



**MUSIC:
UNLOCKING
THE MAGIC
OF SOUND**

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MUSIC: UNLOCKING THE MAGIC OF SOUND

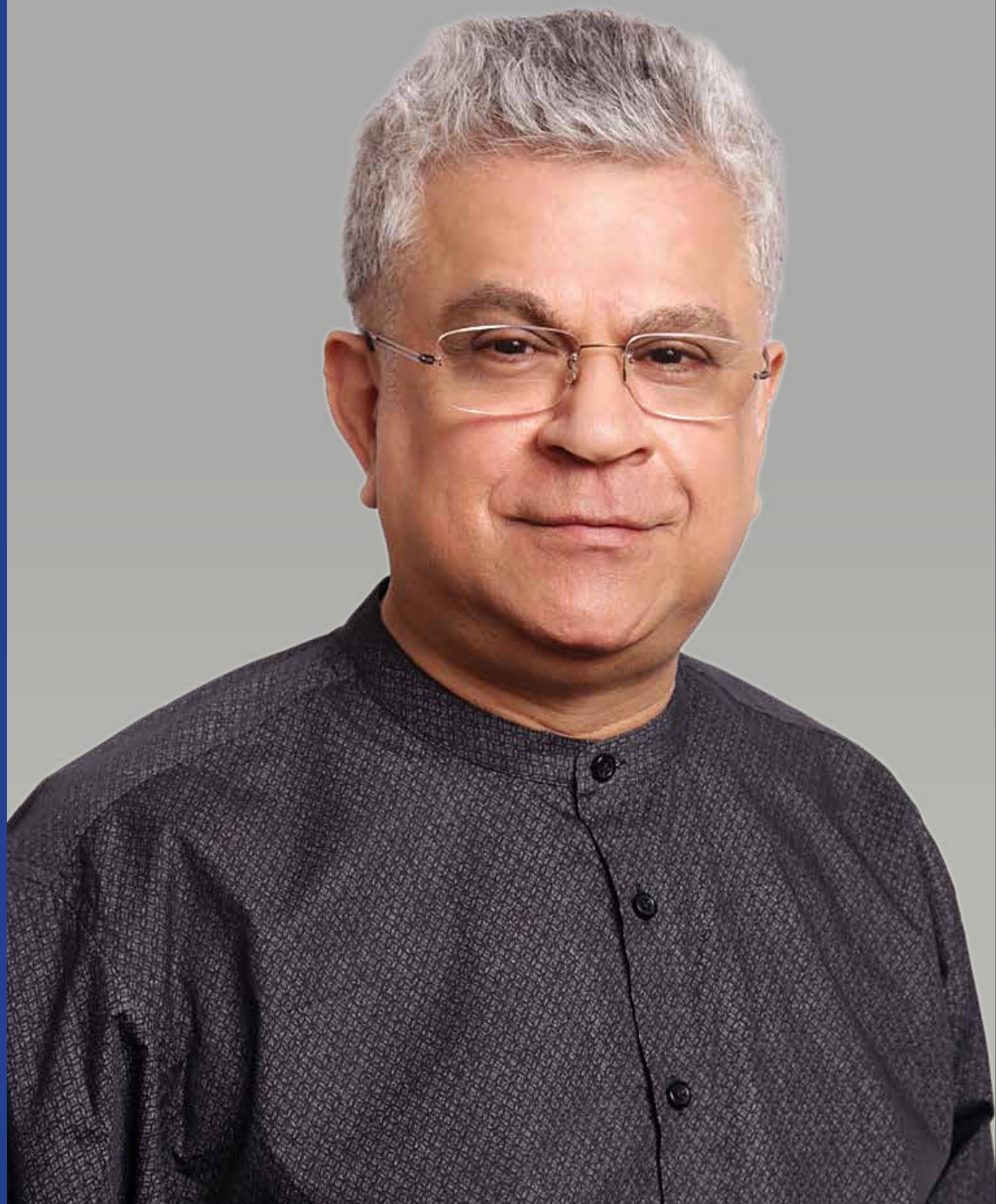


Unlocking the magic of sound is an extraordinary journey that traverses beyond borders and boundaries, captivating hearts and souls with its unifying force. At the forefront of this captivating realm stands Tips Industries Limited, a pioneering Indian music label that embarks on the creation and monetization of music. With an extensive and diverse catalogue spanning film, non-film, devotional, pop, and remixes in various languages including Hindi, Punjabi, Gujarati, and Bhojpuri, Tips Industries Limited encompasses every genre of popular Indian music. This vast collection is licensed to numerous over-the-top (OTT) video platforms, social media platforms, content aggregators, television channels, telecom companies, radio stations, advertisers, event management companies, hotels, restaurants, and many others. In this era of innovation, social media and gaming platforms have emerged as novel avenues for monetization. With a remarkable track record of several years, Tips Industries Limited has consistently showcased its prowess in creating exceptional music and acquiring valuable music-related intellectual property rights (IPR), cementing its position as a thought leader of the industry.



