



# PITCH DECK

Monetizing the Hidden Potential  
of Film Exhibition Industry

**MINIPLEX SETUP**  
**FRANCHISEE**  
ON FOCO MODULE  
2 SCREENS 200 SEATS



# The screen density in India



Appetite

India - A Film Consuming Country Higher Than US & China



Films

Producing 1500 -2000 Films Every Year



Screens

Nation wide screen count ~10,000. 70 % are single-screen cinemas which are inferior to modern multiplex cinemas



Underserved

With 6 screens per million population, India is by far one of the most under screened nations in the world



Economy

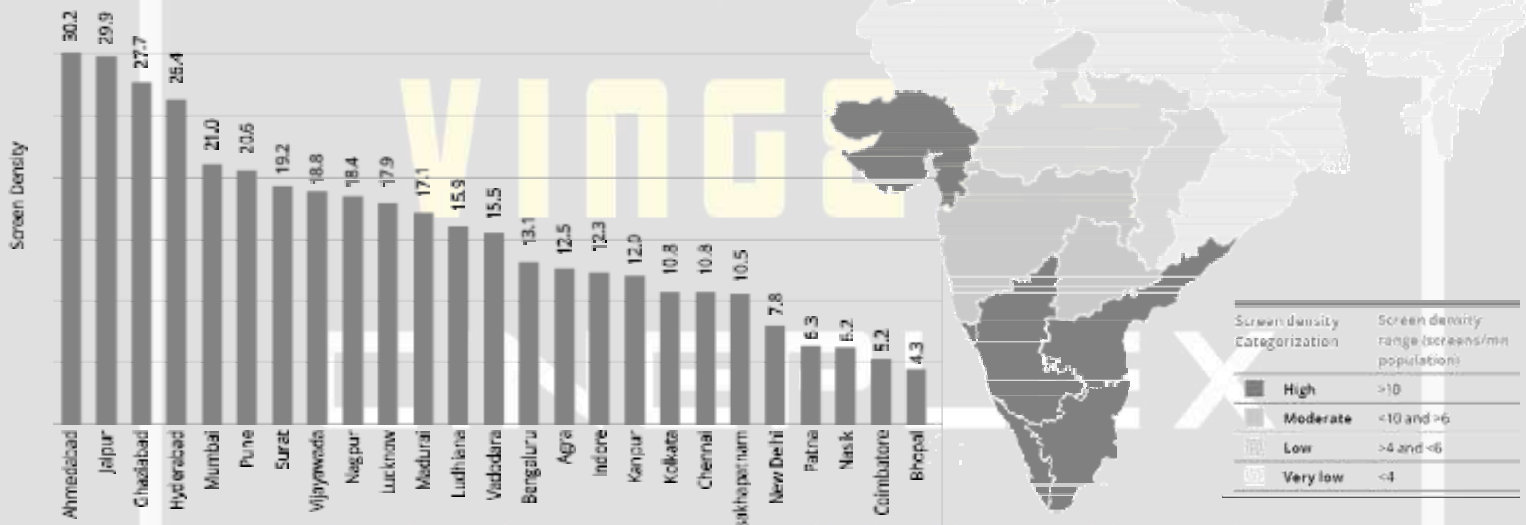
60 % films could not recover production cost due to lack of theatrical release

VINGEEZ  
CINEPLEX  
SMART DIGITAL



# Market current scenario in Indian film exhibition business

In the screen deficit India the screen density varies widely. Some areas have as many as 20 screens per million of population whereas in some are as low as 1.5 screens per million.



