



NEXT CHANGE



TIPS INDUSTRIES LIMITED | Annual Report 2013-14

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Success is conviction in the journey
Success is confidence in the path
Success is courage in the step
Success is moving on to

NEXT CHANGE

FILMS

Films in India are all about enjoyment and excitement.

Films in India are all about dreams and fantasies.

Films in India are all about emotions and passion.

Films in India are all about entertainment.

At Tips, has been producing films that provide wholesome entertainment.

We produced two movies in 2013-14 which performed well at the box office and were bumper hits on the satellite and cable media. RAMAIYA VASTAVAIYA ranked No. 2 in all the satellite releases for the year 2013, while PHATA POSTER NIKLA HERO featured amongst the top 10 satellite releases. Both these films have connected with home audiences, and we are convinced of their long-term value as we continue monetising our film assets on TV.

At Tips, we take a balanced and educated view of success and firmly believe that every project deepens our knowledge and understanding, and motivates us on our journey with a goal to produce six films by 2017.

At Tips, we always look ahead – to tomorrow, to future.

At Tips, we continue to move on with

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RAMAIYA VASTAVAIYA RANKED NO. 2 IN ALL THE SATELLITE RELEASES FOR THE YEAR 2013, WHILE PHATA POSTER NIKLA HERO FEATURED AMONGST THE TOP 10 SATELLITE RELEASES



MUSIC

With a collection of over 25,000 tracks comprising of 4,500 titles made up of various artistes across all genres, we have one of the most valuable and varied music libraries in the industry that holds immense value as we continue to leverage digitisation to unlock its potential.

Our music collection ensures a steady, secure and stable revenue stream in form of royalties and licensing fees from various channels and partners. With the explosion of mobile based internet devices like smart phones and tablets, the music industry has been completely and thoroughly revamped and restructured, and is poised for sustained growth. Another key driver of growth in the music industry is expected to be the rollout of Phase 3 of the FM Radio which will open up an additional 849 new geographic locations in Tier II and Tier III cities.

We continue to digitise our music library. A majority of our library is already digitised.

We have tied up with all leading platforms like iTunes, YouTube, Google Play and Saavn to ensure that songs from our collection are available wherever, whenever and in whatever format they desire.

The new government is keen on leveraging the immense power and potential of the internet, and India is poised for an explosion of internet growth. With download speeds moving from 3G to 4G, streaming live music is expected to become the next game changer in the music industry.

At Tips, we always plan ahead – for tomorrow, for future.

At Tips, we continue to advance with

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25,000+
TRACKS

4,500+
TITLES



CHAIRMAN'S MESSAGE

“DIGITISATION, DRIVEN BY FASTER INTERNET FROM 3G TO 4G, IS CLEARLY TURNING OUT TO BE A GAME CHANGER FOR THE INDIAN MEDIA AND ENTERTAINMENT INDUSTRY. WITH ITS POWER TO REACH MILLIONS OF PEOPLE ALL OVER THE WORLD, IT IS OPENING UP NEW REVENUE STREAMS THROUGH NEW BUSINESS MODELS FOR ALL SEGMENTS OF THE INDUSTRY: TV, FILMS, MUSIC AND NEW MEDIA.”

Dear Shareholders,

It is always a pleasure and privilege to share with you highlights of performance of the Company as well as upcoming projects.

This year was an interesting year for the Indian entertainment industry. After a record 2012, the Indian film industry performed strongly in 2013 in terms of content as well as collections. As many as 9 films crossed the coveted Rs. 1 billion mark and for the first time in the history of Indian films, 2 movies crossed the Rs. 2 billion mark. Today, we have almost 95 per cent of screens digitised, and the industry is leveraging the power of technology in all aspects : from shooting on digital formats to distribution to monetising content using Video on Demand (VoD) platforms to selling tickets online.

In the exhibition space, there was a moderate slowdown as the real estate sector struggled. Despite

this, around 200 new screens were added. What is more encouraging is the fact that both occupancy and average ticket prices increased in 2013, as did spending on F&B.

Digitisation, driven by faster internet from 3G to 4G, is clearly turning out to be a game changer for the Indian media and entertainment industry. With its power to reach millions of people all over the world, it is opening up new revenue streams through new business models for all segments of the industry: TV, films, music, and new media. Driven by rapid and wide reach of smart-phones and increasing base of mobile internet users, we are witnessing the beginning of multiplicity of engagement through more screens like mobile phones, tablets, laptops and PC.

All these changes will have a strong bearing and a positive impact on the entire industry in the days and years to come.