CHAIRMAN'S MESSAGE TO SHAREHOLDERS

"Music is a uniting force that transcends borders and yet remains undervalued. Even in developed markets where subscription streaming is widely accepted, subscription rates per hour of music consumed remain far below the rates of film or television based entertainment."



Dear Fellow Shareholders,

The period from FY2014 to FY2023 has been a remarkable and unforgettable journey. In FY2014, our total debt amounted to Rs. 133 crore. Over the course of these years, we successfully repaid the entire debt of Rs. 133 crore, along with accumulated interest of Rs. 54.5 crore. Additionally, we made substantial investments of Rs. 157.3 crore in new content, distributed dividends to shareholders amounting to over Rs. 24 crore (including dividend distribution tax), conducted buybacks totalling Rs. 68.9 crore, and ultimately concluded FY23 with cash and investments exceeding Rs. 117 crore. This serves as a glimpse into the captivating process of Unlocking the Power of Sound. We also follow the most conservative accounting policy in the entire music sector since inception of the Company (100% content cost written off in the year of release).

Music possesses the unique ability to unite people across borders, yet its true value often goes unrecognized. Even in developed markets where subscription streaming is widely embraced, the rates of music subscription, per hour of consumption, remain significantly lower compared to film or television entertainment. In India, the subscription journey is still in its early stages. Therefore, our focus remains on nurturing artists and cultivating a high-quality repertoire. By leveraging knowledge and innovation, we aim to facilitate fans' connection with their favourite artists and music in the ways they desire.

We are pleased to highlight the success of our album releases, as there are several remarkable musical gems worthy of mention. In brief, our top 5 albums collectively recorded over 1 billion streams, with notable performances by "Ponniyin Selvan-1" at 498 million streams, "Freddy" at 157 million streams, "Saunkan Saunkne" at 142 million streams, "Moh" at 132 million streams, and "Bajre Da Sitta" at 94 million streams. Additionally, our recreations of "Yai Re" garnered 43 million streams, while the LoFi Mixes of "Dil Laga Liya Maine" and "Jeene Laga Hoon" recorded over 76 million and 46 million streams respectively.

We are actively engaged in creating and acquiring new intellectual property. FY2024 will witness a greater number of film and non-film

Key milestones achieved during our journey from 2014 to 2023 include the successful repayment of Rs. 133 crore in debt, along with an additional Rs. 54.5 crore in accumulated interest. Shareholders were rewarded with dividends exceeding Rs. 24 crore, and buybacks totalling Rs. 68.9 crore were conducted. Notably, we also invested Rs. 157.3 crore in creating new content. It's important to note that, in accordance with our accounting policy, the entire cost of new content is written off in the year of its release.

music releases from the Tips label. Currently, both music and technology are driving the growth of our business. We firmly believe that advancements in technology, particularly in social media, digital health/fitness, and gaming, present exciting new market opportunities.

Expanding upon these advancements, we anticipate the streaming market's reach to grow through the penetration of Smart Audio Devices such as smartwatches, earbuds, Smart TVs, and Connected Cars. These developments have the potential to increase engagement and consumption, while also supporting new listening habits, thus becoming powerful drivers for customer acquisition and retention.

In light of these promising developments, we envision a future brimming with opportunities. Bon Voyage!

Jai Hind
Kumar Taurani

CEO SPEAK:

THOUGHTS FROM THE GLOBAL LEADERS OF MUSIC INDUSTRY

Sir Lucian Grainge, *Chairman & CEO, Universal Music Group*

On Leadership

“Being a leader is not necessarily about market share and size, it’s about being ahead – and we want to be ahead.”

On Business

“We Have To Be An Organization Of Great Characters... [But] Everyone That Works For Me Has To Be Able To Count, And They Have To Be Able To Say No.”

On Artificial Intelligence

“ChatGPT can write a poem; it can write lyrics. Is this a tool that artists will use to enhance the quality of their music? Or is it a disruptive threat?”



“For some companies, technology is the highest form of art; for us the highest form of art is music.”

Source : <https://www.musicbusinessworldwide.com/sir-lucian-grainge-we-can-accelerate-artists-careers-beyond-any-other-structure/>

Source : <https://www.musicbusinessworldwide.com/sir-lucian-grainge-everyone-that-works-for-me-has-to-be-able-to-count-and-they-have-to-be-able-to-say-no/>

CEO SPEAK:

THOUGHTS FROM THE GLOBAL LEADERS OF MUSIC INDUSTRY

Rob Stringer, *Chairman of Sony Music Group and CEO of Sony Music Entertainment*

On Emerging Markets

“If you look at the calculations of smartphone use with music revenue built in, from where we are today at 6% to where it will be potentially in 2030, that’s going to come from emerging markets [with] huge amounts of revenue.”

On Music’s Value

“We don’t want our music to be under-sold – that’s a very important point: We don’t want to ever under-value music. I don’t want a great song to be competing with two minutes of someone snoring in Lapland; I don’t think it’s the same thing. A piece of art is different to a piece of noise.”