Screen Density across 25 Prime cities in India (2018)

# CHINA STORY

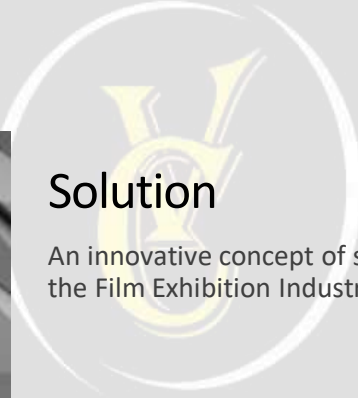
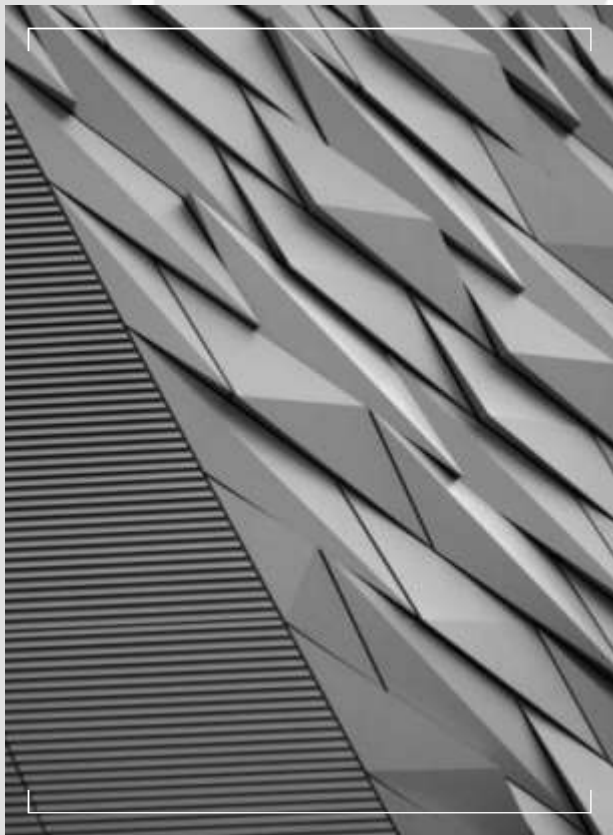
Learning lessons from other countries like China to improve the screen count.

China started to implement cinema line system in 2002.

Gross Box Office revenue in the country  
Year 2000 = USD 130 million      increase of 6,500 %  
Year 2017 = USD 46 billion

Year 2005 = 4,425 Screens  
Year 2016 = 41,179 Screens  
Year 2023 = 90,000 Screens Appx.

26 new screens added each day during the year



## Solution

An innovative concept of standardizing, simplifying and modernizing the Film Exhibition Industry Arena with new set of offerings.



### Standardize

Penetrating the underserved areas with a Lean and Innovative Business Model thus making Film Exhibition Business easy for new & existing theatre owners



### Modernize

Development of new cost effective theatres & an innovative approach for single screens to downsize & convert into a multiplex with two screens or more, without compro-mising safety & security

