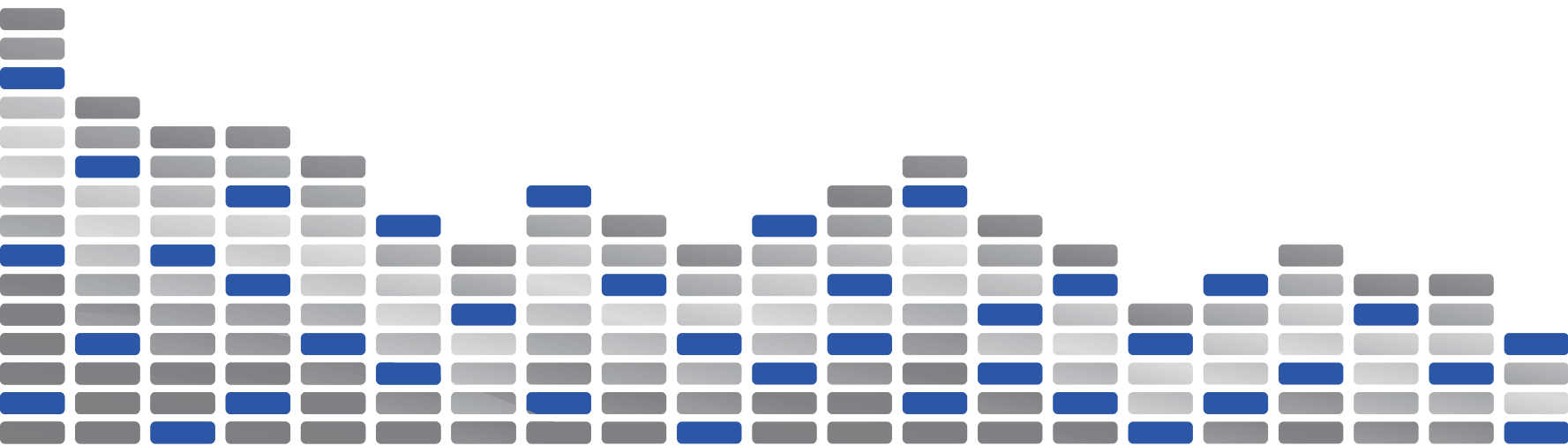




TIPS INDUSTRIES LIMITED

ANNUAL REPORT 2015-16





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CHAIRMAN'S MESSAGE TO SHAREHOLDERS

Dear Shareholders,

It is my pleasure and privilege to welcome you to the Annual General Meeting of your Company. I look forward to share highlights about the performance of TIPS as well as your Company's plans in the year to come.

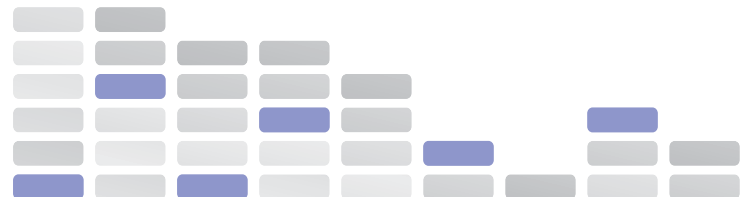
The Media and Entertainment industry (M&E) has been undergoing a rapid transformation over the last few years with the advent to digitization. Digitization has been disrupting the conventional business models in every aspect of the M&E, and in the process, changing the rules of the game. But while digitization is changing the rules, the laws remain constant. The core of the M&E industry remains unchanged – ENTERTAINMENT.

This is borne true in both films and music segments during the year. In the films segment, the year saw a significant increase in footfalls and revenues at theatres. Close scrutiny reveals interesting insights while collections from Hindi films were almost flat compared to the previous year, collections from regional and Hollywood films spiked substantially. Audiences are clearly looking beyond Bollywood for entertainment, and this trend, I believe, is here to stay. The year 2015 saw the domestic theatrical revenues cross ₹ 100 billion milestone touching the ₹ 101 billion, driven by increased footfalls and higher average price of tickets.

