tips.in

Date: 26th October, 2021

To,
BSE Limited
P.J Towers, Dalal Street,
Fort, Mumbai – 400 001

Scrip Code: **532375**

To,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E), Mumbai – 400 050

Symbol: **TIPSINDLTD**

Dear Sirs,

Sub: Meeting of Equity Shareholders of the Company

Ref: In the matter of the Scheme of Arrangement and Demerger between Tips Industries Limited & its Shareholders and Tips Films Limited & its Shareholders.

1. This is to inform you that by an Order dated 22nd September, 2021 ("**Tribunal Order**"), the Mumbai Bench of the Hon'ble National Company Law Tribunal ("**Tribunal**") has directed a meeting to be held of the equity shareholders of the Company.

2. In pursuance of the Tribunal Order and as directed therein and in compliance with the applicable provisions of the Companies Act, 2013 ("**the Act**") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), further notice is hereby given that meeting of the equity shareholders of the Company will be held on **Thursday, 2nd December, 2021 at 11.00 a.m. (IST)** through video conferencing ("**VC**") / other audio visual means ("**OAVM**").

3. The details such as manner of (i) casting vote through remote e-voting and e-voting at Meeting and (ii) attending the meeting through VC / OAVM has been set out in the Notice of the Meeting.

4. An equity shareholder, 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, i.e., Thursday, 25th November, 2021 only shall be entitled to exercise his/her/its voting rights on the resolutions proposed in the notice and attend the meeting of the equity shareholders. Voting rights of an equity shareholder / beneficial owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut-off date, i.e., Thursday, 25th November, 2021.

5. Copy of the Notice and Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act read with Rule 6 of the Companies

(Compromises, Arrangements and Amalgamations) Rules, 2016, of the aforesaid meeting are attached.

You are requested to disseminate the above intimation on your website.

Thanking you,
Yours faithfully,

For **Tips Industries Limited**

PATEL BIJAL RAMJIBHAI
Digitally signed by PATEL BIJAL RAMJIBHAI
Date: 2021.10.26 10:49:02 +05'30'

Bijal Patel
Company Secretary

Encl: a/a

TIPS INDUSTRIES LTD.

601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai 400 052.
Tel. : 6643 1188 Email : response@tips.in Website : www.tips.in
CIN: L92120MH1996PLC099359

TIPS INDUSTRIES LIMITED
CIN: L92120MH1996PLC099359
Registered Office: 601, Durga Chambers, 6th Floor, 278/E, Linking Road,
Khar (West), Mumbai – 400052, Maharashtra, India.
Tel: 6643 1188 Fax: 6643 1189 Email: info@tips.in Website: www.tips.in

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

C.A. (CAA). 203/MB/2021
FORM NO. CAA. 2

[Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF TIPS INDUSTRIES LIMITED PURSUANT TO ORDER DATED 22ND SEPTEMBER, 2021 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

Details of the Meeting:	
Day	Thursday
Date	2nd December, 2021
Time	11.00 a.m. (IST)
Mode of meeting	In view of the Covid-19 pandemic and related social distancing norms and as per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"/ "**Tribunal**"), the Meeting shall be conducted through Video Conferencing/ Other Audio Visual Means ("**VC/OAVM**") and is deemed to take place at 601, Durga Chambers, 6th Floor, 278/E, Linking Road, Khar (West), Mumbai - 400052
Cut-off date for e-voting	Thursday, 25th November, 2021
Remote e-voting start date and time	Monday, 29th November, 2021 at 9.00 a.m. (IST)
Remote e-voting end date and time	Wednesday, 1st December, 2021 at 5.00 p.m. (IST)

INDEX

Sr. No.	Contents	Page Nos.
1	Notice of meeting of equity shareholders of Tips Industries Limited ("**Notice**")	3-11
2	Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("**Act**") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**CAA Rules**")	12-27
3	**Annexure 1** Copy of order dated 22nd September, 2021 passed by the Hon'ble NCLT (hereinafter referred to as "**NCLT Order**")	28-38
4	**Annexure 2** Scheme of Arrangement and Demerger between Tips Industries Limited ("**Demerged Company**" or "**Company**") & its shareholders and Tips Films Limited ("**Resulting Company**") & its shareholders ("**Scheme**")	39-72
5	**Annexure 3** Copy of Share Entitlement Report of registered valuer determining the Share Entitlement Ratio	73-83
6	**Annexure 4** Copy of Fairness Opinion of Merchant Banker on reasonableness on share entitlement ratio	84-87
7	**Annexure 5** Certificates issued by the Auditors of the respective Companies (Demerged Company and Resulting Company) to the effect that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013	88-91
8	**Annexure 6** Copy of Supplementary Unaudited Financial Results of Tips Industries Limited as on 30th June, 2021	92-96
9	**Annexure 7** Copy of Audited Financial Statements of Tips Industries Limited as on 31st March, 2021	97-153
10	**Annexure 8** Copy of Supplementary Audited Financial Statements of Tips Films Limited as on 30thSeptember, 2021	154-166
11	**Annexure 9** Copy of Audited Financial Statements of Tips Films Limited as on 31st March, 2021	167-179
12	**Annexure 10** Report adopted by the Board of Directors of Tips Industries Limited, pursuant to Section 232(2)(c) of the Act	180-184
13	**Annexure 11** Report adopted by the Board of Directors of Tips Films Limited, pursuant to Section 232(2)(c) of the Act	185-188
14	**Annexure 12** Observation letter provided by BSE Limited ("**BSE**") on the Scheme to Tips Industries Limited	189-191
15	**Annexure 13** Observation letter provided by National Stock Exchange of India Limited ("**NSE**") on the Scheme to Tips Industries Limited	192-194
16	**Annexure 14** Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e. Tips Films Limited involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**")	195-202
17	**Annexure 15** Complaints report submitted by the Demerged Company to BSE	203
18	**Annexure 16** Complaints report submitted by the Demerged Company to NSE	204

The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. 1 to 27) and Annexure 1 to Annexure 16 (page nos. 28 to 204) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

C.A. (CAA). 203/MB/2021

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Scheme of Arrangement and Demerger of Tips Industries Limited ("**Demerged Company**") with Tips Films Limited ("**Resulting Company**") and their respective shareholders.

Tips Industries Limited, a company incorporated under the provisions of Companies Act, 1956 having Corporate Identity Number L92120MH1996PLC099359 and its registered office at 601, Durga Chambers, 6th Floor, 278/E, Linking Road, Khar (West) Mumbai - 400052 Maharashtra, India) …. Company/ Demerged Company

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF TIPS INDUSTRIES LIMITED

To,
All the Equity Shareholders of
Tips Industries Limited

1. **NOTICE** is hereby given that, in accordance with the Order dated 22nd September, 2021 in the above mentioned Company Scheme Application No. 203 of 2021, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Tribunal**") ("**Tribunal Order**"), a meeting of the equity shareholders of the Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement and Demerger between Tips Industries Limited ("**TIL**" or "**Demerged Company**" or "**Company** ") & its shareholders and Tips Films Limited ("**TFL**" or "**Resulting Company**") & its shareholders ("**Scheme**") **on Thursday, 2nd December, 2021 at 11:00 a.m. (IST)**, being the date and time as decided by the Company in consultation with the Chairperson in terms of the Tribunal Order.
2. Pursuant to the said Tribunal Order and as directed therein, the meeting of the equity shareholders of the Company ("**Meeting**") will be held through video conferencing ("**VC**") / other audio visual means ("**OAVM**"), in compliance with the applicable provisions of the Companies Act, 2013 ("**Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") to consider, and if thought fit, pass, with or without modification(s), the following resolutions for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act and SEBI Circular CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, as amended:

SPECIAL BUSINESS

***"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and read with other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble jurisdictional National Company Law Tribunal ("**NCLT**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the Parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the (**"Board"**), which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Arrangement and Demerger between Tips Industries Limited & its shareholders and Tips Films Limited & its shareholders (**"Scheme"**), be and is hereby approved;*

***RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."*

3. **TAKE FURTHER NOTICE** that the equity shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through e-voting system available at the Meeting to be held virtually or (b) by remote electronic voting ("**remote e-voting**") during the period as stated below:

REMOTE E-VOTING PERIOD	
Commencement of e-voting	Monday, 29th November, 2021 at 9:00 a.m. (IST)
End of e-voting	Wednesday, 1st December, 2021 at 5:00 p.m. (IST)

4. 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, i.e., Thursday, 25th November, 2021 only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the cut-off date, should treat the Notice for information purpose only.

5. A copy of the said Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**CAA Rules**") along with all annexures to such statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Company viz. www.tips.in; the website of Central Depository Services (India) Limited at www.evotingindia.com, being the agency appointed by the Company to provide the e-voting and other facilities for convening of the Meeting; and the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

6. The Tribunal has appointed Mr. Kumar Taurani, Chairman & Managing Director of the Company and failing him, Mr. Ramesh Taurani, Managing Director of the Company and failing him Mr. Girish Taurani, Executive Director of the Company to be the Chairperson for the Meeting. Mr. Shirish Shetye, Practicing Company Secretary has been appointed as Scrutinizer to scrutinize the remote e-voting and the voting process at the Meeting in a fair and transparent manner.

7. The above mentioned Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-
Kumar Taurani
DIN: 00555831
Chairperson appointed by Tribunal for the Meeting

Mumbai, 23rd October, 2021

Registered Office:
601, Durga Chambers, 6th Floor,
278/E, Linking Road, Khar (West),
Mumbai - 400052 MH IN
Website: www.tips.in
E-mail: info@tips.in
Tel.: +91 22 66431188
Fax: +91 22 66431189

Notes:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 22nd September, 2021 ("**Tribunal**"), the Meeting of the equity shareholders of the Company is being conducted through Video Conferencing ("**VC**") / other audio visual means ("**OAVM**") facility to transact the business set out in the Notice convening this Meeting. As such, physical attendance of equity shareholders has been dispensed with. The deemed venue for the Meeting shall be the registered office of the Company.
2. The Explanatory Statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("**Act**") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
3. **In terms of the MCA Circulars and SEBI Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the Tribunal Convened Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.** However, pursuant to Section 112 and Section 113 of the Act, Authorized Representatives of the equity shareholders may be appointed for the purpose of voting through remote e-voting, for participation in the Tribunal Convened Meeting through VC/OAVM facility and e-voting during the Tribunal Convened Meeting, provided an authority letter/ power of attorney by the board of directors or a certified copy of the resolution passed by its board of directors or other governing body authorizing such representative to attend and vote at the Tribunal Convened Meeting, on its behalf, along with the attested specimen signature of the duly authorized signatories who are authorized to vote is emailed to bijal@tips.in.
4. The equity shareholders can join the Tribunal Convened Meeting in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below. The facility of participation at the Tribunal Convened Meeting through VC/ OAVM will be made available for 1,000 Equity shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Tribunal Convened Meeting without restriction on account of 'first come first serve' basis.
5. **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 (specified above in the Notice) only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the cut-off date, should treat the Notice for information purpose only.**
6. No route map of the venue of the Meeting is annexed hereto, since this Meeting is being held through VC / OAVM.
7. 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 at the Meeting.
8. Equity shareholders attending the Meeting through VC / OAVM shall be reckoned for the purpose of quorum. In terms of the

Tribunal Order and Section 103 of the Act, the quorum for the meeting of equity shareholders is 30 (thirty) equity shareholders attending the Meeting.

9. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those equity shareholders whose email addresses are registered with the Company / Registrar and Share Transfer Agent / Depositories and by Post / courier to the equity shareholders whose email addresses are not registered with the Company / Registrar and Share Transfer Agent / Depositories. Members may note that this Notice along with the relevant documents will be available on the website of the Demerged Company at www.tips.in, on the website of the stock exchanges, i.e., BSE, at www.bseindia.com and NSE at www.nseindia.com and on the website of CDSL at www.evotingindia.com.
10. In compliance with the aforesaid Circulars, the Demerged Company shall publish a public notice by way of an advertisement in Business Standard and Navshakti, both having a wide circulation in Maharashtra, and stating that copies of the Scheme and the said statement required to be furnished pursuant to section 230(3) of the Companies Act, 2013 can be obtained free of charge by emailing the Demerged Company at bijal@tips.in.
11. In compliance with the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("**Listing Regulations**") and MCA Circulars and SEBI Circulars, the Demerged Company is pleased to provide to its Members facility to exercise their right to vote on resolution proposed to be passed in the Tribunal Convened Meeting by electronic means.
12. CDSL will be providing facility for remote e-voting, participation in the Tribunal Convened Meeting through VC/ OAVM and e-voting during the Tribunal Convened Meeting.
13. In accordance with the provisions of Sections 230-232 of the Companies Act, the Schemes shall be acted upon only if a majority in persons representing three fourths in value of the equity shareholders, of the Applicant Company, voting in person through VC/ OAVM or remote e-voting, approve the Scheme.
14. In accordance with, the SEBI Circular, the Scheme of arrangement and demerger shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING MEETING AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on 29th November, 2021 at 9:00 a.m. (IST) and ends on 1st December, 2021 at 5:00 p.m. (IST). 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 25th November, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meeting for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securi-ties in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual 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) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
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. • 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 (5).

7) After entering these details appropriately, click on "SUBMIT" tab.

8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

10) Click on the EVSN of **TIPS INDUSTRIES LIMITED**.

11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Company at the email address viz; bijal@tips.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE MEETING THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the Meeting is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the Meeting.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Only those shareholders, who are present in the Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the Meeting.
9. If any Votes are cast by the shareholders through the e-voting available during the Meeting and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to bijal@tips.in or to rnt.helpdesk@linkintime.co.in.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meeting through Depository.

If you have any queries or issues regarding attending meeting & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

1. Documents for inspection as referred to in the Notice will be available electronically for inspection without any fees by the equity shareholders from the date of circulation of this Notice up to the date of Meeting. Equity shareholders seeking to

inspect such documents can visit the "Investor Relations" section on the website of the Company: www.tips.in.

2. Equity Shareholders seeking any information with regard to the Scheme or the matter proposed to be considered at the meeting, are requested to write to the Company atleast seven days before the date of the Meeting through email on bijal@tips.in. The same will be replied by the Company, suitably.

Equity shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-voting or e-voting at the Meeting.

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

C.A. (CAA). 203/MB/2021

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Scheme of Arrangement and Demerger of Tips Industries Limited ("**Demerged Company**") with Tips Films Limited ("**Resulting Company**") and their respective shareholders.

Tips Industries Limited, a company incorporated under the provisions of Companies Act, 1956 having Corporate Identity Number L92120MH1996PLC099359 and its registered office at 601, Durga Chambers, 6th Floor, 278/E, Linking Road, Khar (West) Mumbai - 400052 Maharashtra, India) …. Company/ Demerged Company

EXPLANATORY STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("CAA RULES") TO THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF TIPS INDUSTRIES LIMITED CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH ("TRIBUNAL") DATED 22ND SEPTEMBER, 2021 ("TRIBUNAL ORDER")

I. Pursuant to the Order dated 22nd September, 2021 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench (hereinafter referred to as "**NCLT**" **/** "**Hon'ble Tribunal**") in Company Application being C.A. (CAA). No.203/MB/2021 filed by Tips Industries Limited, (hereinafter referred to as the "**Demerged Company**") and Tips Films Limited (hereinafter referred to as the "**Resulting Company**"), a meeting of the equity shareholders of the Demerged Company ("**Tribunal Convened Meeting**") is being convened on Thursday, 2nd December, 2021, at 11:00 a.m. (IST) through Video Conferencing ("**VC**")/ Other Audio Visual Means ("**OAVM**") without the physical presence of the shareholders at a common venue, as per applicable procedure (with requisite modifications as may be required) mentioned in the General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No.22/2020 dated 15th June 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020 and General Circular No.10/2021 dated 23rd June, 2021 issued by the Ministry of Corporate Affairs, Government of India (hereinafter referred to as "**MCA Circulars**") and Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 (hereinafter referred to as "**SEBI Circulars**"), for the purpose of considering the arrangement embodied in the Scheme of Arrangement and demerger between Demerged Company and Resulting Company and their respective shareholders (hereinafter referred to as the "**Scheme**"). A copy of the Scheme setting out details of parties involved in the Scheme, appointed date, effective date, and other details is enclosed herewith and forms a part of the Notice.

II. The Tribunal has appointed Mr. Kumar Taurani, Chairman & Managing Director of the Company and failing him, Mr. Ramesh Taurani, Managing Director of the Company and failing him Mr. Girish Taurani, Executive Director of the Company

to be the Chairperson for the Meeting. Further, the Tribunal has also appointed Mr. Shirish Shetye, Practicing Company Secretary, as the Scrutinizer for the Tribunal Convened Meeting. The Scheme, if approved by in the Tribunal Convened Meeting, will be subject to the subsequent approval of the Tribunal.

III. The draft Scheme was approved by the Board of Directors of the Demerged Company and the Resulting Company at their respective meetings, both held on 10th May 2021. In accordance with the provisions of SEBI Circular bearing no. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, as amended time to time, the Audit Committee and the Committee of Independent Directors of the Demerged Company, at their respective meetings, vide a resolution passed on 10th May, 2021, recommended the Scheme of Arrangement and Demerger to the Board of Directors of the Demerged Company, The Board of Directors of the Demerged Company at its meeting held on 10th May 2021, approved the Scheme of Arrangement and Demerger, inter alia, based on such recommendation of the Audit Committee and the Committee of Independent Directors.

IV. List of the Companies/Parties involved in the Scheme:

a. Tips Industries Limited (Demerged Company)

b. Tips Films Limited (Resulting Company)

V. Background of the Companies

1. Particulars of the Demerged Company

a. Tips Industries Limited ("**Demerged Company**") having Corporate Identity Number (CIN) L92120MH1996PLC099359 was incorporated on 8th May, 1996, under the provisions of the Companies Act, 1956 under the name "Tips Industries Private Limited". The company was subsequently deemed public limited company with effect from 1st July, 1999, pursuant to Section 43A of the Companies Act, 1956 and was known as "Tips Industries Limited" The registered office of the Company is situated 601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai – 400052, Maharashtra, India. The Company is accordingly registered with the Registrar of Companies, Mumbai having Corporate Identity Number L92120MH1996PLC099359. Its Permanent Account Number with the Income Tax Department is AAACT5284A. The email address of the Company is info@tips.in and website is www.tips.in. During the last five years, there has been no change in the name and registered office of the Company. The equity shares of the Company are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**").

b. The main objects of the Demerged Company are set out in the Memorandum of Association which are as under

1. *"To carry on the business as manufacturers, sellers, distributors, dealers, buyers, importers, exporters of audio and video cassettes, records, compact disc, laser disc, electro magnetic devices in any formats, televisions, radios, amplifiers, tape recorders, video recorders, digital electronics and equipments for sound, ultrasonic microwave laser and other control systems, sound/video transferring and processing, video graphics, video vision.*
2. *To carry in all parts of the world the business to produce, promote, project, participate, manufacture, manipulate, treat, process, prepare, alter, develop, expose, edit, exhibit, make, remove, display, print, reprint, convert, duplicate, finish, buy, sell, run, import, export and to act as broker, agent, distribution, proprietor, copyright owner, video right owners, audio right owners, theatre owners, dubbing right owners, lab owner, etc., of all kinds of cine films, video films, telefilms, documentary films, advertising films, TV serial, slides in all languages prevailing in the world and to do all such other acts and things as are necessary and incidental to the business of film industry in general.*
3. *To act as distribution, exhibitors and exploiters at any place in India or aboard of all types of India/Foreign motion pictures, features, documentaries, ad-film, educational films, cultural and historical films, films of places of tourist interest, films on science and technology and the like on video format/TV/in theaters.*
4. *To carry on business of proprietors, agents, managers, lessees, hirers, licensees, partners of studios, theaters , place of amusements or entertainment, music halls, cinemas, pictures place and concert halls and of hiring out studios for the purpose of shooting or dubbing or editing of films in all formats including video format and to give all other facilities apparent thereto and for these purposes construct and/or acquire studios, theaters, sound and recording equipments and all other machinery required for the purpose of attaining the above object."*

c. The Demerged Company has not changed its name, registered office, and objects during the last five years.

d. The share capital of the Company as on 30th September, 2021 is set out below

Particulars	Amount (in Rs.)
Authorised Share Capital	
20,000,000 Equity Shares of Rs. 10/- each	200,000,000
Total	**200,000,000**
Issued, Subscribed and Paid-up Capital	
12,968,659 Equity Shares of Rs. 10/- each fully paid up	129,686,590
Total	**129,686,590**
There has been no change in the Authorized, Issued, Subscribed and Paid-Up Share Capital of the Demerged Company as on date.	

e. The details of Directors and Promoters of the Demerged Company (as on the date of the Notice) along with their addresses are mentioned herein below

i) Directors

Sr. No.	Name	Category	Address
1	Mr. Kumar Taurani	Chairman & Managing Director	901-1001,Vivendi Bldg, C.T.S. NO.-576, Sarojini Road, Santacruz (West), Mumbai 400052
2	Mr. Ramesh Taurani	Managing Director	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
3	Ms. Radhika Dudhat	Independent Director	72, Buena Vista, J.Bhosle Marg, Nariman Point, Mumbai - 400021
4	Mr. Amitabh Mundhra	Independent Director	27, Shakespearre Sarani, Kolkata 700017
5	Mr. Venkitaraman Iyer	Independent Director	902, Vishnu Tower, Bhakti Dham Complex, P.K.Road, Mulund (West), Mumbai 400080
6	Mr. Girish Taurani	Executive Director	901-1001,Vivendi Bldg, C.T.S. NO.-576, Sarojini Road, Santacruz (West), Mumbai 400052

ii) Promoters

Sr. No.	Name	Category	Address
1	Mr. Kumar Taurani	Promoter	901-1001,Vivendi Bldg, C.T.S. NO.-576, Sarojini Road, Santacruz (West), Mumbai 400052
2	Mr. Ramesh Taurani	Promoter	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
3	Mrs. Varsha Taurani	Promoter	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
4	Mrs. Renu Taurani	Promoter	901-1001,Vivendi Bldg, C.T.S. NO.-576, Sarojini Road, Santacruz (West), Mumbai 400052
5	Mr. Shyam Lakhani	Promoter	501, Plot No-227, 5th Floor, Shree Niwas Building, 12th Road, Khar (West), Mumbai - 400052

f. The amount due to unsecured creditors as on 15th July, 2021 is Rs. 5,78,17,359/-

g. Amounts due to secured as on 15th July, 2021: Nil

2. Particulars of the Resulting Company

a. Tips Films Limited ("**Resulting Company**") having Corporate Identity Number U74940MH2009PTC193028 was incorporated under the provisions of the Companies Act, 1956 as "Tips Films Limited" on 5th June, 2009. The

registered office of the Resulting Company is situated at 501, Durga Chambers, 5th Floor, Linking Road, Khar (West), Mumbai- 400052, Maharashtra, India. Its Permanent Account Number with the Income Tax Department is AAGCT2393E. The email address of the Resulting Company is hnsedhani@tips.in. Shares of the Resulting Company are not listed on any of the stock exchanges.

b. Main objects of the Resulting Company are set out in the Memorandum of Association which are as under

1. *"To carry on the business to produce, promote, project, participate, manufacture, manipulate, treat, process, prepare, alter, develop, expose, edit, exhibit, make, remove, display, print, reprint, convert, duplicate, finish, buy, sell, run, import, export and to act as broker, agent, distributor, proprietor, copy right owner, video right owner, audio right owner, theatre owner, dubbing right owner, lab owner and all kinds of cine films, video films, telefilms, documentary films, advertising films, animation film, internet web portal, internet blog, TV serial slides, in all languages and different modes of expressions prevailing in the world.*

2. *To act as distributors, exhibitors and exploiters of all types of motion pictures, features, documentaries, ad-films, educational films, cultural and historical films, films of places of tourist interests, films on sciences and technology and the like on different formats, and to carry on the business of proprietors, agents, managers, lessees, hirers, licensees, partners of studios, theatres, places of amusements or entertainment, music halls, cinemas, picture places and concert halls and of hiring out studios for the purpose of shooting, dubbing, recording or editing of films in all formats and to give all other facilities apparent thereto and for these purposes construct and/or acquire studios, theatres, sound and recording equipments and all other machinery required for the purpose of business."*

c. The Resulting Company has not changed its name, registered office, and objects during the last five years.

d. The share capital of the Company as on 30th September, 2021 is set out below

Particulars	**Amount (in Rs.)**
Authorised Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	**5,00,000**
Issued, Subscribed and Paid-up Capital	
50,000 Equity Shares of Rs. 10/- each fully paid up	5,00,000
Total	**5,00,000**
There has been no change in the Authorized, Issued, Subscribed and Paid-Up Share Capital of the Resulting Company as on date.	

e. The details of Directors and Promoters of the Resulting Company (as on the date of the Notice) along with their addresses are mentioned herein below:

i) Directors

Sr. No.	**Name**	**Category**	**Address**
1	Mr. Ramesh Taurani	Director	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
2	Mr. Kumar Taurani	Director	901-1001,Vivendi Bldg, C.T.S. NO.-576, Sarojini Road, Santacruz (West), Mumbai 400052
3	Ms. Jaya Taurani	Director	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052

ii) Promoters and Promoter group

Sr. No.	Name	Category	Address
1	Mr. Ramesh Taurani	Promoter	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
2	Mr. Kumar Taurani	Promoter	901-1001,Vivendi Bldg, C.T.S. NO.-576, Sarojini Road, Santacruz (West), Mumbai 400052
3	Mrs. Varsha Taurani	Promoter Group	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
4	Ms. Jaya Taurani	Promoter Group	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
5	Ms. Sneha Taurani	Promoter Group	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
6	Ms. Raveena Taurani	Promoter Group	12th and 13th Floor, XVI Avenue, 16th Road, Opp. Anand Ashram, Khar (West), Mumbai 400052
7	Mr. Jay Shewakramani	Promoter Group	501 5th Floor 9th Road, Kakad Enclave, Near Khar Telephone Exchange, Khar (West), Mumbai 400052
8	Mr. Shyam Lakhani	Promoter Group	501, Plot No-227, 5th Floor, Shree Niwas Building, 12th Road, Khar (West), Mumbai 400052

f. Amounts due to secured and unsecured creditors as on 15th July, 2021: Nil

VI. Relationship subsisting between Parties to the Scheme

There is no relationship between the companies.

VII. Details of the Board meeting at which the Scheme was approved by the Board of Directors of the Applicant Companies including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution

The Board of Directors of Demerged Company at its Board Meeting held on 10th May, 2021 has unanimously approved the Scheme, as detailed below:

Name of Directors	Voted in favour / against / did not participate or vote
Mr. Kumar Taurani	In Favour
Mr. Ramesh Taurani	In Favour
Ms. Radhika Dudhat	In Favour
Mr. Amitabh Mundhra	In Favour
Mr. Venkitaraman Iyer	In Favour
Mr. Girish Taurani	In Favour

The Board of Directors of Resulting Company at its Board Meeting held on 10th May, 2021 has unanimously approved the Scheme, as detailed below:

Name of Directors	Voted in favour / against / did not participate or vote
Mr. Kumar Taurani	In Favour
Mr. Ramesh Taurani	In Favour
Ms. Jaya Taurani	In Favour

VIII. Rationale and benefits of the Scheme

TIL primarily operates in two business segments through separate business divisions: (i) Music Division and (ii) Film Division. This Scheme for the demerger and vesting of the Demerged Undertaking (as defined hereinafter) of TIL to TFL, results in the following benefits:

1. The Demerged Undertaking and the Remaining Business have both achieved scale and experience to sustain business on the basis of their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form of nature of risks, competition, challenges, opportunities and business methods. Hence, segregation of the two undertakings would enable focused managements to explore the potential business opportunities more effectively and efficiently.

2. Demerger will enable both TIL & TFL to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.

3. Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business;

4. Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.

5. Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE and NSE and will unlock the value of the Music Division and Film Division for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective; giving them flexibility in managing their investments in the two businesses having differential dynamics.

6. The demerger will unlock value of both businesses and result in shareholder value maximization.

The Board of Directors of the Demerged Company and the Resulting Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its minority shareholders, employees, and creditors.

IX. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme, inter alia, are as stated below. The capitalized terms used herein shall have the same meaning as described in Clause 1 of the Scheme:

(a) Demerger of the Demerged Undertaking of Demerged Company and vesting the same with and into the Resulting Company, on a going concern basis;

(b) The Appointed Date means the opening of business hours on 1st April, 2021 or such other date as may be approved by the National Company Law Tribunal, Mumbai bench ("**NCLT**");

(c) In consideration of the proposed Scheme, the Resulting Company will issue and allot equity shares, to each shareholder of the Demerged Company, whose names appear in the register of members of Demerged Company on the record date as may be fixed for the purpose by the Board of Resulting Company in consultation with the Demerged Company (hereinafter referred to as "**the Record Date**"), in the following manner:

"Issue and allot equity shares at par on a proportionate basis to each member of Tips Industries Limited whose name is recorded in the register of member of Tips Industries Limited as holding shares on the Record Date, in the ratio of 1 (one) equity shares of Rs. 10/- each fully paid up of Tips Films Limited for every 3 (three) equity shares of Rs. 10/- each fully paid up held in Tips Industries Limited."

(d) The equity shares proposed to be allotted by the Resulting Company will be listed on BSE Limited and National Stock Exchange of India Limited, recognized stock exchanges having nationwide trading platform.

(e) The Demerged Company and the Resulting Company shall follow the method of accounting as per the applicable accounting principles as prescribed under the Companies (Indian Accounting standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Act, as may be amended from time to time and relevant clarifications issued by Institute of Chartered Accountants of India.

(f) This Scheme is and shall be conditional upon and subject to:

a. The requisite consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular, on terms acceptable to TIL and TFL.

b. The approval of the Scheme by the respective requisite majorities in number and value of the shareholders of the Companies in accordance with section 230 to 232 of the Act;

c. TIL & TFL, as the case may be, complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Demerged Company through e-voting. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders, of the Demerged Company against it as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;

d. The Scheme being sanctioned by the Tribunal in terms of sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal and

e. Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by TIL and TFL as per the provisions of the Act.

Note: The above are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

X. Appointed Date and Effective date of the Scheme

(a) Appointed Date shall mean 1st April, 2021, or such other date as may be fixed by the Hon'ble NCLT, while sanctioning the Scheme.

(b) Effective date means the later of the dates on which certified true copy of the order of the Hon'ble NCLT sanctioning the Scheme are filed with the Registrar of Companies, Mumbai by the Demerged Company and the Resulting Company.

XI. Consideration

1. Upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking in the Resulting Company pursuant to this Scheme, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the "New Equity

Shares") at par on a proportionate basis to each member of TIL, whose name is recorded in the register of members of TIL as holding shares on the Record Date, in the ratio of:

1 (one) fully paid up equity shares of Rs. 10/- each of Tips Films Limited ("TFL") for every 3 (three) fully paid up equity share of Rs. 10/- each held in Tips Industries Limited ("TIL").

2. **Cancellation of shares of the Resulting Company:**

Simultaneous with the issuance and allotment of the equity shares by the Resulting Company in accordance with the Clause 13.1 of the Scheme, the initial issued and paid up equity share capital of the Resulting Company, comprising of 50,000 equity shares of Rs. 10/- each, aggregating to Rs. 5,00,000/- shall be cancelled.

The equity shares of the Resulting Company shall be issued in such a manner that the percentage of shareholding of the equity shareholders of the Demerged Company in the Resulting Company, after giving effect to cancellation of equity shares of the Resulting Company, is exactly same or mirror image in the Demerged Company.

Further, the Resulting Company shall apply to the BSE and NSE for listing and admission to trading, of all the equity shares issued under this Scheme, in terms of the provisions of SEBI master circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020.

XII. ACCOUNTING TREATMENT

1. Accounting Treatment in the books of Tips Industries Limited (TIL)

(a) Upon this scheme becoming effective, the book value of assets and liabilities of the Demerged Undertaking as appearing in the books of account of TIL and transferred to TFL shall be reduced from the book value of assets and liabilities of TIL as on the close of business on the day immediately preceding the Appointed Date.

(b) The difference between the book value of assets and liabilities of the Demerged Undertaking, shall be adjusted off/set-off first against the amount lying to the credit of the Capital Reserve Account, second against the amount lying to the credit of the Securities Premium Account and thereafter against the amount lying to the credit of the Retained Earnings Account.

(c) Notwithstanding the above, the Board of Directors of TIL, in consultation with its statutory auditors, is authorised to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and is authorised by the Accounting Standards applicable to the Company and/or Generally accepted Accounting Principles.

2. Accounting treatment in the books of Tips Films Limited (TFL)

(a) Upon coming into effect of this Scheme, TFL shall record the assets and liabilities transferred to and vested in it pursuant to the Scheme, at the same book values as appearing in the books of TIL as on the close of business on the day immediately prior to the Appointed Date.

(b) TFL shall credit its Share Capital Account in its books of account with the aggregate face value of the New Equity Shares issued to the shareholders of TIL by it in terms of Clause 13.1 of the scheme and reduce its Share Capital Account which are reduced and cancelled in terms of Clause 13.2 of the scheme.

(c) The surplus or deficit, if any, of the value of the assets over the value of the liabilities of the Demerged

Undertaking acquired pursuant to this Scheme by TFL, shall, after adjusting for the value of the New Equity Shares issued by TFL to the Shareholders of TIL, pursuant to this Scheme, shall be credited to the Capital Reserve Account in the books of TFL.

Notwithstanding the above, the Board of Directors of TIL and/or TFL, in consultation with its respective statutory auditor(s), is authorised to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and in accordance with the Accounting Standards applicable to TIL and TFL.

XIII. Share Entitlement Report and Fairness Opinion

Share Entitlement Report of the shares of the Applicant Companies based on which the share entitlement ratio has been arrived at, after careful consideration and after taking into account all relevant facts, has been carried out and approved by Mr. Pawan Shivkumar Poddar - Chartered Accountant and a registered valuer having registration No. IBBI Registration No. IBBI/RV/06/2019/12475. The following share entitlement ration has been approved vide the aforesaid report:

1 (one) fully paid up equity shares of Rs 10 each of Tips Films Limited ("TFL") for every 3 (three) fully paid up equity share of Rs 10 each held in Tips Industries Limited ("TIL").

Inter alia, the said report states that:

"Therefore, in our view, the above Share Entitlement Ratio is fair and equitable, considering that all the shareholders of TIL, will, upon the proposed demerger, have their inter-se economic interests, rights, obligations in TFL post-demerger in the same proportion as their existing economic interest, rights and obligation in TIL pre-demerger."

A copy of the Share Entitlement Report is appended herewith to the Notice as **Annexure 3**.

Further, Inga Ventures Private Limited, a SEBI Registered Category-I Merchant Banker, in its fairness opinion dated 10th May, 2021, have provided an opinion that the aforesaid share entitlement ratio is fair and reasonable to the equity shareholders of the Demerged Company. The said fairness opinion inter alia states that:

"As understood, upon the Proposed Scheme being effective, all the eligible shareholders of TIL would also become the shareholders of TFL and their shareholding in TFL would mirror their existing shareholding in TIL prior to the demerger and outstanding issued and paid up share capital of TFL (Pre Demerger Equity Share Capital) will get cancelled by way of a capital reduction (without payment of consideration).

Based on our examination of the Share Entitlement Ratio/Valuation Report, such other information / undertakings/representations provided to us by the Management and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the recommendation made by the Valuer of the Share Entitlement Ratio is fair and reasonable which is as under:

The fair equity share entitlement ratio for the proposed demerger of Demerged Undertaking of TIL into TFL is as under:

1 (one) fully paid up equity shares of Rs 10 each of Tips Films Limited ("TFL") for every 3 (three) fully paid up equity share of Rs 10 each held in Tips Industries Limited ("TIL")."

A copy of the fairness opinion is appended herewith to the Notice as **Annexure 4**.

XIV. Capital / Debt Restructuring

The Scheme does not envisage any debt restructuring. The pre-scheme and expected post-scheme shareholding pattern of the Demerged Company and the Resulting Company are provided hereunder:

A. **Pre-scheme shareholding pattern of Demerged Company as on 30th September, 2021**

Sr. No.	Category of shareholder	No. of shares held	Percentage of shares held as percentage of total capital (%)
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/ Hindu Undivided Family	97,23,352	74.98
(b)	Body Corporate	-	-
	Sub-Total (A)(1)	**97,23,352**	**74.98**
2	**Foreign**	**-**	**-**
	Sub-Total (A)(2)	**-**	**-**
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	**97,23,352**	**74.98**
(B)	**Public Shareholding**		
1	**Institutions**		
	Foreign Portfolio Investor	1,11,961	0.86
	Sub-Total (B)(1)	**1,11,961**	**0.86**
2	**Non-Institutions**		
(a)	Bodies Corporate	5,36,313	4.14
(b)	Individuals		
	i) Individual shareholders holding nominal share capital up to INR 2 lakh	14,46,256	11.15
	ii) Individual shareholders holding nominal share capital in excess of INR 2 lakh	7,54,226	5.82
(c)	Any other (specify)		
	i) Clearing members	6,957	0.05
	ii) Non-resident Indians	64,795	0.50
	iii) Hindu Undivided Family	2,21,529	1.71
	iv) IEPF A/c	15,865	0.12
	v) Body Corp-Ltd Liability Partnership	87,405	0.67
	Sub-Total (B)(2)	**31,33,346**	**24.16**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**32,45,307**	**25.02**
	TOTAL (A) + (B)	**1,29,68,659**	**100.00**
(c)	**Shares held by custodians against which DRs are issued**	**-**	**-**
	TOTAL (A) + (B) + (C)	**1,29,68,659**	**100.00**

B. Expected post-scheme shareholding pattern of Demerged Company

The shareholding pattern of the Demerged Company would not change as a consequence of the implementation of the Scheme and would remain identical as the pre-scheme shareholding pattern.