“Recently, we have seen price increases from a number of our digital partners that have been long overdue, and we look forward to more DSPs recognising that the value of music continues to rise.”

On Artificial Intelligence

“AI promises to provide us tools so that our artists and writers can create and innovate. It also heralds greater levels of insight through machine learning, as well as potential new licensing channels and avenues for commercial exploitation.”



“We supported Spotify going into India; that was not an uncomplicated negotiation, but we got it done because we understood that we needed them to have a chance of being a potential player [there].”

Source : <https://www.musicbusinessworldwide.com/rob-stringer-talks-strategy-tencent-and-why-sonys-music-is-worth-more-than-2-minutes-of-someone-snoring-in-lapland/>

Source : <https://musically.com/2023/05/24/sony-music-boss-warns-of-music-streamings-meaningless-volume/>

Source : <https://faroutmagazine.co.uk/sony-music-chairman-rob-stringer-ai-music-industry/>

CEO SPEAK:

THOUGHTS FROM THE GLOBAL LEADERS OF MUSIC INDUSTRY

Robert Kyncl, *CEO, Warner Music Group*

On Music Pricing

“Music is undervalued, and this is not my opinion – there are actually numbers to back it up. If you take the US, the price that the user pays per hour of consumption of music is half of what they pay for movies and TV shows on streaming services.”

On Artificial Intelligence

“It is crucial that any AI generative platform discloses what their AI is trained on and this must happen all around the world. Europe is leading by example, with the EU Artificial Intelligence Act. The European Parliament is considering amendments which would codify the position that copyrighted content may not be used to train AI without prior authorization from the rightsholders, and would require AI developers to disclose a summary of the materials they use to train AI.”



“Recent price increases [at certain music streamers] have been successful and are a move in the right direction, but this should be just the first step. Those subscription services which have raised prices have done the fiscally prudent thing – for themselves, their shareholders, and the creative community and there is no sign that they are seeing elevated churn.”

Source : <https://mixmagmena.com/read/warner-music-ceo-robert-kyncl-says-streaming-platforms-should-increase-prices-news>

Source : <https://www.musicbusinessworldwide.com/ed-sheeran-stream-is-not-worth-the-same-as-a-stream-robert-kyncl-says-music-streaming-payout/>

Source : <https://www.musicbusinessworldwide.com/ed-sheeran-stream-is-not-worth-the-same-as-a-stream-robert-kyncl-says-music-streaming-payout/>

Our Corporate Culture



Our Purpose:

Deliver Entertainment



Our Mission:

To create, acquire and deliver quality music having high catalogue value to a wide range of audiences.



Our Vision:

To be amongst the Top 3 music companies in India.



Our Core Values:

- Honesty
- Commitment
- Teamwork
- Passion
- Positive attitude

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Kumar Taurani	<i>Chairman & Managing Director</i>
Mr. Ramesh Taurani	<i>Executive Director</i>
Mr. Girish Taurani	<i>Executive Director</i>
Mr. Amitabh Mundhra	<i>Independent Director</i>
Mrs. Tara Subramaniam	<i>Independent Director</i>
Mr. Shashikant Vyas	<i>Independent Director</i>

CHIEF FINANCIAL OFFICER:

Mr. Sushant Dalmia (from December 15, 2022)
Mr. Sunil Chellani (till December 14, 2022)

COMPANY SECRETARY & COMPLIANCE OFFICER:

Ms. Bijal R. Patel

REGISTERED OFFICE:

601, Durga Chambers, Linking Road,
Khar (West), Mumbai - 400 052
Contact No.: +91 22 6643 1188
E-mail ID: info@tips.in
Website: www.tips.in
CIN: L92120MH1996PLC099359

CORPORATE OFFICE:

2nd Floor, Raheja Chambers,
Linking Road and Main Avenue
Santacruz (West), Mumbai - 400 054

STATUTORY AUDITORS:

SSPA & Associates

Chartered Accountants
1st Floor, Arjun, Plot No. 6A, V. P. Road,
Andheri (West), Mumbai - 400 058

INTERNAL AUDITORS:

Grant Thornton Bharat LLP

11th Floor, Tower II,
One International Centre, S B Marg,
Elphinstone (West), Mumbai - 400 013

SECRETARIAL AUDITORS:

NL Bhatia & Associates

507, Skyline Wealth Space, 5th Floor,
C2 Wing, Skyline Oasis Complex,
Premier Road, Near Vidyavihar Station,
Ghatkopar (West), Mumbai - 400 086

REGISTRAR & SHARE TRANSFER AGENT:

Link Intime India Pvt. Ltd.

C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai - 400 083
Contact No.: Tel: +91 22 4918 6000
Fax No.: +91 22 4918 6060
E-mail ID: rnt.helpdesk@linkintime.co.in
Website: www.tips.in

BANKERS:

Equitas Small Finance Bank Limited
Bank of Baroda
HDFC Bank Limited
ICICI Bank Limited
IndusInd Bank Limited
Yes Bank Limited