In the music business, the ever-widening reach of mobile internet, lower internet tariffs and increased availability of smart devices at affordable rates continued to drive the shift in consumption to digital platforms. Today, digital music generates almost 55 per cent of the entire music industry's revenues, with the total number of active customers who stream music touching almost 40 million a month.

In the music business, TIPS continued to drive higher growth backed on its digital library of almost 25,000 songs. TIPS was one of the first in the industry to foresee the digital impact on music consumption and accordingly, began digitizing its music library. This move has ensured that your Company continues to unlock the value of its musical assets with consistent growth in revenues from its music collection. This year, your Company revenues from music increased to ₹ 4,309.86 lakhs compared to ₹ 3,221.78 lakhs in the previous year.

As far as the performance of TIPS is concerned, your Company produced comedy-thriller film "Ambarsariya" the film is directed by Mandeep Kumar starring Diljit Dosanjh, Monica Gill, Navneet Kaur Dhillon, Lauren Gottlieb and others.



The outlook at TIPS continues to be both positive and optimistic. In the films business, we are actively considering some interesting projects. In the music business, we are quite confident with the continued penetration of affordable mobiles and internet rates, more consumers across the country are coming under the digital footprint.





The Total Income for the year was ₹ 7,151.45 lakhs compared to ₹ 10,380.54 lakhs in the previous year. The Net Profit for the year was ₹ 303.39 lakhs against ₹ 269.61 lakhs last year. A dividend of 10 per cent, i.e., ₹ 1/- per equity share of ₹ 10/- each has been proposed for the year, subject to approval of shareholders.

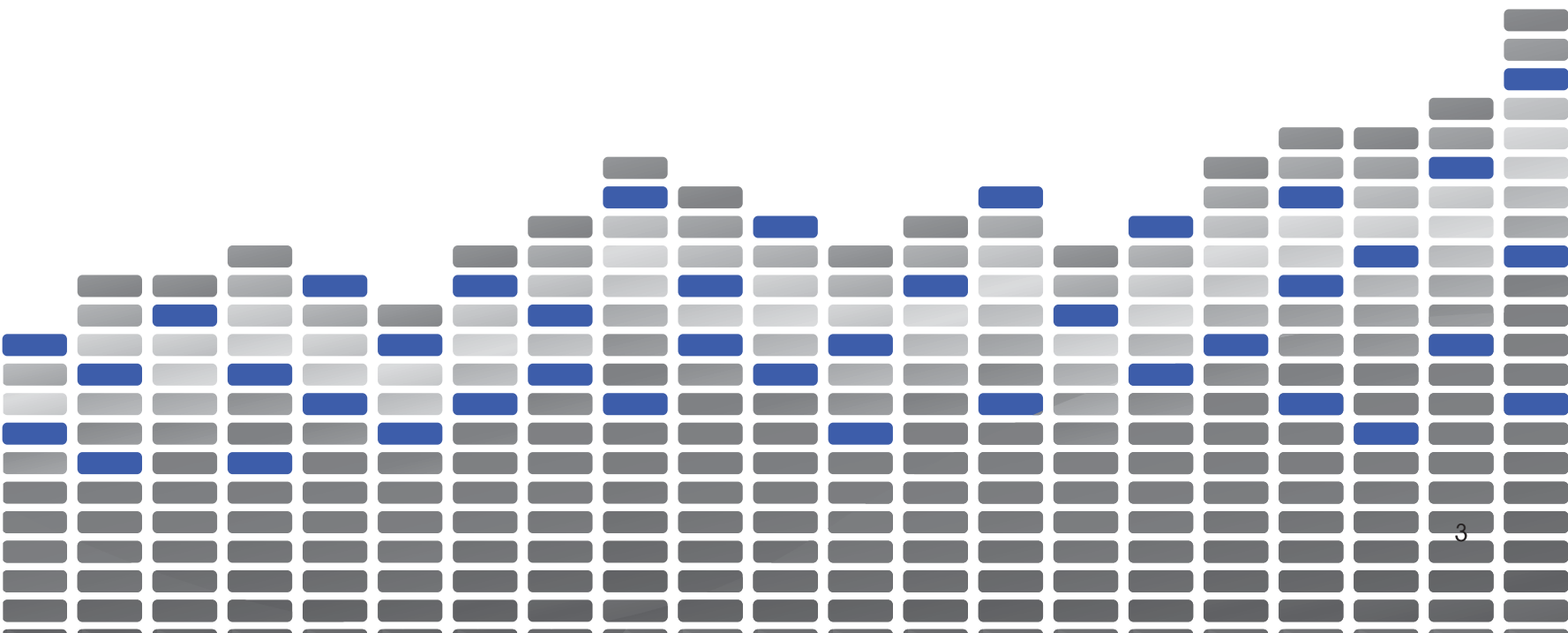
The outlook at TIPS continues to be both positive and optimistic. In the films business, we are actively considering some interesting projects. In the music business, we are quite confident with the continued penetration of affordable mobiles and internet rates, more consumers across the country are coming under the digital footprint. This augurs well for our digital music assets, which, we believe, are poised for a phase of smart growth in the coming years.