C. Pre-scheme shareholding pattern of Resulting Company as on 30th September, 2021

Sr. No.	Category of shareholder	No. of shares held	Percentage of shares held as percentage of total capital (%)
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/ Hindu Undivided Family	50,000	100.00
(b)	Body Corporate	-	-
	Sub-Total (A)(1)	**50,000**	**100.00**
2	**Foreign**	**-**	**-**
	Sub-Total (A)(2)	**-**	**-**
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	**-**	**-**
(B)	**Public Shareholding**		
1	**Institutions**		
	Foreign Portfolio Investor	-	-
	Sub-Total (B)(1)	**-**	**-**
2	**Non-Institutions**		
(a)	Bodies Corporate	-	-
(b)	Individuals		
	i) Individual shareholders holding nominal share capital up to INR 2 lakh	-	-
	ii) Individual shareholders holding nominal share capital in excess of INR 2 lakh	-	-
(c)	Any other (specify)		
	i) Clearing members	-	-
	ii) Non-resident Indians	-	-
	iii) Hindu Undivided Family	-	-
	iv) IEPF A/c	-	-
	v) Body Corp-Ltd Liability Partnership	-	-
	Sub-Total (B)(2)	**-**	**-**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**-**	**-**
	TOTAL (A) + (B)	**50,000**	**100.00**
(c)	**Shares held by custodians against which DRs are issued**	**-**	**-**
	TOTAL (A) + (B) + (C)	**50,000**	**100.00**

D. Expected post-scheme shareholding pattern of Resulting Company

Sr. No.	Category of shareholder	No. of shares held	Percentage of shares held as percentage of total capital (%)
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/ Hindu Undivided Family	32,41,117	74.98
(b)	Body Corporate	-	-
	Sub-Total (A)(1)	**32,41,117**	**74.98**
2	**Foreign**	**-**	**-**
	Sub-Total (A)(2)	**-**	**-**
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	**32,41,117**	**74.98**
(B)	**Public Shareholding**		
1	**Institutions**		
	Foreign Portfolio Investor	37,320	0.86
	Sub-Total (B)(1)	**37,320**	**0.86**
2	**Non-Institutions**		
(a)	Bodies Corporate	1,78,771	4.14
(b)	Individuals		
	i) Individual shareholders holding nominal share capital up to INR 2 lakh	4,82,085	11.15
	ii) Individual shareholders holding nominal share capital in excess of INR 2 lakh	2,51,409	5.82
(c)	Any other (specify)		
	i) Clearing members	2,319	0.05
	ii) Non-resident Indians	21,598	0.50
	iii) Hindu Undivided Family	73,843	1.71
	iv) IEPF A/c	5,289	0.12
	v) Body Corp-Ltd Liability Partnership	29,135	0.67
	Sub-Total (B)(2)	**10,44,449**	**24.16**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**10,81,769**	**25.02**
	TOTAL (A) + (B)	**43,22,886**	**100.00**
(c)	**Shares held by custodians against which DRs are issued**	**-**	**-**
	TOTAL (A) + (B) + (C)	**43,22,886**	**100.00**

XV. Effect of the Scheme of Arrangement and Demerger

a. On directors, key managerial personnel ("**KMP**"), and their relatives

- For the Demerged Company
  - The Directors and KMPs of the Demerged Company, and their relatives, do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders in general. Therefore, the Scheme will have no effect on them, except to the extent of their respective shareholding and effect thereon as explained in point (b) below.
- For the Resulting Company
  - The Resulting Company does not have any KMPs (other than Directors) as on present date. Further, the Resulting Company would be changing / would be appointing new KMP's / Directors in pursuance of the Scheme becoming effective in order to comply with the requirements of the relevant provisions of various applicable acts, rules, regulations, and guidelines, applicable for listed companies.

b. On promoter and non-promoter members

- For the Demerged Company
  - There is only one class of shareholders, i.e., equity shareholders, which includes the promoter as well as non-promoter shareholders of the Demerged Company.
  - On demerger, the Resulting Company will issue and allot equity shares to each member of the Demerged Company, whose name is recorded in the register of members on the Record Date, as per the share entitlement ratio mentioned in the Scheme.
  - The equity shares so issued and allotted as provided above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari-passu in all respects with the equity shares of the Demerged Company after the Effective Date (as defined in the Scheme) including in respect of dividend, if any, that may be declared by the Demerged Company on or after the Effective Date.
  - There would be no dilution or increase in the shareholding of the promoter or non-promoter shareholders of the Demerged Company.
  - In terms of the Scheme, consequent upon demerger, on the Record Date, the set of shareholders and their holding proportion being proposed in the Resulting Company, is identical to that of the Demerged Company, and thus, the overall economic interest of equity shareholders of the Demerged Company shall remain the same.
  - The equity shares of TFL shall be listed on the stock exchanges i.e. BSE Limited and National Stock Exchange of India ("**Stock Exchanges**") in accordance with the SEBI Circular No. CED/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, and therefore shareholders of TIL (as of the Record Date) shall, upon the Scheme becoming effective, hold equity shares of 2 (two) listed entities, TIL and TFL.
- For the Resulting Company
  - There is only one class of shareholders. i.e. equity shareholders of the Resulting Company.
  - Upon the Scheme becoming effective, the equity shares of the Resulting Company shall stand cancelled as provided in the Scheme. Accordingly, the existing shareholders would no longer hold any shares in Company.

- On demerger, the Resulting Company will issue and allot equity shares to each member of the Demerged Company, whose name is recorded in the register of members of the Demerged Company on the Record Date, as per the share entitlement ratio mentioned in the Scheme.
- In terms of the Scheme, consequent upon demerger, on the Record Date, the set of shareholders and their holding proportion being proposed in the Resulting Company, is identical to that of the Demerged Company, and thus, the overall economic interest of equity shareholders of the Demerged Company shall remain the same.
- The equity shares of the company shall be listed on the stock exchanges i.e. BSE Limited and National Stock Exchange of India ("**Stock Exchanges**") in accordance with the SEBI Circular No. CED/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, and therefore shareholders of TIL (as of the Record Date) shall, upon the Scheme becoming effective, hold equity shares of 2 (two) listed entities, TIL and TFL.

c. On creditors

➢ For the Demerged Company

- Under the Scheme, there is no arrangement or compromise offered to the creditors (secured and unsecured) of the Demerged Company. Liabilities of any of the creditors of the Demerged Company would neither be reduced nor be extinguished in pursuance of the Scheme.

➢ For the Resulting Company

- The Resulting Company does not have any creditors (secured and unsecured).

d. On employees

All staff and employees of the Demerged Undertaking shall be deemed to have become staff and employees of TFL without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with TFL shall not be less favourable than those applicable to them with reference to TIL on the Effective Date.

All funds and benefits accumulated in respect of the above staff and employees shall also be transferred to the Resulting Company.

e. The Demerged Company and the Resulting Company have not accepted any deposits and have not issued any debentures.

Further, the report adopted by their respective Board of Directors of the of the Demerged Company and the Resulting Company, explaining the impact on various stakeholders as mentioned above is annexed hereto with the Notice as **Annexure 10** and **Annexure 11** respectively.

XVI. No investigation proceedings have been instituted or are pending in relation to the Applicant Companies under the Companies Act, 2013 or Companies Act, 1956.

XVII. Details of approvals, sanctions, or no-objection(s) from regulatory or any other governmental authorities required, received, or pending

The Demerged Company being a listed company, has received observation letters from BSE on 29th July, 2021 and from NSE on 29th July, 2021, stating that SEBI and the stock exchanges do not have any adverse observations with regard to the Scheme. Copy of the aforesaid observation letters are appended herewith to the Notice as **Annexure 12** and **13**.

In compliance with the requirement of Section 230(5) and Section 232 of the Act, read with Rule 8 of the CAA Rules, notice in the prescribed form together with requisite documents and disclosures shall be served on the relevant regulators, as directed by the Hon'ble NCLT, and seeking their approvals or any representations (if any) on the Scheme.

XVIII. No winding up proceedings are pending against the Demerged Company and the Resulting Company as on date.

XIX. Disclosures pertaining to unlisted entity involved in the Scheme

Disclosure document comprising of applicable information pertaining to the Resulting Company, in the format prescribed for abridged prospectus as provided in part E of schedule VI of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements), Regulations, 2018, to the extent applicable, is appended herewith to the Notice as **Annexure 14**.

XX. Inspection of Documents

In addition, electronic copy of the following documents will be available for inspection in the "Investor Relations" section of the website of the Demerged Company - www.tips.in:

a) Copy of the order of Hon'ble Tribunal in pursuance of which the meeting is to be convened;

b) Copy of the Scheme of Arrangement and Demerger;

c) Copies of the Memorandum of Association and Articles of Association of the Demerged Company and the Resulting Company;

d) Copy of Supplementary Unaudited Financial Results of Tips Industries Limited as on 30th June, 2021;

e) Copy of Audited Financial Statements of Tips Industries Limited as on 31st March, 2021;

f) Copy of Supplementary Audited Financial Statements of Tips Films Limited as on 30th September, 2021;

g) Copy of Audited Financial Statement of Tips Films Limited as on 31st March, 2021;

h) Copy of the certificate dated 10th May, 2021, issued by the Auditor of the Demerged Company and Resulting Company to the effect that the accounting treatment in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act;

i) Copy of Share entitlement report of registered valuer determining the Share Entitlement Ratio;

j) Copy of Fairness Opinion of merchant banker on reasonableness on share entitlement ratio;

k) Report on complaints indicating 'NIL' complaints received on the Scheme;

l) Copy of the Observation Letters dated 29th July, 2021 from the National Stock Exchange of India Limited and BSE Limited respectively;

m) Report under Section 232(2)(c) of the Companies Act, 2013 adopted by the Board of Directors of Demerged Company;

n) Report under Section 232(2)(c) of the Companies Act, 2013 adopted by the Board of Directors of Resulting Company.

o) Certificate issued by Inga Ventures Private Limited, SEBI Regstered Merchant Banker, certifying the accuracy and adequacy of disclosure made in Annexure 14.

The aforesaid documents will be open for inspection by the Equity Shareholders and also for obtaining extracts from, or for making of / obtaining copies of, at the Registered Office of the Demerged Company between 10:00 a.m. to 5:00 p.m. on all working days (except Saturday, Sundays and Public Holidays) upto 1 (one) day prior to the date of the Meeting of the Equity Shareholders, and shall also be available on the website of the Company.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Demerged Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the shareholders.

The Directors, KMPs of the Company and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders in general.

Sd/-
Kumar Taurani
DIN: 00555831
Chairperson appointed by Tribunal for the Meeting

Mumbai, 23rd October, 2021

Registered Office:
601, Durga Chambers, 6th Floor,
278/E, Linking Road, Khar (West),
Mumbai - 400052 MH IN
Website: www.tips.in
E-mail: info@tips.in
Tel.: +91 22 66431188
Fax: +91 22 66431189

IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT-V, MUMBAI BENCH

C.A. (CAA). 203 /MB/2021

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 read with Sections 52, 66 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Scheme of Arrangement in respect of demerger of Film Division of Tips Industries Limited ("Demerged Company/First Applicant Company") into Tips Films Limited ("Resulting Company/Second Applicant Company") and their respective shareholders.

Tips Industries Limited (CIN: L92120MH1996PLC099359, having its registered office at 601, Durga Chambers, 6th Floor, 278/E, Linking Road, Khar West, Mumbai - 400052 MH IN.	...First Applicant Company/ Demerged Company
Tips Films Limited (CIN: U74940MH2009PTC193028, having its registered office at 501, Durga Chambers, 5th Floor, Linking Road, Khar West, Mumbai - 400052 MH IN.	Second Applicant Company/ Resulting Company

राष्ट्रीय कम्पनी विधी अधिकरण NATIONAL COMPANY LAW TRIBUNAL मुंबई न्यायपीठ MUMBAI BENCH

.... *Collectively known as the Applicant Companies*

Order delivered on : 22.09.2021.

Coram:

Hon'ble Suchitra Kanuparthi, Member (J)
Hon'ble Chandra Bhan Singh, Member (T)

Appearances (via videoconferencing):

For the Applicant(s): Mr. Hemant Sethi ,Ms. Vidisha Poonja i/b Hemant Sethi & Co., Advocates

Per: Suchitra Kanuparthi, Member (J)

ORDER

1. This Court is convened via video conferencing.

2. The Counsel for the Applicant Companies submits that the present Scheme is a Scheme of Arrangement in respect of demerger of Film Division of Tips Industries Limited ("First Applicant Company/De-merged Company") into Tips Films Limited ("Second Applicant Company/Resulting Company") and their respective shareholders. ("Scheme").

3. The Counsel for the Applicant Companies further submits that the Board of Directors of the Applicant Companies in their respective meetings held on 10th May, 2021 have approved the Scheme. The Appointed Date for the Scheme is 1st April, 2021.

4. The Counsel for the Applicant Companies submits that upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking in the Resulting Company pursuant to this Scheme, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot equity shares at par

राष्ट्रीय कम्पनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
मुंबई न्यायपीठ
MUMBAI BENCH

on a proportionate basis to each member of First Applicant Company, whose name is recorded in the register of members of First Applicant Company as holding shares on the Record Date, in the ratio of 1 (one) equity shares of Rs. 10/- each fully paid up of Second Applicant Company for every 3 (three) equity share of Rs. 10/- each fully paid up held in First Applicant Company.

5. The Counsel for the Applicant Companies further submits that the First Applicant Company is engaged in the business of Production and Distribution of motion pictures and acquisition and exploitation of Music Rights Classifying it on the basis of content, it consists of two main sectors-film and non-film music. The First Applicant Company earns revenue from royalties on songs that are played on radio, mobiles, internet, etc., and the Second Applicant Company has not yet commenced any significant business operations but will house Film Division of the Demerged Company/First Applicant Company.

6. The Counsel for the Applicant Companies further submits that the rationale for the Scheme is as under:

First Applicant Company primarily operates in two business segments through separate business divisions: (i) Music Division and (ii) Film Division. This Scheme for the demerger and vesting of the Demerged Undertaking of First Applicant Company to Second Applicant Company results in the following benefits:

1. *The Demerged Undertaking and the Remaining Business have both achieved scale and experience to sustain business on the basis of their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form of nature of risks, competition, challenges, opportunities and business methods. Hence, segregation of the two distinct undertakings would enable focused managements to explore*

NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH

the potential business opportunities more effectively and efficiently;

2. *Demerger will enable both First Applicant Company & Second Applicant Company to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.*

3. *Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business;*

4. *Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.*

5. *Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE and NSE and will unlock the value of the Music Division and Film Division for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective; giving them flexibility in managing their investments in the two businesses having differential dynamics.*

6. *The demerger will unlock value of both businesses and result in shareholder value maximization.*

राष्ट्रीय कम्पनी विधी अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
मुंबई न्यायपीठ
MUMBAI BENCH

The Board of Directors of the Demerged Company and the Resulting Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its minority shareholders, employees, and creditors.

7. The Counsel for the Applicant Companies further submits that the shares of First Applicant Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). Pursuant to the Securities Exchange Board of India ("SEBI") Circular No. SEBI /HO/ CFD/ DIL1/ CIR /P /2020 /249 dated December 22, 2020, as amended from time to time ("SEBI Circular") read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), First Applicant Company had applied to BSE and NSE for their "Observation Letter" / "No Objection Letter" to file the Scheme for sanction of the Tribunal. BSE by its letter dated 29 July, 2021 and NSE by its letter dated 29 July, 2021, have respectively given their "No Objection Letter" letters to First Applicant Company, to file the Scheme with the Tribunal.

8. This Bench directs the conduct of meeting of the First Applicant Company as follows:-

   (i) That the meeting of the Equity Shareholders of the First Applicant Company will be convened and held as follows on 2nd December 2021 at 11 am (Indian Standard Time). The meeting will be convened and held for the purpose of considering and, if thought fit, approving with or without modification(s) the Scheme of Arrangement through video conferencing or other audio visual means, and not in physical presence of shareholders, as the same in the current COVID-19 environment related social distancing norms shall not be possible.

   (ii) In view of provisions of Section 230(4) read with Section 108 of the

NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH

Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the First Applicant Company proposes to provide the facility of remote e-voting to its Equity Shareholders in respect of the resolution to be passed at the aforesaid meeting. The Equity Shareholders of the First Applicant Company are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through video conferencing and/or other audiovisual means on 2nd December 2021 at 11 am. The e-voting facility for the Equity Shareholders of the First Applicant Company shall be provided in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.

(iii) That at least 30 (thirty) days before the said Meeting of the Equity Shareholders of the First Applicant Company to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid, together with a copy of the Scheme, a copy of Explanatory Statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 notified on 14th December, 2016 shall be sent by Air Mail / Courier / Registered Post / Hand Delivery / through Email to those all the Equity Shareholders of the First Applicant Company.

(iv) That at least 30 (thirty) days before the said Meeting of the Equity Shareholders to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid be published once

राष्ट्रीय कम्पनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
मुंबई न्यायपीठ
MUMBAI BENCH

each in *'Business Standard'* in English having nation-wide circulation and *'Navshakti'* in Marathi having circulation in Maharashtra, both having wide circulation in the State of Maharashtra, and stating that copies of the Scheme and the said statement required to be furnished pursuant to section 230 (3) of the Companies Act, 2013 can be obtained free of charge by emailing the aforesaid Applicant Companies at bijal@tips.in.

9. This Bench hereby appoints Mr. Kumar Taurani, Chairman & Managing Director and failing him Mr. Ramesh Taurani, Managing Director, and failing him Mr. Girish Taurani, Executive Director as Chairperson for the meeting of the Equity Shareholder of the First Applicant Company.

10. This Bench hereby appoints Mr. Shirish Shetye as Scrutinizer for the meetings of the Equity Shareholder of the First Applicant Company. The fee of the professional appointed as Scrutinizer for the meetings of the Equity shareholders of the First Applicant Companies shall be Rs.20,000/- excluding applicable taxes.

11. The quorum for the aforesaid meeting of the Equity Shareholders of First Applicant Company shall be as prescribed under Section 103 of the Companies Act, 2013 and would include Equity Shareholders present through video conferencing and/or other audio- visual means. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.

12. The voting by proxy shall not be permitted as the meeting would be held through video conferencing and/or other audio-visual means. However, voting in case of body corporate be permitted, provided the prescribed form/authorization is filed with the Applicant Company at bijal@tips.in not later than 48 hours before the start of the aforesaid meeting as required

under Rule 10 of the Companies(Compromises, Arrangements and Amalgamations) Rules, 2016.

13. That the Chairperson appointed for the aforesaid meetings of the First Applicant Company to issue the notices of the meetings referred to above. The said Chairperson shall have all powers pursuant to sections 230 and 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Companies (Management and Administration) Rules, 2014, to the extent necessary and applicable, in relation to the conduct of the meeting including for deciding procedural questions that may arise at or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).

14. That the value and number of the shares of each shareholder shall be in accordance with the registers of all the First Applicant Companies or depository records for Equity Shareholders in case of the First Applicant Company and where the entries in the register / depository records are disputed, the Chairperson of the meeting shall determine the value and the number for the purpose of the aforesaid meeting and his/her decision in that behalf would be final.

15. That the Chairperson shall file a compliance report not less than 7 (Seven) days before the date fixed for the holding of the meeting of the Equity Shareholders of the First Applicant Company to this Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with as per Rule 12 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

16. That the Chairman of the meeting to report to this Tribunal, the results of the said meeting of the Equity Shareholders of the First Applicant

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

Company within thirty days of the conclusion of the meetings.

17. The Counsel for the Applicant Companies submits that there are 7 Equity Shareholders in the Second Applicant Company. Out of the total 7 Equity Shareholders, the consent affidavits of 6 Equity Shareholders of the Second Applicant Company have been annexed as 'Annexure 'L1-L6' to the Company Scheme Application and the balance consent affidavit is filed *vide* Additional Affidavit dated 7th September 2021with this tribunal.

18. In view of the fact that all the Equity Shareholders of the Second Applicant Company have given their consent to the Scheme, the meeting of the Equity Shareholders of the Second Applicant Company is hereby dispensed with.

19. The Counsel for the Applicant Companies submits that there are no Secured Creditors in the First Applicant Company therefore, the question of sending notices or convening-meeting of the Secured Creditors does not arise.

20. The Counsel for the Applicant Companies submits that in the First Applicant Company there are 197 (One Hundred Ninety Seven) Unsecured creditors of value of Rs. 5,78,17,359 /- (Five Crores Seventy Eight Lakhs Seventeen Thousand Three Hundred and Fifty Nine) as on 15th July 2021. The Counsel for the Applicant Companies further submits that the present Scheme is a Scheme of Arrangement of the First Applicant Company and the Second Applicant Company and their respective Shareholders as contemplated under Section 230(1)(b) of the Companies Act, 2013 and not in accordance with the provisions of Section 230(1)(a) of the Companies Act, 2013 as there is no compromise and/or arrangements with the creditors as no sacrifice is called for. Therefore, the meeting of the Unsecured Creditors of the First Applicant Company is dispensed with. However, this bench hereby directs the First

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

Applicant Company to issue notice to all their respective Unsecured Creditors by Registered Post Acknowledgement Due or Hand Delivery or through Email (to those creditors whose email addresses are duly registered with the First Applicant Company for the purpose of receiving such notices by email), at their last known addresses as per the records of the First Applicant Company, as may be feasible in view of the lockdown owing to the Covid-19 pandemic.

21. The Counsel for the Applicant Companies further submits that there are no Creditors in the Second Applicant Company, and therefore the question of sending notices or convening meeting of Creditors of the Second Applicant Company does not arise.

22. The Applicant Companies, pursuant to Section 230 (5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules,2016, is directed to serve the notices upon:

(a) the Central Government of India (through the Regional Director, Western Region, Ministry of Corporate Affairs);

(b) concerned Income Tax Authority within whose jurisdiction the assessments of the Applicant Companies are made; for the First Applicant Company – PAN AAACT5284A- having jurisdiction at Circle 16(1), Mumbai and for the Second Applicant Company PAN AAGCT2393E - having jurisdiction at Circle 16(1), Mumbai.

(c) Registrar of Companies, Mumbai, Maharashtra;

(d) BSE Limited; (in so for as the First Applicant Company is concerned)

(e) National Stock Exchange of India Limited; (in so for as the First Applicant Company is concerned)

राष्ट्रीय कम्पनी विधि अधिकरण NATIONAL COMPANY LAW TRIBUNAL मुंबई न्यायपीठ MUMBAI BENCH

(f) Securities and Exchange Board of India; (in so for as the First Applicant Company is concerned)

with a direction that they may submit their representation, if any, within

a period of 30 (thirty) days from the date of receipt of such notice, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Companies, failing which, it will be presumed that the aforesaid authorities have no representations to make on the Scheme.

23. The Applicant Companies shall host the notices directed herein, on their respective websites, if any.

24. The Applicant Companies shall file compliance report with the registry in regard to the directions given in this Order in lieu of customary affidavit of service, due to lockdown situation prevailing now, proving dispatch of notices to the Equity Shareholders of the First Applicant Company, and service of notice to the regulatory authorities and creditors as stated above and do report to this Tribunal that the directions regarding the issue of notices have been duly complied with.

25. Order accordingly.

Sd/-
Chandra Bhan Singh
Member (Technical)

Sd/-
Suchitra Kanuparthi
Member (Judicial)

Certified True Copy
Copy Issued "free of cost"
On 12/10/2021

Deputy Registrar
National Company Law Tribunal Mumbai Bench
Government of India

राष्ट्रीय कम्पनी विधी अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

SCHEME OF ARRANGEMENT AND DEMERGER
BETWEEN

Tips Industries Limited (TIL) .... Demerged Company

AND

Tips Films Limited (TFL) .... Resulting Company

AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS IN RESPECT OF DEMERGER OF FILM DIVISION OF TIPS INDUSTRIES LIMITED INTO TIPS FILMS LIMITED UNDER SECTIONS 230 TO 232 READ WITH SECTIONS 52, 66 OF THE COMPANIES ACT, 2013

OVERVIEW, OBJECTS AND BENEFITS OF THE SCHEME

A. Tips Industries Limited (hereinafter referred to as the "**Demerged Company**", or "**TIL**", as the context may admit) is a listed public limited company incorporated on May 8th, 1996 under the Companies Act, 1956 with CIN L92120MH1996PLC099359 having its registered office at 601, Durga Chambers, 6th Floor, 278/E, Linking Road, Khar (West), Mumbai - 400052 MH IN. The equity shares of Demerged Company are listed on BSE and NSE, The company is engaged in the business of Production and Distribution of motion pictures ("**Film Division**") and acquisition and exploitation of Music Rights ("**Music Division**"). Classifying it on the basis of content, it consists of two main sectors-film and non-film music. The Company earns revenue from royalties on songs that are played on radio, mobiles, internet, etc.

B. Tips Films Limited, (hereinafter referred to as the "**The Resulting Company**" or "**TFL**", as the context may admit) is an unlisted public limited company incorporated on June 5th, 2009 under the Companies Act, 1956 with CIN U74940MH2009PTC193028 and having its registered office at 501, Durga Chambers, 5th Floor, Linking Road, Khar (West), Mumbai- 400052 MH IN and has not yet commenced any significant business operations but will house Film Division of the Demerged Company.

C. This Scheme of Arrangement (hereinafter referred to as the "**Scheme**") provides for a) the transfer by way of demerger of the Demerged Undertaking (as defined hereinafter) of the Demerged Company to the Resulting Company, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Section 230 to 232 and other relevant provisions of the Act (as defined hereinafter) in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act, and reduction and cancellation of equity shares of TFL held by existing shareholders of TFL (without payment of consideration), in terms of Section 66 of the 2013 Act b) various other matters consequential or otherwise integrally connected therewith.

After the effectiveness of this Scheme, the Share Capital of TFL consisting of the fully paid-up New Equity Shares of TFL issued as consideration in terms of Section B of this Scheme to the shareholders of TIL shall be listed on the Stock Exchanges in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time. Further, as an integral part of the Scheme, existing Equity Shares of TFL (presently held by promoters and promoter group) shall stand cancelled and reduced (without payment of consideration) without any further act and deed, and hence this Scheme contemplates approval of the Tribunal(s) in terms of Section 66 of the 2013 Act, in addition to Sections 230-232 of the 2013 Act.

D. **RATIONALE AND BENEFITS OF THIS SCHEME**

TIL primarily operates in two business segments through separate business divisions: (i) Music Division and (ii) Film Division. This Scheme for the demerger and vesting of the Demerged Undertaking (as defined hereinafter) of TIL to TFL, results in the following benefits:

1. The Demerged Undertaking and the Remaining Business have both achieved scale and experience to sustain business on the basis of their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form of nature of risks, competition, challenges, opportunities and business methods. Hence, segregation of the two undertakings would enable focused managements to explore the potential business opportunities more effectively and efficiently;

2. Demerger will enable both TIL & TFL to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.

3. Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business;

4. Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.

5. Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE and NSE and will unlock the value of the Music Division and Film Division for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective; giving them flexibility in managing their investments in the two businesses having differential dynamics.

6. The demerger will unlock value of both businesses and result in shareholder value maximisation.

The Board of Directors of the Demerged Company and the Resulting Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its minority shareholders, employees, and creditors.

E. The Restructuring as embodied in this Scheme is intended to provide greater business focus both in the Demerged Company and Resulting Company. The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modifications will however not affect the other parts of the Scheme such that:

(a) All the assets and properties of the Demerged Undertaking (as defined hereinafter) being transferred/hived off by the Demerged Company immediately before the demerger become the properties of the Resulting Company by virtue of the demerger;
(b) All the liabilities relatable to the Demerged Undertaking being transferred by the Demerged Company immediately before the demerger becomes the liabilities of the Resulting Company by virtue of the demerger;
(c) The properties and the liabilities, if any, relatable to the Demerged Undertaking being transferred by Demerged Company are transferred to the Resulting Company at the values appearing in the books of accounts of the Demerged Company immediately before the demerger;
(d) Film Assets (as defined hereinafter) related to Demerged Undertaking whether appearing in books of accounts or not, are transferred to the Resulting Company by virtue of the demerger;
(e) All shareholders of the Demerged Company shall become the shareholders of the Resulting Company by virtue of the demerger; and
(f) The transfer of the Demerged Undertaking will be on a going concern basis.
(g) the shareholders holding not less than three-fourths in value of the shares in the demerged company (other than shares already held therein immediately before the demerger, or by a nominee for, the resulting company or its subsidiary) become shareholders of the resulting company by virtue of the demerger,

Accordingly, this Scheme is divided into three sections, as follows:

Section A: Demerger of Film Division
Section B: Issue of shares / Reorganisation of share capital
Section C: Other provisions

1. DEFINATIONS AND INTERPRETATIONS:

1.1. **"2013 Act" or "the Act"** means the Companies Act, 2013, as notified, and ordinances and rules made thereunder and shall include any statutory modification(s), re-enactment(s) and/or amendment(s) thereof for the time being in force.

1.2. **"Applicable Law"** means (a) all the applicable statutes, notifications, enactments, acts of legislature, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, orders, or other instruments having force in law enacted or issued by any Government or Governmental Authority(ies) including any statutory modifications, amendments or re-enactments thereof for the time being in force; and (b) administrative interpretations, writs, injunctions, directions, directives, judgments, arbitral awards, orders, decrees, as may be in force from time to time.

1.3. **"Appointed Date"** means the 1st day of April, 2021.

1.4. **"Board of Directors"** or **"Board"** means and includes the respective boards of directors of TIL and TFL or any committee constituted by such board of directors.

1.5. **"BSE"** means BSE Limited

1.6. **"CIN"** means Corporate Identity Number

1.7. "**Delivery Materials**" shall include all materials of the Film Division with respect to the Film Assets, including but not limited to film negatives, hard disk drives, server, etc to be given by TIL to TFL in a timely manner upon execution of this Scheme.

1.8. **"Demerged Undertaking"** means the Film Division of Tips Industries Limited inter-alia engaged in the business of film production on a going concern basis, and shall include (without limitation):

(a) all Film Assets, all related programme and movie rights, Intellectual Property Rights of the Films Division, telecasting and broadcasting rights, contracts, engagements, arrangement of all kind, brands, domain names and on a going concern basis and include without limitation:

(i) (a) all assets wherever situated, whether movable or immovable (specifically mentioned below), tangible or intangible, buildings, vehicles, offices, investments, interest, capital work-in-progress, furniture, fixtures, office equipment, appliances, accessories (including, supplies, advertisement and promotional material), licenses, permits, quotas, approvals, registrations, lease, tenancy rights in relation to office and residential properties, incentives if any, municipal permissions, consents, or powers of every kind, nature and description whatsoever in connection with operating or relatable to the Film Division of TIL including but not limited to two commercial properties situated at Pinnacle house, CTS number F/72 , Junction of P.D. Hinduja Marg, & 15th Road, Khar West, Mumbai 400052, on 6th floor (admeasuring 148.52 square meters) and on 7th floor (admeasuring 15.70 Square meters) along with adjoining terrace (76.27 Square meters);

(b) all other permissions, rights (including rights under any contracts or agreements or memorandum of understanding, government contracts, etc.), entitlements, copyrights, patents, royalties, trade marks, trade names, domain names, and other designs, trade secrets, product / film name registration or Intellectual Property Rights of the Films Division of any nature (save and except in the Excluded Rights) and all other interest exclusively relating to the services being dealt with by the Demerged Undertaking except non-exclusive right/ license to use the Tips Logo for all the assets and future productions under TFL in perpetuity, and

(c) all deposits, advances and or moneys paid or received by TIL in connection with or pertaining or relatable to the Film Division of TIL, all statutory licenses and/or permissions to carry on the operations of the Film Division of TIL and any financial assets, corporate guarantees issued by the Demerged Company and the benefits of any bank guarantees issued in relation to and for the benefit of the Demerged Undertaking, deferred tax benefits, privileges, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Film Assets of TIL;

Without prejudice to the provisions of sub-clause 1.8 (a)(i) above, the Film Division of TIL shall include all the debts, liabilities, duties and obligations and for the purpose of this Scheme, it is clarified that liabilities pertaining to the Film Division of TIL include:

(a) The liabilities, which arise out of the activities or operations of the Film Division of TIL;

(b) Specific loans and borrowings raised, incurred and utilized for the activities or operations of the Film Division of TIL;

(c) Liabilities other than those referred to in Sub-Clause (a) and (b) above and not directly relatable to the remaining business of TIL being the amounts of general or multipurpose borrowings of TIL shall be allocated to the Film Division of TIL in the same proportion which the value of the assets transferred under this clause bears to the total value of TIL immediately before giving effect to this Scheme;

(ii) all deposits and balances with Government, Semi Government, Local and other authorities and bodies, customers and other persons, earnest moneys and / or security deposits paid or received by the Demerged Company directly or indirectly in connection with or relating to the Demerged Undertaking / Film Division;

(iii) all necessary books, records, files, papers, product specification, engineering and process information, records of standard operating procedures, computer programmes along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Demerged Undertaking / Film Division;

(iv) All permanent and/or temporary employees of TIL substantially engaged in the Demerged Undertaking and those permanent and/or temporary employees that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or relatable to the Film Division;

(v) all legal or other proceedings, claims, notices, demands and obligations of whatsoever nature and whether known or unknown, contingent or otherwise, present or future relating to the Film Division, excluding those related to the Remaining Business;

(vi) All insurance policies related to Film Division;

(vii) all the credits for taxes such as sales tax, value added tax, service tax, CENVAT, GST and other indirect taxes, advance tax, tax credits (including but not limited to minimum alternate tax credit, pre-deposits made in indirect taxes), deferred tax benefits, tax deduction at source, accumulated losses and unabsorbed depreciation as per books if any as well as per the IT Act, enjoyed by the Demerged Company pertaining to the Film Division;

(viii) all exemption, benefits, allowance, rebates, etc. under IT Act (including right to admissibility of claim under the IT Act or such provisions becoming admissible in the period after the Appointed Date on discharging liabilities pertaining to Film Division);

(ix) Any question that may arise as to whether a specified asset or liability pertains to Film Division or whether it arises out of the activities or operations of the Film Division shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company. The designated list of assets, liabilities and intangibles pertaining to TFL as agreed upon between TIL and TFL is enclosed in "**Annexure A**"

1.9. "**Demerger"** means the transfer by way of demerger of the Demerged Undertaking to the Resulting Company, and the consequent issue of equity shares by the Resulting Company to the Shareholders of the Demerged Company as set out in Section -B hereof and shall have the same meaning as defined under section 2(19AA) of the Income-tax Act, 1961;

1.10. "**Demerged Share Entitlement Ratio"** shall have the meaning ascribed to it in Clause 13.1;

1.11. **"Effective Date**" means the date on which all the conditions and matters in relation to the Scheme referred to in clause 19 of this Scheme have been fulfilled.

1.12. "**Excluded Rights**" shall mean the Intellectual Property Rights in the Music and the Music Exploitation Rights.

1.13. "**Films**" shall mean the list of films produced and/or owned and/or controlled and/or under development by the Demerged Company annexed hereto as **Annexure A**.

1.14. "**Film Assets**" shall mean all rights including but not limited to Intellectual Property Rights in and to (i) the Films (ii) all literary works, dramatic works, artistic works, and cinematographic films (as defined in the Indian Copyright Act, 1957 and as amended from time to time) (iii) all adaptation/ remake rights, (iv) all dubbing rights, (vi) animation series and (iv) Underlying Works produced and/or owned and/or controlled and/or under development by the Demerged Company, a list of which is annexed hereto as **Annexure A** save and except Excluded Rights.

1.15. "**IT Act**" means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.

1.16. "**Intellectual Property**" shall mean all forms of intellectual property subsisting under the laws of India and all analogous rights subsisting under the laws of each and every jurisdiction throughout the world. Intellectual Property includes patents, trademarks, service marks, trade names, registered designs, copyrights, rights of privacy and publicity; and other forms of intellectual or industrial property, know how, inventions, formulae, confidential or secret processes, trade secrets, any other protected rights or assets, and any licenses and permission in connection therewith, in each and any part of the world and whether or not registered or registrable and for the full period thereof, and all extensions and renewals thereof, and all applications for registration in connection with the foregoing.

1.17. **"Intellectual Property Rights"** shall mean all rights arising out of or in relation to the Intellectual Property.

1.18. "**Modes, Media and Formats**" of exploitation of the Film Assets shall mean and include all the modes, media and formats as mentioned under **Annexure B**.

1.19. **"Music"** shall comprise of the following with respect to the Film Assets including all dubbed and sub-titled versions of the Film Assets in any languages of the Territory:

a) **"Background Score"** shall mean the musical composition without lyrics which is played in the background when dialogues are performed by the actors in the Film Assets or during pauses during such dialogue delivery to denote the emotions which the scene conveys to the audience excluding any dialogues contained in the Film Assets (e.g. tune of melancholy or joy or suspense);

b) **"Dialogues"** shall mean the all working drafts and the final version of the literary works and/or dialogues authored by the dialogue writer and performed by actors, artists which may or may not form part of the final shooting script of the Film Assets.

c) **"Songs"** shall have the general meaning as understood in the Indian film industry and in particular mean the final performances of the lyrics along with the musical compositions including title tracks / themes of the Film Assets (if any);

d) **"Song Audio Visuals/ Song Videos"** shall mean the audio-visual of the full Song(s) of the Film Assets i.e. the part of the cinematograph film where the Song Recordings are synched with the audio visuals of the Film Assets;

e) **"Sound Recordings"** shall have the meaning ascribed to it as per the Act;

f) **"Music Underlying Works"** for the purpose of this Agreement shall mean the literary works and musical works of the Songs and the Background Music Score, where the terms literary works and musical works shall have the meaning ascribed to it under the Act;

g) **"Music Underlying Performances"** shall mean any and all performer rights under section 38 and 38 A of the Act relating to any performances/ renditions of the lyrics and/or musical works as contained in the Sound recordings of the Songs by singers and /or performers;

h) **"Music Derivative Rights"** shall mean the right to develop, adapt, edit, remix, produce, distribute and otherwise exploit the Music Derivative Works; and

i) **"Music Derivative Works"** shall mean derivative works of the Sound Recordings and Music Underlying Works, wherein the term derivative works shall have the meaning ascribed to it under

the Act.

1.20. **"Music Exploitation Rights"** shall mean the right to create, produce, develop, distribute and exploit the Music or any part(s) thereof, including without limitation, the Intellectual Property Rights and all forms of adaptation/ derivative rights relating to such Music, across all modes, mediums and formats (i) in existence now, (ii) in existence now but not in commercial use on the date of execution hereof, and (iii) as may be developed in future throughout the Term and in the Territory in respect of all such rights.

1.21. "**National Company Law Tribunal" or "NCLT"** means the National Company Law Tribunal, Mumbai Bench.

1.22. **"NSE" means National Stock Exchange of India Limited.**

1.23. **"Remaining Business"** means all other businesses, divisions, assets and liabilities of TIL and all Music and Music Exploitation Rights, acquired and produced either own or through partnerships shall remain with TIL.

1.24. **"Resulting Company"** or **"TFL"** means **"Tips Films Limited"**, a company incorporated under the Act and having its registered office at 501, Durga Chambers, 278/E, Linking Road, Khar (West), Mumbai 400052.

1.25. **"Rupees" or "Rs." or "INR**" means the lawful currency of India.