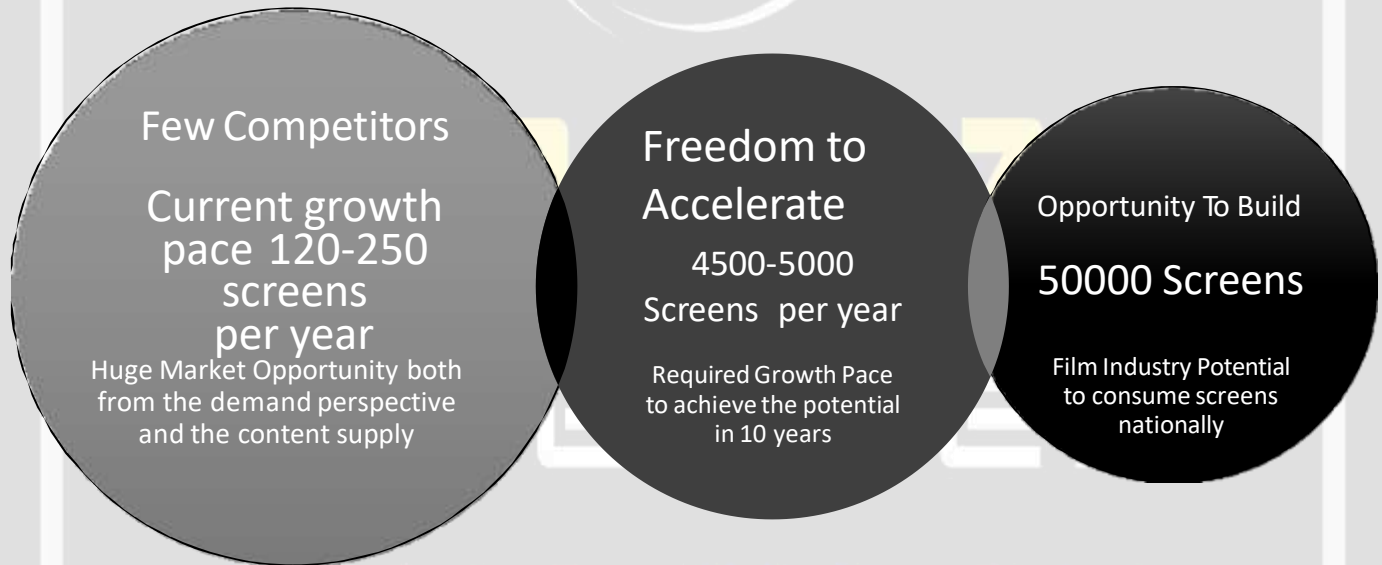


### Monetize

Monetize the hidden potential of Indian film Industry by enhancing the economy of Film Exhibition Business

## Market Opportunity

Nationwide requirement as per demand and content supply is above 50000 screens. The current penetration of screens in tier 2 and tier 3 cities stands 88% lower than the screen density in the tier 1 cities. There exists a market opportunity which needs to be capitalised at a fast pace to monetize the full potential of the Indian film exhibition industry.





## Product

'VINGEEZ CINEPLEX' is a concept of Affordable Modernized Cinema Viewing Facility with a Cost Effective Theatre Design & Operations Model .

### Innovative



Asset Light Franchise Model with focus on Low CapEx Deployment



### First to Market

18 years O & M contract & targeting tier II and tier III cities.

### Tested



Successful sign ups confirm the potential and feasibility for real-world application



### Authentic

Transparency and accuracy in business with real-time box office intelligence

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# Business Model

Lower Investment, Lesser maintenance cost for long term sustainability especially in tier II and tier III cities.



Research & Budget

Abstract

Design

Local level research to arrive at Budgetary aspects for best Returns on Investment.

Prepare business offer considering key revenue streams- Tickets, Food, Parking & Advertisement

Concept to Running operations- consultation for setting up new Independent and affordable theatres or reviving old screens on Franchise Basis

CINEPLEX

SMART DIGITAL



# Competition

## Our Company

- With the offer of our unique, Lean as well as innovative business model we have vast prospects to grow and expand nationally and globally.

## Competitor

- In view of the opportunity available nationally (globally as well) the competition stands at negligible level for this innovative Business Model of Film Exhibition.
- Out of ~10000 existing screens nationwide, 71% are single screens, out of 29% modern multiplex following are the players;
  - PVR & INOX= 42%
  - Carnival= 13%
  - Cinapolis=12%
  - Others = 32%



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## MINI PLEX BRAND OWNER 2 SCREENS & 200 SEATS

TARGETING LOCATION WHERE POPULATION IS MORE THAN 25,000 WITHIN 5 KMS.

### - A BRIEF :

1. MAPPING, PLANNING , EXECUTION & MANAGEMENT SIGNUP FRANCHISEE AGREEMENT .
2. AVERAGE COST PER LOCATION WILL BE RS. 2.50CR. ( EXCEPT LAND)., ONE TIME INVESTMENT ON CARPET AREA OF 6000 SQ FT. BY THE FRANCHISEE & OPERATIONAL COSTING WILL BORNE BY VINGEEZ CINEPLEX.
3. FRANCHISEE SHALL ADHERE TO THE FOLLOWING PAYMENT SCHEDULE FOR MAKING ADVANCES AND PAYMENTS TO FRANCHISOR;
  - A. RS. 10, 00, 000/- AS FRANCHISEE FEE AT THE TIME OF AGREEMENT.
  - B. RS. 5, 00, 000/- ON SUBMITTING BASIC DESIGN & DRAWINGS TO THE FRANCHISEE.
  - C. RS. 5, 00, 000/- ON SUBMITTING DETAILED DESIGN & DRAWINGS TO THE FRANCHISEE.
  - D. RS. 5, 00, 000/- BEFORE SUBMITTING INTERIOR DESIGN & DRAWINGS TO THE FRANCHISEE.