During the year 2013-14, the Company released two films that did exceedingly well, connecting strongly with TV audiences. The music business of the Company continued to generate steady revenues by improved and increased monetisation of the impressive and imposing collection of titles we possess. However, the losses in the film business affected the overall performance for the year :

Our Total Revenue for the year was Rs. 10,551.27 Lacs compared to Rs. 13,925.28 Lacs in the previous year. For the year, we incurred a Net Loss of Rs. 1,623.91 Lacs against a Net Profit of Rs. 1,168.74 Lacs in the previous year.

In the film business, ups and downs are an integral and inseparable part of the business. While all films are made with passion, enthusiasm and hard-work, no one can guarantee success at the box office. What is important is to MOVE ON and focus on the next project.

At Tips, we have always had a strong belief in our abilities, in our relationships and in our experience to make fun and enjoyable films, and we continue to do this. Our next big film is scheduled for release in August 2014 and is aptly titled – IT'S ENTERTAINMENT. This big budget film stars Akshay Kumar, Tamannaah Bhatia and others.

We are looking at launching two-three more films before the close of this fiscal. In the Punjabi movies segment, we are evaluating scripts and are hopeful of short-listing and working on some of these. Another strategic direction we are working towards is to increase our films business to produce five to six movies by the year 2017. This will not only leverage our economies of scale in production and distribution, but will also give us a higher success ratio.

At Tips, we have always been optimistic and positive. We have always taken challenges head-on and have overcome them with our courage, conviction and confidence. We have a history and track-record that proves we are capable and competent bounce back hard.

I thank you for your faith and belief in Tips and assure you of more success and growth in the coming year. Let us MOVE ON and look to a new tomorrow with

NEXT CHANGE

Yours sincerely,

Kumar S. Taurani
Chairman



Mr. Kumar S. Taurani
Chairman & Managing Director



Mr. Ramesh S. Taurani
Managing Director



Mr. Amitabh Mundhra
Independent Director



Mr. Vijay Agarwal
Independent Director



Mrs. Radhika Pereira
Independent Director

BOARD OF DIRECTORS



◀ Left to Right
 Bijal Patel – Company Secretary
 I.T. Gursahani – CFO
 Haresh Sedhani – Sr. Manager – Account

Left to Right ▶
 Chandru Bakhtiani – Line Producer and Distribution Co-ordinator
 Prakash Talreja – Line Producer
 Jay Shewakramani – Executive Producer



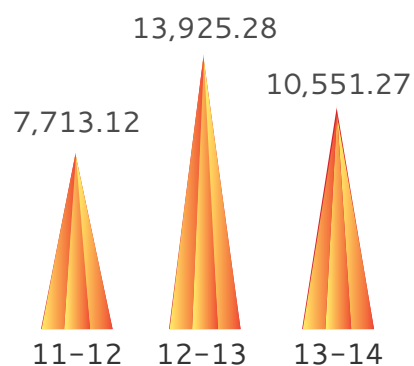
◀ Left to Right
 Aarti Kathariya – GM – Business Affairs
 Kavita Lakhani – Creative Head
 Sahas Malhotra – Sr. V. P – Music
 Ekta Kukreja – Secretary to Chairman
 Kabir Chandra – Sr. Manager – Digital



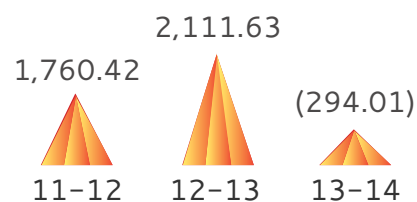
TEAM TIPS

KEY FINANCIAL INDICATORS

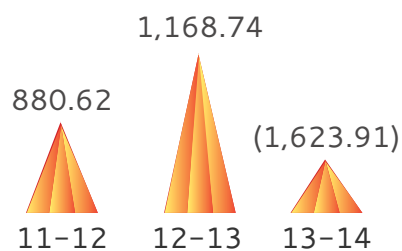
(Rs. in Lacs)
Except EPS in Rs.



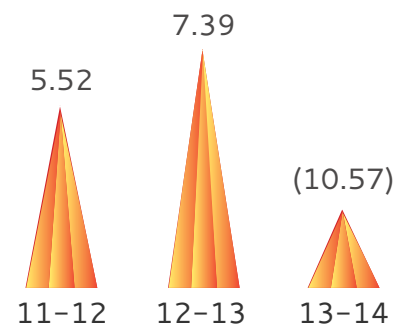
Net Revenues



EBITDA



Profit / (Loss) After Tax



Earnings per Share