1.26. **"Record Date"** shall mean in relation to demerger of Film Division of TIL into TFL, such date to be fixed by the Board of Directors of TIL or a committee thereof/person duly authorized by the Board of Directors, after the Effective Date for the purpose of determining the members of TIL to whom shares of TFL will be allotted pursuant to this Scheme in terms of Clause 13.1

1.27. "**Rights Agreements**" shall include all agreements of the Film Division with respect to the Film Assets including but not limited to all acquisition agreements, licensing agreements, service letters, etc, to be given by TIL to TFL in a timely manner upon execution of this Scheme.

1.28. **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this scheme of arrangement among TIL, TFL and their respective shareholders pursuant to the provisions of sections 230 to 232 and other applicable provisions of the Act, as the case may be, in its present form or with any modification(s) made under clause 17 of the Scheme by the Board of Directors of TIL and TFL, and/ or as approved or directed by the Tribunal, as the case may be.

1.29. "**SEBI**" means the Securities and Exchange Board of India.

1.30. **"SEBI Circular"** means (i) circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017(as amended) on Schemes of Arrangement by Listed Entities and Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended by the circular no. SEBI/ HO/CFD/DIL1/CIR/P/2020/249 Dated December 22, 2020 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

1.31. **"Shareholders"** means the persons registered (whether registered owner of the shares or beneficial owner of the shares) as holders of equity shares of company concerned.

2. **INTERPRETATION**

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income-tax Act, 1961 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.
In this Scheme, unless the context otherwise requires:

(i) the words "including", "include" or "includes" shall be interpreted in a manner as though the words "without limitation" immediately followed the same;

(ii) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;

(iii) the words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be

construed as any limitation upon the generality of any preceding words or matters specifically referred to;

(iv) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provisions of this Scheme;

(v) the term "Clause" or "Sub-Clause" refers to the specified clause of this Scheme, as the case may be;

(vi) reference to any legislation, statute, regulation, rule, notification or any other provision of Jaw means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to legislation or statute includes any subordinate legislation made from time to time under such a legislation or statute and regulations, rules, notifications or circulars issued under such a legislation or statute;

(vii) Words in the singular shall include the plural and vice versa.

3. DATE OF COMING INTO EFFECT

The Scheme shall come into legal operation from the Appointed Date, though it shall be effective from the Effective Date.

4. SHARE CAPITAL:

4.1 The authorized, issued, subscribed and paid up capital of TIL as on March 31, 2021 is as follows:

PARTICULARS	AMOUNT (Rs.
AUTHORIZED CAPITAL	
2,00,00,000 Equity Shares of Rs 10/- each	200,000,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
1,29,68,659 Equity Shares of Rs 10/- each fully paid up	129,686,590
TOTAL	**129,686,590**

4.2 The authorized, issued, subscribed and paid up capital of TFL as on March 31, 2021 is as follows:

PARTICULARS	AMOUNT (Rs.)
AUTHORIZED CAPITAL	
50,000 Equity Shares of Rs 10/- each	5,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
50,000 Equity Shares of Rs 10/- each fully paid up	5,00,000
TOTAL	**5,00,000**

SECTION A: DEMERGER OF FILM DIVISION

5. TRANSFER OF DEMERGED UNDERTAKING

5.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Demerged Undertaking shall, pursuant to the provisions contained in sections 230 to 232 of the Act and other provisions of law for the time being in force and without any further act or deed, be demerged from TIL and be transferred to and vested in or be deemed to have been transferred to and vested in TFL on the Appointed Date, on a going concern basis, so as to become as and from the Appointed Date, the undertaking of TIL and to vest in the Resulting Company all the rights, title, interest or obligations of TIL therein.

5.2 It is hereby clarified that notwithstanding anything stated herein, the Demerged Company shall not transfer the Remaining Business (in whole or part) to the Resulting Company.

5.3 The Demerged Company and the Resulting Company, if required, shall enter into transitional arrangements and shall be deemed to be authorized to execute any such arrangements and to carry out or perform all such formalities or compliances as may be deemed proper and necessary for effecting the transfer and vesting of the properties of the Demerged Undertaking with the Resulting Company.

5.4 All assets (including fixed assets, intangible assets, current assets, cash and bank balances etc.) acquired by TIL after the Appointed Date and prior to the Effective Date for operation of the Demerged Undertaking or pertaining to the Demerged Undertaking shall be deemed to have been acquired for and on behalf of the Resulting Company.

5.5 In respect of such of the assets of the Demerged Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so delivered, paid over, or endorsed and delivered, by TIL and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking transferred to it. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of TIL and the Board of Directors (or a duly authorized committee) of the Resulting Company within thirty days from the Effective Date.

5.6 In respect of movables of the Demerged Undertaking other than those specified in Clause 5.5 above, which are to be transferred to TFL, including sundry debtors, future receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this sub-clause, and such transfer shall be effected by notice to the concerned persons, or in any manner as may be mutually agreed by TIL and TFL.

5.7 In respect of such of the assets of the Demerged Undertaking other than those referred to in Clause 5.5 and 5.6 above, the same shall, as more particularly provided in Clause 5.1 above, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of section 230/232 of the Act or other provisions of law as applicable. Upon coming into effect of the Scheme, TFL shall have the non-exclusive right/ license to use the Tips Logo for all the assets and future productions under TFL in perpetuity

5.8 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of TIL and the rights and benefits under the same shall, in so far as they relate to the Demerged Undertaking and all certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other Intellectual Property Rights of the Films Division and all other interests relating to the Demerged Undertaking, be transferred to and vested in the Resulting Company.

5.9 In so far as the various incentives, subsidies (including applications for subsidies), grants, special status and other benefits or privileges granted by any Government body, local authority or by any other

person, enjoyed or availed of by TIL are concerned, the same shall, without any further act or deed, in so far as they relate to the Demerged Undertaking, vest with and be available to the Resulting Company on the same terms and conditions.

5.10 It is clarified that, upon the coming into effect of the Scheme, the following liabilities and obligations of TIL as on the Appointed Date and being a part of the Demerged Undertaking shall, without any further act or deed be and shall stand transferred to the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall stand transferred to and vested in and shall be exercised by or against the Resulting Company as if it had entered into such loans or incurred such borrowings and the Resulting Company undertakes to meet, discharge and satisfy the same:

(i) the liabilities which directly and specifically arose out of the activities or operations of the Demerged Undertaking,

(ii) specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking,

(iii) in cases other than those referred to in sub-clauses (i) and (ii) above, proportionate part of the general or multipurpose borrowings and liabilities of TIL allocable to the Demerged Undertaking in the same proportion in which the value of the assets of TIL transferred under this Scheme bears to the total value of the assets of TIL immediately before the demerger.

5.11 All loans raised and used and all liabilities and obligations incurred by TIL for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become its liabilities and obligations.

5.12 Upon the coming into effect of this Scheme, the balances as on the Appointed Date, of general or multipurpose borrowings shall be transferred to and assumed by TFL in the proportion provided in Clause 5.10 above. Thus, the primary obligation to redeem or repay such transferred liabilities shall be that of TFL. However, without prejudice to such transfer of proportionate liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, TFL may discharge such liability (including accretions thereto) by making payments on the respective due dates to TIL, which in turn shall make payments to the respective creditors.

5.13 Upon the coming into effect of this Scheme, in so far as the security in respect of the liabilities of TIL as on the Appointed Date is concerned, it is hereby clarified that TIL and the Resulting Company shall, subject to confirmation by the concerned creditor(s), mutually agree upon and arrange for such security as may be considered necessary to secure such liabilities.

Provided however, any reference in any security documents or arrangements (to which TIL is a party) to the assets of TIL offered or agreed to be offered as security for any financial assistance or obligations pertaining to the Demerged Undertaking, shall be construed as reference only to the assets pertaining to the Demerged Undertaking of TIL as are vested in the Resulting Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of TIL or any of the assets of the Resulting Company, save and except as may be otherwise agreed between TIL, the Resulting Company and the respective lender(s). It is further clarified that upon the coming into effect of this Scheme, in the event any security, charge and/ or mortgage is extended over the assets of TIL in respect of any financial assistance or obligations pertaining to the Demerged Undertaking vested in the Resulting Company, such security, charge and/ or mortgage shall be deemed to be carried out as an integral part of the scheme and all applicable compliances/ clearances/ permissions of regulatory authorities and no separate approvals shall be required.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of TIL vested in the Resulting Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by TIL which shall vest in the Resulting Company by virtue of the demerger of the

Demerged Undertaking into the Resulting Company and the Resulting Company shall not be obliged to create any further or additional security thereof after the Scheme has become operative.

5.14 Upon the coming into effect of this Scheme, the borrowing limits of the Resulting Company in terms of section 180(1)(c) of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities of TIL which are being transferred to the Resulting Company pursuant to the Scheme, such limits being incremental to the existing limits of the Resulting Company, with effect from the Appointed Date.

5.15 The provisions of this Clause insofar as they relate to the transfer of liabilities to the Resulting Company shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/ or superseded by the foregoing provisions.

5.16 It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

5.17 It is hereby clarified that all assets and liabilities of the Demerged Undertaking shall be transferred at values appearing in the books of account of TIL as on the Appointed Date which are set forth in the closing balance sheet of TIL as of the close of business hours on the date immediately preceding the Appointed Date.

Further, all the following shall be transferred in favour of TFL at **Rs. Nil**

(i) all Film Assets, whether written off from the books of accounts or not as set out in Annexure A;

(ii) all assigned / licensed Films rights in favour of third parties as set out in Annexure A;

(iii) all Delivery Materials ;

(iv) all ongoing Rights Agreements under which the TIL has existing obligations,.

5.18 All cheques and other negotiable instruments, payment order, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of TIL (in relation to Film Division) after the Effective Date shall be accepted by the bankers of TFL and credited to the account of TFL, if presented by TFL or received through electronic transfers. Similarly, the banker of TFL shall honour all cheques / electronic fund transfer instructions issued by TFL (in relation to Film Division) for payment after the Effective Date. If required, the bankers of TIL and TFL shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of TIL by TFL in relation to the Film Division for such time as may be determined to be necessary by TFL for presentation and deposition of cheques, pay order and electronic transfers that have been issued/made in the name of TFL.

5.19 Benefits of any and all corporate approvals as may have already been taken by TIL in connection with the Demerged Undertaking, including approvals under Sections 42, 62(1A), 180, 185, 186 and 188 of the 2013 Act shall stand transferred to TFL and the said corporate approvals and compliances shall be deemed to have been taken / complied with by TFL.

5.20 It is hereby clarified that all Film Assets shall hereby be transferred to TFL and TFL shall have the sole authority to exploit the Film Assets in any manner including but not limited to the Modes, Media and Formats as specified under **Annexure B**

6 LEGAL PROCEEDINGS

All legal or other proceedings of whatsoever nature by or against the Demerged Undertaking pending and/ or arising on or after the Appointed Date and relating to the Demerged Undertaking or its properties, assets, debts, liabilities, duties and obligations, shall be continued and/ or enforced until the Effective Date as desired by TFL and as and from the Effective Date shall be continued and enforced by or against TFL in the same manner and to the same extent as would or might have been continued and enforced by or against TIL. On and from the Effective Date, TFL shall and may, if required, initiate any legal proceedings in its name in relation to the Demerged Undertaking in the same manner and to the same extent as would or might have been initiated by TIL.

7 CONTRACTS AND DEEDS

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments, if any, of whatsoever nature to which TIL (to the extent related to the Demerged Undertaking) is a party and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of TFL, as the case may be, and may be enforced by or against TFL as fully and effectually as if, instead of TIL, TFL had been a party thereto. TFL may enter into and/ or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which TIL will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. TFL shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of TIL and to implement or carry out all formalities required on the part of TIL to give effect to the provisions of this Scheme.

8 BUSINESS AND PROPERTY IN TRUST

As and from the Appointed Date, upto and including the Effective Date:

(i) TIL (to the extent of the Demerged Undertaking), shall carry on and be deemed to have carried on its business and activities and shall stand possessed of all the assets and properties, in trust for Resulting Company and shall account for the same to Resulting Company.

(ii) Income or profit accruing or arising to the Demerged Undertaking and all costs, charges, expenses and losses or taxes incurred by the Demerged Undertaking shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of Resulting Company and shall be available to the Resulting Company for being disposed off in any manner as it thinks fit.

9 CONDUCT OF BUSINESS

9.1 With effect from the date of approval of the Scheme by the Board of Directors of TIL, and up to the Effective Date:

(i) TIL (to the extent related to the Demerged Undertaking) shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto fore, and TIL shall not alter or substantially expand the business of the Demerged Undertaking, except with the written concurrence of Resulting Company.

(ii) TIL shall not, without the written concurrence of Resulting Company, transfer, alienate, charge or encumber any business activity of the Demerged Undertaking, or properties (including Intellectual Property), rights or assets of the Demerged Undertaking, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of TIL.

It is further clarified that upon receipt of the written concurrence of the Resulting Company, TIL may transfer, alienate, charge or encumber any business activity of the Demerged Undertaking, or properties (including Intellectual Property), rights or assets of the Demerged Undertaking, for cash or any other consideration. Further, any such consideration received by TIL shall constitute a part of the Demerged Undertaking.

(iii) TIL (to the extent of the Demerged Undertaking) shall not without the written concurrence of Resulting Company, vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of TIL, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with employees.

10 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking and the continuance of proceedings by or against TFL shall not affect any transaction or proceedings already concluded by the Demerged Undertaking on or before the date when TIL adopts the Scheme in its Board meeting, and after the date of such adoption till the Effective Date, to the end and intent that TFL accepts and adopts all acts, deeds and things done and executed by the Demerged Undertaking in respect thereto as done and executed on behalf of itself.

11 STAFF AND EMPLOYEES

11.1 Upon the Scheme coming into effect, all staff and employees of the Demerged Undertaking shall be deemed to have become staff and employees of TFL without any break in their service and on the basis

of continuity of service and the terms and conditions of their employment with TFL shall not be less favourable than those applicable to them with reference to TIL on the Effective Date.

11.2 Upon the Scheme coming into effect, the accounts of the employees of the Demerged Undertaking relating to Provident Fund, Gratuity and any other trusts/ funds shall be identified, determined and transferred to the respective funds/ trusts of TFL and the employees shall be deemed to have become members of such funds/ trusts of TFL. TIL shall take all steps necessary for the transfer of the Provident Fund, Gratuity trust and any other fund of employees, pursuant to the Scheme, to TFL. The obligation to make contributions to the said fund or funds shall be transferred to the Resulting Company from the Effective Date in accordance with the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of TIL (to the extent related to the Demerged Undertaking) in relation to such fund or funds shall become those of TFL and all the rights, duties and benefits of the employees employed in TIL (to the extent related to the Demerged Undertaking) under such funds and trusts shall be protected, subject to the provisions of law for the time being in force.

Upon the Scheme coming into effect, until such time that the Resulting Company creates its own funds, the Resulting Company may continue to make contributions pertaining to the employees of the Demerged Undertaking to the relevant funds of the Demerged Company and such contributions pertaining to the employees of the Demerged Undertaking shall be transferred by TIL to the funds of the Resulting Company as and when created. TIL shall take all steps necessary for the transfer of the Provident Fund, Gratuity trust and any other fund of employees, pursuant to the Scheme, to the Resulting Company.

12 TREATMENT OF TAX

12.1 TFL will be the successor of TIL vis-à-vis the Demerged Undertaking. Hence, it will be deemed that the benefits of any tax credits whether central, state, or local, availed vis-a-vis the Demerged Undertaking and the obligations, if any, for payment of taxes on any assets of the Demerged Undertaking or their erection and/or installation, etc. shall be deemed to have been availed by TFL, or be deemed to be the obligation of TFL, as the case may be.

12.2 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess, receivables/payables by TIL relating to the Demerged Undertaking including all or any refunds/credits/claims/tax losses/unabsorbed depreciation relating thereto shall be treated as the asset/liability or refund/credit/claims/tax losses/unabsorbed depreciation, as the case may be, of TFL.

12.3 TIL and TFL are expressly permitted to revise their tax returns including tax deducted at source (**'TDS'**) certificates/ returns and to claim refund, advance tax, credits, Goods and Service Tax (**"GST"**), excise and GST credits, set off etc. on the basis of the accounts of the Demerged Undertaking as vested with TFL upon coming into effect of this Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

12.4 Any refund, under the income tax, GST, service tax laws, excise duty laws, central sales tax, applicable State Value Added Tax laws or other Applicable Law, dealing with taxes/ duties/ levies due to Demerged Undertaking of TIL consequent to the assessment made on TIL and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by TFL upon this Scheme becoming effective.

12.5 The tax payments (including, without limitation income tax, GST, service tax, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of TDS, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by TIL with respect to the Demerged Undertaking after the Appointed Date, shall be deemed to be paid by TFL and shall, in all proceedings, be dealt with accordingly.

12.6 Further, any TDS by TIL / TFL with respect to Demerged Undertaking on transactions with TIL / TFL, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by TFL and shall, in all proceedings, be dealt with accordingly.

12.7 Obligation for deduction of tax at source on any payment made by or to be made by TIL shall be made or deemed to have been made and duly complied with by TFL.

12.8 Any actions taken by the TIL to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) in respect of the Demerged Undertaking on and from the Appointed Date up to the Effective Date shall be considered as adequate compliance by the TIL with such requirements under Tax Laws and such actions shall be deemed to constitute adequate compliance by the TFL with the relevant obligations under such Tax Laws

12.9 Upon the Scheme becoming effective, all unavailed credits and exemptions, benefit of carried forward losses, unabsorbed depreciation and other statutory benefits, including in respect of income tax, goods and service tax, cenvat, customs, applicable state value added tax, sales tax, service tax etc. relating to the Demerged Undertaking to which TIL is entitled to shall be available to and vest in TFL, without any further act or deed.

12.10 The Board of Directors of TIL shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Demerged Undertaking and whether the same would be transferred to TFL.

SECTION B

13 ISSUE OF SHARES

13.1 Upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking in the Resulting Company pursuant to this Scheme, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the **"New Equity Shares"**) at par on a proportionate basis to each member of TIL, whose name is recorded in the register of members of TIL as holding shares on the Record Date, in the ratio of 1 (one) equity shares of Rs 10 each fully paid up of TFL for every 3 (three) equity share of Rs 10 each fully paid up held in TIL.

13.2 Cancellation of shares of the Resulting Company:
Simultaneous with the issuance and allotment of the equity shares by the Resulting Company in accordance with the Clause 13.1 above, the initial issued and paid up equity share capital of the Resulting Company, comprising of 50,000 equity shares of Rs. 10/- each, aggregating to Rs. 5,00,000/- shall be cancelled.

13.3 The exchange ratios have been determined by the Boards of Directors of the Demerged Company and the Resulting Company based on the valuation report provided by independent registered valuer as per the terms of the present proposed Scheme.

13.4 The issue and allotment of new equity shares by Resulting Company to the members of Demerged Company pursuant to Clause 13.1 above is an integral part of this Scheme.

13.5 The approval of this Scheme by the shareholders of TFL shall be deemed to be due compliance of the provisions of section 62 of the Act and applicable provisions of the Act, for the issue and allotment of new equity shares by TFL to the shareholders of TIL, as provided in this Scheme. as well as all applicable SEBI regulations have been complied with.

13.6 The New Equity Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Resulting Company.

13.7 The approval of this Scheme by the shareholders under Sections 230 and 232 of the Act shall be deemed to have the approval under Sections 13, 14 of Companies Act, 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.

13.8 In the event that TIL , as the case may be, change their capital structures prior to the Effective Date, either by way of any increase (by issue of Equity Shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner except as specifically provided in this Scheme itself, which would have the effect of bringing some change to the capital structures of such company(ies), subject to the approval of the Scheme Entities, the Share Entitlement Ratio and / or number consideration shares to be issued (as applicable) shall stand modified / adjusted accordingly to take into account the effect of such corporate actions.

13.9 Subject to Applicable Laws, the fully paid-up New Equity Shares of TFL that are to be issued in terms of Clause 13.1 shall be issued in dematerialised form, unless a shareholder of TIL gives a notice to TIL and TFL on or before the Record Date, requesting for issuance of such Equity Shares in physical form. The shareholders of TIL shall provide such confirmation, information and details as may be required by TFL to enable it to issue the aforementioned Equity Shares. However, if as of the date of allotment by TFL, TIL is unable to provide the details of the demat account of any particular shareholder, subject to applicable law, TFL shall allot the appropriate number of New Shares to such shareholder in physical form. Notwithstanding the above, if as per Applicable Laws, TFL is not permitted to issue and allot the New Equity Shares in physical form, and it has still not received the demat account details of certain shareholders of TIL, it shall issue and allot such shares in lieu of the New Equity Share entitlement of such shareholders, into a demat suspense account, which shall be operated by one of the directors of TFL, duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlement, will transfer from such demat suspense account into the individual demat accounts of such claimant shareholders, such number of shares as may be required in terms of this Scheme.

13.10 Equity shares to be issued by TFL pursuant to Clause 13.1 in respect of Equity Shares of the shareholders of TIL which are held in abeyance shall also be kept in abeyance.

13.11 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of TIL, the Board of Directors of TIL shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in TIL as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the shares in TIL and in relation to the Equity Shares issued by TFL upon the effectiveness of this Scheme. The Board of Directors of TIL and TFL shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in TFL on account of difficulties faced in the transition period.

13.12 If the allotment of-shares pursuant to this Clause 13.1 will result in any shareholders being issued fractional shares, the Board of the TFL shall, at its absolute discretion, decide to take any or a combination of the following actions:

(a) consolidate all such fractional entitlements and thereupon allot equity shares in lieu thereof to a person/ trustee authorized by the Board of the TFL in this behalf who shall hold the shares in trust on behalf of the shareholders of TIL entitled to fractional entitlements with the express understanding that such person shall sell the shares of the TFL so allotted on the Stock Exchanges at such time or times and at such price or prices and to such person, as such person/trustee deems fit, and shall distribute the net sale proceeds, subject to tax deductions and other expenses been carrying as applicable, to the shareholders of the TIL in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to a person authorized by the Board of the TFL by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer.

(b) deal with such fractional entitlements in such other manner as they may deem to be in the best interests of the shareholders of the TIL.

13.13 TFL shall apply to all the Stock Exchanges (where the shares of TIL are listed) and SEBI for listing and admission of all the Equity Shares of TIL (the New Equity Shares of TFL) to trading in terms of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 read with other Applicable Laws (as amended from time to time). TFL shall enter into such arrangements, complete such formalities and give such confirmations and/or undertakings to the Stock Exchanges as may be necessary in accordance with the Applicable Laws for the listing of Equity Shares of TFL.

13.14 The New Equity Shares of TFL issued and allotted pursuant to the Scheme shall remain frozen in the depository system until listing/trading permission is given by the Stock Exchanges for the Equity Shares of TFL.

13.15 TFL shall, if and to the extent required, apply for and obtain any approvals from the appropriate authorities including the Reserve Bank of India, for the issue and allotment of Equity Shares of TFL by to non-resident equity shareholders of TIL, if any, in terms of the Applicable Laws, including rules and regulations applicable to foreign investment.

14 ACCOUNTING TREATMENT

14.1 Accounting Treatment in the books of Tips Industries Limited (TIL)

(a) Upon this scheme becoming effective, the book value of assets and liabilities of the Demerged Undertaking as appearing in the books of account of TIL and transferred to TFL shall be reduced from the book value of assets and liabilities of TIL as on the close of business on the day immediately preceding the Appointed Date.

(b) The difference between the book value of assets and liabilities of the Demerged Undertaking, shall be adjusted off/set-off first against the amount lying to the credit of the Capital Reserve Account, second against the amount lying to the credit of the Securities Premium Account and thereafter against the amount lying to the credit of the Retained Earnings Account.

(c) Notwithstanding the above, the Board of Directors of TIL, in consultation with its statutory auditors, is authorised to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and is authorised by the Accounting Standards applicable to the

Company and/or Generally accepted Accounting Principles.

14.2 Accounting treatment in the books of Tips Films Limited (TFL)

(a) Upon coming into effect of this Scheme, TFL shall record the assets and liabilities transferred to and vested in it pursuant to the Scheme, at the same book values as appearing in the books of TIL as on the close of business on the day immediately prior to the Appointed Date.

(b) TFL shall credit its Share Capital Account in its books of account with the aggregate face value of the New Equity Shares issued to the shareholders of TIL by it in terms of Clause 13.1 and reduce its Share Capital Account which are reduced and cancelled in terms of Clause 13.2.

(c) The surplus or deficit, if any, of the value of the assets over the value of the liabilities of the Demerged Undertaking acquired pursuant to this Scheme by TFL, shall, after adjusting for the value of the New Equity Shares issued by TFL to the Shareholders of TIL, pursuant to this Scheme, shall be credited to the Capital Reserve Account in the books of TFL.

Notwithstanding the above, the Board of Directors of TIL and/or TFL, in consultation with its respective statutory auditor(s), is authorised to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and in accordance with the Accounting Standards applicable to TIL and TFL.

SECTION-C OTHER PROVISIONS

GENERAL TERMS & CONDITIONS

15 APPOINTED DATE

The Appointed Date shall be deemed to be the 'acquisition date' for all purposes, including for the purposes of accounts of TIL and TFL

16 APPLICATION TO TRIBUNAL

The Companies shall, with all reasonable dispatch, make necessary applications/petitions under sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for seeking sanction of this Scheme.

17 ALTERATION OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TFL

Increase in authorized Share Capital of TFL

a) As an integral part of Scheme, and, upon coming into effect of the Scheme, the authorized share capital of TFL shall stand suitably increased, without any further act, instrument or deed on the part of the TFL for the purpose of issue of shares as per Clause 13.1, as on the Effective Date such that upon the effectiveness of the Scheme, the authorised share capital of TFL shall be Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty lakhs) equity shares of Rs. 10/- (Rupees Ten only) each. Clause 5 of the memorandum of association of TFL shall be altered as set out below, upon coming into effect of the Scheme and without any further act or deed:

"5. The Authorized Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty lakhs) equity shares of Rs. 10/- (Rupees Ten only) each"

b) As an integral part of the Scheme, and upon coming into effect of the Scheme, the articles of association of the TFL shall stand amended and reinstated to replicate the articles of a listed company and in such form as the Board of the TFL may determine.

18 MODIFICATION OR AMENDMENTS TO THE SCHEME

18.1 Subject to approval of NCLT, the shareholders of TIL and TFL, empowers their respective Boards of Directors or by a person authorized by the Board of Directors of the Companies, may assent to/make and/or consent to any modifications/amendments of any kind to the Scheme or to any conditions or limitations that the Tribunal, as the case may be, as applicable and/or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events, and the Companies by their Board of Directors are hereby authorized to take such steps and do all such acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and resolve any doubts, difficulties or questions whether by reason of any orders of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or virtue of this Scheme and/or any matters concerning or connected therewith.

18.2 If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the respective Boards of Directors of TIL and TFL, affect the adoption or validity or interpretation of the other parts and/or provisions of this Scheme.

19 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

19.1 The requisite consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular, on terms acceptable to TIL and TFL.

19.2 The approval of the Scheme by the respective requisite majorities in number and value of the shareholders of the Companies in accordance with section 230 to 232 of the Act;

19.3 TIL & TFL, as the case may be, complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Demerged Company through e-voting,. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders, of the Demerged Company against it as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;

19.4 The Scheme being sanctioned by the Tribunal in terms of sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal and

19.5 Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by TIL and TFL as per the provisions of the Act.

20 EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

20.1 In the event any of the said sanctions and approvals referred to in clause 19 are not obtained, and/ or complied with, and/or satisfied, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

20.2 In the event of revocation under clause 20.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to TIL and TFL or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law and in such case, each company shall bear its own costs unless otherwise mutually agreed.

20.3 If any part of the Scheme is found to be infeasible or unworkable for any reason whatsoever, such infeasible or unworkable portion of the Scheme shall not affect the validity or implementation of the other parts and /or provisions of the Scheme.

20.4 The Board of Directors of TIL and TFL shall be entitled to withdraw this Scheme prior to the Effective Date for any reason (s) including, but not limited to, in case any condition or alteration imposed by Tribunal or any other authority is not on terms acceptable to them.

21 WHEN THE SCHEME COMES INTO OPERATION

21.1 It is clarified that the Scheme shall come into operation from the Appointed Date and shall become effective on and from the Effective Date in terms of the Scheme.

21.2 TIL and TFL shall carry on and shall be authorized to carry on, with effect from the Effective Date, the business pertaining to the TIL and TFL respectively. TIL and TFL is and shall always be deemed to have been authorized to execute any pleadings, applications, forms as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.

21.3 TIL and TFL shall be entitled to, amongst others, file / or revise its income tax returns, TDS/TCS returns, excise duty returns, GST returns, entry tax, cess, professional tax or any other statutory returns, if required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under section 43B of the Income Tax Act on payment basis, claim for deduction of provisions written back by TIL and TFL previously disallowed in the hands of TIL and TFL (relating to the Film Division) respectively under the Income Tax Act, credit of foreign taxes paid / withheld, if any, pertaining to TIL and TFL (relating to the Film Division) as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum.

22 DIVIDENDS

22.1 TIL and TFL shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date.

22.2 The holders of the shares of TIL and TFL shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.

22.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of TIL and/or TFL to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of Directors of TIL and TFL and subject to the approval of the shareholders of TIL and TFL respectively.

23 COSTS, CHARGES AND EXPENSES

All past, present and future costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of TIL and TFL, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto, shall be borne by TIL and such expenses shall be entitled to be amortised in terms of Applicable Laws.

24 BINDING EFFECT

Upon this Scheme becoming effective it shall be binding on the TIL and TFL and, their respective shareholders, creditors and all other stakeholders.

ANNEXURE A

FILM ASSETS

LIST OF SCRIPTS					
CURRENT SCRIPTS WITHIN LAST 5 YEARS					
-	**SCRIPT NAME**	**LANGUAGE**	**WRITERS NAMES**	**DIRECTOR ASSOCIATED**	**PRODUCER**
1	AJAB PREM KI GHAZAB KAHANI 2	HINDI	YUNUS SAJAWAL, ANUKALP GOSWAMI, SACHIN KUMAR SINGH, FARHAD SAMJI		KUMAR TAURANI
2	FAFFEKUTTNA	PUNJABI	SURMEET MAAVI, SUKHWINDER SINGH	MANDEEP KUMAR	KUMAR TAURANI
3	GOODBYE	HINDI	GIRISH KOHLI	MANDEEP KUMAR	KUMAR TAURANI
4	KHUSH KHABRI	HINDI	GIRISH KOHLI	MANDEEP KUMAR	KUMAR TAURANI
5	EK MEHMAAN AANEWALA HAI	HINDI	GURJIT SINGH		KUMAR TAURANI
6	RUNNER	HINDI	PARVEEZ SHAIKH & JASMEET REEN		RAMESH TAURANI
7	SAAZ (MUSICAL)	HINDI	HIMESH RESHAMMIYA		KUMAR TAURANI
8	GAANA BAJAANA	HINDI	AADHAR KHURANA, AAKARSH KHURANA, SIDHARTH ROBERT KUMAR		RAMESH TAURANI
9	$ 50K & A CALL GIRL - A LOVE STORY	HINDI	AAKARSH KHURANA		KUMAR TAURANI
10	ISHQ VISHK REBOUND / ISHQ VISHK 2	HINDI	AAKARSH KHURANA, VINAY CHHAWAL, VAISHALI NAIK		RAMESH TAURANI
11	FORTHCOMING FILM	HINDI	BABRIK GONI		RAMESH TAURANI
12	DUKAAN	HINDI	GARIMA WAHAL, SIDDHARTH SINGH		RAMESH TAURANI
13	FORTHCOMING FILM	HINDI	MANISH GUPTA		KUMAR TAURANI
14	FORTHCOMING FILM	HINDI	MANISH SRIVASTAVA		RAMESH TAURANI
15	FORTHCOMING FILM (GILL PROJECT)	HINDI	SAHIL SANGHA, JASMEET REEN		RAMESH TAURANI
16	FORTHCOMING FILM (OOSARAVELLI REMAKE)	HINDI	YUNUS SAJAWAL		KUMAR TAURANI
17	72 VIRGINS	HINDI	VINAY CHHAWAL, VIRAT BASOYA		RAMESH TAURANI
18	LOVERIA	HINDI	RISHI VIRMANI, VIPUL BINJOLA	MANDEEP KUMAR	KUMAR TAURANI
19	CARRY ON JATTA	HINDI	RAJAN AGARWAL, MILAP ZAVERI	MANDEEP KUMAR	KUMAR TAURANI
20	CARRY ON JATTA (SUBHANALLAH)	HINDI	RAJIV KAUL, PRAFUL PAREKH	MANDEEP KUMAR	KUMAR TAURANI
21	SNEHA TAURANI PROJECT (AMRITA IMROZ BOOK)	HINDI	ISHITA MOITRA	SNEHA TAURANI	RAMESH TAURANI
22	PAVAN KRIPLANI PROJECT	HINDI		PAVAN KRIPLANI	RAMESH TAURANI

SCRIPTS DATED MORE THAN 5 YEARS (5-15 YEARS)					
-	**SCRIPT NAME**	**LANGUAGE**	**WRITERS NAMES**	**DIRECTOR ASSOCIATED**	**PRODUCER**
23	SABLOK CLINIC	HINDI	SHREE NARAYAN SINGH	SHREE NARAYAN SINGH	RAMESH TAURANI
24	TIM TIMATI TARA (AGWAH VIVAH)	HINDI	ABHJEET SANDHU	MANDEEP KUMAR	KUMAR TAURANI
25	FORTHCOMING FILM	PUNJABI	DHEERAJ RATTAN		KUMAR TAURANI
26	FORTHCOMING FILM	HINDI	GARIMA WAHAL, SIDDHARTH SINGH		
27	MUMBAI ALIEN ATTACK	HINDI	KISHORE SADHWANI		KUMAR TAURANI
28	FORTHCOMING FILM	HINDI	MANOJ LALWANI		
29	BUDDY BUDDY BAATEIN	HINDI	MUNAF HASSAN		KUMAR TAURANI
30	FORTHCOMING FILM	HINDI	RAJAN AGARWAL		KUMAR TAURANI
31	FORTHCOMING FILM	HINDI	RUCHIKA ROY		
32	FORTHCOMING FILM	HINDI	SAI KABIR		
33	RACE 4	HINDI	SHIRAZ AHMED		RAMESH TAURANI
34	YADAV & JADHAV	HINDI	SHIRAZ AHMED		KUMAR TAURANI
35	TEESRI MANZIL	HINDI	SHIRAZ AHMED		KUMAR TAURANI
36	UNIVERSITY	HINDI	SHIRAZ AHMED		KUMAR TAURANI
37	ISHQ	HINDI	SUKHMANI SADANA	MANDEEP KUMAR	KUMAR TAURANI
38	45 DAYS	HINDI	RANJIT KAPUR		KUMAR TAURANI
39	MUSIC & LYRICS (SYNOPSIS)	HINDI	BABUL SUPRIYO		KUMAR TAURANI
40	KESHAV	HINDI	SHAILESH VERMA		KUMAR TAURANI
41	DIL DHOONDHTA HAI	HINDI	SURAJ SANIM, ISHITA MOITRA		KUMAR TAURANI
42	EK GHODA CHHE SAWAAR (WEB FILM)	HINDI	RANJIT KAPUR		KUMAR TAURANI
43	KABHI KABHI	HINDI	SAGAR PANDYA		KUMAR TAURANI
44	RAM AUR SHYAM	HINDI	MAYUR PURI, RAJAN AGARWAL		KUMAR TAURANI
45	JANGO THARKI (WEB FILM)	HINDI	VARUN THAKUR	KEN GHOSH	KUMAR TAURANI

REMAKE RIGHTS						
-	**FILM NAME**	**ORIGINAL LANGUAGE**	**AGREEMENT DATE**	**RIGHTS WITH TIPS**	**TERM**	**TERRITORY**
1	RAM AUR SHYAM (1967)	HINDI	4-APRIL-06	REMAKE RIGHTS IN HINDI LANGUAGE ONLY	PERPETUITY	WORLD
2	AMAR AKBAR ANTHONY (1977)	HINDI	14-APRIL-06	REMAKE RIGHTS ARE ASSIGNED IN ANY LANGUAGE (INCLUDING HINDI LANGUAGE)	25 YEARS FROM 14-April-06	WORLD
3	ARYA (2004)	TELUGU	2-APRIL-09 (LETTER FROM TIPS TO NARSIMHA PRODUCTIONS) 5-JUN-09 (LETTER FROM SK FILMS TO TIPS)	REMAKE RIGHTS IN ALL LANGUAGES (EXCEPT TAMIL, TELUGU, KANNADA & MALAYALAM) / LFA TO BE PREPARED REMAKE RIGHTS IN HINDI LANGUAGE ONLY / LFA TO BE PREPARED	PERPETUITY	WORLD
4	SOURYAM (2008)	TELUGU	17-AUG-11	REMAKE RIGHTS IN ALL INDIAN LANGUAGES (EXCEPT TAMIL, TELUGU, KANNADA & MALAYALAM)	PERPETUITY	WORLD
5	DON SEENU (2010)	TELUGU	27-AUG-11	REMAKE RIGHTS IN ALL LANGUAGES (EXCEPT TAMIL, TELUGU, KANNADA & MALAYALAM)	PERPETUITY	WORLD
6	AYAAN (2009)	TAMIL	10-AUG-12	REMAKE RIGHTS IN HINDI LANGUAGE ONLY	PERPETUITY	WORLD
7	FARZ (1967)	HINDI	06-MAR-13	REMAKE RIGHTS FOR ALL LANGUAGES	PERPETUITY	WORLD
8	CARRY ON JATTA (2012)	PUNJABI	13-MAR-14	REMAKE RIGHTS IN HINDI LANGUAGE ONLY	PERPETUITY	WORLD
9	50K & A CALL GIRL - A LOVE STORY (2014)	ENGLISH	13-NOV-14	REMAKE RIGHTS IN HINDI LANGUAGE ONLY EXCLUSIVE RIGHT TO SUB-LICENSE REMAKE RIGHTS FOR OTHER INDIAN LANGUAGE VERSIONS	PERPETUITY	WORLD
10	NAPOLEON (2017)	TELUGU	18-MAR-19	REMAKE RIGHTS IN ALL WORLD LANGUAGES (EXCLUDING TAMIL, TELUGU, KANNADA AND MALAYALAM)	PERPETUITY	WORLD
11	OOSARAVELLI	TELUGU	31-AUG-20	REMAKE RIGHTS IN ALL INDIAN LANGUAGES (EXCLUDING TAMIL, TELUGU, KANNADA, MALAYALAM & BENGALI)	PERPETUITY	WORLD
12	AGENT SAI SRINIVASA ATHREYA	TELUGU		FINANCE TO NORTHERN LIGHTS LLP FOR REMAKE RIGHTS	PERPETUITY	WORLD
13	PURE SOUL	JAPANESE	16-APRIL-21	TV SERIES REMAKE RIGHTS	30-JUN-28	WORLD EXCEPT JAPAN

