accounting standard will take place?
- Kumar Taurani:** We have already told you that we will offload our some percentage, promoters will offload something. And we did bulk deal of 11% and we got money. And we will put that money as a loan directly or through bank in the company. Simple.
- Ajinkya Nikam:** Okay. Details about the new project launch with David and Varun Dhawan, scheduled on October 2025, released which post on Ramesh Handal on Instagram. Can you please share some details about that?
- Kumar Taurani:** Please, can you repeat that again?
- Ajinkya Nikam:** Detail about the new project launch with David and Varun Dhawan, scheduled in October 2025. Some of the promoters shared the post on Instagram regarding that?
- Kumar Taurani:** Yes, but we are trying, we have that deadline. But in film industry, sometimes you can, it's not fixed that it will come in October. We are trying that it comes before March. And we released

the movie before March. If it gets delayed, then we will have different numbers. And if it's coming before March, then we will have different numbers.

So as I told earlier, please give us a few, 1-2 years or maybe 6, 7, 8 quarters. And we are really trying, we should release at least 3-4 films, 5 films a year. And to be, after 2-3 years, we should make 8-10 films. So that is our target. We are working towards that. We are working on many scripts, many directors. We are employing people. We are doing many things internally.

Ajinkya Nikam: Okay, Third question is regarding Sridevi Prasanna OTT deal. Is it completed? Your production cost was around INR67 crores. And theoretical collection was just INR3 crores to INR4 crores.

Kumar Taurani: No, it was not INR67 crores. It's much, much lesser than that. 67 may be your, that expenses Merry Christmas and Sridevi Prasanna put together. Maybe that is the case. But Sridevi Pasanna also not did so well. And theatrical, sorry, satellite and OTT balance sale has to still happen. We are talking to 2, 3 platforms. So let's see what happens.

Ajinkya Nikam: If you don't mind, can I ask another question?

Kumar Taurani: Yes, please.

Ajinkya Nikam: Guidance was measured by INR40 crores. And also you missed guidance. What we are expecting going forward in terms of movies launch and OTT, which you already covered. But can you please elaborate on that?

Kumar Taurani: See, INR40 crores for this year. I calculated that David Dhawan movie. But if we release that movie, that can happen. But if David Dhawan is not happening, then our top line will be around, say, INR60 crores, INR70 crores. But we even don't know. We are also looking for a movie which is already in production. And already in, what do you say, already somebody else is producing. And maybe we take over or we be a partner with that movie. And we can do bigger business than that. So we are keeping all options open as we have money also. So these things can happen. We can have many other opportunities as well. So just wait for one or two quarters more. I will tell you what is happening.

Ajinkya Nikam: Okay. I just wanted to confirm an article on Hungama regarding the Merry Christmas and Sridevi Prasanna deal was closed. Satellite right was sold around INR50 crores, INR60 crores. Just wanted to confirm on that.

Kumar Taurani: That was OTT. OTT we sold. I can't tell you what was the figure. Let people speculate. But actually OTT we sold. Merry Christmas. Sridevi Prasanna business has to be done. It's not done yet.

Ajinkya Nikam: Okay. Thank you. Have a good day sir.

Moderator: The next question is from the line of Priyanshi Agarwal, an individual investor. Please go ahead.

- Priyanshi Agarwal:** Hello. Thank you for the opportunity, sir. Sir, my question to you is like in quarter third presentation, the upcoming movies were mentioned such as Soulmates and Kolhapur to Pattaya. So can you just give a brief update on this project? Like are they still on or have these scraps in?
- Haresh Sedhani:** No, no. Kolhapur-Pattaya, actually we were not very happy with the script. So we have kept on hold. And Soulmates, still we are working on the film. It will get released this year.
- Priyanshi Agarwal:** Okay. Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Akshita Dey from Vivog Commercial Ltd. Please go ahead.
- Akshita Dey:** Sir, can you tell us what the INR70 crores of other current assets are on the books? And the decrease that has happened of roughly INR30 crores, what was that also?
- Haresh Sedhani:** There is an investment in post feature films.
- Akshita Dey:** Sorry sir, I didn't hear you.
- Haresh Sedhani:** It is an investment in feature films.
- Kumar Taurani:** INR70 crores is already invested in for feature films. Maybe we have given some advances and all that.
- Akshita Dey:** Okay. Hello.
- Kumar Taurani:** Hello Haresh.
- Haresh Sedhani:** It is an investment in feature films. It includes Ishq Vishq also and other forthcoming projects.
- Akshita Dey:** Okay. And the INR30 crores that you have written off here? There has been a decrease of almost INR30 crores in other current assets.
- Haresh Sedhani:** Okay. INR30 crores only.
- Akshita Dey:** Yes. So what is the decrease that has happened?
- Haresh Sedhani:** Only INR35 crores in forthcoming projects. It was 79 in last year. Out of that, Merry Christmas movie has been released.
- Kumar Taurani:** It is released. That is why maybe it has come down.
- Haresh Sedhani:** It has come down.
- Akshita Dey:** Okay.