I remain grateful your continued support and trust in TIPS, and assure you that we will continue with our quest to make wholesome family entertainment films and music.

Thank you.

Yours sincerely,

Kumar S. Taurani



CORPORATE INFORMATION

Board of Directors

Mr. Kumar S. Taurani	Chairman & Managing Director
Mr. Ramesh S. Taurani	Managing Director
Mr. Amitabh Mundhra	Independent Director
Mrs. Radhika Pereira	Independent Director
Mr. Vijay Agarwal	Independent Director
<i>(resigned on August 14, 2015)</i>	
Mr. Venkitaraman S. Iyer	Additional Independent Director
<i>(appointed on May 25, 2016)</i>	

Chief Financial Officer

Mr. Ishwar T. Gursahani

Company Secretary & Compliance Officer

Ms. Bijal R. Patel

Senior Management

Mrs. Varsha Taurani	Vice President – Administration
Mr. Sahas Malhotra	Sr. Vice President – Music (Digital)
Mr. Sunil Chellani	Vice President – Accounts
Mr. Jay Shewakramani	Executive Producer
Ms. Kavita Lakhani	Creative Head

Registered Office

601, 6th Floor, Durga Chambers, Linking Road,
Khar (West), Mumbai – 400 052.
Contact No.: +91-22-6643 1188
E-mail id: response@tips.in
Website: www.tips.in

Accounts Office

1st floor, Asara Co.op Housing Society Ltd.,
(Virkar Apartments), 17th Road,
Khar (West), Mumbai – 400 052.

Statutory Auditors

M/s. SSPA & Associates
Chartered Accountants
1st floor, Arjun, Plot No. 6A, V. P. Road,
Andheri (West), Mumbai – 400 058.

Internal Auditors

M/s. Maheshwari & Co.
Chartered Accountant
3rd Floor Esplanade Building,
3, Amrut Keshav Naik Marg,
Fort, Mumbai – 400 001.

Secretarial Auditors

NL Bhatia & Associates
313 Saidham CHSL, Vikrant Circle,
Opp. Pancholi Hospital, 90 Feet Road,
Ghatkopar (East), Mumbai – 400 077.

Registrar & Share Transfer Agent

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai – 400 078.

Bankers

Bank of Baroda
Everest Building, Tardeo Road,
Mumbai – 400 034.

Canara Bank
Maker Chambers-III,
Nariman Point,
Mumbai – 400 021.

HDFC Bank
2nd Floor,
Maneckji Wadia Bldg.,
Nanik Motwane Marg, Fort,
Mumbai – 400 001.

ICICI Bank
Ground Floor, Indraprastha,
Linking Road, Santacruz (West),
Mumbai – 400 054.