DUBBING RIGHTS

-	FILM NAME	ORIGINAL LANGUAGE	AGREEMENT DATE	RIGHTS WITH TIPS	TERM	TERRITORY
1	SOURYAM (2008)	TELUGU	17-AUG-11	DUBBING RIGHTS OF ORIGINAL FILM IN ALL LANGUAGES (EXCEPT HINDI & ORIYA)	PERPETUITY	WORLD
2	DON SEENU (2010)	TELUGU	27-AUG-11	DUBBING RIGHTS OF ORIGINAL FILM IN ALL LANGUAGES (EXCEPT HINDI)	PERPETUITY	WORLD
3	NUVVOSTANANTE NENODDANTANA (2005) / MR. IDIOT	TELUGU	08-FEB-12	DUBBING RIGHTS OF ORIGINAL FILM IN HINDI LANGUAGE	25 YEARS FROM 08-DEC-11	WORLD
4	NAPOLE0N (2017)	TELUGU	07-JAN-19	DUBBING RIGHTS IN HINDI LANGUAGE ONLY : INCLUDES THEATRICAL, SATELLITE, MUSIC & AUDIO VISUAL, HOME VIDEO RIGHTS	PERPETUITY	WORLD

BOOK RIGHTS

-	BOOK NAME	AUTHOR NAME	AGREEMENT DATE	RIGHTS WITH TIPS	TERM	TERRITORY
1	MR. & MRS. JINNAH - THE MARRIAGE THAT SHOOK INDIA	SHEELA REDDY	03-OCT-20	EXCLUSIVE BOOK ADAPTATION RIGHTS TO MAKE INTO ONE OR MORE AUDIO VISUAL CONTENTS IN ALL LANGUAGES	PERPETUITY	WORLD
2	AMRITA IMROZ	UMA TRILOK	18-NOV-20	BOOK ADAPTATION RIGHTS TO MAKE INTO AUDIO VISUAL CONTENTS	PERPETUITY	WORLD

ANIMATION SERIES UNDER DEVELOPMENT

-	SCRIPT NAME	LANGUAGE	WRITERS NAMES	FORMAT
1	CHIRPY CHIU	HINDI	NIKHIL WARWADEKAR, SWEKSHA BHAGAT (ANANTA FILMS)	TV SERIES
2	MOTOR TOWN	HINDI	AMIT DEONDI	TV SERIES

PART 2

LIST OF FILMS

LIST OF FILMS UNDER TIPS INDUSTRIES LIMITED									
-	MOVIE	LANGUAGE	STAR CAST	DATE OF RELEASE	TERRITORIES	CURRENT STATUS / EXPIRY DATE OF THIRD PARTY TERM	CURRENTLY LICENSED TO PARTY	WORLD SATELLITE RIGHTS (AVAILABLE FROM)	DIGITAL SATELLITE RIGHTS (AVAILABLE FROM)
1	AMBARSARIYA	HINDI DUBBED	*Diljit Dosanjh, Navneet Kaur, Monica Gill & others*	25-MAR-16	WORLD	OPEN	NA	OPEN	OPEN
2	AMBARSARIYA	PUNJABI	*Diljit Dosanjh, Navneet Kaur, Monica Gill & others*	25-MAR-16	WORLD	OPEN	NA	OPEN	OPEN
3	DIL APNA PUNJABI	HINDI DUBBED	*Harbhajan Mann, Niroo Bajwa, Dara Singh, Kawaljeet, Deep Dilon*	01-SEP-06	WORLD	OPEN	NA	OPEN	OPEN
4	DIL APNA PUNJABI	PUNJABI	*Harbhajan Mann, Niroo Bajwa, Dara Singh, Kawaljeet, Deep Dilon*	01-SEP-06	WORLD	OPEN	NA	OPEN	OPEN
5	FOOTPATH	HINDI	*Aftab Shivdasani, Bipasha Basu, Emran Hashmi & Others*	15-AUG-03	WORLD	OPEN	NA	OPEN	OPEN
6	JAYANTA BHAI KI LUV STORY	HINDI	*Vivek Oberoi, Neha Sharma & Others*	13-FEB-13	WORLD	OPEN	NA	OPEN	OPEN
7	JIHNE MERA DIL LUTEYA	HINDI DUBBED	*Diljit Dosanjh, Gippy Grewal, Neeru Bajwa, Binnu Dhillon, Jaswinder Bhalla & Others*	29-JUL-11	WORLD	OPEN	NA	OPEN	OPEN
8	JIHNE MERA DIL LUTEYA	PUNJABI	*Diljit Dosanjh, Gippy Grewal, Neeru Bajwa, Binnu Dhillon, Jaswinder Bhalla & Others*	29-JUL-11	WORLD	OPEN	NA	OPEN	OPEN

-	MOVIE	LANGUAGE	STAR CAST	DATE OF RELEASE	TERRITORIES	CURRENT STATUS / EXPIRY DATE OF THIRD PARTY TERM	CURRENTLY LICENSED TO PARTY	WORLD SATELLITE RIGHTS (AVAILABLE FROM)	DIGITAL SATELLITE RIGHTS (AVAILABLE FROM)
9	KAPTAAN	HINDI DUBBED	*Gippy Grewal, Monica Gill, Karishma Kotak & Others*	20-MAY-16	WORLD	OPEN	NA	OPEN	OPEN
10	KAPTAAN	PUNJABI	*Gippy Grewal, Monica Gill, Karishma Kotak & Others*	20-MAY-16	WORLD	OPEN	NA	OPEN	OPEN
11	LOVESHHUDA	HINDI	*Girish Kumar, Navneet Kaur & Others*	19-FEB-16	WORLD	OPEN	NA	OPEN	OPEN
12	MEL KARADE RABBA	HINDI DUBBED	*Jimmy Shergil, Niroo Bajwa , Gippy Grewal & Others*	16-JUL-10	WORLD	OPEN	NA	OPEN	OPEN
13	MEL KARADE RABBA	PUNJABI	*Jimmy Shergil, Niroo Bajwa , Gippy Grewal & Others*	16-JUL-10	WORLD	OPEN	NA	OPEN	OPEN
14	PHATA POSTER NIKHLA HERO	HINDI	*Shahid Kapur, Illeana D'cruz & Others*	20-SEP-13	WORLD	OPEN	NA	OPEN	OPEN
15	RAAZ	HINDI	*Dino Morea, Bipasha Basu, Malini Sharma , Ashutosh Rana & Others*	01-FEB-02	WORLD	OPEN	NA	OPEN	OPEN
16	RAAZ	TELUGU DUBBED	*Dino Morea, Bipasha Basu, Malini Sharma , Ashutosh Rana & Others*	01-FEB-02	WORLD	OPEN	NA	OPEN	OPEN
17	RAAZ	TAMIL DUBBED	*Dino Morea, Bipasha Basu, Malini Sharma , Ashutosh Rana & Others*	01-FEB-02	WORLD	OPEN	NA	OPEN	OPEN
18	RAMAIYA VASTAVAIYA	HINDI	*Girish Kumar, Shruti Haasan , Prabhu Dheva & Others*	19-JUL-13	WORLD	OPEN	NA	OPEN	OPEN

-	MOVIE	LANGUAGE	STAR CAST	DATE OF RELEASE	TERRITORIES	CURRENT STATUS / EXPIRY DATE OF THIRD PARTY TERM	CURRENTLY LICENSED TO PARTY	WORLD SATELLITE RIGHTS (AVAILABLE FROM)	DIGITAL SATELLITE RIGHTS (AVAILABLE FROM)
19	YAARANA	PUNJABI	*Gavie Chahal,Geeta Zaildar,Yuvraj Hans*	24-APR-15	WORLD	OPEN	NA	OPEN	OPEN
20	RACE 1	HINDI	*Saif Ali Khan, Bipasha basu, Akshay Khanna, Katrina Kaif, Anil Kapoor, Sameera Reddy*	21-MAR-08	WORLD	14-JAN-23	UTV/ DISNEY	15-JAN-23	15-JAN-23
21	KISMAT KONNECTION	HINDI	*Shahid Kapur, Vidya Balan, Juhi Chawla, Om Puri, Boman Irani*	18-JUL-08	WORLD	14-JAN-23	UTV/ DISNEY	15-JAN-23	15-JAN-23
22	TOH BAAT PAKKI	HINDI	*Tabu, Sharman Joshi, Vatsal Sheth & Others*	19-FEB-10	WORLD	03-FEB-26	HEERA LAXMI	04-FEB-26	04-FEB-26
23	AJAB PREM KI GHAZAB KAHANI	HINDI	*Ranbir Kapoor, Katrina Kaif, Upen Patel , Darshan Jariwala & Others*	06-NOV-09	WORLD	03-FEB-26	HEERA LAXMI	04-FEB-26	04-FEB-26
24	PRINCE	HINDI	*Vivek Oberoi, Aruna Shields, Nandana Sen, Neeru Bajwa & Others*	09-APR-10	WORLD	22-MAR-26	SHEMAROO	23-MAR-26	23-MAR-26
25	PRINCE	TAMIL DUBBED	*Vivek Oberoi, Aruna Shields, Nandana Sen, Neeru Bajwa & Others*	09-APR-10	WORLD	22-MAR-26	SHEMAROO	23-MAR-26	23-MAR-26
26	PRINCE	TELUGU DUBBED	*Vivek Oberoi, Aruna Shields, Nandana Sen, Neeru Bajwa & Others*	09-APR-10	WORLD	22-MAR-26	SHEMAROO	23-MAR-26	23-MAR-26
27	TALAASH	HINDI	*Akshay Kumar, Kareena Kapoor & Others*	30-NOV-12	INDIA, NEPAL, BHUTAN, SIKKIM, PAKISTAN BANGLADESH	14-JUL-26	SHEMAROO	15-JUL-26	15-JUL-26

-	MOVIE	LANGUAGE	STAR CAST	DATE OF RELEASE	TERRITORIES	CURRENT STATUS / EXPIRY DATE OF THIRD PARTY TERM	CURRENTLY LICENSED TO PARTY	WORLD SATELLITE RIGHTS (AVAILABLE FROM)	DIGITAL SATELLITE RIGHTS (AVAILABLE FROM)
28	TERE NAAL LOVE HO GAYA	HINDI	*Riteish Deshmukh, Genelia, Om Puri & Others*	24-FEB-12	WORLD	24-FEB-27	UTV/ DISNEY	25-FEB-27	25-FEB-27
29	RACE 2	HINDI	*Saif Ali, John Abrahm, Deepika Padokone , Jacqueline , Anil Kapoor, Amisha Patel & Others*	25-JAN-13	WORLD	24-JAN-28	UTV/ DISNEY	25-JAN-28	25-JAN-28
30	NAQAAB	HINDI	*Bobby Deol , Akshay Khanna, Urvashi Sharma & Others*	13-JUL-07	WORLD	11-JUL-28	SHEMAROO	12-JUL-28	12-JUL-28
31	FIDA	HINDI	*Shahid Kapoor, Fardeen Khan, Kareena Kapoor & Others*	20-AUG-04	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
32	BEQABU	HINDI	*Sanjay Kapoor , Mamta Kulkarni & Others*	12-JAN-96	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
33	AUZAAR	HINDI	*Salman Khan, Sanjay Kapoor, Shilpa Shetty & others*	28-FEB-97	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
34	JAB PYAAR KISI SE HOTA HAI	HINDI	*Salman Khan, Twinkle Khanna, Johnny Lever & others*	22-MAY-98	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
35	SOLDIER	HINDI	*Bobby Deol , Preity Zinta & Others*	12-OCT-98	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
36	KACHCHE DHAAGE	HINDI	*Saif Ali Khan, Ajay Devgan, Manisha Koirala, Namrata Shirodkar & Others*	19-FEB-99	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28

-	MOVIE	LANGUAGE	STAR CAST	DATE OF RELEASE	TERRITORIES	CURRENT STATUS / EXPIRY DATE OF THIRD PARTY TERM	CURRENTLY LICENSED TO PARTY	WORLD SATELLITE RIGHTS (AVAILABLE FROM)	DIGITAL SATELLITE RIGHTS (AVAILABLE FROM)
37	KYA KEHNA!	HINDI	*Saif Ali Khan, Chandrachur Singh , Preity Zinta & Others*	19-MAY-00	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
38	KYA KEHNA! - RAA CHILKA	TELUGU DUBBED	*Saif Ali Khan, Chandrachur Singh , Preity Zinta & Others*	19-MAY-00	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
39	KUNWARA	HINDI	*Govinda , Urmila Matondkar & Others*	14-JUL-00	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
40	ALBELA	HINDI	*Govinda, Aishwarya Rai, Namrata Shirodkar, Jackie Shroff & Others*	20-APR-01	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
41	KYA YEHI PYAAR HAI	HINDI	*Aftab Shivdasani , Amisha Patel & Others*	22-MAR-02	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
42	THE LEGEND OF BHAGAT SINGH	HINDI	*Ajay Devgan, Amrita Rao , Sushant Singh Sukhdev & Others*	07-JUN-02	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
43	DIL HAI TUMHAARA	HINDI	*Arjun Rampal, Jimmy Shergil, Preity Zinta , Mahima Chawdhary & Others*	06-SEP-02	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
44	DIL KA RISHTA	HINDI	*Arjun Rampal, Aishwarya Rai, Priyanshu & Others*	17-JAN-03	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28
45	ISHQ VISHK	HINDI	*Shahid Kapoor, Amrita Rao, Shenaz Treasurywala & Others*	10-APR-03	WORLD	31-OCT-28	SHEMAROO	01-NOV-28	01-NOV-28

-	MOVIE	LANGUAGE	STAR CAST	DATE OF RELEASE	TERRITORIES	CURRENT STATUS / EXPIRY DATE OF THIRD PARTY TERM	CURRENTLY LICENSED TO PARTY	WORLD SATELLITE RIGHTS (AVAILABLE FROM)	DIGITAL SATELLITE RIGHTS (AVAILABLE FROM)
46	JEET	HINDI	*Sunny Deol, Salman Khan, Karisma Kapoor & others*	23-AUG-96	ENTIRE WORLD EXCLUDING INDIA, NEPAL, BHUTAN, SIKKIM	31-JAN-30	SHEMAROO	01-FEB-30	01-FEB-30
47	KASAK	HINDI	*Lucky Ali,Mukesh Tiwari, Puneet Issar, Meera & Others*	22-JUL-05	WORLD	30-APR-30	SHEMAROO	01-MAY-30	01-MAY-30
48	RAJA HINDUSTANI	HINDI	*Aamir Khan, Karisma Kapoor & Others*	06-NOV-96	WORLD	31-OCT-30	CINEYUG	01-NOV-30	01-NOV-30
49	ENTERTAINMENT	HINDI	*Akshay Kumar, Tamanna Bhatia, Sonu Sood , Johnny Lever & Others*	08-AUG-14	WORLD	07-NOV-34	PEN ENTERTAINMENT	08-NOV-34	08-NOV-34

LIST OF FILMS UNDER TIPS INDUSTRIES LIMITED THAT ARE CURRENTLY UNDER PRODUCTION

-	MOVIE	LANGUAGE	STAR CAST	CURRENT STAUS
51	HARI OM (SOULMATES)	HINDI/ENGLISH	*Vijay Raaz, Camille Natta, A. K Hangal & Others*	UNRELEASED
52	BHOOT POLICE	HINDI	*Saif Ali Khan, Arjun Kapoor, Jacqueline , Yami Gautam & Others*	UNDER PRODUCTION
53	MR. IDIOT (NUVVOSTANANTE NENNODANTANA)	HINDI DUBBED	*Siddharth, Trisha, Prakash Raj & Others*	UNDER PRODUCTION
54	SOURYAM	BHOJPURI DUBBED	*Gopichand, Anushka Shetty & Others*	UNDER PRODUCTION
55	SOURYAM	PUNJABI DUBBED	*Gopichand, Anushka Shetty & Others*	UNDER PRODUCTION
56	DON SEENU	BHOJPURI DUBBED	*Ravi Teja, Shriya Saran, Mahesh Manjrekar & Others*	UNDER PRODUCTION
57	DON SEENU	PUNJABI DUBBED	*Ravi Teja, Shriya Saran, Mahesh Manjrekar & Others*	UNDER PRODUCTION
58	NAPOLEON	HINDI DUBBED	*Ravi Anand, Ravi Varma, Komali & Others*	UNRELEASED
59	RISK TAKERS (RIGHTS ACQUIRED FOR SIDDESH SAMEER PANDEY)	HINDI/ENGLISH DOCUMENTARY	*Various*	UNDER PRODUCTION

LIST OF WEB SERIES THAT ARE CURRENTLY UNDER PRODUCTION

-	MOVIE	LANGUAGE	STAR CAST	CURRENT STAUS
60	BLACK OUT	HINDI	*TBD*	UNDER PRODUCTION

PART 3

LIST OF CANCELLED FILMS

LIST OF FILMS UNDER TIPS INDUSTRIES LIMITED THAT ARE CANCELLED / WRITTEN OFF						
-	**MOVIE/ SCRIPT NAME**	**LANGUAGE**	**WRITERS NAMES**	**DIRECTOR ASSOCIATED**	**PRODUCER**	**WRITTEN OFF AS ON**
1	DANCE	HINDI		AMIT ROY	RAMESH TAURANI	31-MAR-19
2	MARRIAGE MANTRA	HINDI	DEVENDRA PEM	HAROUN MIRZA	RAMESH TAURANI	31-MAR-20
3	ABHI/ ZAROORAT	HINDI	AAKARSH KHURANA, AADHAR KHURANA, ADHIR BHATT, SIDDHARTH KUMAR, HUSSAIN DALAL, JUNAID ALAM	MOHIT SURI	RAMESH TAURANI	31-MAR-20
4	FORTHCOMING FILM	HINDI	SAILESH DAVE	MOHIT SURI	RAMESH TAURANI	31-MAR-20
5	FORTHCOMING FILM	HINDI	GULZAR	SHOOJIT SIRCAR	RAMESH TAURANI	31-MAR-12
6	FORTHCOMING FILM	HINDI	HONEY IRANI		RAMESH TAURANI	31-MAR-10
7	FORTHCOMING FILM	HINDI	ILA ARUN		RAMESH TAURANI	31-MAR-11
8	FORTHCOMING FILM	HINDI	K SUBHASH		RAMESH TAURANI	31-MAR-20
9	FORTHCOMING FILM	HINDI	KAMAL PANDEY		RAMESH TAURANI	31-MAR-10
10	FORTHCOMING FILM	HINDI	KAMNA CHANDRA		RAMESH TAURANI	31-MAR-10
11	FORTHCOMING FILM	HINDI	K K RAINA		RAMESH TAURANI	31-MAR-10
12	FORTHCOMING FILM	HINDI	LALIT MAHAJAN, SANDEEP MAHAJAN		RAMESH TAURANI	31-MAR-10
13	CHAAR YAAR	HINDI	MILAP ZAVERI, TUSHAR HIRANANDANI		RAMESH TAURANI	31-MAR-10 & 01-MAR-12
14	FORTHCOMING FILM	HINDI	MOHD DARAB FAROOQUI (DIALOGUE WRITER RACE 2)		RAMESH TAURANI	31-MAR-14
15	FORTHCOMING FILM	HINDI	NEELIMA AZIM		RAMESH TAURANI	31-MAR-14
16	FORTHCOMING FILM	HINDI	PARITOSH PAINTER	KEN GHOSH	RAMESH TAURANI	31-MAR-14
17	FORTHCOMING FILM	HINDI	SALIM KHAN		RAMESH TAURANI	31-MAR-10
18	FORTHCOMING FILM	HINDI	SANAMJIT SINGH TALWAR (DIALOGUE WRITER RACE 2)		RAMESH TAURANI	31-MAR-14
19	FORTHCOMING FILM	HINDI	SANDEEP SHRIVASTAVA		RAMESH TAURANI	31-MAR-14
20	FORTHCOMING FILM	HINDI	SHIBANI BATHIJA		RAMESH TAURANI	31-MAR-20
21	FORTHCOMING FILM	HINDI	SHRIDHAR RAGHAVAN		RAMESH TAURANI	31-MAR-10 & 31-MAR-15
22	FORTHCOMING FILM	HINDI	SHYAM GOEL		RAMESH TAURANI	31-MAR-10
23	FORTHCOMING FILM	HINDI	SURESH NAIR		RAMESH TAURANI	31-MAR-13
24	FORTHCOMING FILM	HINDI	TANVEER BOOKWALA	KEN GHOSH	RAMESH TAURANI	31-MAR-20
25	DANCE	HINDI	TARUN MANSUKHANI	AMIT ROY	RAMESH TAURANI	31.MAR.19

-	MOVIE/ SCRIPT NAME	LANGUAGE	WRITERS NAMES	DIRECTOR ASSOCIATED	PRODUCER	WRITTEN OFF AS ON
26	LONDON COOLIE	HINDI	VIRENDRA SINHA		RAMESH TAURANI	31-MAR-10
27	TYCOON	HINDI	KUNDAN SHAH, NEERAJ VORA		RAMESH TAURANI	31-MAR-12
28	DACOIT	HINDI	ANJUM RAJABALI, ASHWINI MALIK		RAMESH TAURANI	31-MAR-15 & 31-03-2010
29	FORTHCOMING FILM	HINDI	ANJUM RAJABALI	SIDDHARTH RAJ ANAND	RAMESH TAURANI	31-MAR-2010
30	PROJECT AFTER LEGEND OF BHAGAT SINGH	HINDI	ANJUM RAJABALI		RAMESH TAURANI	31-MAR-2010
31	FORTHCOMING FILM	HINDI	ABBAS TYREWALA	SIDDHARTH ANAND	RAMESH TAURANI	31-MAR-20
32	FORTHCOMING FILM	HINDI	ANURADHA TIWARI	KEN GHOSH	RAMESH TAURANI	31-MAR-20
33	FORTHCOMING FILM	HINDI	ANURADHA TIWARI	MOHIT SURI	RAMESH TAURANI	31-MAR-20
34	FORTHCOMING FILM	HINDI	ANVITA DUTT	KEN GHOSH	RAMESH TAURANI	31-MAR-20
35	FORTHCOMING FILM	HINDI	ARSHAD SYED	HAROON MIRZA	RAMESH TAURANI	31-MAR-20
36	FORTHCOMING FILM	HINDI	ANKUR TEWARI		KUMAR TAURANI	31-MAR-14
37	FORTHCOMING FILM	HINDI	BHAVESH MANDALIYA		KUMAR TAURANI	31-MAR-14
38	TU HI RE	HINDI	BHOLU KHAN		KUMAR TAURANI	31-MAR-14
39	FORTHCOMING FILM	HINDI	DILIP SHUKLA		KUMAR TAURANI	31-MAR-11
40	FORTHCOMING FILM	HINDI	ELVIS D'SILVA		KUMAR TAURANI	31-MAR-15
41	FORTHCOMING FILM	HINDI	FAREEN A SHAIKH		KUMAR TAURANI	31-MAR-20
42	FORTHCOMING FILM	HINDI	JANKI KAVIRATNA		KUMAR TAURANI	31-MAR-11
43	FORTHCOMING FILM	HINDI	KAMLESH PANDEY		KUMAR TAURANI	31-MAR-13
44	FORTHCOMING FILM	HINDI	KIRAN KOTRIAL 2ND PROJECT KIRAN KOTRIAL FF		KUMAR TAURANI	31-MAR-20
45	FORTHCOMING FILM (SALMAN KHAN PROJECT)	HINDI	MUKESH K		KUMAR TAURANI	31-MAR-11
46	FORTHCOMING FILM	HINDI	NILAY UPADHYAY		KUMAR TAURANI	31-MAR-10
47	HERO HITLER (SATYAMEV JAYATE)	HINDI	PRAFUL PAREKH		KUMAR TAURANI	31-MAR-11
48	FORTHCOMING FILMS (3 FILMS)	HINDI	RAHUL SUD		KUMAR TAURANI	31-MAR-13
49	FORTHCOMING FILM	HINDI	RAJ SINHA		KUMAR TAURANI	01-MAR-09
50	FORTHCOMING FILM	HINDI	RAJEEV GOPALKRISHNAN		KUMAR TAURANI	01-MAR-12
51	FORTHCOMING FILM	HINDI	RAJKUMAR SANTOSHI		KUMAR TAURANI	31-MAR-10
52	FORTHCOMING FILM	HINDI	ROBIN BHATT		KUMAR TAURANI	31-MAR-10

-	MOVIE/ SCRIPT NAME	LANGUAGE	WRITERS NAMES	DIRECTOR ASSOCIATED	PRODUCER	WRITTEN OFF AS ON
53	FORTHCOMING FILM (PROD NO. 5)	HINDI	SAMEER MALHOTRA		KUMAR TAURANI	31-MAR-11
54	FORTHCOMING FILM	HINDI	SANTANU GUPTA		KUMAR TAURANI	01-MAR-10
55	FORTHCOMING FILM	HINDI	SANYUKTHA CHAWLA		KUMAR TAURANI	31-MAR-13
56	FORTHCOMING FILM	HINDI	SHAHEEN MUHAMMED		KUMAR TAURANI	31-MAR-20
57	FORTHCOMING FILM	HINDI	SOURABH RATNU		KUMAR TAURANI	01-MAR-12
58	FORTHCOMING FILM	HINDI	SUBRAT GUPTA		KUMAR TAURANI	31-MAR-10
59	FORTHCOMING FILM	HINDI	SUNIL MUNSHI		KUMAR TAURANI	31-MAR-13
60	FORTHCOMING FILMS (3 FILMS)	HINDI	TUSHAR HIRANANDANI	TUSHAR HIRANANDANI	KUMAR TAURANI	01-MAR-12
61	FORTHCOMING FILM	HINDI	UROOVAAK VORA		KUMAR TAURANI	31-MAR-20
62	FORTHCOMING FILM	HINDI	VINOD RANGANATHAN		KUMAR TAURANI	31-MAR-10
63	FORTHCOMING FILM	HINDI	VIPIN DHYANI, ARISH SHAIKH		KUMAR TAURANI	31-MAR-14
64	VARIOUS FORTHCOMING FILMS	HINDI	SHIRAZ AMED			31-MAR-16 & 31-SPET-2019
65	FORTHCOMING FILM	HINDI	ABHINAV KASHYAP		RAMESH TAURANI	01-MAR-12
66	FORTHCOMING FILM	HINDI	ANAND VARDHAN		RAMESH TAURANI	01-MAR-12
67	FORTHCOMING FILM	HINDI	ILA BEDI DUTTA		RAMESH TAURANI	31-MAR-20

ANNEXURE B
MODES, MEDIA AND FORMATS

"**Modes, Media and Formats**" of exploitation of the Film Assets throughout the Term and Territory save and except for Excluded Rights shall include but not be limited to the following:

(i) All television, video, satellite, internet, digital and cable rights and all other rights (including re-issue rights), for the purpose of exhibiting, broadcasting or exploiting in any manner whatsoever, by the use of any method and/or technology, in any and all languages and versions of the Territory (including dubbed, subtitled and narrated), in whatsoever manner;

(ii) To use and incorporate the Film Assets in all or any formats including but not limited to 35 mm and all other sizes/formats of cinematograph film formats or digital video equivalents, photographs or digital equivalents, audio in any formats;

(iii) non-theatrical, commercial, television including terrestrial television rights, public video, Pay TV rights, Free TV rights, satellite television rights (including MMDS, SMATV, DTH, SSL, XDSL, DBS, HITs, HDTV, FTA), cable television rights, Doordarshan, Prasad Bharti, linear/ non-linear DTH Rights, TV spin-off rights, linear transmission/ retransmission, pay per view rights (residential and non-residential), video on demand across all platforms (NVOD, SVOD, NMOD, FVOD, TVOD, AVOD, PPV) and downloads, streaming or other kind of data packet transfer technology through internet/broadband/IPTV/DTO (Download to Own), Download to Rent and Download to Hire platforms, EST (Electronic Sell Through), satellite, internet, digital, cable, wireless networks (Wireless LANs, WIFI, Broadband, WAN), WAP/iMode and any other modes of wired or wireless distribution or exploitation via radio frequencies etc. whether circuit switched or packet switched, mobile broadcast technology, mobile communications technology, digital TV (including DBV-H, DBV-T, etc.), , commercial video rights, NSTV (non-standard television), website rights, new media rights, DDHE (digital delivery home entertainment), DTT (digital terrestrial television), Computer games rights, syndication rights, ancillary rights, festival rights, institutional rights, educational rights, AR (augmented reality) rights, and VR (virtual reality) rights;

(iv) All home entertainment devices including DVD, Compact Disc, Laser Disc, Blue Ray Discs, Video Compact Disc, Video Cassette, Videogram Rights, Embodying Rights, VHS, CDs, Blue Ray Discs, VCDs and DVDs, Discs, Diskettes, optical storage devices, other storage devices and/or any similar devices.

(v) Television (including Smart TVs and other future variants), computing devices, handheld devices (mobile phones, tablets, notepads etc.), exploitation through Personal Video Players (PVPs), Personal Video Recorder, Digital Video Recorder, Digital TV, Optical Disc Burner or recorders or equivalent memory stick cartridges, Semi-Conductor chips in both standard and hi definition formats, Versatile Digital Discs, Optical Disc, Laser Disc, Video compact disc, Compact Disc, Disc players, Blue Ray, Personal computers, Set-top based games that are played in conjunction with a DVD, HD-DVD, HD, or any other mode of Video together with audio and the visuals accompanying them in the Film Assets in conjunction with audio and visuals accompanying the audio and songs of other programs/film(s)), Interactive television, Interactive Media, Telephone, Electric wires, Wireless, Chip, Satellite, DTH, DSL, ADSL, VDSL, SSL, DBS, Free download, Pay downloads in part or full, Animation, games, Reel, VHS, Video Cyberspace, Video Internet, Mobile, Computer hard drives, RAM devices (e.g. "Flash" or "Memory Stick" cards), Personal digital assistants ("PDAs"), Personal entertainment devices ("PEDs"), Wireless devices, Pay per View, Pay Telephone, Pay Video on Demand, all interactive games, mobile rights, publishing rights,;

(vi) Interactive multimedia, clips, Home Video Rental & Sell Through (including DVD, Compact Disc, Laser Disc, Blue Ray Discs, Video Compact Disc, Video Cassette, Videograms, Embodying in any manner in any storage medium, VHS and such other rights), Download to Own, Download to Rent, commercial video, Internet multimedia, communication to public within aircrafts, Railways, Ships, boats, vessels, surface

transport and hotel and commercial establishment rights. Conversion and/or production and/or transmission in any format including but not limited to SD (standard definition), HD (High Definition), 2Dimensional, 3Dimensional, 4Dimensional or any other multidimensional, holographic or other formats;

(vii) Exploitation of the Film Assets through the following modes and mediums: Physical; mechanical; magnetic; analog; optical; electric; electronic; wireless; intranet or local wireless; wireless telephony within the meaning of the Indian Telegraph Act; wireless broadcasting; terrestrial; satellite; cable; wired broadcast; landline telephony; mobile telephony and data services of any kind not limited to 2G, 3G, 4G, BWA, LTE; internet telephony; cyber; internet; streaming; webcasting; simulcasting; downloading; uploading; P to P; radio; television; biotechnological; nano-technological; nuclear; molecular. The Parties acknowledge that the terms "mode" and "medium" are not limited to any particular format or device, and that this assignment extends to and includes the right to exploit the works using all existing and future devices and formats employing the said modes and mediums and any other modes and mediums in use at the time of execution of this Deed.

(viii) To produce, distribute and exploit prequels, sequels, remakes, games, adaptations, mobisodes, webisodes, plays, dramatic works, novels, television series, spin off series, films etc.;

(ix) All modes, media and formats of exploitation: (i) in existence now, (ii) in existence now but not in commercial use on the date of execution hereof, and (iii) as may be developed in future.

PAWAN SHIVKUMAR PODDAR
REGISTERED VALUER
Securities and Financial Assets
Reg No. – IBBI/RV/06/2019/12475

STRICTLY PRIVATE & CONFIDENTIAL

May 10, 2021

The Board of Directors
TIPS Industries Limited
601, 6th Floor, Durga Chambers
278/ E, Linking Road,
Khar (West), Mumbai - 400 052

The Board of Directors
Tips Films Limited
501, 5th Floor, Durga Chambers
278/ E, Linking Road,
Khar (West), Mumbai - 400 052

Dear Sir(s) / Madam(s),

Re: **Recommendation of fair share entitlement ratio for the proposed demerger of the Film Business of Tips Industries Limited into TIPS Films Limited.**

We refer to our engagement letter dated January 04, 2021 whereby the management of TIPS Industries Limited (hereinafter referred to as 'TIL') has appointed us to issue a report opining on the fair share entitlement ratio for the proposed demerger of Films business (hereinafter referred to as the 'Demerged Undertaking') of TIL into TIPS Films Limited (hereinafter referred to as 'TFL'), as recommended by the management of TIL.

TIL and TFL are hereinafter collectively referred to as the 'Companies'.

1 SCOPE AND PURPOSE OF THIS REPORT

1.1 We have been informed by the management of the Companies (hereinafter referred to as the 'Management') that they are considering the proposal of demerger of business of films of TIL into TFL pursuant to a composite scheme of arrangement under sections 230 to 232 read with Section 52, 66 of the Companies Act, 2013, including rules and regulations made thereunder ('Proposed Demerger').

Subject to necessary approvals, the Demerged Undertaking of TIL would be demerged from TIL into TFL, with effect from appointed date of April 01, 2021

('Appointed Date').

Pursuant to the scheme, as a consideration for the Proposed Demerger, TFL will allot its equity shares of face value of INR 10 each fully paid up to the equity shareholders of TIL. The existing pre demerger issued share capital of TFL will be cancelled pursuant the Scheme.

1.2 In this regard, we have been requested to issue a report opining on the fair share entitlement ratio for the Proposed Demerger as recommended by the management of TIL. The scope of our service is to determine the share entitlement ratio as at the valuation date after considering the facts of the case and report on the same in accordance with generally accepted professional standards including Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India (ICAI) and applicable Securities Exchange Board of India ('SEBI') Guidelines as may be applicable to listed entities.

1.3 This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter.

2 BACKGROUND

2.1 TIPS Industries Limited

Tips Industries Limited was initially established as a partnership firm on March 7, 1988 in the name of Tips Cassettes & Record Co. The said partnership firm was converted and incorporated into a joint stock company (as a private limited company) on May 8, 1996 under the provisions of Part IX of the Companies Act, 1956. Subsequently, it became a deemed public limited company with effect from July 1, 1999, pursuant to Section 43A of the Companies Act, 1956. The Company is engaged in the business of Production and Distribution of motion pictures ("Film Division") and acquisition and exploitation Music of Rights ("Music Division"). Classifying it on the basis of content, it consists of two main sectors-film and non-film music. The Company earns revenue from royalties on songs that are played on radio, mobiles, internet, etc.

During the financial year 2019-20, the Revenue from operations of the company was INR 109 crs and profit after tax stood at INR 11.34 crs.

The issued and paid up equity share capital of the Company as on 31 December 2020 is INR 12.97 crs comprising of 1,29,68,659 equity shares of INR 10 each fully paid up.

The equity shares of the company are listed on the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE').

As defined in the Scheme the "Demerged Undertaking" means the Film Division of Tips Industries Limited inter-alia engaged in the business of film production on a going concern basis, and shall include (without limitation), all Film Assets, all related programme and movie rights, intellectual property rights of the Films Division, telecasting and broadcasting rights, contracts, engagements, arrangement of all kind, brands, domain names and on a going concern basis and include without limitation:

i. (a) all assets wherever situated, whether movable or immovable (specifically mentioned below), tangible or intangible, buildings, vehicles, offices, investments, interest, capital work-in-progress, furniture, fixtures, office equipment, appliances, accessories (including, supplies, advertisement and promotional material), licenses, permits, quotas, approvals, registrations, lease, tenancy rights in relation to office and residential properties, incentives if any, municipal permissions, consents, or powers of every kind, nature and description whatsoever in connection with operating or relatable to the Film Division of TIL including but not limited to two commercial properties situated at Pinnacle house, CTS number F/72 , Junction of P.D. Hinduja Marg, & 15th Road, Khar West, Mumbai 400052, on 6th floor (admeasuring 148.52 square meters) and on 7th floor (admeasuring 15.70 Square meters) along with adjoining terrace (76.27 Square meters);

(b) all other permissions, rights (including rights under any contracts or agreements or memorandum of understanding, government contracts, etc.), entitlements, copyrights, patents, royalties, trade marks, trade names, domain names, and other designs, trade secrets, product / film name registration or Intellectual Property Rights of the Films Division of

any nature (save and except in the Excluded Rights) and all other interest exclusively relating to the services being dealt with by the Demerged Undertaking except non-exclusive right/ license to use the Tips Logo for all the assets and future productions under TFL in perpetuity, and

(c) all deposits, advances and or moneys paid or received by TIL in connection with or pertaining or relatable to the Film Division of TIL, all statutory licenses and/or permissions to carry on the operations of the Film Division of TIL and any financial assets, corporate guarantees issued by the Demerged Company and the benefits of any bank guarantees issued in relation to and for the benefit of the Demerged Undertaking, deferred tax benefits, privileges, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Film Assets of TIL;

The Film Division of TIL shall include all the debts, liabilities, duties and obligations and for the purpose of this Scheme, it is clarified that liabilities pertaining to the Film Division of TIL include:

a) The liabilities, which arise out of the activities or operations of the Film Division of TIL;

b) Specific loans and borrowings raised, incurred and utilized for the activities or operations of the Film Division of TIL;

c) Liabilities other than those referred to in Sub-Clause (a) and (b) above and not directly relatable to the remaining business of TIL being the amounts of general or multipurpose borrowings of TIL shall be allocated to the Film Division of TIL in the same proportion which the value of the assets transferred under this clause bears to the total value of TIL immediately before giving effect to this Scheme;

ii. all deposits and balances with Government, Semi Government, Local and other authorities and bodies, customers and other persons, earnest moneys

and / or security deposits paid or received by the Demerged Company directly or indirectly in connection with or relating to the Demerged Undertaking / Film Division;

iii. all necessary books, records, files, papers, product specification, engineering and process information, records of standard operating procedures, computer programmes along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Demerged Undertaking / Film Division;

iv. All permanent and/or temporary employees of TIL substantially engaged in the Demerged Undertaking and those permanent and/or temporary employees that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or relatable to the Film Division;

v. all legal or other proceedings, claims, notices, demands and obligations of whatsoever nature and whether known or unknown, contingent or otherwise, present or future relating to the Film Division, excluding those related to the Remaining Business;

vi. All insurance policies related to Film Division;

vii. all the credits for taxes such as sales tax, value added tax, service tax, CENVAT, GST and other indirect taxes, advance tax, tax credits (including but not limited to minimum alternate tax credit, pre-deposits made in indirect taxes), deferred tax benefits, tax deduction at source, accumulated losses and unabsorbed depreciation as per books if any as well as per the IT Act, enjoyed by the Demerged Company pertaining to the Film Division;

viii. all exemption, benefits, allowance, rebates, etc. under IT Act (including right to admissibility of claim under the IT Act or such provisions becoming admissible in the period after the Appointed Date on discharging liabilities pertaining to Film Division);

ix. Any question that may arise as to whether a specified asset or liability pertains to Film Division or whether it arises out of the activities or

operations of the Film Division shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

The shareholding pattern of the TIL as at March 31, 2021 is as under:

Category of Shareholder	No of Equity Share Face value INR 10 each	Percentage
Promoter	97,23,352	74.98%
Non Promoters	32,45,307	25.02%
TOTAL	**1,29,68,659**	**100.00%**

2.2 **Tips Films Limited**

TFL is a public limited company incorporated under the Companies Act, 1956 on June 05, 2009. The registered office of the Company is at Mumbai, Maharashtra.