- Haresh Sedhani:** This 35 balance is Ishq Vishq and forthcoming.
- Akshita Dey:** Okay. Thank you.
- Moderator:** Thank you. The next question is from the line of Shail Mishra from M&S Associates. Please go ahead.
- Shail Mishra:** Hello. Am I audible?
- Haresh Sedhani:** Yes.
- Shail Mishra:** My question was, does the company have any big releases coming this year? I don't know if this is already covered. But does Race 4 will also be tied up with Salman Khan?
- Kumar Taurani :** Still, we are figuring. We are working on the concept and the script of the film. So please wait for a proper announcement. We will let you know. But we are working on a script of that Soldier 2, Race 2, Booth Police 2. Many scripting is happening. And as mentioned earlier, our target for this year or next year is around 3-5 films a year. And later on, 8-10 films a year. So we are working towards that. So please wait for a few quarters or a few years. We will be there.
- Shail Mishra:** Okay. Can you also give us any potential impact on the revenue that these films will have in the upcoming quarter?
- Kumar Taurani :** I feel, let's wait for one or two quarters. Because we have only 2-3 films now. And they are relatively small films. So just wait for these big announcements to happen. And then we will tell you the exact what. But our target is to, as explained earlier, release 3-5 films a year, then 8-10 films. And plus, at least do a INR200 crores, INR150 crores -INR200 crores top line. And bottom line should be maintained between 25%-30%. So that's the target. Let's see when we achieve that. Give us a little more time. Some time.
- Shail Mishra:** Okay. Sure. That's great. Thank you.
- Kumar Taurani :** Yes.
- Moderator:** Thank you. The next question is from the line of Vinay Agarwal, an individual investor. Please go ahead.
- Vinay Agarwal:** Thank you, sir, for providing the opportunity. I wanted to know, does any of the films currently that is being put in the project stage or envisaging any revenue sharing model with the actors in the film as such, which are in currently the project we are targeting?
- Kumar Taurani :** At present, we don't have any. But in future, maybe this can happen. And it's a good thing. We support that. We shouldn't pay upfront. And we do partners with actors. So we are always keen to do that.

- Vinay Agarwal:** And the second question is, in the film that we are in the project stage or we are planning, do all the songs will be sold to Tips industries or be open to sell to other music houses?
- Kumar Taurani :** Okay. Now our focus is, we are not making so many films. So Tips's music will be a good option. So we will work with them. If they don't take, then maybe we can look at outside.
- Vinay Agarwal:** Okay. Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Shikhar Mundra from Vivog Commercial. Please go ahead.
- Shikhar Mundra:** Hi, sir. So we want to know, the OTT rights are given, I mean, are decided before the cost of the OTT rights are decided before the film releases?
- Kumar Taurani :** Sometimes we sell before movie releases in theatres. And sometimes we release after releasing the movie. So it depends upon the curiosity of the film developing and interest of the OTT players. So both possibilities are there.
- Shikhar Mundra:** And in this Merry Christmas, specifically what had happened, like it was decided beforehand or after the film release?
- Kumar Taurani :** Merry Christmas we sold before movie going into theatres.
- Shikhar Mundra:** So the revenue from OTT was not dependent on box office at all? Performance?
- Kumar Taurani :** No. But there was a commitment from OTT party. If our movie do a big box office, then we could have gotten some overflow, some more money, some bonus.
- Shikhar Mundra:** What kind of bonus? And that bonus would be roughly how much percentage of the revenues from OTT?
- Kumar Taurani :** We can't tell you that bonus, but film has not done well, so we are not going to get any money.
- Shikhar Mundra:** Got it. And in terms of distributing to the box office, so again, we have a component which is linked to the box office sales, or a fixed and variable component. This is how the business works?
- Kumar Taurani :** Yes.
- Shikhar Mundra:** And if the variable component also significant or it depends from movie to movie?
- Kumar Taurani :** It depends on movie to movie, star cast, so many factors.
- Shikhar Mundra:** Okay. Got it. Thank you.

- Moderator:** Thank you. The next question is from the line of Pallavi Deshpande from Sameeksha Capital. Please go ahead.
- Pallavi Deshpande:** Thank you. So in the past, I think in some interviews, you've mentioned that the big budget movies don't make much sense because it's difficult to make money in them. The cost is so high. So I just wanted to understand, is there a change in the environment now? Are the bigger budget movies making more money? And that's why you're targeting to do this bigger budget movie?
- Kumar Taurani :** It's not like that. If a movie is good, whether it is small or big, it will make money. It will be hit. But if a movie is not good, whether it is small or big, it won't do good. Recently, our big, big movies are not doing well. But even smaller movies, they have done so well.
- So it's depending upon how a movie is made and how people are perceiving and seeing that movie. If they like the movie, suddenly word of mouth going so strong, many audiences will come, and they see a movie. So it's again depending upon the movie-to-movie basis and depending upon how your creative, your director, story writer, what they have written, what producer has properly promoted or not. Many factors are involved in that. So I feel it's a movie-to-movie basis.
- Pallavi Deshpande:** Right. But is there a change in the environment because 3-4 years back I was given an interview in the newspaper, 2 years back that the big movies are not making money in the market. Is there some change also? Do you see any change in the marketplace?
- Kumar Taurani :** Big movies like Pathan, Jawan and Animal made such huge monies. So we can't say that. They make money. Big movies make actually big monies. But it has to be made very well.
- Pallavi Deshpande:** Right. And the current assets right now are the INR35 crores. This includes Ishq-Vishq also right now?
- Haresh Sedhani:** Yes.
- Pallavi Deshpande:** And the OTT for Prasanna?
- Haresh Sedhani:** Yes.
- Pallavi Deshpande:** Okay. Thank you so much.
- Moderator:** Thank you. That was the last question for today's call. I would like to hand the conference over to Mr. Nikunj Jain from Orient Capital 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.



Tips Films Limited
May 08, 2024

If you have any queries, please feel free to contact us. We are Orient Capital Investor Relations Advisors to Tips Films Ltd. Thank you so much.

Moderator:

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