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 20th Annual General Meeting of the Members of Tips Industries Limited will be held on Friday, September 16, 2016 at 11.00 a.m. at the Jubilee Room, Hotel Sun-N-Sand, Juhu, Mumbai - 400049, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2016.
3. To appoint a Director in place of Mr. Ramesh S. Taurani (DIN: 00010130), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. SSPA & Associates, Chartered Accountants (Firm Registration No. 131069W), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company, on remuneration to be decided by the Board of Directors of the Company."

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Venkitaraman Subramanian Iyer (DIN: 00730501) who was appointed as an Additional Director of the Company with effect from May 25, 2016 by the Board of Directors and holds office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years commencing from September 16, 2016 and shall not be liable to retire by rotation."

By Order of the Board of Directors

Place: Mumbai
Date: May 25, 2016

Bijal R. Patel
Company Secretary

Registered Office:
601, Durga Chambers,
Linking Road, Khar (West),
Mumbai 400 052

Notes:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item No. 5 is annexed hereto. The relevant details of the Directors seeking re-appointment/ appointment under Item Nos. 3 and 5, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF.** A proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before commencement of the AGM. Proxies submitted on behalf of companies, societies, partnership firms etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Body Corporate members intending to send their authorized representative to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Resolution authorizing their representative to attend and vote at the Meeting.
4. A Proxy shall not have a right to speak at the Meeting and shall not be entitled to vote except on a poll.

5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. A route map showing directions to reach the venue of the 20th AGM is given at the end of this Annual Report.
8. The Register of Members and Share Transfer Books of the Company will remain closed from September 10, 2016 to September 16, 2016 (both days inclusive), for determining the names of members eligible for dividend on Equity Shares, if declared at the AGM.
9. Dividend, if approved by the members at the Annual General Meeting will be paid within a period of 30 days from the date of declaration, to the Members whose names appear on the Register of Members and Register of Beneficial Owners as on September 9, 2016 as per details furnished by the Company's Share Registrars and Transfer Agents and the Depositories for this purpose.
10. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year ended March 31, 2008 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.tips.in), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

11. Members holding shares in Electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or the Company's Share Registrars and Transfer Agents.
12. As per the provisions of the Companies Act, 2013 facility for making nomination is available for the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Share Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
13. Members are requested to note that in case of transfers, transmission and transposition of names of shareholders in respect of shares held in physical form, submission of photocopy of PAN Card of both the transferor(s) and the transferee(s) is mandatory.
14. In case of deletion of name of deceased shareholder(s), in respect of shares held in physical form, the PAN Card of the surviving shareholder(s), is mandatory.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company and Company's Share Registrars and Transfer Agents.
16. Members seeking any information or clarification on the accounts are requested to send in writing queries to the Company at least seven days before the date of the meeting to enable the Management to keep the information ready at

the Meeting. Replies will be provided at the meeting in respect of such queries received.

17. **Electronic copy of the Annual Report for 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes, unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 are being sent in the permitted mode.**

18. To support "Green Initiative", Members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the Share Registrars & Transfer Agent, giving reference of their Folio Number.

19. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting through polling paper shall also be made available at the venue of the 20th AGM. The members attending the AGM, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

The voting rights of the shareholders (for voting through remote e-voting or by Poll paper at the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on September 9, 2016 ("Cut-Off Date"). A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or of voting at the AGM.

Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. September 9, 2016 may obtain the login Id and password by sending a request at mt.helpdesk@linkintime.co.in However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot Password" option available on www.evotingindia.com.

The Company has appointed Mr. Shirish Shetye, Practicing Company Secretary (CP No.: 825) as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, and thereafter unblock the votes cast through remote e-voting, in the presence of at least two (2) witnesses not in the employment of the Company and make within 48 hours of the conclusion of the meeting a consolidated scrutinizer's report of the votes cast in favour or against, to the Chairman or to any Director or any person authorized by the Chairman for this

purpose, who shall countersign the same.

The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tips.in and on the website of CDSL and communicated to the Stock Exchanges.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 13, 2016 at 10.00 a.m. and ends on September 15, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 9, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on envelope indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