Presently, TFL does not have any significant business activities.

During the financial year 2019-20, the Revenue from operations of the company was NIL and loss stood at INR 7,600.

The shareholding pattern of the TFL as at March 31, 2021 is as under:

Name of Shareholder	No of Equity Share Face value INR 10 each	Percentage
Mr. Ramesh Taurani	25,000	50.00%
Mrs. Varsha Taurani	24,500	49.00%
Ms. Jaya Taurani	100	0.20%
Ms. Sneha Taurani	100	0.20%
Ms. Raveena Taurani	100	0.20%
Mr. Jay Kumar Shewakramani	100	0.20%
Mr. Shyam Lakhani	100	0.20%
TOTAL	**50,000**	**100.00%**

3 SOURCES OF INFORMATION

For the purpose of this exercise, we have relied upon the following sources of

information received from the Management and information available in the public domain:

(a) Draft Scheme of Arrangement pursuant to which the proposed demerger is to be undertaken along with proposed capital reduction

(b) Shareholding pattern of the TFL and TIL as at March 31, 2021

(c) Audited Financial Statement of TFL and TIL as at March 31, 2020

(d) Audited Financial Statement TFL as at December 31, 2020

(e) Such other information and explanations as we required and which have been provided by the Management to understand the rationale and basis for arriving at the recommended share entitlement ratio

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope. We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Management.

4 SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

4.1 Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

4.2 This report has been prepared for the Board of Directors of the Companies solely for the purpose of opining on the fair share entitlement ratio for the Proposed Demerger as recommended by the management of the Companies.

4.3 The Management has been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracies / omissions are avoided in our final report.

4.4 For the purpose of this exercise, we were provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies / its auditors / its consultants is that of

the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material facts about the Companies / Demerged Undertaking. The Management have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our conclusions.

4.5 Our work does not constitute an audit, due diligence or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and consequential impact on the present exercise. However, nothing has come to our attention to indicate that the information provided / obtained was materially misstated / incorrect or would not afford reasonable grounds upon which to base the report.

4.6 This report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies / Demerged Undertaking / TFL and any other matter, which may have an impact on the report including any significant changes that have taken place or are likely to take place in the financial position of the Companies / Demerged Undertaking. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.

4.7 The fee for the engagement and this report is not contingent upon the results reported.

4.8 This report is prepared only in connection with the Proposed Demerger exclusively for the use of the Companies and for submission to any regulatory / statutory authority as may be required under any law.

4.9 Our report is not, nor should it be construed as our opining or certifying the compliance of the Proposed Demerger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising in India or abroad from such Proposed Demerger.

4.10 Any person/party intending to provide finance / divest / invest in the shares / convertible instruments / business of the Companies / Demerged Undertaking / TFL

shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

4.11 The decision to carry out the transaction (including consideration thereof) lies entirely with the Management / the Board of Directors of TIL and TFL and our work and our finding shall not constitute a recommendation as to whether or not the Management / the Board of Directors should carry out the Proposed Demerger.

4.12 Our Report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.

4.13 We nor my partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which this report is being issued. All such parties expressly disclaim any and all liability for or based on or relating to any such information contained in this report.

5 BASIS FOR DETERMINATION OF SHARE ENTITLEMENT RATIO

5.1 Based on our review, information made available to us and discussions with the Management, in our opinion, the share entitlement ratio recommended by the Management in consideration for the proposed demerger of Demerged Undertaking of TIL into TFL is reasonable.

5.2 We believe that the share entitlement ratio is fair considering the following:

5.2.1 As a part of the scheme of arrangement, the Film Business of TIL is proposed to be demerged into TFL. TIL has identified assets and liabilities of the Film Business which will be taken over by and transferred to TFL.

5.2.2 We understand that, upon the scheme being effective, all the shareholders of TIL would also become the shareholders of TFL and with the outstanding issued and paid up share capital of TFL ('Pre Demerger Equity Share Capital') will get cancelled by way of a capital reduction and their shareholding in TFL would mirror their

existing shareholding in TIL prior to the demerger.

5.2.3 TFL currently is not carrying out any business activities, book Net worth of TFL as at December 31, 2020 is only INR 9,720 and as informed by the management of the company there are no outstanding liabilities including contingent liabilities, beyond the net worth of the TFL.

5.2.4 Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the proposed demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary and we have therefore not carried out any independent valuation of the subject business.

5.2.5 The Management has proposed a share entitlement ratio of "1 (One) equity share of TFL of face value of INR 10 each fully paid up shall be issued for every 3 (Three) equity share of INR 10 each fully paid up held in TIL".

5.2.6 We understand that the Share Entitlement Ratio has been recommended keeping in mind the future equity servicing capacity and minimum share capital requirement of TFL.

5.2.7 The effect of demerger is that each shareholder of TIL becomes the owner of shares in two companies instead of one. No shareholder of TIL is, under the scheme, required to dispose off any part of his shareholding either to any of the other shareholders or in the market or otherwise. The scheme does not envisage the dilution of the holding of any one or more shareholders as a result of the operation of the scheme. Post demerger, the percentage holding of a shareholder in TIL and in TFL would remain same and not vary.

5.2.8 Therefore, in our view, the above Share Entitlement Ratio is fair and equitable, considering that all the shareholders of TIL, will, upon the proposed demerger, have their inter-se economic interests, rights, obligations in TFL post-demerger in the same proportion as their existing economic interest, rights and obligation in TIL pre-demerger.

5.3 For the reason mentioned above, no relative valuation of Demerged Undertaking and of TFL is required to be undertaken for the Proposed Demerger. Accordingly, valuation approaches as indicated in the format (as shown below) as prescribed by

circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not relevant in the instant case.

Valuation Methodology	Demerged Undertaking of TIL		TFL	
	Value Per Share	Weights	Value Per Share	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value	NA			

NA = Not Applied / Not Applicable

6 CONCLUSION

6.1 As mentioned in Para 1.1 above, in consideration for the Proposed Demerger, TFL would issue equity shares to the equity shareholders of TIL. In the light of the above and on consideration of all the relevant factors and circumstances and subject to our scope, limitations as mentioned above, following share entitlement ratio is fair

"1 (One) equity share of INR 10 each fully paid up of TFL for every 3(Three) equity share of INR 10 each fully paid up held in TIL"

Thank you,
Yours faithfully,

Pawan Shivkumar Poddar
Digitally signed by Pawan Shivkumar Poddar
Date: 2021.05.10 11:11:24 +05'30'

CA Pawan Shivkumar Poddar
Registered Valuer
Reg. No. IBBI/RV/06/2019/12475
ICAI Membership Number : 113280
UDIN : 21113280AAAAAG3615
Place : Mumbai
Date : May 10, 2021

INGA

STRICTLY PRIVATE AND CONFIDENTIAL

May 10, 2021

To,
The Board of Directors,
TIPS Industries Limited,
601, 6th Floor, Durga Chambers
278/ E, Linking Road,
Khar (West), Mumbai - 400 052

Dear Sirs/ Madams,

Sub: Fairness Opinion on Share Entitlement Ratio for the demerger of the Film Business of TIPS Industries Limited into TIPS Films Limited recommended by the Valuer pursuant to the Proposed Scheme

We refer to the engagement letter dated January 9, 2021 ("**Engagement Letter**") whereby TIPS Industries Limited ("**Demerged Company**" **or** "**TIL**") has engaged Inga Ventures Private Limited ("**Inga**"), to provide a fairness opinion to them on the Share Entitlement Ratio recommended by the report dated May 10, 2021 ("**Share Entitlement Ratio Report / Valuation Report**") issued by CA Pawan Shivkumar Poddar ("**Valuer**") for the proposed demerger of Film Business ("**Demerged Undertaking**") from TIL into TIPS Films Limited ("**Resulting Company**" or "**TFL**") as a going concern with effect from April 01, 2021 ("**Appointed Date**") vide a scheme of Arrangement and Demerger ("**Proposed Scheme**") under the provisions of Sections 230 to Section 232 of the Companies Act, 2013 read with other applicable provisions and rules thereunder ("**Proposed Demerger**").

The Proposed Scheme also includes simultaneous reduction and cancellation of equity shares of TFL held by existing shareholders of TFL (without payment of consideration), in terms of Section 66 of the 2013 Act.

TIL & TFL are hereinafter collectively referred to as the "**Companies**".

Company Background and Purpose

Tips Industries Limited is a listed public limited company incorporated on May 8th, 1996 under the Companies Act, 1956 with CIN L92120MH1996PLC099359 having its registered office at 601, Durga Chambers, 6th Floor, Opp .B.P.L. Gallery 278/E, Linking Road, Khar(West), Mumbai-400052 MH. It is engaged in the business of Production and Distribution of motion pictures ("**Film Division**") and acquisition and exploitation Music of Rights ("**Music Division**"). Classifying it on the basis of content, it consists of two main sectors-film and non-film music. It also earns revenue from royalties on songs that are played on radio, mobiles, internet, etc. It has recently ventured into entertainment business-artist management. The equity shares of TIPS are listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**").

Demerged Undertaking comprises of the 'Film Division' of Tips Industries Limited inter-alia engaged in the business of film production on a going concern basis (as defined in the Proposed Scheme).

Tips Films Limited is an unlisted public limited company incorporated on June 5, 2009 under the Companies Act,1956 with CIN U74940MH2009PTC193028 and having its registered office at 501,

Durga Chambers, 5th Floor, Linking Road, Khar (West), Mumbai- 400052 IN and has not yet commenced any significant business operations but will house Film Division of the Demerged Company

The proposal envisages, inter alia, the demerger of Demerged Undertaking of TIL into TFL, whereby equity shares of TFL will be issued to the shareholders of TIL. The Valuer has recommended a swap ratio ("**Share Entitlement Ratio**") of 1 (One) equity share of TFL having a face value of INR 10/- each fully paid up for every 3 (Three) equity shares of TIL having a face value of INR 10/- each fully paid up held in TIL.

After the effectiveness of this Proposed Scheme, the share capital of TFL consisting of the fully paid-up new equity shares of TFL issued as consideration in terms of this Proposed Scheme to the shareholders of TIL shall be listed on the Stock Exchanges in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time. Further, as an integral part of this Proposed Scheme, existing equity shares of TFL (presently held by promoters) shall stand cancelled and reduced (without payment of consideration) without any further act and deed, and hence this Proposed Scheme contemplates approval of the Tribunal(s) in terms of Section 66 of the 2013 Act, in addition to Sections 230-232 of the 2013 Act.

As a consideration of the demerger of Demerged Undertaking of TIL into TFL, equity shareholders of TIL will be entitled to equity shares of TFL in the same proportion in which they own shares in TIL, creating a mirror shareholding.

TIL in terms of the Engagement Letter has requested us to issue our independent opinion as to the fairness of the Share Entitlement Ratio recommended by the Valuer ("**Fairness Opinion**").

Source of Information

For arriving at the opinion set forth below, we have received from the management of the Companies and any information available in the public domain:

1. Share Entitlement Ratio Report issued by the Valuer
2. Draft Scheme of Arrangement and Demerger pursuant to which the proposed demerger is to be undertaken along with proposed capital reduction
3. Shareholding pattern of TFL and TIL as at March 31, 2021
4. Audited Financial Statements of TFL and TIL as at December 31, 2020
5. Divisional balance sheet of TIL as at December 31, 2020
6. Audited Financial Statement of TFL as at March 31, 2020
7. Such other information and explanations as we required and which have been provided by the management of the Companies to understand the rationale and basis for arriving at the recommended share entitlement ratio
8. Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects, existing shareholding pattern, ESOP, income- tax position and other relevant information and data, including information in the public domain
9. Such other Information received during discussion with the Valuer

Scope Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Companies for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and,

we have simply accepted this information on an "as is" basis, and, have not verified the accuracy and/or the completeness of the same from our end.

We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Companies and its related parties (holding company / subsidiary /associates /joint ventures etc.) and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies and its related parties.

We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by Companies on an "as is" basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims.

We have assumed that there are no circumstances that could materially affect the business or financial prospects of the Companies and its related parties.

We understand that the management of the Companies, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the Proposed Scheme. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving Companies, its related parties or any of its assets, nor did we negotiate with any other party in this regard.

We express no opinion whatsoever and make no recommendation at all as to the Companies underlying decision to effect the Proposed Demerger. We also do not provide any recommendation to the holders of equity shares or secured or unsecured creditors of the Companies with respect to the Proposed Demerger. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of TIL will trade following the announcement of the Proposed Demerger or as to the financial performance of TIL following the consummation of the Proposed Demerger. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Companies or any of its related parties.

Our report is not, nor should it be construed as opining or certifying the compliance of the proposed transaction with the provisions of any law including companies, competition, taxation (including transfer pricing) and capital market related laws or as regards any legal implications or issues arising in India or abroad from such Proposed Demerger.

Conclusion

As understood, upon the Proposed Scheme being effective, all the shareholders of TIL would also become the shareholders of TFL and their shareholding in TFL would mirror their existing shareholding in TIL prior to the demerger and the outstanding issued and paid up share capital of TFL (Pre Demerger Equity Share Capital) will get cancelled by way of a capital reduction (without payment of consideration).

Based on our examination of the Share Entitlement Ratio/Valuation Report, such other information / undertakings/representations provided to us by the management of the Companies and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the recommendation made by the Valuer of the Share Entitlement Ratio is fair and reasonable which is as under:

The fair equity share entitlement ratio for the proposed demerger of Demerged Undertaking of TIL into TFL is as under:

1 (One) equity share of TFL of INR 10 each fully paid up for every 3 (Three) equity shares of TIL of INR 10 each fully paid up held in TIL

Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the Board of Directors of TIL and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of the TIL and the Stock Exchanges and also be made part of the explanatory statement to be circulated to the shareholders and/or creditors of the Companies. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Inga's prior written consent.

However, the Companies may provide a copy of the Fairness Opinion if requested / called upon by any regulatory authorities of India subject to the Companies promptly intimating Inga in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

In no circumstances however, will Inga or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of Inga accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **Inga Ventures Private Limited**

K. R. Shah

INGA VENTURES PVT. LTD. MUMBAI

Kavita Shah

Partner

SSPA & ASSOCIATES
Chartered Accountants
1st Floor, " Arjun", Plot No. 6 A,
V. P. Road, Andheri (W),
Mumbai - 400 058. INDIA.
Tel. : 91 (22) 2670 4376
91 (22) 2670 3682
Fax : 91 (22) 2670 3916
Website : www.sspa.in

To,
The Board of Directors,
Tips Industries Limited
601, Durga Chambers,
Khar Linking Road, Khar(W),
Mumbai- 400052

We, the statutory auditors of Tips Industries Limited ("the Company"), have examined the proposed accounting treatment specified in clause **14.1** of the Draft Scheme of **Arrangement and Demerger** between **Tips Industries Limited (TIL) and Tips Films Limited (TFL) and their respective shareholders and creditors** in terms of the provisions of SEBI Circular, sections **230 to 232 read with sections 52, 66** of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016with reference to its compliance with the applicable Accounting Standards notified under section 133 of the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control Firm that Performs Audits and Review of the Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

SSPA & ASSOCIATES * CHARTERED ACCOUNTANTS * MUMBAI

SSPA & ASSOCIATES
Chartered Accountants

This Certificate is issued at the request of the Tips Industries Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited, National Stock Exchange of India Limited and the relevant National Company Law Tribunal. This Certificate should not be used for any other purpose without our prior written consent.

For SSPA & Associates
Chartered Accountants
Firm Registration No.131069W

Parag S. Ved

Parag Ved
Partner
Membership No.:102432
UDIN: 21102432AAAAAX5249

Place: Mumbai
Date: May 10, 2021

Shivkumar C. Abichandani
M. Com., LLB., ACS., F.C.A.
Member No.034370

ABICHANDANI & ASSOCIATES
Chartered Accountants
Firm Regn No. **145188W**
Tel: 26340288 & 26391536, Mob: 9867263427
Email: sca_049@yahoo.co.in

To,
The Board of Directors,
Tips Films Limited
501, 5th Floor, Durga Chambers,
Khar Linking Road, Khar (W),
Mumbai- 400052

We, the statutory auditors of Tips Films Limited("the Company"), have examined the proposed accounting treatment specified in clause**14.2** of the Draft Scheme of **Arrangement and Demerger** between **Tips Industries Limited (TIL) and Tips Films Limited (TFL) and their respective share holders and creditors** in terms of the provisions of SEBI Circular, sections **230 to 232 read with sections 52, 66**of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016with reference to its compliance with the applicable Accounting Standards notified under section 133 of the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) ("Guidance Note") issued by the Institute of Chartered Accountants of India("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control Firm that Performs Audits and Review of the Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

ABICHANDANI & ASSOCIATES * Chartered Accountants * M.No. 034370 Firm No. 145188W

contd...2/-

This Certificate is issued at the request of the Tips Films Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited, National Stock Exchange of India Limited and the relevant National Company Law Tribunal. This Certificate should not be used for any other purpose without our prior written consent.

For Abichandani & Associates
Chartered Accountants:
Firm Registration No. 145188W



Shivkumar C Abichandani
Proprietor
Membership No. 34370.
UDIN: 21034370AAAABC3820.

Place: Mumbai
Date: 10th May, 2021.

tips.in

TIPS INDUSTRIES LIMITED

Statement of Unudited Financial Results for the Quarter Ended June 30, 2021

[Rs. In Lacs except for Earning Per Share data]

Sr No.	Particulars	Quarter Ended			Year Ended
		June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	**Income from operations**				
	a] Net sales / income from operations	2,812.37	2,763.84	1,497.60	9,053.00
	b] Other Income	95.77	286.23	66.42	489.22
	Total income from operations (net)	**2,908.14**	**3,050.07**	**1,564.02**	**9,542.22**
2	**Expenses**				
	c] Employee benefits expense	221.26	218.11	188.94	806.81
	d] Finance Cost	-	0.48	0.97	2.09
	e] Depreciation and Amortization Expenses	22.30	19.54	21.70	81.17
	f] Amortization of Cost of Production	-	-	-	-
	g] Other expenses	724.20	639.05	494.34	2,729.74
	Total expenditure	**967.76**	**877.18**	**705.95**	**3,619.81**
3	**Profit/ (loss) from operations before extraordinary items, exceptional items and tax**	**1,940.38**	**2,172.89**	**858.07**	**5,922.41**
4	**Profit/ (loss) from ordinary activities before extra ordinary items and tax**	**1,940.38**	**2,172.89**	**858.07**	**5,922.41**
5	**Profit/ (loss) from ordinary activities before tax**	**1,940.38**	**2,172.89**	**858.07**	**5,922.41**
6	Current tax	482.25	381.20	249.84	1,473.91
7	Tax Expenses of earlier year	-	-	-	136.90
8	Deferred tax	-	(35.28)	-	(35.28)
9	**Net Profit / (Loss) for the period after tax**	**1,458.13**	**1,826.97**	**608.23**	**4,346.88**
10	Other Comprehensive income / (Expenses)	(24.73)	5.51	(0.10)	8.42
11	**Total Comprehensive Income for the period**	**1,433.40**	**1,832.48**	**608.13**	**4,355.30**
12	**Other Equity**				**8,828.90**
13	**Paid-Up Equity Share Capital (Rs. 10/- each fully paid up)**	1,296.87	1,296.87	1,296.87	1,296.87
	a) Basic & Diluted EPS before extraordinary Items (Rs.)	11.24	14.40	4.27	32.72
	b) Basic & Diluted EPS after extraordinary Items (Rs.)	11.24	14.40	4.27	32.72

KUMAR SADHURAM TAURANI

Digitally signed by KUMAR SADHURAM TAURANI
Date: 2021.07.27 16:35:22 +05'30'

TIPS INDUSTRIES LTD.

601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai 400 052.
Tel. : 6643 1188 Email : response@tips.in Website : www.tips.in
CIN: L92120MH1996PLC099359

tips.in

Segment - wise Revenue, Results, Assets and Liabilities

Sr No.	Particulars	Quarter Ended			Year Ended
		June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	**SEGMENT REVENUE**				
	Audio Product Sales / Income	2,812.37	2,763.84	1,497.60	9,053.00
	Film Distribution/Production Income	29.87	-	-	-
	Net sales/ Income from operation	**2,842.24**	**2,763.84**	**1,497.60**	**9,053.00**
2	**SEGMENT RESULTS**				
	Audio Product Sales / Income	2,275.04	2,485.53	1,190.93	7,286.19
	Film Distribution/Production Income	(108.22)	(127.36)	(30.19)	(371.56)
	Total	2,166.81	2,358.17	1,160.75	6,914.63
	Less:				
	i) Interest and Finance Charges (Net)	-	0.48	0.97	2.09
	ii) Other un-allocable expenditure net of unallocable income	226.44	184.80	301.71	990.13
	Total Profit Before Tax	**1,940.38**	**2,172.89**	**858.06**	**5,922.41**
3	**SEGMENT ASSETS**				
	Audio Products	2,519.22	1,959.58	2,416.76	1,959.58
	Film Distribution / Production	7,093.23	6,605.96	626.28	6,605.96
	Unallocable Corporate Assets	7,147.94	6,257.20	4,304.42	6,257.20
	Total	**16,760.38**	**14,822.74**	**7,347.46**	**14,822.74**
4	**SEGMENT LIABILITIES**				
	Audio Products	4,020.73	4,128.27	321.53	4,128.27
	Film Distribution / Production	1,154.14	535.12	251.76	535.12
	Unallocable Corporate Liabilities	26.34	33.58	18.24	33.58
	Total	**5,201.21**	**4,696.97**	**591.53**	**4,696.97**

KUMAR SADHURAM TAURANI

Digitally signed by KUMAR SADHURAM TAURANI
Date: 2021.07.27 16:37:30 +05'30'

TIPS INDUSTRIES LTD.

601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai 400 052.
Tel. : 6643 1188 Email : response@tips.in Website : www.tips.in
CIN: L92120MH1996PLC099359

tips.in

Notes:	
1	The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at there respective meeting held on July 27, 2021 are subjected to Limited Review by Statutory Auditors. The review report has been filed with stock exchange and is available on the Company's website.
2	Tax expenses have been provided based on marginal tax rate applicable to the company. The provision for tax (including deferred tax) will be accounted at the year end based on financial results for the entire year.
3	Financial results for all the periods presented have been prepared in accordance with recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standards) Rule, 2015 as amended from time to time.
4	The Company operates in two segments i.e. Audio/Video Products and Film Production/ Distribution Rights.
5	Considering the nature of business carried on by the company whereby revenues do not necessarily accrue evenly over the year, the results of the quarter may not be representative of the result for the year. As such, the result of the current quarter is not comparable with the result of corresponding quarter.
6	The Code on Social Security, 2020 ("Code") relating to employees benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
7	The Board of Directors of the Company at its meeting held on May 10, 2021 has considered and approved to restructure the business of the Company by way of a Scheme of Arrangement and Demerger ("Scheme") whereby the Film Business Undertaking ("Film Division") of Tips Industries Limited ("Demerged Company") will be demerged into the "Tips Films Limited "Company as a going concern basis with effect from the Appointed Date of April 1, 2021. The said Scheme would be subject to requisite approvals of the National Company Law Tribunal, BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India and other statutory / regulatory authorities, including those from the shareholders and/or creditors of the Demerged Company. The Company is in the process of filing the Scheme with the concerned authorities. Pending necessary regulatory approvals and other compliances, no adjustments have been made in the books of account and accompanying results.
8	Towards the end of the financial year 2020-2021, the 2nd wave of COVID-19 pandemic caused operational disturbances even before the lockdown. The Company was able to reorganise its operations to remain functional as well as comply with the lockdown regulations. However, the lockdown induced decline in economic activity has led to diminished revenues, posed challenges in collections of contracted revenues and impeded contract renewals. The Company is bracing for a challenging year ahead. Based on the current indications of future economic conditions, the management expects to recover carrying amounts of Non-Current and Current Assets. This assessment and the outcome of the pandemic as regards the aforesaid matters is highly dependent on circumstances / developments as they evolve in the subsequent periods.
9	Pursuant to provisions of Sections 68, 69 and 70(1) and all other applicable provisions, if any, of the Companies Act, 2013 and the provisions of Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, the Company has bought back 13,50,000 (Thirteen Lakhs Fifty Thousand) fully paid-up equity shares of the Company of face value of Rs. 10/- (Rupees Ten only) each, from all the equity shareholders/beneficial owners of the Company who holds Equity Shares as on the record date i.e. Friday, April 03, 2020, on a proportionate basis, through the tender offer route, at a price of Rs. 140/- (Rupees One Hundred and Forty Only) per Equity Share for an aggregate amount of up to Rs. 18,90,00,000/- (Rupees Eighteen Crores Ninety Lakhs only) excluding the Transaction Cost. The equity shares bought back were extinguished on June 26, 2020.
10	The figures for the three months ended March 31, 2021 are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the end of third quarter of the relevant financial year. The published year to date figures upto the end of third quarter of the relevant financial year were subject to Limited Review.
11	The Previous period's / Year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current period.

Place : Mumbai
Date : July 27, 2021

KUMAR S TAURANI
Chairman & Managing Director

KUMAR SADHURAM TAURANI
Digitally signed by KUMAR SADHURAM TAURANI
Date: 2021.07.27 15:38:12 +05'30'

TIPS INDUSTRIES LTD.

601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai 400 052.
Tel. : 6643 1188 Email : response@tips.in Website : www.tips.in
CIN: L92120MH1996PLC099359

SSPA & ASSOCIATES
Chartered Accountants
1st Floor, " Arjun", Plot No. 6 A,
V. P. Road, Andheri (W),
Mumbai - 400 058. INDIA.
Tel. : 91 (22) 2670 4376
91 (22) 2670 3682
Fax : 91 (22) 2670 3916
Website : www.sspa.in

Limited Review Report

Review Report,
To the Board of Directors of
Tips Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Tips Industries Limited (hereafter referred as 'the Company') for the quarter ended June 30,2021 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

   This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on July 27, 2021 and has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular. Our responsibility is to issue a report on these Statements based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. ***Attention is invited to note no.2 regarding provision for tax (including deferred tax) which will be finalized at the year end.***

4. Based on our review conducted as above, ***except as stated in para 3 above***, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to Note No.8 to the statement which explains the extent to which COVID-19 pandemic will impact the operations and financial results of the Company.

   Due to COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by the Management through digital medium.

   Our report is not modified in respect of the above matters.

For SSPA & Associates
Chartered Accountants
Firm Registration No.131069W

Parag S. Ved

Parag S Ved
Partner
Membership No: 102432
UDIN: 21102432AAAABN4121

Mumbai
July 27, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TIPS INDUSTRIES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of Tips Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

EMPHASIS OF MATTER

1. We draw attention to Note No. 33(18) to the statement which explains the extent to which COVID-19 pandemic will impact the operations and financial results of the Company.

2. Due to COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by the Management through digital medium.

   Our report is not modified in respect of the above matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Further, based on information and explanation given to us, we have determined that there is no key audit matters to communicate in our report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON (OTHER INFORMATION)

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding

independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by 'The Companies (Auditor's Report) Order, 2016' (hereinafter referred to as the "Order"), issued by the Central Government of India in terms of sub - section 11 of section 143 of the Companies Act, 2014, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure-A" a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".

3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 (1) to the financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2021.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

4. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For **SSPA & Associates**
Chartered Accountants
Firm Registration No. 131069W

Parag Ved
Partner
Membership No. 102432

Place: Mumbai
Date: June 14, 2021
UDIN: 21102432AAAABJ7844

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF TIPS INDUSTRIES LIMITED

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties are held in the name of the Company.

ii. The company does not have Inventory during the year ended March 31,2021 and hence clause (ii) of the Order are not applicable to the Company for the current year.

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clauses 3(iii)(a) to 3(iii)(c) of the Order are not applicable to the Company for the current year.

iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, investments, guarantees and security and as such the provisions of Section 185 and 186 of the Companies Act, 2013 are not applicable for the current year.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under.

vi. In our opinion and according to the information and explanations given to us, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, cess and other statutory dues as applicable with the appropriate authorities. As explained to us, Duty of Custom is not applicable to the Company for the current year.

(b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, cess and other statutory dues were in arrears as at March 31, 2021 for a period more than six months from the date they became payable. As explained to us, Duty of Custom is not applicable to the Company for the current year.

(c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, value added tax, service tax, goods and service tax which have not been deposited with appropriate authority on account of dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution and bank. The Company has not taken any loan or borrowing from Government nor has issued any debentures during the current year.

ix. As per information and explanation given to us, on an overall basis, the term loan has been applied for the purposes for which they were obtained. Further, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the Management.

xi. The Company has paid/provided for managerial remuneration as per limits specified under Section 197 read with Schedule V of the Act.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3 (xii) of the Order are not applicable to the Company.

xiii. As per information and explanation given to us, all transactions with the related parties are in compliance with provisions of sections 177 and 188 of Companies Act, 2013 where applicable and the details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. According to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **SSPA & Associates**
Chartered Accountants
Firm Registration No. 131069W

Parag Ved
Partner
Membership No. 102432

Place: Mumbai
Date: June 14, 2021
UDIN: 21102432AAAABJ7844

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF TIPS INDUSTRIES LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

OPINION

We have audited the internal financial controls with reference to financial statements of Tips Industries Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

EMPHASIS OF MATTERS

Due to COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by the Management through digital medium. Our report is not modified in respect of this matter.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal controls with references to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note sand the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit

preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **SSPA & Associates**
Chartered Accountants
Firm Registration No. 131069W

Parag Ved
Partner
Membership No. 102432

Place: Mumbai
Date: June 14, 2021
UDIN: 21102432AAAABJ7844

BALANCE SHEET as at March 31, 2021

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	204.07	180.57
(b) Investment Property	4	1,253.96	1,282.62
(c) Financial Assets			
(i) Investments	5	1,804.05	562.28
(ii) Loans and Deposits	6	18.96	13.24
(iii) Other financial assets	7	13.57	12.86
(d) Other non-current assets	8	449.05	667.56
Total Non-current assets		**3,743.66**	**2,719.13**
Current assets			
(a) Financial assets			
(i) Trade receivables	9	1,507.06	1,814.32
(ii) Cash and cash equivalents	10	3,110.92	2,596.03
(iii) Bank balances other than (ii) above	11	237.55	35.64
(iv) Other financial assets	12	527.19	532.75
(b)Current Tax (Net)	13	104.38	427.13
(c) Other Current Assets	14	5,591.98	890.63
Total current assets		**11,079.08**	**6,296.50**
Total Assets		**14,822.74**	**9,015.63**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	1,296.87	1,431.87
(b)Other equity	16	8,828.90	6,605.94
Total Equity		**10,125.77**	**8,037.81**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	-	188.98
(b) Deffered Tax Liability	18	235.54	267.99
(c)Employee Benefit Obligations	19	25.65	27.98
(d)Other Non-Current Liabilities	20	3,598.22	-
Total non-current liabilities		**3,859.41**	**484.95**
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	21		
(a) Total outstanding dues of micro enterprises and small entrprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		627.43	425.87
(ii) Other financial liabilites	22	29.89	29.90
(b) Employee Benefit Obligations	23	1.26	1.19
(c) Other Current Liabilities	24	178.98	35.91
Total current liabilities		**837.56**	**492.87**
Total Equity and Liabilities		**14,822.74**	**9,015.63**

Significant accounting policies

The notes referred to above form an integral part of the financial statements.

In terms of our report of even date
For **SSPA & Associates**
Chartered Accountants
Firm Registration No. 131069W

Parag Ved
Partner
Membership No. 102432

Place : Mumbai
Date : June 14, 2021

For and on behalf of the Board of Directors of
TIPS INDUSTRIES LIMITED
CIN: L92120MH1996PLC099359

Kumar S. Taurani
Chairman & Managing Director
DIN : 00555831

Ramesh S. Taurani
Managing Director
DIN : 00010130

Bijal Patel
Company Secretary
CS Membership No. : 30140

Sunil Chellani
Chief Financial Officer

Place : Mumbai
Date : June 14, 2021

STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2021

(₹ in Lakhs)

	Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
I.	Revenue from operations	25	9,053.00	9,099.08
II.	Other income	26	489.22	1,782.85
	Total Income (I+II)		**9,542.22**	**10,881.93**
III	**Expenses:**			
	Cost of Production / Distribution of Expenses	27	-	2,866.04
	Employee Benefits Expense	28	806.81	742.68
	Finance Costs	29	2.09	28.34
	Depreciation and Amortization Expense	30	81.17	117.95
	Other Expenses	31	2,729.74	5,691.34
IV	**Total Expenses**		**3,619.81**	**9,446.35**
V	**Profit before Tax**		**5,922.41**	**1,435.58**
VI	Tax Expenses:			
	(1) Current Tax		1,473.91	323.00
	(2) Taxes in respect of earlier years		136.90	-
	(3) Deferred Tax		(35.28)	(21.35)
VII	**Profit / (Loss) for the year**		**4,346.88**	**1,133.93**
VIII	Other Comprehensive Income			
	Items that will not be reclassified to statement of Profit or Loss			
	Remeasurement gain (loss) of post employment benefit obligations (net of taxes)		8.42	1.59
	Other Comprehensive Income for the year, net of taxes		**8.42**	**1.59**
IX	**Total Comprehensive income for the year**		**4,355.30**	**1,135.52**
X	Earnings per equity share of Rs. 10/- each			
	(1) Basic	32(16)	32.72	7.92
	(2) Diluted	32(16)	32.72	7.92

Significant accounting policies

The notes referred to above form an integral part of the financial statements.

In terms of our report of even date
For **SSPA & Associates**
Chartered Accountants
Firm Registration No. 131069W

Parag Ved
Partner
Membership No. 102432

Place : Mumbai
Date : June 14, 2021

For and on behalf of the Board of Directors of
TIPS INDUSTRIES LIMITED
CIN: L92120MH1996PLC099359

Kumar S. Taurani
Chairman & Managing Director
DIN : 00555831

Ramesh S. Taurani
Managing Director
DIN : 00010130

Bijal Patel
Company Secretary
CS Membership No. : 30140

Sunil Chellani
Chief Financial Officer

Place : Mumbai
Date : June 14, 2021

STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2021

A EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	Number	Amount
As on April 1, 2019	14,318,659	1,431.87
Changes in Equity Share Capital	-	-
As on March 31, 2020	14,318,659	1,431.87
Changes in Equity Share Capital	(1,350,000)	(135.00)
As on March 31, 2021	**12,968,659**	**1,296.87**

B OTHER EQUITY

(₹ in Lakhs)

Particulars	General Reserve	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance as at April 1, 2019	**551.25**	**1,798.72**	**298.72**	**2,994.35**	**5,643.05**
Profit for the year	-	-	-	1,133.93	1,133.93
Other comprehensive income for the year (net of tax)	-	-	-	1.59	1.59
Payment of dividends	-	-	-	(143.19)	(143.19)
Tax on Dividend	-	-	-	(29.43)	(29.43)
Balance as at March 31, 2020	**551.25**	**1,798.72**	**298.72**	**3,957.25**	**6,605.94**
Balance as at April 01, 2020	**551.25**	**1,798.72**	**298.72**	**3,957.25**	**6,605.94**
Profit for the year	-	-	-	4,346.88	4,346.88
Other comprehensive income for the year (net of tax)	-	-	-	8.42	8.42
Buy back of Shares	(135.00)	(1,755.00)	135.00	-	(1,755.00)
Tax on Buyback of shares				(182.81)	(182.81)
Payment of dividends	-	-	-	(194.53)	(194.53)
Balance as at March 31, 2021	**416.25**	**43.72**	**433.72**	**7,935.21**	**8,828.90**

In terms of our report of even date
For **SSPA & Associates**
Chartered Accountants
Firm Registration No. 131069W

Parag Ved
Partner
Membership No. 102432

Place : Mumbai
Date : June 14, 2021

For and on behalf of the Board of Directors of
TIPS INDUSTRIES LIMITED
CIN: L92120MH1996PLC099359

Kumar S. Taurani
Chairman & Managing Director
DIN : 00555831

Ramesh S. Taurani
Managing Director
DIN : 00010130

Bijal Patel
Company Secretary
CS Membership No. : 30140

Sunil Chellani
Chief Financial Officer

Place : Mumbai
Date : June 14, 2021

CASH FLOW STATEMENT for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	5,922.41	1,435.59
Adjustments		
Depreciation and amortisation	81.17	117.95
Finance Cost	2.09	28.33
Profit on Sale of Investment	(1.49)	(4.53)
Fair value gain on Mutual Fund at FVTPL	(45.29)	(57.54)
Provision for/ (write back of) doubtful debts and advances	(2.96)	(11.46)
Bad Debts and Advances Written Off	27.99	1,446.74
(Profit)/Loss on sale of Property, Plant and Equipment	(3.50)	(7.75)
Non-cash expenses adjustment for Gratuity	11.25	2.24
Interest income	(117.65)	(75.17)
Operating Profit before Working Capital changes	**5,874.02**	**2,874.40**
Working capital adjustments		
(Increase)/Decrease in inventories	-	2,866.04
(Increase)/ Decrease in trade and other receivables	279.27	(2,203.48)
Increase / (Decrease) in Bank Deposits and other Deposits (Current)	(201.91)	23.22
Increase / (Decrease) in Other Financial Assets (Current)	5.55	(10.33)
Increase / (Decrease) in Other Current Assets	(4,701.36)	63.54
Increase / (Decrease) in loans and advances and other assets (Non current)	(5.72)	(0.30)
Increase / (Decrease) in Other Financial Assets (Non Current)	(0.71)	(0.74)
Increase / (Decrease) in Other Non Current Assets	218.51	545.97
Increase/ (Decrease) in Employess Benefit Obligations (Current)	0.06	(0.03)
Increase/ (Decrease) in Employess Benefit Obligations (Non-Current)	(2.33)	(19.61)
Increase/ (Decrease) in Other Liabilities (Non-Current)	3,598.22	-
Increase/ (Decrease) in Other Liabilities (Current)	143.07	(14.08)
Increase/ (Decrease) in trade payables	204.53	(692.70)
Increase/ (Decrease) in trade and other payables	(0.01)	(1.14)
Cash generated from operations	**5,411.19**	**3,430.76**
Direct Taxes Paid (Net of Refund)	(1,288.05)	(379.26)
Net cash flows from operating activities	**4,123.14**	**3,051.50**
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipments	(76.00)	(60.60)
Proceeds from sale of Property, Plant and Equipments	3.50	7.75
Redemption of Mutual Fund	254.53	1,456.86
Investment in Mutual Fund	(1,449.53)	(1,945.00)
Interest Received	117.65	75.16

CASH FLOW STATEMENT for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net cash flows from investing activities	**(1,149.85)**	**(465.83)**
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment)/Procees of Long Term Borrowings	(188.98)	(658.01)
(Repayment)/Procees of Short Term Borrowings	-	-
Interest Paid	(2.09)	(28.33)
Buyback of shares	(1,890.00)	-
Tax on Buyback of shares	(182.80)	-
Dividend paid (including tax on dividend)	(194.53)	(172.63)
Net cash flows from financing activities	**(2,458.40)**	**(858.97)**
Net increase / (decrease) in cash and cash equivalents	514.89	1,726.70
Cash and cash equivalents at the beginning of the year	2,596.03	869.33
Cash and cash equivalents at the end of the year	**3,110.92**	**2,596.03**
RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH THE BALANCE SHEET		
CASH AND CASH EQUIVALENTS AS PER BALANCE SHEET		
In Current Account	252.35	50.90
In Fixed Deposit	2,850.40	2,538.50
Cash on Hand	8.17	6.63
Cash and Cash equivalents as restated as at the year end	**3,110.92**	**2,596.03**

Notes

a] Debt reconciliation statement in accordance with Ind AS 7	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balances		
Long-term borrowing	188.98	200.23
Current Maturities from long term borrowing	-	646.75
Short-term borrowing	-	-
Movements		
Long-term borrowing	(188.98)	(658.01)
Short-term borrowing	-	-
Closing balances		
Long-term borrowing	-	188.98
Current Maturities from long term borrowing	-	-
Short-term borrowing	-	-

b] The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

In terms of our report of even date
For **SSPA & Associates**
Chartered Accountants
Firm Registration No. 131069W

Parag Ved
Partner
Membership No. 102432

Place : Mumbai
Date : June 14, 2021

For and on behalf of the Board of Directors of
TIPS INDUSTRIES LIMITED
CIN: L92120MH1996PLC099359

Kumar S. Taurani
Chairman & Managing Director
DIN : 00555831

Ramesh S. Taurani
Managing Director
DIN : 00010130

Bijal Patel
Company Secretary
CS Membership No. : 30140

Sunil Chellani
Chief Financial Officer

Place : Mumbai
Date : June 14, 2021

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

1. COMPANY BACKGROUND:

Tips Industries Limited is a Company limited by shares, incorporated and domiciled in India. The Company was incorporated on May 8, 1996 under Chapter IX of the Companies Act, 1956. The Company is engaged in the business of Production and Distribution of motion Pictures and acquisition and exploitation Music of Rights. The Equity Shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of Preparation:

i) Compliance with Ind As:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under section 133 of the Companies Act, 2013, ("the act") readwith Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from April 1, 2016. The financial statements are presented in Indian Rupees (INR), except when otherwise indicated.

ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

A) Certain financial assets and liabilities (including derivative instruments)

B) Defined benefit plans assets measured at fair value

iii) Current/ Non- Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

a) it is expected to be realised or settled or is intended for sale or consumption in the Company's normal operating cycle;

b) it is expected to be realised or settled within twelve months from the reporting date;

c) it is held primarily for the purposes of being traded;

d) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

e) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months from the reporting date.

All other assets and liabilities are classified as non- current.

For the purpose of current/ non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

b) Use of accounting estimates and judgments:

Preparation of financial statements requires the Company to make assumptions and estimates about future events and apply significant judgments. The Company base its assumptions, estimates and judgments on historical experience, current trends and all available information that it believes is relevant at the time of preparation of the financial statements. However, future events and their effects cannot be determined with certainty. Accordingly, as confirming events occur, actual results could ultimately differ from our assumptions and estimates. Such differences could be material. The following require most difficult, subjective or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain.

i) **Estimated useful life of property, plant and equipment:**
The Company estimates the useful life of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful life of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lifes are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

ii) **Recoverability of deferred income tax assets:**
In determining the recoverability of deferred income tax assets, the Company primarily considers current and expected profitability of applicable operating business segments and their ability to utilise any recorded tax assets. The Company reviews its deferred income tax assets at every reporting period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

iii) **Measurement of defined benefit obligations and other employee benefit obligations:**
The Company's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the other long-term employment benefits.

The present value of the obligation is determined based on actuarial valuation at the balance sheet date by an Independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

c) Property, Plant and equipment:

Measurement at recognition:
The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably and is measured at cost. Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment comprises its purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of decommissioning, restoration and similar liabilities, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Items such as spare parts, stand-by equipment and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life. Cost of repairs and maintenance are recognised in the statement of profit and loss as and when incurred.

Depreciation:
Depreciation is provided on Straight Line Method, pro-rata to the period of use, in terms of Section 123(2) of the Companies Act, 2013 in the manner specified in Schedule II of the Companies Act, 2013 except for Improvements to Leasehold Premises.

Improvements to Leasehold Premises are amortized over the period of lease.

Capital work in progress and Capital advances:
Assets under Capital Work in Progress includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under Other Non Current Assets. Assets under Capital Work in Progress are not depreciated as these assets are not yet available for use.

Derecognition:
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit or loss in the period the asset is derecognised.

d) Intangible assets:

Measurement at recognition:
Intangible assets comprise primarily of computer software. Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation:
The Computer Software is amortised over a period of 3 years

Derecognition:
An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit or loss in the period the asset is derecognised.

e) Investment properties:

Properties that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of item can be measured reliably. All other repairs and maintenance costs are expensed out when incurred. Investment properties are depreciated using the straight-line method over their estimated useful life. Improvements to the leasehold premises are amortised over the period of lease.

f) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Non-derivative financial assets:

Initial recognition and measurement:
The Company recognises a financial asset in its balance sheet when it become party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acqusition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the statement of profit and loss at initial recognition if the fair value is determined through quoted market price in an active market for an identical asset (i.e level 1 input) or through a valuation technique that uses data from observable markets (i.e level 2 input).

However, trade receivables that do not contain a significant financing component are measured at transaction price irrespective of the fair value on initial recognition.

Subsequent measurement:
For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

i) The Company's business model for managing the financial asset and

ii) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

i) Financial assets measured at amortised cost.

ii) Financial assets measured at fair value through profit and loss (FVTPL).

i) Financial assets measured at amortised cost:

A financial asset is measured at the amortised cost if both the conditions are met:

a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows.

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans, deposits and other financial assets of the Company. Such financial assets are subsequently measured at amortised cost using the effective interest method.

The amortised cost of a financial asset is also adjusted for loss allowance, if any.

ii) Financial assets measured at fair value through profit and loss (FVTPL):

A financial asset is measured at FVTPL unless it is measured at amortised cost or at Fair Value through Other Comprehensive Income (FVTOCI). This is a residual category applies to inventories, share based payments and other investments of the Company excluding investment in subsidiary. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the statement of profit and loss.

Derecognition:

A financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. On derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognised in the statement of profit and loss.

Presentation:

Financial assets and liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

ii) Non-derivative financial liabilities:

Initial recognition and measurement:

Financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquistion of the financial liabilities.

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently carried at amortised cost; any difference between the initial carrying value and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest rate method. Other financial liabilities are recognised initially at fair value plus any directly attributable transaction costs.

Non-derivative financial liabilities of the Company comprise long-term borrowings, short-term borrowings, bank overdrafts and trade and other payables.

Subsequent measurement:
Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Derecognition:
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. When an existing financial liability is replaced from the same lender on substantially different terms, or terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the statement of profit and loss.

g) Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) in the principal market for the asset or liability or

ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy that categorises into three levels, as described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: inputs that are unobservable for the asset or liability

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

h) Inventories:

Items of inventory are valued on the basis as given below:

i) Cost of Feature Films:

- The Company amortizes 60% of the cost of movie rights acquired or produced by it, on first theatrical release of the movie. The said amortization is made proportionately based on Management's estimates of revenues pertaining to Domestic Theatrical Rights, International Theatrical Rights, Television Rights, Video Rights and others over a period of 12 months from the date of theatrical release of the movie.

- Balance 40% of COP is amortized as per the management estimate / review of future revenues but not exceeding nine years and subject to a minimum of 4.4% in any year.

ii) Cost of under Production Films:

Expenses of under production films incurred till the films are ready for release are inventorised.

The production of films requires various types of materials in different qualities and quantities. Considering the peculiar nature of those items including their multiplicity and complexity, it is not practicable to maintain quantitative records of those items. Further, in the absence of certainty of reusability of such items, the same are not valued.

iii) The Company reassesses the realizable value and / or revenue potential of inventory based on market condition and future demand and appropriate write down is made in cases where accelerated write down is warranted.

i) Statement of cash flows:

The Company's statement of cash flows are prepared using the Indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature if any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents comprise cash and bank balances.

j) Foreign Currency Transactions:

Initial Recognition:

All transactions that are not denominated in the Company's functional currency are foreign currency transactions. These transactions are initially recorded in the functional currency by applying the appropriate daily rate which best approximates the actual rate of the transaction. Exchange differences arising on foreign exchange transactions settled during the period/ year are recognised in the statement of profit and loss.

Measurement of foreign current items at reporting date:
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange at the reporting date. Non-monetary items measured based on historical cost in a foreign currency are not translated. Non-monetary items measured at fair value in a foreign currency are translated to the functional currency using the exchange rates at the date when the fair value was determined.

Exchange differences arising out of these translations are recognised in the statement of profit and loss.

k) Revenue recognition:

With effect from April 1, 2018, the Company has adopted Ind AS 115 "Revenues from Contracts with Customers". The comparative information in the statement of profit and loss is not re stated and its continues to be reported under Ind AS 18. The impact of effect of adoption of Ind AS 115 is insignificant.

Revenue is recognized when a customer obtains control and has the ability to direct the use of and obtain the benefits of products or services for the consideration that the company expects to be entitled to in exchange for those products and services.

The Company exercises judgment whether the revenue should be recognized "over time' or 'at a point of time'. The company considers detailed understanding of customer contractual arrangements, transfer of control vis a vis transfer of risk and reward, acceptance of delivery i.e when control is transferred.

Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The specific recognition criteria described below must also be met before revenue is recognized:

i) **Audio Right Receipt:** Revenue from sale is recognized at a point of time when a control is transferred to a customer based on terms of the agreement / contracts.

ii) **Royalty from Music Rights:** Revenue from Music rights where a customer obtains "right to use' is recognized at the point of time the license is made available to the customer as per the terms of the agreement / contracts.

iii) **Revenue from Films:**

- Revenue from production of films is recognized on assignment of such rights as per the contract/ arrangements with the distributors.

- Revenue from distribution of motion pictures is recognized based on ticket sales on exhibition of motion pictures at exhibition of theatres. Recoveries from films as overflows are recognized on the basis of business statements received from the distributors. Contracted minimum guarantees are recognized on theatrical rights.

iv) **Interest Income:** Interest income is accounted on accrual basis, at the contracted terms.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

v) **Others:** Revenue in respect of Insurance/Other claims is recognized only when it is reasonably certain that the ultimate collection is made.

I) Employee Benefits:

i) Short-term obligations:
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees services up to the end of the reporting period and are measured at the amount expected to be paid when liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long term employee benefit obligations:
Gratuity obligations:
The liability or asset recognised in the balance sheet in respect of defined benefits pension and gratuity plans is the present value of the defined benefits obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in acturaial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost

Defined Contribution plans:
The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contribution have been paid. The contributions are accounted for as defined contribution plans and the contribution are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iii) Bonus Plan:
The company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

m) Taxes on Income:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year/period as per the provisions of tax laws enacted in India and any adjustment to the tax payable or receivable in respect of previous years/periods. It is measured using tax rates enacted or substantively enacted at the reporting date.

ii) Deferred tax:

Deferred tax is recognised on deductible temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable income, the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognized for all deductible temporary differences. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognised. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognised.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which those deductible temporary differences can be utilised. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period and reduce amounts to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Presentation of current and deferred tax:

Current and deferred tax are recognised as income or an expense in the statement of profit and loss, except when they relate to items that are recognised in Other Comprehensive Income/ Equity, in which case, the current and deferred tax income/ expense are recognised in Other Comprehensive Income/ Equity.

iii) Minimum Alternative Tax ('MAT'):

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as a deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as a deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

n) Earnings per share:

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to equity shareholders for the period, by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

o) Provisions and Contingencies:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is more likely than not that an outflow of economic benefits will be required to settle the obligation. Provisions are discounted where the effect of discounting is material at a pre-tax rate that reflects current market assessments of the time value of money. Unwinding of the discount (accretion) is recognized as a finance cost. Discount rates are assessed and projected timing of future obligations each reporting period.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

p) Investment and other financial assets:

i) Classification:

The company classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income,or through profit or loss),and

b) those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value,gains and losses will either be recorded in profit or loss or other comprehensive income.

ii) Measurement:

At intial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquistion of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

q) Leases:

Operating Lease:
The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the Contract involves the use of an identified asset,

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of lease

(iii) the Company has the right to direct the use of asset

As at the date of commencement of the lease, the Company recognises a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for the leases with a term of twelve month or less (short term leases). For these short term leases, the Company recognises the lease payments as an operating expense on a straight line basis over the period of lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition:
On transition, the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective approach and has taken the cumulative adjustment to right of use of assets, on the date of initial application. Consequently the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application. Comparatives of previous periods have not retrospectively adjusted and therefore will continue to be reported under previously adopted accounting policy as per Ind AS 17.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

r) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Chief Financial Officer of the Group.

The Group's Chief Operating Decision Maker ('CODM') examines the performance and has identified two reportable segments of its business.

- Music (Audio/ Video)
- Film Production/ distribution

The segment performance is evaluated based on profit or loss. Also the Company's borrowings (including finance costs and interest income), income taxes and investments are managed at head office and are not allocated to operating segments.

Segment Revenue is measured in the same way as in the Statement of Profit and Loss. Segment assets and liabilities are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment.

s) Impairment of non-financial assets:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

t) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred, unless they are capitalised

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

3 PROPERTY, PLANT AND EQUIPMENT (PPE)

(₹ in Lakhs)

Description of Assets	As at March 31,2021	As at March 31,2020
Carrying Amount of		
Cinematography Machinery	3.14	4.81
Plant & Machinery	-	-
Computers	38.31	8.90
Motor car	122.98	160.99
Furniture and Fixtures	5.29	2.52
Office Equipments	34.35	3.35
Total	**204.07**	**180.57**

(₹ in Lakhs)

Description of Assets	Cinematography Machinery	Plant & Machinery	Furniture & Fixtures	Office Equipments	Motor car	Computer	Total
GROSS BLOCK							
Balance As at April 01, 2019	40.31	5.36	47.27	135.38	797.79	23.49	1,049.59
Additions	-	-	1.63	0.65	51.06	7.26	60.60
Disposal	-	-	-	-	32.50	-	32.50
Balance As at March 31, 2020	**40.31**	**5.36**	**48.90**	**136.03**	**816.34**	**30.75**	**1,077.69**
Balance As at April 01, 2020	40.31	5.36	48.90	136.03	816.34	30.75	1,077.69
Additions	-	-	3.79	35.08	-	37.13	76.00
Disposal	-	-	-	-	42.13	-	42.13
As at March 31, 2021	**40.31**	**5.36**	**52.69**	**171.11**	**774.21**	**67.88**	**1,111.56**
DEPRECIATION							
Balance As at April 01, 2019	32.31	5.36	44.89	128.64	608.68	20.46	840.34
Depreciation charge for the year	3.19	-	1.49	4.04	79.17	1.40	89.29
Disposal	-	-	-	-	32.50	-	32.50
Balance As at March 31, 2020	**35.50**	**5.36**	**46.38**	**132.68**	**655.35**	**21.86**	**897.13**
Balance As at April 01,2020	35.50	5.36	46.38	132.68	655.35	21.86	897.13
Depreciation charge for the year	1.68	-	1.01	4.08	38.01	7.72	52.50
Disposal	-	-	-	-	42.13	-	42.13
Balance As at March 31, 2021	**37.17**	**5.36**	**47.40**	**136.76**	**651.23**	**29.58**	**907.50**
NET BLOCK VALUE							
As at March 31, 2021	3.14	-	5.29	34.35	122.98	38.31	204.07
As at March 31, 2020	4.81	-	2.52	3.35	160.99	8.90	180.57

Note:

The company has borrowed from banks which carry charge over certain of the above PPE (Refer Note 32(8))

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

4 INVESTMENT PROPERTY

I Investment property (at cost less accumulated depreciation)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening	1,764.46	1,764.46
Add : Additions	-	-
Less: Disposal	-	-
Closing	1,764.46	1,764.46
Less : Accumulated depreciation		
Opening	481.84	453.17
Add: Depreciation/Amotisation	28.66	28.67
Less : Disposal	-	-
Closing	510.50	481.84
Net block	**1,253.96**	**1,282.62**

II Information regarding income and expenditure of Investment property

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Rental income derived from investment properties	110.92	107.44
(b) Profit arising from investment properties before depreciation and indirect expenses		
Less – Depreciation	28.66	28.67
Less – Property Tax & Maintence Charges	8.40	8.40
Profit arising from investment properties before indirect expenses	73.86	70.37

III Fair Value

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment Properties	2,818.22	2,818.22

IV Estimation of fair value

Due to Covid restriction, Company is not able to obtain fair value of Investment Property. In such a case, the Company has considered the fair value which was obtained as on March 31, 2019.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

5 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	No of Shares As at March 31, 2021	No of Shares As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(1) Investment in fully paid-up Equity Shares (Unquoted) (at Cost)				
Label Mobile Media Private Limited Equity shares of ₹ 10/- each	5,000	5,000	0.50	0.50
(2) Mutual Funds (Quoted)				
Investment carried at fair value through Profit & Loss				
Baroda Overnight Fund	63,506.281	14,139.51	685.74	148.18
Baroda Large cap & midcap Fund	199,980.001		25.62	
Baroda Banking & PSU Fund	499,975.001		50.02	
SBI Artigrage Opportunities Fund	-	961,642.02	-	254.52
SBI Overnight Fund	31,093.642	4,889.05	1,042.17	159.08
Total			**1,804.05**	**562.28**
Aggregate carring value of quoted investments and market value thereof			-	-
Aggregate carring value of unquoted investments			1,804.05	562.28
Aggregate provision for impairment in the value of investments			-	-

6 LOANS AND DEPOSITS (NON CURRENT) (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a] Security Deposits -Others	18.96	13.24
Total	**18.96**	**13.24**

7 OTHER FINANCIAL ASSETS (NON-CURRENT) (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Deposits with more than 12 month maturity period	13.57	12.86
Total	**13.57**	**12.86**

i] Fixed deposit of Rs.13.57 Lacs (Previous year Rs.12.86 lacs) includes electricity deposit of Rs.13.44 lacs (Previous year Rs.12.73 lacs)

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

8 OTHER FINANCIAL ASSETS (NON-CURRENT) (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a] Advances Given for Digital Rights	393.64	600.00
b] Deposits with Government Authorties	52.10	67.56
c] Capital Advances	3.31	
Total	**449.05**	**667.56**

9 TRADE RECEIVABLES(UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables		
Unsecured, considered good	1,507.06	1,814.32
Credit impaired	8.25	8.25
Less: Provision for loss allowance	(8.25)	(8.25)
Total	**1,507.06**	**1,814.32**

10 CASH & CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a] Cash on Hand	8.17	6.63
b] Balance with Banks in Current Accounts		
- Current Account	252.14	50.70
- Other Bank Balances	0.21	0.20
c] Bank Deposits with Maturity Less 3 months	2,850.40	2,538.50
Total	**3,110.92**	**2,596.03**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a] Bank Deposits with 3-12 months- Maturity @	231.66	29.74
b] Earnarked Balance with Banks (Unclaimed Dividend)	5.89	5.90
Total	**237.55**	**35.64**

@ These deposits are in the form of Fixed Deposit of Rs.200 Lakhs (Previous year Nil) & Bank Guarantee Rs. 31.66 Lakhs (Previous Year Rs 29.74 Lakhs)

12 OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a] Security Deposit against Premises to Related Parties	500.00	500.00
b] Security Deposits -Others	10.00	10.00
c] Loans to Employees	17.19	22.75
Total	**527.19**	**532.75**

13 CURRENT TAX (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance payment of Income tax and Tax Deducted at Source		
(net of Provision for Taxation Rs. 20,49,52,180 (L/Y 785,50,791)	104.38	427.13
Total current tax assets (net)	**104.38**	**427.13**

14 OTHER CURRENT ASSETS LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a] Advances for film Projects in Hand	3,929.25	255.25
b] Advances for Music Audio & Video Rights	1,134.03	299.29
c] Prepaid Expenses	0.02	2.73
d] Balances with Government Authorties	489.46	178.82
e] Others	39.22	154.54
Total	**5,591.98**	**890.63**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

15 EQUITY SHARE CAPITAL (REFER NOTE 32(3))

(₹ in Lakhs)

Particulars		As at March 31, 2021		As at March 31, 2020	
		Number of Shares	Amount	Number of Shares	Amount
a]	Authorised 20,000,000 Equity Shares of Rs.10/- each	20,000,000	2,000.00	20,000,000	2,000.00
b]	Issued, Subscribed and fully paid-up	14,318,659	1,431.87	14,318,659	1,431.87
c]	Buyback of shares 1,350,000 shares Rs.10/- per share	(1,350,000)	(135.00)	-	-
Total		**12,968,659**	**1,296.87**	**14,318,659**	**1,431.87**

16 OTHER EQUITY

(₹ in Lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020
1	General Reserves	416.25	551.25
2	Securities Premium Reserve	43.72	1,798.72
3	Capital Redemption Reserve	433.72	298.72
4	Retained Earnings	7,935.21	3,957.25
Total		**8,828.90**	**6,605.94**

1 General Reserves

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the Beginning of the year	551.25	551.25
Less: Transferred to Capital Redemption Reserve	(135.00)	-
Balance at the end of the year	**416.25**	**551.25**

General reserve: Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 (the "Companies Act"), the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. The amount credited to the reserve can be utilised by the company in accordance with the provisions of the Companies Act. There is no movement in general reserve during the current year.

2 Securities Premium Reserve

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the Beginning of the year	1,798.72	1,798.72
Less:Buyback of Shares	(1,755.00)	-
Balance at the end of the year	**43.72**	**1,798.72**

Securities premium reserve: This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

3 Capital Redemption Reserve (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the Beginning of the year	298.72	298.72
Add: Transferred from General Reserves	135.00	-
Balance at the end of the year	**433.72**	**298.72**

Capital redemption reserve: This reserve is used to increase the reserve by issue & paid up price of the share on buy back of shares by company

4 Retained Earnings (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the Beginning of the year	3,957.24	2,994.35
Net profit for the period	4,346.88	1,133.93
Other comprehensive income for the year		
Remeasurement gain (loss) of post employment benefit obligations (net of taxes)	8.42	1.59
Tax on buyback of Shares	(182.80)	-
Dividend Paid	(194.53)	(143.19)
Dividend Distribution Tax Paid	-	(29.43)
Balance at the end of the year	**7,935.21**	**3,957.25**

17 BORROWINGS (REFER NOTE TO ACCOUNTS NO. 32 (8)) (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Term Loans		
(a) From Bank	-	188.98
Total	**-**	**188.98**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

18 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities		
Property, plant, equipment and investment property	267.99	276.90
Others	9.63	3.28
Deferred Tax Assets	-	-
Employees benefit Obligations	(39.25)	(9.79)
Provision for loss allowance	(2.83)	(2.40)
Total	**235.54**	**267.99**

19 EMPLOYEE BENEFIT OBLIGATIONS(NON CURRENT)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity (Refer Note No.32(14))	25.65	27.98
Total	**25.65**	**27.98**

20 OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from Customers	3,598.22	-
Total	**3,598.22**	**-**

21 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Total outstanding dues of micro and small enterprises (Refer Note No 32(9))	-	-
(b) Total outstanding dues of Creditors other than micro and small enterprises	627.43	425.87
Total	**627.43**	**425.87**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

22 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Unclaimed Dividends **	5.89	5.90
(b) Security Deposit	24.00	24.00
Total Other Financial Liabilities	**29.89**	**29.90**

** There are no amounts due for payment to the Investors Education and Protection fund under section 124 of the Companies Act, 2013, as at the year end.

23 EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity (Refer Note no 32(14))	1.26	1.19
Total	**1.26**	**1.19**

24 OTHER CURENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Advances from Customers	140.05	0.37
(b) Amount payable to Government Authorities	38.93	35.54
Total	**178.98**	**35.91**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

25 REVENUES FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Sale of Services		
Income from Satelite Rights Films	-	(709.02)
Income from Web Series	-	16.00
Licence fees	9,053.00	9,792.10
Total Revenue from Operations	**9,053.00**	**9,099.08**

a] Disaggregation of revenue from contracts with customers

(₹ in Lakhs)

Revenue by Geography	License Fees (Audio/ Video)		Film Production/ Distribution/ Web Series	
	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2021	Year Ended March 31, 2020
Domestic	3,921.89	5,839.94	-	(693.02)
International	5,131.11	3,952.16	-	-
	9,053.00	**9,792.10**	**-**	**(693.02)**
Timing of Revenue Recongnition				
Services transferred at a point in time	9,053.00	9,792.10	-	(693.02)
Total Revenue from Contracts with Customers	**9,053.00**	**9,792.10**	**-**	**(693.02)**

b] Contract Balances

The following table provides information about receivables from contracts with customers.

(₹ in Lakhs)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Receivables, which are included in 'trade and other receivables' Refer Note No 9	1,507.06	1,814.32
Advance received from Customers Refer Note No 20 &24	3,738.27	0.37

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

26 OTHER INCOME

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest Income		
On Fixed Deposits with banks	117.64	75.17
Rent Income	110.92	107.44
Provisions for/(Write back of) doubtful debts and advances	2.96	11.47
Advances Written Back	195.00	48.00
Profit on Sale of Assets	3.50	7.75
Insurance Claim Received	8.35	1.06
Foreign Exchange Gain	3.99	2.07
Profit on Sale of Investments	1.49	4.53
Fair value gain on Mutual Fund at FVTPL	45.29	57.54
Other Non-operating Income	0.08	1,467.82
Total	**489.22**	**1,782.85**

27 COST OF PRODUCTIONS/DISTRIBUTION OF FILMS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening-		
Cost of Under Production films	-	-
Unamortised cost at beginning of the year	-	2,866.04
Add: Cost incurred during the year	-	-
Less Closing-	-	-
Unamortised cost at the close of the year	-	-
Cost of underproduction films carried forward	-	-
Total	**-**	**2,866.04**

28 EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Salary, Wages & Bonus	779.11	708.22
Contribution to Provident and other Funds	9.79	9.67
Gratuity	13.73	11.37
Staff Welfare Expenses	4.18	13.42
Total	**806.81**	**742.68**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

29 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest Paid to Banks	2.09	2.47
Interest on Loan to Directors	-	25.86
Total	**2.09**	**28.33**

30 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation of property,plant and equipment	52.50	89.29
Amortization on Investment Property	28.67	28.67
Total	**81.17**	**117.95**

31 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Electricity Expenses	3.95	8.67
Rent	102.42	103.38
Repairs & Maintainence :		
-Office Premises	182.54	10.70
Insurance	252.55	166.14
Rates and Taxes	19.30	1,114.18
Legal and Professional	507.16	402.43
Corporate Social Responsibilty	-	59.71
In-house Music Production/Acquistion Cost	863.46	1,100.75
Advertisement Expenses	455.62	842.49
Travelling and Conveyance	11.15	26.39
Audit Fees		
-Statutory Fees	12.00	14.50
-Out of pocket expenses	0.05	0.21
Donation	43.62	30.70
Bad Debts and Advances Written Off	27.99	1,446.75
Miscellaneous Expenses	247.93	364.34
Total	**2,729.74**	**5,691.34**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

32 NOTES FORMING PART OF FINANCIAL STATEMENTS

1] Contingent Liabilities to the extent not provided for in respect of :

a] Claims against the Company not acknowledged as debt

(₹ in Lakhs)

Particulars	As At March 31, 2021	As at March 31, 2020
Penalty under FEMA Act*	90.00	90.00

* The Company is hopeful of favorable decisions for the appeal pending before the Hon'able Supreme Court. The Hon'able Supreme Court has granted stay until disposal of petition.

b] There has been a Supreme Court Judgement dated 28 Feb 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF act. There are interpretative aspects related to the judgement including the effective date of application. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

c] The Code on Social Security, 2020 ("Code") relating to employees benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

2] Trade Receivables, Trade Payables and advances are subject to confirmations and reconciliation, if any.

3] Provision for Tax

The company proposes to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The Company accordingly has recognized Provision for Income Tax for the year ended March 31, 2021 and re-measured its Deferred Tax Liability on the basis the rate prescribed in the said section.

A. Tax expense recognised in the Statement of Profit and Loss

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Tax		
Current Tax on Profit for the Year	1,473.91	323.00
Excess provision for the earlier years written back	136.90	-
Deferred tax liability	(35.28)	(21.35)
Total Current Tax	1,575.53	301.65
Total	**1,575.53**	**301.65**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

B. Amounts recognised in other comprehensive income (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)		
Before tax	(11.25)	(2.23)
Tax (expenses)/ benefit	2.83	0.64
Net of taxes	**(8.42)**	**(1.59)**

C. Reconciliation of effective tax rate (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Profit Before Tax	5,922.41	1,435.58
Tax using the Company's domestic tax rate of 25.17 % (PY 29.12%)	1,490.67	418.04
Tax effect of :		
On account of change in Tax Rate	(36.40)	(36.87)
Tax deduction Chapter VIA	(5.49)	(4.47)
Others	126.74	(75.04)
	1,575.53	**301.65**

D. Movement in deferred tax balances (₹ in Lakhs)

Particulars	March 31, 2021					
	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset / (liabilities)						
Property, plant, equipment and investment property	(276.90)	8.91	-	(267.99)	-	(267.99)
Inventories	-	-	-	-	-	-
Employee benefits	9.79	-	29.46	39.25	39.25	-
Provision for Doubtful Debts	2.40	0.43	-	2.83	2.83	-
Others	(3.28)	(6.35)		(9.63)	-	(9.63)
Net Deferred tax assets / (liabilities)	**(267.99)**	**2.99**	**29.46**	**(235.54)**	**42.08**	**(277.63)**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

Movement in deferred tax balances (₹ in Lakhs)

Particulars	March 31, 2020					
	Net balance April 1, 2019	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset / (liabilities)						
Property, plant, equipment and investment property	(284.99)	8.09	-	(276.90)	-	(276.90)
Inventories	(829.74)	829.74	-	-	-	-
Employee benefits	15.62	(5.18)	(0.65)	9.79	9.79	-
Provision for Doubtful Debts	2.40	-	-	2.40	2.40	-
Others	-	(3.28)		(3.28)	(3.28)	
Net Deferred tax assets / (liabilities)	**(1,096.71)**	**829.37**	**(0.65)**	**(267.99)**	**8.91**	**(276.90)**

4] Leases

A} This note provides information for leases where the Company is a lessee.

The Company has cancellable operating lease arrangements for certain accommodation. Terms of such lease include option for renewal on mutually agreed terms. There are no restrictions imposed by lease arrangements and there are no purchase options or sub leases or contingent rents. Operating lease rentals recognised in Statement of Profit and Loss for the year ended March 31, 2021 is INR 102 (in lakhs) (Previous year 103 Lakhs) towards expenses relating to short-term leases and leases of low-value assets.

B} This note provides information for leases where the Company is a lessor.

The Company has given office premises under lease. The income from lease recognised in the Statement of Profit and Loss are Rs. 110.92 (In Lakhs) (March 31, 2020: Rs. 107.44 (In Lakhs)). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. There is only one non - cancellable operating lease agreement is for a period of 36 Months while others are cancellable agreements or agreements with lock in period of 12 months only.

5] Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The Company is required to spend Rs.15,44,402/- (Rupees Fifteen Lakhs Forty Four Thousand Four Hundred and Two Only). However, the Company has spent Rs Nil in current Financial year and in previous year Company had spent excess of Rs.50,90,777 (Rupees Fifty Lakhs Ninety Thousand and Seven Hundred and Seventy Seven Only) towards the CSR Activities during the Financial year 2019-20.

6] Proposed Dividend

The Board of Directors at its meeting held on June 14, 2021 have recommended a payment of final dividend of Rs. 2/- (Rupees Two only) per equity share of face value of Rs.10/- each for the financial year ended March 31, 2021. The Same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

7] Share Capital

a] Rights, preferences and restrictions attached to Equity shares : The company has only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

b] Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

(₹ in Lakhs)

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Kumar S Taurani	2,629,800	20.28	2,881,915	20.13
Ramesh S Taurani	2,624,283	20.24	2,875,911	20.09
Varsha R Taurani	2,231,641	17.21	2,474,718	17.28
Renu K Taurani	2,226,128	17.17	2,468,718	17.24

c] Reconciliation of number of equity shares outstanding as on beginning and closing of the year:

(₹ in Lakhs)

Particulars	March 31, 2021		March 31, 2020	
	Number	Amount	Number	Amount
Share outstanding at the beginning of the year	14,318,659	1,431.87	14,318,659	1,431.87
Buyback of shares 13,50,000 shares @10/- per share	(1,350,000)	(135.00)	-	-
Shares outstanding at the end of the year	12,968,659	1,296.87	14,318,659	1,431.87

d] Information on equity shares alloted without receipt of cash or alloted as bonus shares or shares bought back

During the Financial Year 2015 - 16, the Company had bought back 290,958 Equity Shares of ₹ 10/- each from open market at an average price of ₹ 62.83/-

During the Financial Year 2016 - 17, the Company had bought back 749,023 Equity Shares of ₹ 10/- each from open market at an average price of ₹ 63.34/-

During the Financial Year 2020-21, the Company had bought back 13,50,000 Equity Shares of ₹ 10/- each through tender offer route at a price of ₹ 140.00/-

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

8] Borrowings :

Nature of Securities and Terms of Repayment

i] Overdraft Facilities

Overdraft Facility of Rs. Nil (March 31, 2020 Rs. 189 lacs) from two Banks are secured on first paripassu charge by way of hypothecation of Current and Future Audio Library (IPR) of the Company and also charge by way of mortgage of office premises owned by the Company situated at Mumbai and residential premises owned by the promoters. Further, personal guarantee of both the executive directors has been provided. The overdraft facility is repayable in 7 yearly equal installments at interest rate @ 11.20% p.a. Last installment dues are in August, 2021 and April, 2025 respectively.

9] Dues to micro and small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Lakhs)

	Partiuclars	March 31, 2021	March 31, 2020
1	Principal amount remaining unpaid to any supplier as at the year end	-	-
2	Interest due thereon	-	-
3	Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
4	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
5	Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

10] Related Party Disclosure

i] List of related parties and nature of their relationship is furnished below:

a)	**Subsidiaries where control exits**	NIL
b)	**Joint Ventures**	NIL
c)	**Key Management Personnel**	Mr. Kumar S Taurani -Chairman & Managing Director Mr. Ramesh S Taurani - Managing Director Mr. Girish K Taurani - Executive Director Mr. Sunil Chellani - Chief Financial Officer Ms. Bijal Patel - Company Secretary **Non Executive Independent Director** Ms. Radhika Dudhat Mr. Amitabh Mundhra Mr. Venkitaraman Iyer
d)	**Relatives of Key Management Personnel**	Mrs. Renu K Taurani Mrs. Varsha R Taurani Mr. Kunal K Taurani Ms. Sneha R Taurani Ms. Jaya R Taurani Ms. Raveena R Taurani Ms. Krsna G Taurani
e)	**Enterprise owned or significantly influenced by Key Management Personnel or their relatives, where transactions have taken place**	Propreitory Concern Yogisattava owned by Ms.Raveena Taurani

(₹ in Lakhs)

Particulars	March 31, 2021			March 31, 2020		
	Key Management Personnel	Relatives of Key Management Personnel	Total	Key Management Personnel	Relatives of Key Management Personnel	Total
Loan Taken	1.00	-	**1.00**	581.00	-	**581.00**
Loan Repayment	1.00	-	**1.00**	581.00	-	**581.00**
Rent Paid	-	84.00	**84.00**	-	84.00	**84.00**
Rent Received	-	13.75	**13.75**	-	12.50	**12.50**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

(₹ in Lakhs)

Particulars	March 31, 2021			March 31, 2020		
	Key Management Personnel	Relatives of Key Management Personnel	Total	Key Management Personnel	Relatives of Key Management Personnel	Total
Interest Paid	-	-	**-**	25.86	-	**25.86**
Legal & Profession Fees Paid	26.92	30.00	**56.92**	22.00	30.00	**52.00**
Director Remmuneration Paid	387.00	-	**387.00**	342.74	-	**342.74**
Salary Paid	8.25	97.00	**105.25**	6.76	125.26	**132.01**
Sitting Fees paid to Non Executive Independent Director	11.00	-	**11.00**	5.95	-	**5.95**
Reimbursement of Expenses	0.42	-	**0.42**	-	4.10	**4.10**
Advance paid	40.57	-	**40.57**		0.35	**0.35**
Business Promotion Expenses	-	0.08	**0.08**	-	3.75	**3.75**
Diwali Expenses	-	-	**-**	-	3.28	**3.28**
Balances Outstanding at the year						
Payable towards Exps-Business promotion Exps	-	-	**-**	-	0.44	**0.44**
Receivable Loans	-	-	**-**	-	-	**-**
Receivable towards Debtors (Rent Receivable)	-	0.71	**0.71**	-	-	**-**
Receivable Deposits	-	500.00	**500.00**	-	500.00	**500.00**

Note : Related party relationship is as identified by the Company and relied upon by the Auditors.