**MINIPLEX BRAND OWNER  
2 SCREENS & 200 SEATS**

TARGETING LOCATION WHERE POPULATION IS MORE THAN 25,000 WITHIN 5 KMS.

**PROJECTED PAYOUT:**

THE METHOD FOR CALCULATION OF TOTAL PAYOUT SHALL BE AS UNDER;

- A. CINEMA TICKET @ 15% OF THE NET RECEIPT.
- B. FOOD /CONCESSIONAIRE @ 30% OF THE NET RECEIPT.
- C. PARKING @100% OF THE NET RECEIPT, PARKING WILL BE OPERATED AND MANAGED BY FRANCHISEE.

TOTAL PAYOUT = SUM OF POINT NOS. (A) + (B) + (C)

THE FRANCHISEE SHALL RECEIVE MINIMUM PAYOUT ON COMMISSIONING OF THE PROJECT 1<sup>ST</sup> YEAR & 2<sup>ND</sup> @30% OF INVESTMENT ON ESTIMATED COST OF CINEMA SET UP PROJECT I.E. RS. 75 LAKHS PER YEAR AND 3<sup>RD</sup> YEAR@40% OF THE INVESTMENT ON ESTIMATED COST OF CINEMA SET UP PROJECT I.E. RS.100 LAKH, (INCLUSIVE OF ALL APPLICABLE TAXES, ANNUALLY OR 'A NET AMOUNT OF PAYOUT' CALCULATED AS PER THE METHOD MENTIONED UNDER POINT-5, WHICHEVER IS HIGHER. IF THE PAYOUT IS ABOVE MINIMUM PAYOUT, BALANCE WILL BE ADJUSTED FOLLOWING YEAR MINIMUM PAYOUT. THE PAYOUT SHALL BE PAID ON OR BEFORE 10<sup>TH</sup> OF FOLLOWING MONTH. 1<sup>ST</sup> PAYOUT WILL START W.E.F. 90 DAYS OF COMMISSIONING OF PROJECT.



PROJECTED FRANCHISEE PAYOUT									
CALCULATION PROJECTION ( 2 SCREENS 200 SEATS) @35% OCCUPANCY									
FROM CINEMA TICKETS COLLECTIONS	SCREENS	SHOWS	SEATS	OCCUPANCY	DAYS	RATE	AMOUNT	FRANCHISEE PAYOUT @15%	
PROJECTION	2	5	100	35%	365	200	25550000	3832500	
FROM FOOD SALES COLLECTIONS							AMOUNT	FRANCHISEE PAYOUT @30%	
PROJECTION @ 50% of cinema ticketing							12775000	3832500	
FROM PARKING COLLECTIONS							AMOUNT	FRANCHISEE PAYOUT @100%	
PROJECTION @ 10% of food sales							1277500	1277500	
							0		0
							0		0
							PROJECTED PER ANNUM TURNOVER		PROJECTED ANNUAL FRANCHISEE PAYOUT
PROJECTION	35%					TOTAL	39602500	8 9 4 2 5 0	
								E.O.E.	



Home  
Theatre

Video  
Parlour

Miniplex

Multiplex

Drive-in  
Cinemas



LOOKING FORWARD FOR  
DETAILED DISCUSSIONS

**THANK YOU**

*...an ultimate in smart cinema setup franchising*

Cinema Franchising | Cinema Architecture | Cinema Engineering

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