11] Segment Reporting

The Company's Chief Operating Decision Maker ('CODM') examines the Company performance and has identified two reportable segments of its business.

a) Music (Audio/ Video)

b) Film Production/ distribution & Web Series

Company Disclosure as per the requirements of Indian Accounting Standard-17 for " Segment Reporting" is as under:

The segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statement. Also the Company borrowings (including finance costs and interest income), income taxes and investments are managed at head office and are not allocated to operating segments.

Segment Revenue is measured in the same way as in the Statement of Profit and Loss.

Segment assets and liabilities are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

Segment Reporting

Information about reportable segments

(₹ in Lakhs)

Particulars	March 31, 2021			March 31, 2020		
	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Total	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Total
Segment Revenues						
Sales & License Fees	9,053.00	-	9,053.00	9,792.10	(693.02)	9,099.08
Total	**9,053.00**	**-**	**9,053.00**	**9,792.10**	**(693.02)**	**9,099.08**

(₹ in Lakhs)

Particulars	March 31, 2021			March 31, 2020		
	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Total	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Total
Segment Results	7,286.19	(371.56)	6,914.63	7,721.97	(5,365.26)	2,356.70
Finance Cost	-	-	2.09	-	-	28.34
Other unallocated expenditure (net)	-	-	990.13	-	-	892.78
Profit Before Tax			**5,922.41**			**1,435.58**

(₹ in Lakhs)

Particulars	March 31, 2021				March 31, 2020			
	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Unallocated	Total	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Unallocated	Total
Segment depreciation and amortisation	2.96	27.39	50.82	81.17	2.96	3.18	111.81	117.95
Segment non-cash expenditure other than depreciation and amortisation	-	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

(₹ in Lakhs)

Particulars	March 31, 2021			March 31, 2020		
	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Total	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Total
Segment Assets	1,959.58	6,530.32	8,489.90	2,571.14	591.08	3,162.22
Reconciliation to total assets						
Investment		75.64	75.64			561.78
Current Tax Assets (Net)						427.13
Other Unallocable Assets			6,257.20			4,864.50
Total Assets as per Balance Sheet	**1,959.58**	**6,605.96**	**14,822.74**			**9,015.63**

(₹ in Lakhs)

Particulars	March 31, 2021				March 31, 2020			
	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Unallocated	Total	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Unallocated	Total
Addition to non current assets other than financial assets	-	-	76.00	76.00	-	-	60.60	60.60

(₹ in Lakhs)

Particulars	March 31, 2021			March 31, 2020		
	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Total	Music (Audio/ Video)	Film Production/ Distribution/ Web series	Total
Segment Liabilities	4,128.27	535.12	4,663.39	392.87	8.17	401.04
Reconciliation to total liabilities						
Borrowings			-			188.98
Other Unallocable Liabilities			33.58			387.81
Total Liabilities as per Balance Sheet			**4,696.97**			**977.83**

12] Financial instruments – Fair values and risk management

A] Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

(₹ in Lakhs)

March 31, 2021	Carrying Aamount				Fair Value			
Particulars	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets								
Non Current								
Investment			0.50	0.50				
Mutual Fund	1,803.56			1,803.56	1,803.56			1,803.56
Loans and Deposits			18.96	18.96				
Other Financial Assets			13.57	13.57				
Current Assets								
Trade Receivables			1,507.06	1,507.06				
Cash & Cash Equivalents			3,110.92	3,110.92				
Bank Balances other than above			237.55	237.55				
Other Financial Assets			527.19	527.19				
Financial Liabilities								
Current Liability								
Trade Payable			627.43	627.43				
Other Financial Liabilities			29.89	29.89				

(₹ in Lakhs)

March 31, 2020	Carrying Aamount				Fair Value			
Particulars	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets								
Non Current								
Investment			0.50	0.50				
Mutual Fund	561.78			561.78	561.78			561.78
Loans and Deposits			13.24	13.24				
Other Financial Assets			12.86	12.86				
Current Assets								
Trade Receivables			1,814.32	1,814.32				
Cash & Cash Equivalents			2,596.03	2,596.03				
Bank Balances other than above			35.64	35.64				
Other Financial Assets			532.75	532.75				
Financial Liabilities								
Non Current								
Borrowings			188.98	188.98				
Current Liability								
Trade Payable			425.87	425.87				
Other Financial Liabilities			29.90	29.90				

There are no transfers between Level 1 and Level 2 during the year

i] The carrying value of trade receivables, cash and cash equivalents, other bank balances, loans, trade payables and other financial assets and liabilities are considered to be the same as their fair values due to their short term nature. The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement).

ii] Valuation technique used to determine fair value Specific valuation technique used to value financial instruments include: The mutual funds are valued using closing NAV available in the market.

B] Financial risk management

The Company has exposure to the following risks arising from financial instruments:

* Credit Risk ;
* Liquidity Risk ; and
* Market Risk

i] Risk Management objectives

The Companys activities expose it to a variety of financial risks viz. credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

ii] Credit risk

a] Credit Risk management
Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

b] Cash and Cash equivalents and other Bank balances
The Company held cash and cash equivalents and other bank balances of Rs.3348.47 Lakhs as on March 31, 2021 (March 31, 2020 : Rs.2,631.67 Lakhs). The cash and cash equivalents are held with bank counterparties with good credit ratings.

c] Loans and Advances
The Company held Loans and Advances of Rs. 510 Lakhs as on March 31, 2021 (March 31, 2020 : Rs. 510 Lakhs). The loans and advances are in nature of rent deposit paid to landlords and are fully recoverable.

d] Trade receivables
Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

which the company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

iii] Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As of March 31, 2021 and March 31, 2020 the Company had unutilized credit limits from banks of Rs. 2143 Lakhs, Rs. 2668 Lakhs respectively.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements

(₹ in Lakhs)

March 31, 2021	Contractual Cash Flows						
	Carrying Amount	Total	Less than 6 months	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Current Financial Liabilities							
Trade Payables	627.44	627.44	627.44	-	-	-	-
Other Financial Liabilities	29.89	29.89	29.89	-	-	-	-

March 31, 2020	Contractual Cash Flows						
	Carrying Amount	Total	Less than 6 months	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Current Financial Liabilities							
Trade Payables	425.87	425.87	425.87	-	-	-	-
Other Financial Liabilities	29.90	29.90	29.90	-	-	-	-

iv] Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

a] Currency Risk

The company is exposed to currency risk on account of its receivables / payables in foreign currency. The functional currency of the Company in Indian Rupees.

i) Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at 31st March, 2021 and 31st March, 2020 are as below :

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

(₹ in Lakhs)

Currency	March 31, 2021		March 31, 2020	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	924.75	-	551.21	-
Euro	0.61	6.57	-	
GBP	61.20	-	56.33	-
TOTAL	**986.56**	**6.57**	**607.54**	**0.00**

ii) Net Exposure to Foreign Currency Risk (Assets – Liabilities)

(₹ in Lakhs)

Currency	March 31, 2021	March 31, 2020
USD	924.75	551.21
Euro	(5.96)	-
GBP	61.20	56.33
TOTAL	**979.99**	**607.54**

iii) Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign Currency against the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in Lakhs)

Effect in INR	March 31, 2021		March 31, 2020	
	Profit or Loss		Profit or Loss	
	Strenghtening	Weakening	Strenghtening	Weakening
USD - 10 % Movement	92.48	(92.48)	55.12	(55.12)
Euro - 10 % Movement	-0.60	0.60	-	-
GBP - 10 % Movement	6.12	(6.12)	5.63	(5.63)

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

b] Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

i) Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Borrowings		
Fixed Rate Borrowings	-	-
Variable Rate Borrowings	-	188.98

ii) Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

iii) Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in Lakhs)

INR	Profit or (loss)	
	100 bp increase	100 bp decrease
March 31, 2021		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	**-**	**-**
March 31, 2020		
Variable-rate instruments	(188.98)	188.98
Cash flow sensitivity (net)	**(188.98)**	**188.98**

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

c] Price Risk

Price risk refers to risk that the fair value of a financial instrument may fluctuate because of the change in the market price. The Company is exposed to the price risk mainly from investment in mutual funds. Investments in mutual funds are made primarily in units of fixed maturity and liquid funds and are not exposed to significant price risk.

13] Capital Management

a] Risk Management

The Company's capital management objectives are:

- safeguard their ability to continue as A going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

b] Dividend on equity shares

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Dividend declared and paid during the year		
Final Dividend for the year ended March 31,2021 of Re. 1.50 (March 31, 2020 - Re 1.00- per fully paid share (along with Dividend distribution tax)	194.53	172.63
Proposed Dividend not recognised ar the end of the reporting period		
In addition to the above dividend, since year end the directors have recommended the payment of final Dividend for the year ended of Rs. 2/- (March 31,2020 - Re 1.50/- per fully paid share (along with Dividend distribution tax). The proposed dividend is subject to the approval of shareholder in the ensuing annual general meeting. Hence no liability has been recognised in books	259.37	194.53

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

14] Employee Benefits:

The Company contributes to the following post-employment defined benefit plans in India

i] Post Employment Defined Contribution Plans :

The contributions to the Provident Fund and Family Pension fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Company recognized Rs. 9.00 Lacs for year ended March 31, 2021 (Rs. 8.73 Lacs for year ended March 31, 2020) provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

ii] Post Employment Defined Benefit Plans :

Gratuity

The Company participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust fund.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Company.

a] Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in Lakhs)

Particulars	March 31,2021	March 31,2020
Present value of obligation at the beginning of the year	116.87	107.73
Current service cost	11.28	10.14
Interest cost	7.87	8.15
Remeasurements (gains) / losses		
Actuarial (gain)/ loss arising from changes in financial assumptions	0.85	9.73
Actuarial (gain)/ loss arising from changes in experience adjustments	(11.99)	(11.89)
Benefits paid	(3.96)	(7.00)
Present value of obligation at the end of the year	**120.91**	**116.87**

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

b] Reconciliation of the opening and closing balances of the fair value of plan assets:

(₹ in Lakhs)

Particulars	March 31,2021	March 31,2020
Fair value of plan assets at the beginning of the year	87.68	60.95
Interest Income	6.28	4.90
Remeasurements gains / (losses)		
Return on plan assets (excluding amount included in net interest cost)	(0.76)	0.07
Contributions by employer	4.75	28.77
Benefits paid	(3.96)	(7.00)
Fair value of plan assets at the end of the year	**94.00**	**87.68**
c] Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets:		
Present value of obligation at the end of the year	120.91	116.87
Fair value of plan assets at the end of the year	94.00	87.68
Liabilities recognised in the balance sheet	**26.91**	**29.18**
d] Actual Return of Plan Assets	5.52	4.97
e] Re-measurements losses/(gains) recognised in the Other Comprehensive Income		
Return on plan assets (excluding amount included in net interest cost)	0.76	(0.07)
Effect of changes in financial assumptions	0.85	9.73
Effect of changes in experience adjustments	(11.99)	(11.89)
Total re-measurement included in Other Comprehensive Income	**(10.39)**	**(2.23)**
f] Expense recognised in Statement of Profit or Loss:		
Current service cost	11.28	10.14
Net interest cost	1.59	3.26
Total expense recognised in Statement of Profit and Loss (refer note 28)	12.87	13.40
g] Category of plan assets:	in %	in %
Fund with Life Insurance Corporation of India	100	100

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

(₹ in Lakhs)

	Particulars	March 31,2021	March 31,2020
h]	**Maturity profile of defined benefit obligation:**		
	Within 1 year	1.26	1.20
	1 - 2 years	18.96	1.35
	2 - 3 years	1.23	22.65
	3 - 4 years	1.37	1.25
	4 - 5 years	1.55	1.39
	5 - 10 years	66.14	64.62
i]	**Principal actuarial assumptions:**		
	Discount rate	6.70%	6.77%
	Salary growth rate	10%	10%
	Mortality Rate during employment	IALM (2012-14) Ult.	IALM (2006-08) Ult.

j]	**Sensitive Analysis**	**Discount Rate**	
		PVO DR + 1%	PVO DR - 1%
	PVO	109.63	134.17
		Salary Escalation Rate	
		PVO ER + 1%	PVO ER - 1%
		133.54	109.91

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumption the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the Balance Sheet.

iii] Leave Obligation

The Company provides leave to employees. The employees at the end of the financial year can carry forward their balance leave to the subsequent financial year and it gets lapsed if not availed in that subsequent financial year. The Company Rules does not provide encashment of Leave at any time during the tenure of employment and also on retirement or termination. The Company records a provision for leave obligation at the end of the financial year. The total provision recorded by the Company towards this obligation was Rs 3.01 lakhs and Rs. 3.37 lacs as at March 31, 2021 and March 31, 2020

iv] Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

Discount rate risk
The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability

Salary growth risks
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability

Demographic risk
In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

15] Recent accounting pronouncements - Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

16] Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares

a] Profit attributable to Equity holders of company

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Profit/(Loss) attributable to equity shareholders		
Continuing Operation	4,346.88	1,133.93
Profit attributable to equity holders of the Company for basic earnings	4,346.88	1,133.93
Profit attributable to equity holders of the Company adjusted for the effect of dilution	4,346.88	1,133.93

b] Weighted average number of ordinary shares

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Issued ordinary shares at April 1	143.18	143.18
Weighted average number of shares at March 31 for basic and Diluted EPS	132.87	143.18

NOTES TO THE FINANCIAL STATEMENTS

Amount expressed in INR Lakhs unless otherwise stated

c] Basic and Diluted earnings per share (₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Basic earnings per share	32.72	7.92
Diluted earnings per share	32.72	7.92

17] The Board of Directors of the Company at its meeting held on May 10, 2021 has considered and approved to restructure the business of the Company by way of a Scheme of Arrangement and Demerger ("Scheme") whereby the Film Business Undertaking ("Film Division") of Tips Industries Limited ("Demerged Company") will be demerged into the "Tips Films Limited "Company as a going concern basis with effect from the Appointed Date of April 1, 2021. The said Scheme would be subject to requisite approvals of the National Company Law Tribunal, BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India and other statutory / regulatory authorities, including those from the shareholders and/or creditors of the Demerged Company. The Company is in the process of filing the Scheme with the concerned authorities. Pending necessary regulatory approvals and other compliances, no adjustments have been made in the books of account.

18] Towards the end of the financial year 2020-2021, the 2nd wave of COVID-19 pandemic caused operational disturbances even before the lockdown. The Company was able to reorganise its operations to remain functional as well as comply with the lockdown regulations. However, the lockdown induced decline in economic activity has led to diminished revenues, posed chanllenges in collections of contracted revenues and impeded contract renewals. The Company is bracing for a challenging year ahead. Based or the current indications of future economic conditions, the management expects to recover carrying amounts of Non-Current and Current Assets. This assessment and the outcome of the pandemic as regards the aforesaid matters is highly dependent on circumstances/developments as they evolve in the subsequent periods.

In terms of our report of even date
For **SSPA & Associates**
Chartered Accountants
Firm Registration No. 131069W

Parag Ved
Partner
Membership No. 102432

Place : Mumbai
Date : June 14, 2021

For and on behalf of the Board of Directors of
TIPS INDUSTRIES LIMITED
CIN: L92120MH1996PLC099359

Kumar S. Taurani
Chairman & Managing Director
DIN : 00555831

Ramesh S. Taurani
Managing Director
DIN : 00010130

Bijal Patel
Company Secretary
CS Membership No. : 30140

Sunil Chellani
Chief Financial Officer

Place : Mumbai
Date : June 14, 2021

Shivkumar C. Abichandani
M. Com., LLB., ACS., F.C.A.
Memb. No.034370

ABICHANDANI & ASSOCIATES
Chartered Accountants
Firm Regn No. **145188W**
Tel: 26340288 & 26391536, Mob: 9867263427
Email: sca_049@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

The Members of
TIPS FILMS LTD
Mumbai

Opinion

We have audited the standalone financial statements of Tips Films Ltd, which comprise the balance sheet as at 30th September 2021, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Contd....2/-

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



Contd...,.3/-

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

ABICHANDANI & ASSOCIATES * M. No. 034210 Firm No. 145158W * Chartered Accountants *

Contd...,.4/-

c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.

d. In our opinion the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on September 30, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) the Company does not have any pending litigations which would impact its financial position

ii) the Company does not have any long-term contracts requiring a provision for material foreseeable losses.

iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.

For ABICHANDANI & ASSOCIATES
Chartered Accountants
F. No. 145188W

Place: Mumbai

Date: 12th October, 2021

SHIVKUMAR ABICHANDANI
Proprietor
M. No. 034370

TIPS FILMS LTD

Balance sheet

as at 30th September, 2021

(Currency : Indian Rupees)

		Notes	30.09.2021	31.03.2021
I	**EQUITY AND LIABILITIES**			
	(1) **Shareholders funds**			
	a. Share capital	1	5 00 000	5 00 000
	b. Reserves and surplus	2	- 4 93 780	- 4 90 905
			6 220	9 095
	(2) **Non Current Liabilities**			
	Deffered Tax Liabilities	3		
	Long Term borrowings	4		
	(3) **Current liabilities**			
	a Short term borrowings	5.1		
	b Trade payables	5.2		
	c Other current liabilities	6		
	d Short term provision	7		
	Total		6 220	9 095
	ASSETS			
1	**Non-current assets**			
	a) Fixed assets			
	(i) Tangible assets	8		
	(ii) Intangible assets			
	b) Non Current investment	9		
	c) Long term loans and advances	10		
2	**Current assets**			
	a Inventories	11		
	b Trade receivables	12		
	c Cash and cash equivalents	13	6 220	9 095
	d Short-term loans and advances	14		
	e Other current assets	15		
			6 220	9 095
2	**Preliminary Expenses**			
	Total		6 220	9 095

Significant accounting policies
Notes to the financial statements

As per our report of even date attached.

For ABICHANDANI & ASSOCIATES
Firm Regn No 145188W
Chartered Accountants

Shivkumar C Abichandani
Proprietor
Membership No: 034370
Dated :12th October 2021
Mumbai

ABICHANDANI & ASSOCIATES * M. No. 034370 Firm No. 145188W * Chartered Accountants *

Tips Films Ltd

Director

Dated :12th October 2021
Mumbai

Notes to the financial statements *(Continued)*

for the year ended 30th September 2021

(Currency : Indian Rupees)

		30.09.2021	31.03.2021
1.a	**Share capital**		
	Authorised capital		
	50000 equity shares of Rs 10 each	**5,00,000.00**	5,00,000.00
		5,00,000.00	5,00,000.00
	Issued, subscribed and fully paid-up		
	50,000 equity shares of Rs 10 each	**5,00,000.00**	5,00,000.00
		5,00,000.00	5,00,000.00

A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

	30.09.2021		31.03.2021	
Equity shares	Nos		Nos	Value
Shares outstanding at the beginning of the year	**50,000**	**5,00,000**	**50,000**	**5,00,000**
			-	-
Shares outstanding at the end of the year	**50,000**	**5,00,000**	50,000	5,00,000

B Terms / rights attached to shares

Equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. Each share is entitled to equal dividend declared by the Company and approved by the share holders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C Details of shareholder holding more than 5% shares as at September 30, 2021 is as set out below.

	30.09.2021		31.03.2021	
Name of shareholder	**Number**	**% of holding**	Number	% of holding
Equity shares	**of shares**	**in the class**	of shares	in the class
i) Mr. Ramesh S Taurani	**25,000**	**50.00%**	25,000	50.00%
ii) Mrs. Varsha r Taurani	**24,500**	**49.00%**	24,500	49.00%
iii) Ms Jaya Taurani	**100**	**0.20%**	100	0.20%
iv) Ms. Sneha Taurani	**100**	**0.20%**	100	0.20%
v) Ms. Raveena Taurani	**100**	**0.20%**	100	0.20%
vi) Mr. Jay Shewakramani	**100**	**0.20%**	100	0.20%
vii) Mr. Shyam Lakhani	**100**	**0.20%**	100	0.20%

		30.09.2021	31.03.2021
2	**Reserves and surplus**		
	General Reserve		
	Opening Balance		
	Add: Transfer from surplus		
	Closing Balance		
	(Deficit) / surplus as per statement of profit and loss		
	Balance brought forward	**- 4 90 905**	- 4 87 105
	Add / less : (Loss) / profit for the year transferred from the statement of profit and loss	**- 2 875**	- 3 800
		- 4 93 780	**- 4 90 905**
	Less: Transferred to General Reserves		
	Closing	**- 4 93 780**	**- 4 90 905**
	Grand Total	**- 4 93 780**	**- 4 90 905**

BHICHANDANI & ASSOCIATES * M. No. 034570 FRN No. 145188W * Chartered Accountants

TIPS FILMS LTD

Notes to the financial statements ***(Continued)***

for the year ended 30th September 2021

(Currency : Indian Rupees)

		30.09.2021	31.03.2021
3	**Non Current Liabilities**		
	Defered Tax Liabilities		
	On account of differences in depreciation as per books and income tax		
4	**Long term borrowings**		
	a) Term Loan (Secured)		
	b)Unsecured Loan		
	Other Long Term Liabilities		
	a) Service tax		
	b) Trade payables towards goods purchased and services received		
5	**Current Liabilities**		
	i) **Short term borrowing**		
	Loans and advances from related parites		
	Unsecured loans		
	Other loans		
	ii) **Trade Payable**		
	Trade payables towards goods purchased and services received		
	- Micro, Small and Medium Enterprises		
	Other Micro, Small and Medium Enterprises		
6	**Other Current Liabilities**		
	a Current maturies of Long term debt		
	b Interest accrued and due on borrowings		
	c Unpaid Dividends		
	d Telephone expn payable		
	e Audit fees payable		
	f Professinal charges		
	g Tax deducted at source payable		
	h Profession. tax payable		
	i Service Tax payable		
	j Bank charges		
	Total		
7	**Short term provisions**		
	a Provison for Income Tax		
	b Proposed Dividend		
	c Dividend Distribution Tax		

ABICHANDANI & ASSOCIATES * Chartered Accountants * M. No. 043470 Firm No. 145488W

Notes to the financial statements *(Continued)*

for the year ended 30th September 2021

(Currency : Indian Rupees)

	Tips Films Ltd AY 2021-22 contd	30.09.2021	31.03.2021
	ASSETS		
9	**Non Current Investments**		
	Other Non current investments		
10	iii **Long Term Loans and Advances**		
	a **Capital Advances**		
	Capital work in progress		
	b Deposit with Corporate & Public Bodies		
	c Security Deposit		
	- Unsecured, considered good		
	- Security Deposit Electricity		
	- Security Deposit Motor car - Vitesse Ltd		
	- Others		
	d Other loans and advances		
	Unsecured, considered good		
	i) Advances & Loans		
	ii) Others		
	iii) Advance Income Tax (TDS)		
	Doubtful		
	i) Advance to Staff - Related party		
	ii) Advance to Staff		
	iii) Others - Related party		
	Total		
11	**Inventories**		

ABICHANDANI & ASSOCIATES * Chartered Accountants * M.No. 083370 Firm No. 145388W

Notes to the financial statements ***(Continued)***

for the year ended 30th September 2021

(Currency : Indian Rupees)

		30.09.2021	31.03.2021
12	**CURRENT ASSETS**		
	i) Trade receivables		
	Trade receivable outstanding for a period more than six months		
a	Secured, considered good		
b	Unsecured considered good		
c	Doubtful		
	Sub Total		
d	Less: Provision for Doubtful Debt		
	TOTAL		
ii	Trade receivable outstanding for a period of less than six months		
a	Secured, considered good		
b	Unsecured considered good		
c	Doubtful		
	Sub Total		
d	Less: Provision for Doubtful Debt		
	TOTAL		
	TOTAL (i+ii)		
13	**Cash and bank balances**		
	Cash and cash equivalents		
	Cash in hand	6 220	9 095
	Balances with banks		
	- In current accounts		
		6 220	9 095
14	**Short-term loans and advances**		
	(Unsecured, considered good)		
	Loan to employees		
	Loans and advance		
	Imprest account		
	Advance to Suppliers		
15	**Other current assets**		
	a) **Prepaid expenses**		
	b) **Advance Income Tax(Net of Provision for Taxation)**		
	c) **Preliminary Expenses**		
	d) **Others**		

ABICHANDANI & ASSOCIATES * Chartered Accountants * M. No. 0[illegible]70 Firm No. 145188W

TIPS FILMS LTD

Statement of Profit and loss as on 3oth September, 2021

for the year ended 30th September 2021

(Currency : Indian Rupees)

		Note	30.09.2021	31.03.2021
	Income			
I	Service Charges	*16*		
II	Other income	*17*		
III	**Total Revenue (1+II)**			
IV	**Expenses**			
	Cost of material consumed	*18*		
	Cost of Sales, Production and Services	*19*		
	Employess benefit expenses	*20*		
	Finance Charges	*21*		
	Depreciation / amortisation	*22*		
	Other expenses	*23*	**2 875**	**3 800**
	TOTAL EXPENSES		**2 875**	3 800
V	**(Loss) / profit before tax**		**- 2 875**	- 3 800
VI	Prior period expenses/income	*24*		
VII	Profit before tax		**- 2 875**	- 3 800
VIII	Tax expenses			
	1. Current Tax			
	2. Deferred Tax			
	3 (Excess)/Short provision			
IX	Profit/(loss) for the year		**- 2 875**	- 3 800
X	Earnings per equity share			
	1. Basic		**.00**	.00
	2. Diluted		**.00**	.00

Significant accounting policies
Notes to the financial statements

As per our report of even date attached.

For ABICHANDANI & ASSOCIATES
Firm Regn No 145188W
Chartered Accountants

Shivkumar C Abichandani
Proprietor
Membership No: 034370
Dated :12th October 2021
Mumbai

Tips Films Ltd

Director *Direcotr*

Dated :12th October 2021
Mumbai

TIPS FILMS LTD

Notes to the financial statements*(Continued)*

for the year ended 30th September 2021

(Currency : Indian Rupees)

		30.09.2021	31.03.2021
16	**Revenue from operations**		
	Service Charges		
	Revenue received		
17	**Other income**		
	Sundry balance written off		
	Interest		
	EXPENSES		
18	Cost of material consumed		
	Opening stock		
	Add: Purchases		
	Less: Closing stock		
19	Cost of sale and services		
20	Employees benefits expenses		
	Salaries and Incentives		
	Staff welfare expesnes		
21	Finance Charges		
	Interest		
22	**Depreciation / amortisation**		
	Preliminary Expenses		
	Depreciation		
23	Other expenses		
	Bank charges		
	Legal, professional and other fees		
	Donation		
	Electricity expenses		
	Legal, professional and other fees		
	Miscellaneous expenses	1 650	1 875
	Rates and Taxes		
	Repairs and maintenance		
	Conveyance expenses	1 225	1 925
		2 875	3 800
24	Prior period income/expenses		
	a) Revenue share		
	b) Less: Expenses		
	i) Content Cost	-	
	ii) Technical Cost	-	

ABICHANDANI & ASSOCIATES * M. No. 054550 Firm No. 143188W * Chartered Accountants

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of preparation of financial statements**:

The accounts have been prepared using historical cost convention in generally accepted accounting principle.
The company has prepared these financial statements to comply in all material respects with Accounting Standard notified under section 133 of the Companies Act 2013.

2. **Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles require management to make estimates and assumptions that effect the reported amounts of Assets and Liabilities on the date of the Financial Statements and the reporting period. Actual results could defer from those estimate results. Difference between the actual result and estimate are recognized in the period in which the result are known/ materialized.

3. **Revenue reorganization**

Both revenue and expenses are recognized and accounted on accrual basis, including for committed obligation.

4 **Fixed Assets:**

(a) Fixed assets are stated at cost less accumulated depreciation.

(b) All expenditure relating to acquisition of fixed assets including purchase cost, freight, taxes and duties, installation charges etc are added to the cost and capitalized.

(c) Depreciation on Plant & Machinery (incl. Computers) as well as Furniture & Fixtures has been provided on WDV Method at the rates prescribed under schedule XIV of the Companies Act, 1956.

5. **Income Taxes**

Provisions for current income tax is made on current tax rate based on assessable income computed under the Income Tax Act 1961 or Book Profit Computed under Section 115JB (MAT) whichever is higher. MAT credit is recognized subject to requirement of virtual certainty that sufficient future taxable income will be available for set off.

6. **Investments**

Investments are valued and stated at cost

7. **Inventories**

There re no inventories as the company is neither trading nor manufacturing any goods

8. **Retirement Benefit**

As explained to us provisions of Provident fund as well as Employees State Insurance Scheme is not applicable to the company. No employees have put in the services to qualify for gratuity benefit.



contd...2

9. Contingent liability in respect of:

a	Claims against the Company not acknowledged as debts	Nil
b	Bills discounted	Nil
c	Counter guarantees to bankers for guarantees given by them to customers and other	Nil
d	Guarantees by the company for obligations to other persons	Nil
e	Guarantees to bankers, financial institutions and others on behalf of i) Subsidiaries ii) Other associate companies	Nil Nil

10. Estimated amount of contracts remaining to be executed on Capital Account and not provided for — NIL

11 Value of imports (on CIF basis)

	30.09.21	31.03.21
(a) Raw materials	Nil	Nil
(b) Spare parts	Nil	Nil
(c) Capital Goods	Nil	Nil

12 Earning in Foreign currency

	30.09.21	31.03.21
(a) Export of goods on FOB basis	Nil	Nil
(b) Others	Nil	Nil

13 Details of licensed capacity, installed capacity and actual production, consumption of raw materials, opening/closing stocks are not given as company is neither manufacturing nor trading in any goods.

14 Managerial Remuneration

	30.09.21	31.03.21
Salary to Director (Rs)	0	0

15 The balances of sundry debtors, creditors, deposits, loans & advances given & taken are subject to confirmation by respective parties.

16. Figures for previous year have been re-grouped/re-classified wherever necessary.

As per our report of even date

For ABICHANDANI & ASSOCIATE
Chartered Accountants (Memb No.145188W)

(Shivkumar C Abichandani)
Proprietor

Mumbai: Dated 12th October. 2021

for and on behalf of the Board of Directors

Director Director

Mumbai: Dated 12th October. 2021

ABICHANDANI & ASSOCIATES * M. No. 034370 Firm No. 145188W * Chartered Accountants *

Shivkumar C. Abichandani
M. Com., LLB., ACS., F.C.A.
Memb. No.034370

ABICHANDANI & ASSOCIATES
Chartered Accountants
Firm Regn No. **145188W**
Tel: 26340288 & 26391536, Mob: 9867263427
Email: sca_049@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

The Members of
TIPS FILMS LTD
Mumbai

Opinion

We have audited the standalone financial statements of Tips Films Ltd, which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

ABICHANDANI & ASSOCIATES M. No. 034370 Firm No. 145188W Chartered Accountants

Contd....2/-

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Contd...,3/-

ABICHANDANI & ASSOCIATES
M. No. 034370
Firm No. 145188W

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

ABICHANDANI & ASSOCIATES M. No. 034370 Firm No. 145188W Chart... Accountants

Contd...,.4/-

c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.

d. In our opinion the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) the Company does not have any pending litigations which would impact its financial position

ii) the Company does not have any long-term contracts requiring a provision for material foreseeable losses.

iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.

For ABICHANDANI & ASSOCIATES
Chartered Accountants
F. No. 145188W

Place: Mumbai

Date: 14th June, 2021

SHIVKUMAR ABICHANDANI
Proprietor
M. No. 034370

ABICHANDANI & ASSOCIATES
M. No. 034370
Firm No. 145188W
Chartered Accountants

TIPS FILMS LTD

Balance sheet

as at 31st March, 2021

(Currency : Indian Rupees)

		Notes	31.03.2021	31.03.2020
I	**EQUITY AND LIABILITIES**			
	(1) **Shareholders funds**			
	a. Share capital	1	5 00 000	5 00 000
	b. Reserves and surplus	2	- 4 90 905	- 4 87 105
			9 095	12 895
	(2) **Non Current Liabilities**			
	Deffered Tax Liabilities	3		
	Long Term borrowings	4		
	(3) **Current liabilities**			
	a Short term borrowings	5.1		
	b Trade payables	5.2		
	c Other current liabilities	6		2 500
	d Short term provision	7		
				2 500
	Total		9 095	15 395
	ASSETS			
1	**Non-current assets**			
	a) Fixed assets			
	(i) Tangible assets	8		
	(ii) Intangible assets			
	b) Non Current investment	9		
	c) Long term loans and advances	10		
2	**Current assets**			
	a Inventories	11		
	b Trade receivables	12		
	c Cash and cash equivalents	13	9 095	15 395
	d Short-term loans and advances	14		
	e Other current assets	15		
			9 095	15 395
2	**Preliminary Expenses**			
	Total		9 095	15 395

Significant accounting policies
Notes to the financial statements

As per our report of even date attached.

For ABICHANDANI & ASSOCIATES
Firm Regn No 145188W
Chartered Accountants

Shivkumar C Abichandani
Proprietor
Membership No: 034370
Dated :14th June 2021
Mumbai

ABICHANDANI & ASSOCIATES
M. No. 034370
Firm No. 145188W
Chartered Accountants

Tips Films Ltd

Director

Dated :14th June 2021
Mumbai

Notes to the financial statements *(Continued)*

for the year ended 31st March 2021

(Currency : Indian Rupees)

		31.03.2021	31.03.2020
1.a	**Share capital**		
	Authorised capital		
	50000 equity shares of Rs 10 each	**5,00,000.00**	5,00,000.00
		5,00,000.00	5,00,000.00
	Issued, subscribed and fully paid-up		
	50,000 equity shares of Rs 10 each	**5,00,000.00**	5,00,000.00
		5,00,000.00	5,00,000.00

A **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:**

	31.03.2021		31.03.2020	
Equity shares	Nos		Nos	Value
Shares outstanding at the beginning of the year	**50,000**	**5,00,000**	50,000	**5,00,000**
			-	-
Shares outstanding at the end of the year	**50,000**	**5,00,000**	50,000	5,00,000

B **Terms / rights attached to shares**

Equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. Each share is entitled to equal dividend declared by the Company and approved by the share holders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C **Details of shareholder holding more than 5% shares as at March 31, 2021 is as set out below.**

	31.03.2021		31.03.2020	
Name of shareholder	**Number**	**% of holding**	Number	% of holding
Equity shares	**of shares**	**in the class**	of shares	in the class
i) Mr. Ramesh S Taurani	**25,000**	**50.00%**	25,000	50.00%
ii) Mrs. Varsha r Taurani	**24,500**	**49.00%**	24,500	49.00%
iii) Ms Jaya Taurani	**100**	**0.20%**	100	0.20%
iv) Ms. Sneha Taurani	**100**	**0.20%**	100	0.20%
v) Ms. Raveena Taurani	**100**	**0.20%**	100	0.20%
vi) Mr. Jay Shewakramani	**100**	**0.20%**	100	0.20%
vii) Mr. Shyam Lakhani	**100**	**0.20%**	100	0.20%

		31.03.2021	31.03.2020
2	**Reserves and surplus**		
	General Reserve		
	Opening Balance		
	Add: Transfer from surplus		
	Closing Balance		
	(Deficit) / surplus as per statement of profit and loss		
	Balance brought forward	**- 4 87 105**	- 4 79 505
	Add / less : (Loss) / profit for the year transferred from the statement of profit and loss	**- 3 800**	- 7 600
		- 4 90 905	**- 4 87 105**
	Less: Transferred to General Reserves		
	Closing	**- 4 90 905**	**- 4 87 105**
	Grand Total	**- 4 90 905**	**- 4 87 105**



TIPS FILMS LTD

Notes to the financial statements ***(Continued)***

for the year ended 31st March 2021

(Currency : Indian Rupees)

			31.03.2021	31.03.2020
3		**Non Current Liabilities**		
		Defered Tax Liabilities		
		On account of differences in depreciation as per books and income tax		
4		**Long term borrowings**		
		a) Term Loan (Secured)		
		b)Unsecured Loan		
		Other Long Term Liabilities		
		a) Service tax		
		b) Trade payables towards goods purchased and services received		
5		**Current Liabilities**		
	i)	**Short term borrowing**		
		Loans and advances from related parites		
		Unsecured loans		
		Other loans		
	ii)	**Trade Payable**		
		Trade payables towards goods purchased and services received		
		- Micro, Small and Medium Enterprises		
		Other Micro, Small and Medium Enterprises		
6		**Other Current Liabilities**		
	a	Current maturies of Long term debt		
	b	Interest accrued and due on borrowings		
	c	Unpaid Dividends		
	d	Telephone expn payable		
	e	Audit fees payable		
	f	Professinal charges		2 500
	g	Tax deducted at source payable		
	h	Profession. tax payable		
	i	Service Tax payable		
	j	Bank charges		
		Total		2 500
7		**Short term provisions**		
	a	Provison for Income Tax		
	b	Proposed Dividend		
	c	Dividend Distribution Tax		

ABICHANDANI & ASSOCIATES
M. No. 034370
Firm No. 145188W
Chartered Accountants

Notes to the financial statements *(Continued)*
for the year ended 31st March 2021
(Currency : Indian Rupees)

	Tips Films Ltd AY 2020-21 contd	31.03.2021	31.03.2020
	ASSETS		
9	**Non Current Investments**		
	Other Non current investments		
10	iii **Long Term Loans and Advances**		
	a **Capital Advances**		
	Capital work in progress		
	b Deposit with Corporate & Public Bodies		
	c Security Deposit		
	- Unsecured, considered good		
	- Security Deposit Electricity		
	- Security Deposit Motor car - Vitesse Ltd		
	- Others		
	d Other loans and advances		
	Unsecured, considered good		
	i) Advances & Loans		
	ii) Others		
	iii) Advance Income Tax (TDS)		
	Doubtful		
	i) Advance to Staff - Related party		
	ii) Advance to Staff		
	iii) Others - Related party		
	Total		
11	**Inventories**		



Notes to the financial statements *(Continued)*
for the year ended 31st March 2021
(Currency : Indian Rupees)

		31.03.2021	31.03.2020
12	**CURRENT ASSETS**		
	i) Trade receivables		
	Trade receivable outstanding for a period more than six months		
a	Secured, considered good		
b	Unsecured considered good		
c	Doubtful		
	Sub Total		
d	Less: Provision for Doubtful Debt		
	TOTAL		
	ii Trade receivable outstanding for a period of less than six months		
a	Secured, considered good		
b	Unsecured considered good		
c	Doubtful		
	Sub Total		
d	Less: Provision for Doubtful Debt		
	TOTAL		
	TOTAL (i+ii)		
13	**Cash and bank balances**		
	Cash and cash equivalents		
	Cash in hand	9 095	15 395
	Balances with banks		
	- In current accounts		
		9 095	15 395
14	**Short-term loans and advances**		
	(Unsecured, considered good)		
	Loan to employees		
	Loans and advance		
	Imprest account		
	Advance to Suppliers		
15	**Other current assets**		
	a) **Prepaid expenses**		
	b) **Advance Income Tax(Net of Provision for Taxation)**		
	c) **Preliminary Expenses**		
	d) **Others**		

ABICHANDANI & ASSOCIATES
M. No. 034370
Firm No. 145188W
Chartered Accountants

TIPS FILMS LTD

Statement of Profit and loss as on 31st March, 2021

for the year ended 31st March 2021
(Currency : Indian Rupees)

		Note	31.03.2021	31.03.2020
	Income			
I	Service Charges	*16*		
II	Other income	*17*		
III	**Total Revenue (1+II)**			
IV	**Expenses**			
	Cost of material consumed	*18*		
	Cost of Sales, Production and Services	*19*		
	Employess benefit expenses	*20*		
	Finance Charges	*21*		
	Depreciation / amortisation	*22*		
	Other expenses	*23*	**3 800**	**7 600**
	TOTAL EXPENSES		**3 800**	7 600
V	**(Loss) / profit before tax**		**- 3 800**	- 7 600
VI	Prior period expenses/income	*24*		
VII	Profit before tax		**- 3 800**	- 7 600
VIII	Tax expenses			
	1. Current Tax			
	2. Deferred Tax			
	3 (Excess)/Short provision			
IX	Profit/(loss) for the year		**- 3 800**	- 7 600
X	Earnings per equity share			
	1. Basic		**.00**	.00
	2. Diluted		**.00**	.00

Significant accounting policies
Notes to the financial statements

As per our report of even date attached.

For ABICHANDANI & ASSOCIATES
Firm Regn No 145188W
Chartered Accountants

Shivkumar C Abichandani
Proprietor
Membership No: 034370
Dated :14th June 2021
Mumbai

Tips Films Ltd

Director *Direcotr*

Dated :14th June 2021
Mumbai

ABICHANDANI & ASSOCIATES
M. No. 034370
Firm No. 145188W

TIPS FILMS LTD

Notes to the financial statements*(Continued)*

for the year ended 31st March 2021

(Currency : Indian Rupees)

		31.03.2021	31.03.2020
16	**Revenue from operations**		
	Service Charges		
	Revenue received		
17	**Other income**		
	Sundry balance written off		
	Interest		
	EXPENSES		
18	Cost of material consumed		
	Opening stock		
	Add: Purchases		
	Less: Closing stock		
19	Cost of sale and services		
20	Employees benefits expenses		
	Salaries and Incentives		
	Staff welfare expesnes		
21	Finance Charges		
	Interest		
22	**Depreciation / amortisation**		
	Preliminary Expenses		
	Depreciation		
23	Other expenses		
	Bank charges		
	Legal, professional and other fees		2 500
	Donation		
	Electricity expenses		
	Legal, professional and other fees		
	Miscellaneous expenses	1 875	2 700
	Rates and Taxes		
	Repairs and maintenance		
	Conveyance expenses	1 925	2 400
		3 800	7 600
24	Prior period income/expenses		
	a) Revenue share		
	b) Less: Expenses		
	i) Content Cost	-	
	ii) Technical Cost	-	

ABICHANDANI & ASSOCIATES
M. No. 034370
Firm No. 145188W
Chartered Acco

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of preparation of financial statements:**

The accounts have been prepared using historical cost convention in generally accepted accounting principle.
The company has prepared these financial statements to comply in all material respects with Accounting Standard notified under section 133 of the Companies Act 2013.

2. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles require management to make estimates and assumptions that effect the reported amounts of Assets and Liabilities on the date of the Financial Statements and the reporting period. Actual results could defer from those estimate results. Difference between the actual result and estimate are recognized in the period in which the result are known/ materialized.

3. Revenue reorganization

Both revenue and expenses are recognized and accounted on accrual basis, including for committed obligation.

4 **Fixed Assets:**

(a) Fixed assets are stated at cost less accumulated depreciation.

(b) All expenditure relating to acquisition of fixed assets including purchase cost, freight, taxes and duties, installation charges etc are added to the cost and capitalized.

(c) Depreciation on Plant & Machinery (incl. Computers) as well as Furniture & Fixtures has been provided on WDV Method at the rates prescribed under schedule XIV of the Companies Act, 1956.

5. **Income Taxes**

Provisions for current income tax is made on current tax rate based on assessable income computed under the Income Tax Act 1961 or Book Profit Computed under Section 115JB (MAT) whichever is higher. MAT credit is recognized subject to requirement of virtual certainty that sufficient future taxable income will be available for set off.

6. Investments

Investments are valued and stated at cost

7. Inventories

There re no inventories as the company is neither trading nor manufacturing any goods

8. Retirement Benefit

As explained to us provisions of Provident fund as well as Employees State Insurance Scheme is not applicable to the company. No employees have put in the services to qualify for gratuity benefit.

contd...2

ABICHANDANI & ASSOCIATES
M. No. 034370
Firm No. 145188W
Chartered Accountants

9. Contingent liability in respect of:

a	Claims against the Company not acknowledged as debts	Nil
b	Bills discounted	Nil
c	Counter guarantees to bankers for guarantees given by them to customers and other	Nil
d	Guarantees by the company for obligations to other persons	Nil
e	Guarantees to bankers, financial institutions and others on behalf of i) Subsidiaries ii) Other associate companies	Nil Nil

10. Estimated amount of contracts remaining to be executed on Capital Account and not provided for NIL

11 Value of imports (on CIF basis)

	31.03.21	31.03.20
(a) Raw materials	Nil	Nil
(b) Spare parts	Nil	Nil
(c) Capital Goods	Nil	Nil

12 Earning in Foreign currency

	31.03.21	31.03.20
(a) Export of goods on FOB basis	Nil	Nil
(b) Others	Nil	Nil

13 Details of licensed capacity, installed capacity and actual production, consumption of raw materials, opening/closing stocks are not given as company is neither manufacturing nor trading in any goods.

14 Managerial Remuneration

	31.03.21	31.03.20
Salary to Director (Rs)	0	0

15 The balances of sundry debtors, creditors, deposits, loans & advances given & taken are subject to confirmation by respective parties.

16. Figures for previous year have been re-grouped/re-classified wherever necessary.

As per our report of even date

For ABICHANDANI & ASSOCIATE
Chartered Accountants (Memb No.145188W)

(Shivkumar C Abichandani)
Proprietor

Mumbai: Dated 14th June. 2021

for and on behalf of the Board of Directors

Director Director

Mumbai: Dated 14th June. 2021

ABICHANDANI & ASSOCIATES M. No. 034370 Firm No. 145188W Chartered Accountants

tips.in

TIPS INDUSTRIES LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TIPS INDUSTRIES LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON MAY 10, 2021

1. The Board of Directors (**"Board"**) of the Company at their meeting held on May 10, 2021 approved a draft of the proposed scheme of arrangement and demerger between Tips Industries Limited (**"TIL" or "Demerged Company"**) and Tips Films Limited (**"TFL" or "Resulting Company"**) and their respective shareholders (**"Scheme"**), which would involve transfer by way of demerger of Films Division Business of the Company (**"Demerged Undertaking"**) to TFL in consideration for issuance of shares by TFL to the shareholders of the Demerged Company, pursuant to provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 (including those of the Companies Act, 1956 that continue to remain in force), as applicable. The Scheme was approved by the Audit Committee of the Company at its meeting held on May 10, 2021.

2. As per Section 232(2)(c) of the Companies Act, 2013, a report is required to be adopted by the directors explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the Share Exchange Ratio (**"Report"**).

3. This Report is accordingly being made pursuant to the requirements of Section 232(2)(c) of the 2013 Act.
   While deliberating on the Scheme, the Board *inter-alia* considered and took on record the following documents along with this report:

   (i) Draft scheme of arrangement and demerger
   (ii) **Fair Share Entitlement Report** dated May 10, 2021 issued by Mr. Pawan Shivkumar Poddar, Registered Valuer, Chartered Accountants (IBBI Registration No: IBBI/RV/06/2019/12475) (appointed by the Company);
   (iii) **Fairness Opinion Report** dated May 10, 2021 issued by Inga Ventures Private Ltd., a SEBI Registered Merchant Banker, providing its opinion on the fairness of the Share Entitlement Ratio of the Film Division as recommended by Mr. Pawan Shivkumar Poddar, Registered Valuer, Chartered Accountants;
   (iv) **Statutory Auditors' Certificate** dated May 10, 2021 issued by SSPA & Associates, the statutory auditors of the Company as required under Section 232(3) of the Companies Act, 2013 certifying that the accounting treatment in the draft Scheme is in accordance with the accounting standards and applicable law; s

TIPS INDUSTRIES LTD.

601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai - 400 052.
Tel. : 022-6643 1188 Email : response@tips.in Website : www.tips.in
CIN : L92120MH1996PLC099359

tips.in

(v) A copy of **Audit Committee Report** dated May 10, 2021 in terms of the requirement of circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and master circular dated December 22, 2020 bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2020/249, issued by the Securities and Exchange Board of India;

(vi) **Report of the Committee of Independent Directors**, dated May 10, 2021, in terms of the requirement of circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and master circular dated December 22, 2020 bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2020/249, issued by the Securities and Exchange Board of India;

After taking on the record the documents /confirmations referred above, the Board of the Demerged Company approved the draft Scheme of Arrangement and Demerger.

4. Following is the Report with respect to the aforesaid provisions:

A. Rationale of the Scheme

TIL primarily operates in two business segments through separate business divisions: (i) Music Division and (ii) Film Division. This Scheme for the demerger and vesting of the Demerged Undertaking (as defined hereinafter) of TIL to TFL, results in the following benefits:

1. The Demerged Undertaking and the Remaining Business have both achieved scale and experience to sustain business on the basis of their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form of nature of risks, competition, challenges, opportunities and business methods. Hence, segregation of the two undertakings would enable focused managements to explore the potential business opportunities more effectively and efficiently;

2. Demerger will enable both TIL & TFL to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.

3. Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business;

4. Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.



5. Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE and NSE and will unlock the value of the Music Division and Film Division for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective; giving them flexibility in managing their investments in the two businesses having differential dynamics.

6. The demerger will unlock value of both businesses and result in shareholder value maximisation.

The Board of Directors of the Demerged Company and the Resulting Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its minority shareholders, employees, and creditors.

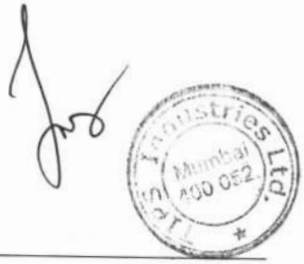
B. Share Entitlement Ratio

Fair Share Entitlement Report dated May 10, 2021 issued by Mr. Pawan Shivkumar Poddar, Registered Valuer, Chartered Accountants (IBBI Registration No: IBBI/RV/06/2019/12475) (appointed by the Company) recommends the following Share entitlement ratio

"1 (one) fully paid up equity share of Rs. 10 (Rupees Ten only) each of TFL shall be issued and allotted for every 3 (three) fully paid up equity shares of Rs. 10 (Rupees Ten only) each held in the Company."

The recommendation of the share entitlement ratio has been approved by the Board of the Company, as recommended by Audit Committee of the Company and Committee of Independent Directors. The Scheme provides that upon the Scheme becoming effective and in consideration of vesting of the Demerged Undertaking of the Company in TFL in terms of the Scheme, TFL shall allot equity shares, credited as fully paid-up, to the members of the Company, holding fully paid up equity shares in the Company and whose names appear in the register of members of the Company on the relevant record date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the record date

Fairness Opinion Report dated May 10, 2021 issued by Inga Ventures Private Ltd., a SEBI Registered Merchant Banker, providing its opinion on the fairness of the Share entitlement Ratio of the Film Division as recommended by Mr. Pawan Shivkumar Poddar, Registered Valuer, Chartered Accountants



tips.in

C. Effect of Scheme on stakeholders

S. No	Category of Stakeholder	Effect of the Scheme on Stakeholders
(i)	Shareholders (including Promoter & Non-Promoter Shareholders)	➢ There is only one class of shareholders, i.e., equity shareholders, which includes the promoter as well as non-promoter shareholders of the Demerged Company. ➢ On demerger, the Resulting Company will issue and allot equity shares to each member of the Demerged Company, whose name is recorded in the register of members on the Record Date, as per the share entitlement ratio mentioned in the Scheme. ➢ The equity shares so issued and allotted as provided above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari-passu in all respects with the equity shares of the Demerging Company after the Effective Date (as defined in the Scheme) including in respect of dividend, if any, that may be declared by the Demerged Company on or after the Effective Date. ➢ There would be no dilution or increase in the shareholding of the promoter or non-promoter shareholders of the Demerged Company. ➢ In terms of the Scheme, consequent upon demerger, on the Record Date, the set of shareholders and their holding proportion being proposed in the Resulting Company, is identical to that of the Demerged Company, and thus, the overall economic interest of equity shareholders of the Demerged Company shall remain the same. ➢ The equity shares of TFL shall be listed on the stock exchanges i.e. BSE Limited and National Stock Exchange of India ("Stock Exchanges") in accordance with the SEBI Circular No. CED/DIL3/ CIR/2017/21 dated March 10, 2017, as amended from time to time, and therefore shareholders of TIL (as of the Record Date) shall, upon the Scheme becoming effective, hold equity shares of 2 (two) listed entities, TIL and TFL.

TIPS Industries Ltd. Mumbai 400 052.

(ii)	Key Managerial Personnel ("**KMPs**")	The Directors and KMPs of the Demerged Company, and their relatives, do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders in general. Therefore, the Scheme will have no effect on them, except to the extent of their respective shareholding and effect thereon as explained in point (i) above.
(iii)	Creditors (Secured & Unsecured)	Under the Scheme, there is no arrangement or compromise offered to the creditors of the Demerged Company. Liabilities of any of the creditors of the Demerged Company would neither be reduced nor be extinguished in pursuance of the Scheme.

5. Adoption of the Report by the Directors

The directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board or any duly authorised committee by the Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For **Tips Industries Limited**

Kumar Taurani
Chairman & Managing Director
DIN: 00555831

TIPS Industries Ltd. Mumbai 400 052.

Date: May 10, 2021
Place: Mumbai

TIPS FILMS LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TIPS FILMS LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON MAY 10, 2021

1. The Board of Directors (**"Board"**) of the Company at their meeting held on May 10, 2021 approved a draft of the proposed scheme of arrangement and demerger between Tips Industries Limited (**"TIL" or "Demerged Company"**) and Tips Films Limited (**"TFL" or "Resulting Company"**) and their respective shareholders (**"Scheme"**), which would involve transfer by way of demerger of Films Division Business of the Company (**"Demerged Undertaking"**) to TFL in consideration for issuance of shares by TFL to the shareholders of the Demerged Company, pursuant to provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 (including those of the Companies Act, 1956 that continue to remain in force), as applicable.

2. This Report is accordingly being made pursuant to the requirements of Section 232(2) (c) of the 2013 Act.
   While deliberating on the Scheme, the Board *inter-alia* considered and took on record the following documents along with this report:
   (i) Draft scheme of arrangement and demerger
   (ii) **Fair Share Entitlement Report** dated May 10, 2021 issued by Mr. Pawan Shivkumar Poddar, Registered Valuer, Chartered Accountants (IBBI Registration No: IBBI/RV/06/2019/12475) (appointed by the Company) ;
   (iii) **Fairness Opinion Report** dated May 10, 2021 issued by Inga Ventures Private Ltd., a SEBI Registered Merchant Banker, providing its opinion on the fairness of the Share Entitlement Ratio of the Film Division as recommended by Mr. Pawan Shivkumar Poddar, Registered Valuer, Chartered Accountants;
   (iv) **Statutory Auditors' Certificate** dated May 10, 2021 issued by Abichandani & Associates, the Statutory Auditors of the Company as required under Section 232(3) of the Companies Act, 2013 certifying that the accounting treatment in the draft Scheme is in accordance with the accounting standards and applicable law;

   After taking on the record the documents /confirmations referred above, the Board of the Resulting Company approved the draft Scheme of Arrangement and Demerger.

3. Following is the Report with respect to the aforesaid provisions:

   A. Rationale of the Scheme
   TIL primarily operates in two business segments through separate business divisions: (i) Music Division and (ii) Film Division. This Scheme for the demerger and vesting of the Demerged Undertaking (as defined hereinafter) of TIL to TFL, results in the following benefits:

TIPS FILMS LTD. MUMBAI

1. The Demerged Undertaking and the Remaining Business have both achieved scale and experience to sustain business on the basis of their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form of nature of risks, competition, challenges, opportunities and business methods. Hence, segregation of the two undertakings would enable focused managements to explore the potential business opportunities more effectively and efficiently;

2. Demerger will enable both TIL & TFL to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.

3. Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business;

4. Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.

5. Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE and NSE and will unlock the value of the Music Division and Film Division for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective; giving them flexibility in managing their investments in the two businesses having differential dynamics.

6. The demerger will unlock value of both businesses and result in shareholder value maximisation.

The Board of Directors of the Demerged Company and the Resulting Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its minority shareholders, employees, and creditors.

B. Share Entitlement Ratio

Fair Share Entitlement Report dated May 10, 2021 issued by Mr. Pawan Shivkumar Poddar, Registered Valuer, Chartered Accountants (IBBI Registration No: IBBI/RV/06/2019/12475) (appointed by the Company) recommends the following Share entitlement ratio.

"1 (one) fully paid up equity share of Rs. 10 (Rupees Ten only) each of TFL shall be issued and allotted for every 3 (three) fully paid up equity shares of Rs. 10 (Rupees Ten only) each held in the Company."

TIPS FILMS LTD. MUMBAI

The recommendation of the share entitlement ratio has been approved by the Board of the Company. The Scheme provides that upon the Scheme becoming effective and in consideration of vesting of the Demerged Undertaking of the Company in TFL in terms of the Scheme, TFL shall allot equity shares, credited as fully paid-up, to the members of the Company, holding fully paid up equity shares in the Company and whose names appear in the register of members of the Company on the relevant record date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the record date.

Fairness Opinion Report dated May 10, 2021 issued by Inga Ventures Private Ltd., a SEBI Registered Merchant Banker, providing its opinion on the fairness of the Share Entitlement Ratio of the Film Division as recommended by Mr. Pawan Shivkumar Poddar, Registered Valuer, Chartered Accountants

C. Effect of Scheme on stakeholders

S. No	Category of Stakeholder	Effect of the Scheme on Stakeholders
(i)	Shareholders	➢ There is only one class of shareholders. i.e. equity shareholders of the Resulting Company. ➢ Upon the Scheme becoming effective, the equity shares of the Resulting Company, shall stand cancelled as provided in the Scheme. Accordingly, the existing shareholders would no longer hold any shares in the Resulting Company. ➢ On demerger, the Resulting Company will issue and allot equity shares to each member of the Demerged Company, whose name is recorded in the register of members of the Demerged Company on the Record Date, as per the share entitlement ratio mentioned in the Scheme. ➢ In terms of the Scheme, consequent upon demerger, on the Record Date, the set of shareholders and their holding proportion being proposed in the Resulting Company, is identical to that of the Demerged Company, and thus, the overall economic interest of equity shareholders of the Demerged Company shall remain the same. ➢ The equity shares of the company shall be listed on the stock exchanges i.e. BSE Limited and National Stock Exchange of India ("Stock Exchanges") in accordance with the SEBI Circular No. CED/DIL3/ CIR/2017/21 dated March 10, 2017, as amended from time to time, and therefore shareholders of TIL (as of the Record Date) shall, upon the Scheme becoming effective, hold equity shares of 2 (two) listed entities, TIL and TFL.

(ii)	Creditors (Secured & Unsecured)	The Resulting Company does not have any creditors (secured and unsecured).

4. Adoption of the Report by the Directors

The directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For **Tips Films Limited**

Ramesh Taurani
Director
DIN: 00010130

Date: May 10, 2021
Place: Mumbai

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

DCS/AMAL/JR/R37/2012/2021-22 **"E-Letter"** **July 29, 2021**

The Company Secretary,

TIPS INDUSTRIES LTD
601, Durga Chambers, 6th Floor, Linking Road,
Opposite BPL Gallery, Khar - West,
Mumbai, Maharashtra, 400052

Dear Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Tips Industries Limited (TIL) and Tips Films Limited (TFL) and their respective shareholders and creditors.

We are in receipt of Draft Scheme of Arrangement of Tips Industries Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its Letter dated July 27, 2021 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that suitable disclosure about the latest financials of the Companies involved in the Scheme being not more than 6 months old is done before filing the same with the Hon'ble National Company Law Tribunal."**
- **"Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circular."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

BSE - INTERNAL

However, the listing of equity shares of Tips Films Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Tips Films Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Tips Films Limited is at the discretion of the Exchange. In addition to the above, the listing of Tips Films Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Tips Films Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.

2. To publish an advertisement in the newspapers containing all Tips Films Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.

3. To disclose all the material information about Tips Films Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.

4. The following provisions shall be incorporated in the scheme:

   i. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."

   ii. "There shall be no change in the shareholding pattern of Tips Films Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

BSE - INTERNAL

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted**. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Sabah Vaze
Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/27137_II

July 29, 2021

The Company Secretary
TIPS Industries Limited
601, 6th Floor, Durga Chambers,
Linking Road, Khar (W),
Mumbai - 400052

Kind Attn.: Ms. Bijal Patel

Dear Madam,

Sub: Observation Letter for Draft Scheme of Arrangement and Demerger between Tips Industries Limited and Tips Films Limited and their respective shareholders and creditors

We are in receipt of the Draft Scheme of Arrangement and Demerger between Tips Industries Limited (Demerged Company) and Tips Films Limited (Resulting Company) and their respective shareholders and creditors vide application dated May 31, 2021.

Based on our letter reference no Ref: NSE/LIST/27137_I submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

a. *The Company shall duly comply with various provisions of the Circular.*

b. *The Company shall ensure that suitable disclosure about the latest financials of the companies involved in the scheme being not more than 6 months old is done before filing the same with the Hon'ble National Company Law Tribunal (NCLT).*

c. *The Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*

d. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*

e. *It is to be noted that the petitions are being filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations.*

This Document is Digitally Signed
Signer: Harshad P Dharod
Date: Thu, Jul 29, 2021 23:02:10 IST
Location: NSE

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the listing of equity shares of Tips Films Limited (Resulting Company) on the National Stock Exchange India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957. Further, Tips Films Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authorities and Rules, Byelaws and Regulations of the Exchange.

The Company should also fulfill the Exchange's criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Tips Films Limited is at the discretion of the Exchange.

The listing of Tips Films Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Tips Films Limited and its group companies in line with the disclosure requirements applicable for public issues with NSE for making the same available to the public through website of the companies.

2. To publish an advertisement in the newspapers containing all the information about Tips Films Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.

3. To disclose all the material information about Tips Films Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.

This Document is Digitally Signed

Signer: Harshad P Dharod
Date: Thu, Jul 29, 2021 23:02:10 IST
Location: NSE

4. The following provision shall be incorporated in the scheme:

   (a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."

   (b) "There shall be no change in the shareholding pattern or control in Tips Films Limited between the record date and the listing which may affect the status of this approval."

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from July 29, 2021 within which the scheme shall be submitted to NCLT.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path:
NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status

Yours faithfully,
For National Stock Exchange of India Limited

Harshad Dharod
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist

This Document is Digitally Signed

Signer: Harshad P Dharod
Date: Thu, Jul 29, 2021 23:02:10 IST
Location: NSE

ABRIDGED PROSPECTUS

IN THE NATURE OF ABRIDGED PROSPECTUS – MEMORANDUM CONTAINING SALIENT FEATURES IN RESPECT OF DEMERGER OF FILM DIVISION OF TIPS INDUSTRIES LIMITED IN TO TIPS FILMS LIMITED ON A GOING CONCERN BASIS PURSUANT TO A SCHEME OF ARRANGEEMNT AND DEMERGER ("SCHEME") UNDER SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND THE RULES MADE THEREUNDER.

This is an abridged prospectus prepared to comply with the requirements of regulations 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**Listing Regulations**") read with SEBI Circular No. CFD/DIL 3/CIR/2017/21 dated March 10, 2017 read with Circular SEBI/HO/CED/DILUC1UP/2020/249 dated December 22, 2020 issued by Securities and Exchange Board of India ("**SEBI Circulars**") and is in accordance with the disclosure required to be made in the Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable. You are also encouraged to read the greater details available in the Scheme.

This is an Abridged Prospectus/ Memorandum containing information pertaining to the unlisted company, Tips Films Limited which is a party to the Scheme of Arrangement and Demerger proposed to be made between Tips Industries Limited (hereinafter referred as " **TIL**" or "**Demerged Company**") and the said Tips Films Limited (hereinafter referred as " **TFL**" or "**Resulting Company**") and their respective shareholders pursuant to Section 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "**Scheme**").

The Scheme along with the Abridged Prospectus is also available on the website of BSE Limited ("**BSE**") i.e. https://www.bseindia.com, National Stock Exchange of India Limited ("**NSE**") i.e. https://www.nseindia.com and Tips Industries Limited i.e. http://www.tips.in. Nothing in this document constitutes an offer or an invitation by or on behalf of TFL to subscribe for or purchase any of the securities of TFL.

THIS ABRIDGED PROSPECTUS CONSISTS OF 8 (Eight) PAGES. PLEASE ENSURE YOU HAVE READ ALL THE PAGES.

TIPS FILMS LIMITED
Registered Office: 501, Durga Chambers, 5th Floor, Linking Road, Khar (West), Mumbai-400052, Maharashtra, India **Contact Person**: Mr. Haresh Sedhani **Phone No**: +91 22 66431188 **Email:** hnsedhani@tips.in **Website** : NA **Corporate Identity Number** : U74940MH2009PTC193028

NAME OF THE PROMOTERS AND PROMOTER GROUP OF TIPS FILMS LIMITED	
1. Mr. Ramesh Taurani	5. Ms. Raveena R. Taurani
2. Mr. Kumar Taurani	6. Ms. Sneha R. Taurani

1

3. Ms. Jaya R. Taurani	7. Mr. Shyam Lakhani
4. Mrs. Varsha R. Taurani	8. Mr. Jay Shewakramani
(For further details refer to the para titled "PROMOTERS AND PROMOTER GROUP OF the RESULTING COMPANY" on page 3 of this Abridged Prospectus)	

SCHEME DETAILS, LISTING AND PROCEDURE

The Scheme of Arrangement and Demerger between the Tips Industries Limited (**"TIL"** or **"Demerged Company"**) and Tips Films Limited (**"TFL"** or **"Resulting Company"**) and their respective Shareholders for demerger is presented under the provisions of Section 230 to 232 read with Sections 52 and 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Demerger of the Film Division Undertaking of the Demerged Company and vesting of the same in the Resulting Company on a going concern basis.

Upon the Scheme becoming effective, all the Assets, Liabilities, interests and obligations, as applicable of the Film Division Undertaking of the Demerged Company, be transferred to and vested in the Resulting Company on a going concern basis without requirement of any further act, instrument or deed so as to become as and from the Appointed Date i.e. April 1, 2021, the Assets, Liabilities, interests and obligations, as applicable, of the Resulting Company. 1 (One) equity shares of Rs. 10/- each fully paid up of Tips Films Limited shall be issued and allotted for every 3 (Three) equity shares of Rs. 10/- each fully paid up held in Tips Industries Limited to the shareholders of Tips Industries Limited.

Such equity shares (issued by the Resulting Company to the relevant equity shareholders of the Demerged Company) will be listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") (hereinafter collectively referred as "**Stock Exchanges**"), in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time. Further, as an integral part of the Scheme, existing Equity Shares of TFL shall stand cancelled without any further act and deed.

INDICATIVE TIMELINE

The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

GENERAL RISKS

Investment in Equity and Equity related securities involved a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of the Resulting Company and the issue, including the risk involved.

The Equity shares in this issue have not been recommended or approved by Securities and



Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme - **Not Applicable as the offer is not for public at large.**

Specific attention of the readers is invited to the sections titled 'Internal Risk Factors' on pages 7 of this Abridged Prospectus.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable since the proposed issue is not to public shareholders but to the shareholders of the Demerged Company pursuant to the Scheme.

STATUTORY AUDITORS OF TIPS FILMS LTD.

Abichandani and Associate
Chartered Accountants
105, Trishul-II, Opp. Nana Park, Seven Bungalows, Versova, Andheri (West), Mumbai 400061

Contact Person Name : Shivkumar C. Abichandani
Ph: 022 26340288/26391536
Email id: sca_049@yahoo.co.in
Firm registration No. :145188W

PROMOTERS AND PROMOTER GROUP OF TIPS FILMS LIMITED

Sr. No.	Name	No. of Share held	%
1	Mr. Ramesh Taurani	25,000	50.00
2	Mr. Kumar Taurani	-	-
3	Mrs. Varsha R. Taurani	24,500	49.00
4	Ms. Jaya R. Taurani	100	0.20
5	Ms. Raveena R. Taurani	100	0.20
6	Ms. Sneha R. Taurani	100	0.20
7	Mr. Shyam Lakhani	100	0.20
8	Mr. Jay Shewakramani	100	0.20

BUSINESS MODEL OVERVIEW AND STRATEGY

TFL was incorporated on June 05, 2009 under the provisions of the Companies, Act 1956 vide certificate of incorporation with CIN U74940MH2009PTC193028 issued by the Registrar of Companies. TFL is an unlisted public limited company, having its registered office at 501, Durga Chambers, 5th Floor, Linking Road, Khar (West), Mumbai- 400052 MH IN. TFL is authorised by its Memorandum of Association to carry on the main objects of "

1. *"To carry on the business to produce, promote, project, participate, manufacture, manipulate, treat, process, prepare, alter, develop, expose, edit, exhibit, make, remove, display, print, reprint, convert, duplicate, finish, buy, sell, run, import, export and to act as broker, agent, distributor, proprietor, copy right owner, video right owner, audio right owner, theatre owner, dubbing right owner, lab owner and all*

TIPS FILMS LTD. MUMBAI

kinds of cine films, video films, telefilms, documentary films, advertising films, animation films, internet web portal, internet blog, TV serial slides, in all languages and different modes of expressions prevailing in the world.

2. *To act as distributors, exhibitors and exploiters of all types of motion pictures, features, documentaries, ad-films, educational films, cultural and historical films, films of places of tourist interests, films on sciences and technology and the like on different formats, and to carry on the business of proprietors, agents, managers, lessees, hirers, licensees, partners of studios, theatres, places of amusements or entertainment, music halls, cinemas, picture places and concert halls and of hiring out studios for the purpose of shooting, dubbing, recording or editing of films in all formats and to give all other facilities apparent thereto and for these purposes construct and/or acquire studios, theatres, sound and recording equipment and all other machinery required for the purpose of business."*

Currently there are no business operations in TFL.

TFL shall undertake the business of "Film Division" of TIL which is proposed to be demerged as per vide scheme of arrangement and demerger.

BOARD OF DIRECTORS

Details of Board of Directors of Tips Films Limited				
Sr. No	**Name**	**PAN / DIN**	**Designation**	**Other directorship**
1	Mr. Kumar Taurani	00555831	Director	TIPS INDUSTRIES LIMITED
2	Mr. Ramesh Taurani	00010130	Director	TIPS INDUSTRIES LIMITED
3	Ms. Jaya Taurani	08209186	Director	NIL

BRIEF EXPERIENCE OF THE DIRECTORS

1. Kumar Taurani : He holds the Bachelor degree in commerce. He possesses immense knowledge and expertise in the field of Media & Entertainment Industry for more than 41 years.

   He is one of the promoters of TFL. Currently, in additional to TFL, he also holds directorship in the TIL as a Chairman & Managing Director of the Company since inception.

2. Ramesh Taurani : He holds the Bachelor degree in commerce. He has enriched experience of more than 40 years in Media & Entertainment Industry.

   He is one of the promoters of TFL. Currently, in additional to TFL, he also holds directorship in the Tips Industries Limited as a Managing Director of the Company since 2005.

TIPS FILMS LTD. MUMBAI

3. Jaya Taurani	:	She holds the Bachelor degree in law, U.K. She is having rich experience in the business of Media and Entertainment Industry and has expertise in field of film business. Currently, she is working with TIL as Chief Operating Officer – Film Production. She doesn't hold directorship in any other Company.

OBJECTS - RATIONALE OF THE SCHEME

This Scheme for the demerger and vesting of the Demerged Undertaking (as defined hereinafter) of TIL to TFL, results in the following benefits:

1. The Demerged Undertaking and the Remaining Business have both achieved scale and experience to sustain business on the basis of their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form of nature of risks, competition, challenges, opportunities and business methods. Hence, segregation of the two undertakings would enable focused managements to explore the potential business opportunities more effectively and efficiently;

2. Demerger will enable both TIL & TFL to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.

3. Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business;

4. Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.

5. Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE and NSE and will unlock the value of the Music Division and Film Division for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective; giving them flexibility in managing their investments in the two businesses having differential dynamics.

6. The demerger will unlock value of both businesses and result in shareholder value maximization.

The Board of Directors of the Demerged Company and the Resulting Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its minority shareholders, employees, and creditors.

For further details, please refer the Scheme.

SHAREHOLDING PATTERN

Pre-Scheme Shareholding Pattern of Demerged Company as on September 30, 2021			
Sr. No.	**Particulars**	**Pre-Scheme number of shares**	**% holding – pre Scheme**
1.	Promoter and Promoter Group	97,23,352	74.98
2.	Public	32,45,307	25.02
Total		**1,29,68,659**	**100.00**

Post-Scheme Shareholding Pattern of Demerged Company*			
Sr. No.	**Particulars**	**Post-Scheme number of shares**	**% holding – post Scheme**
1.	Promoter and Promoter Group	97,23,352	74.98
2.	Public	32,45,307	25.02
Total		**1,29,68,659**	**100.00**

* Please note that demerged company's paid up share capital will not have any change due to Scheme of Arrangement and Demerger.

Pre-Scheme Shareholding Pattern of Resulting Company as on September 30, 2021			
Sr. No.	**Particulars**	**Pre-Scheme number of shares**	**% holding – pre Scheme**
1.	Promoter and Promoter Group	50,000	100.00
2.	Public	-	-
Total		**50,000**	**100.00**

Post-Scheme Shareholding Pattern of Resulting Company			
Sr. No.	**Particulars**	**Post-Scheme number of shares***	**% holding – post Scheme**
1.	Promoter and Promoter Group	32,41,117	74.98
2.	Public	10,81,769	25.02
Total		**43,22,886**	**100.00**

* subject to rounding off

AUDITED FINANCIALS

	As on September 30, 2021	As on March 31, 2021	As on March 31, 2020	As on March 31, 2019
Revenue from Operations	-	-	-	-
Other Income	-	-	-	-
Total Revenues	-	-	-	-
Net Profit / Loss before tax and extraordinary items	-2,875	-3,800	-7,600	-15,100

Extraordinary items	-	-	-	-
Net Profit / Loss after tax and extraordinary items	-2,875	-3,800	-7,600	-15,100
Equity Share Capital (Issued Subscribed & Paid Up)	5,00,000	5,00,000	5,00,000	5,00,000
Reserves and Surplus (other equity)	-4,93,780	-4,90,905	-4,87,105	-4,79,505
Net Worth	6,220	9,095	12,895	20,495
Basic Earnings per Share (INR)	-0.06	-0.08	-0.15	-0.30
Diluted Earnings Per Share (INR)	-0.06	-0.08	-0.15	-0.30
Return on Net Worth %	-46.2%	-41.8%	-58.9%	-73.7%
Net Asset Value per Share (INR)	0.12	0.18	0.26	0.41

Note:

1. Information has been taken from Annual Reports of Tips Films Limited for all the above periods
2. Net worth has been calculated by For the year ended March 31, 2021 – Networth is the sum of Equity capital + Preference Capital + Reserves & Surplus. For other years – Networth is the sum of Equity capital + Other Equity
3. Basic EPS and Diluted EPS has been calculated by – Net profit/(Loss) for the year divided by Weighted Average No. of Equity shares.
4. Return on Net Worth % - Net profit/(Loss) for the period divided by Net Worth X 100
5. Net Asset Value per Share (INR) calculated – Net worth less preference capital , if any, divided by No of Equity shares

INTERNAL RISK FACTORS RELATED TO TIPS FILMS LIMITED

1. The proposed Scheme is subject to the approval of NCLTs and requisite approvals of Shareholders and creditors. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.

2. The new equity shares issued by TFL pursuant to the scheme of shall remain frozen in the depository system until listing/trading permission is given by the Stock Exchanges for the equity shares of TFL.

3. The proposed Film business faces intense competition from unorganized sector and as a results company may face operational risks.

4. Changing laws, rules and regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our business, prospects and results of operations.

5. The media and entertainment industry is subject to shifts in tastes and preferences of audiences, which could have an impact on the operations of our Company.

6. We are largely dependent on maintenance of intellectual property rights in the entertainment products and services which we market. Piracy of media products, including digital and internet piracy may decrease revenue from the exploitation of our products.

7. The propose operations of the company may be subject to multiple challenges under the present uncertainty arising from COVID-19 pandemic.

SUMMARY OF OUTSTANDING LITIGATION
a. Total Number of outstanding litigation against the Company- NIL b. Brief details of top 5 material outstanding litigations against the company: NIL c. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the promoters/Group Companies in the last 5 financial years including outstanding action, if any - NIL d. Brief details of outstanding criminal proceedings against Promoters – NIL
ANY OTHER IMPORTANT INFORMATION AS PER ISSUER
Nil

DECLARATION
We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder as the case may be. We further certify that all statements in this document are true and correct.

For **TIPS FILMS LIMITED**

Kumar Taurani
Director
DIN:00555831

Place: Mumbai
Date : October 12, 2021

tips.in

Annexure A

COMPLAINT REPORT
AS ON JUNE 30, 2021

[June 09, 2021 to June 30, 2021]

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NOT APPLICABLE		

For Tips Industries Limited

Bijal Patel
Company Secretary
Mem. No. A30140

TIPS INDUSTRIES LTD. MUMBAI

Date: July 1, 2021
Place: Mumbai

TIPS INDUSTRIES LTD.

601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai - 400 052.
Tel. : 022-6643 1188 Email : response@tips.in Website : www.tips.in
CIN : L92120MH1996PLC099359

tips.in

Annexure A

COMPLAINT REPORT
AS ON JULY 14, 2021

[June 24, 2021 to July 14, 2021]

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NOT APPLICABLE		

For Tips Industries Limited

Bijal Patel
Company Secretary
Mem. No. A30140

TIPS INDUSTRIES LTD. MUMBAI

Date: July 15, 2021
Place: Mumbai

TIPS INDUSTRIES LTD.

601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai - 400 052.
Tel. : 022-6643 1188 Email : response@tips.in Website : www.tips.in
CIN : L92120MH1996PLC099359