

[tipsfilms.in](http://tipsfilms.in)



**TIPS FILMS LIMITED**  
ANNUAL REPORT 2023-24





# Contents

**02**

---

Chairman's Message  
to Shareholders

**20**

---

Director's Report

**62**

---

Independent Auditors Report

**04**

---

Corporate  
Information

**34**

---

Report on Corporate  
Governance

**72**

---

Financial Statements

**05**

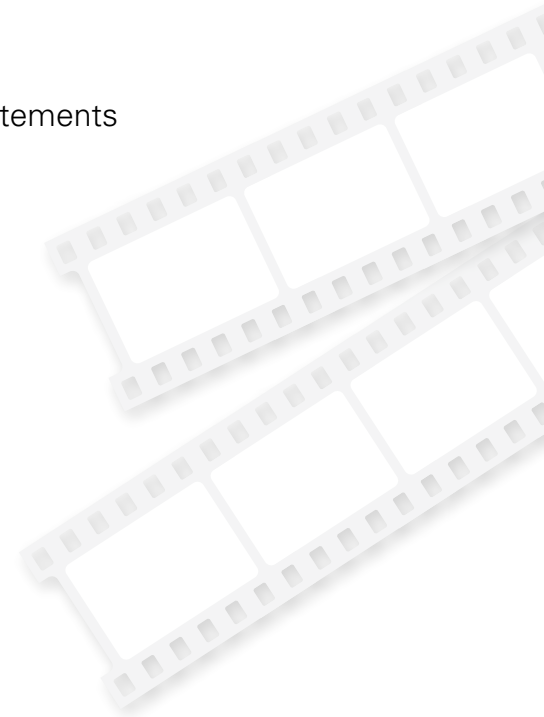
---

Notice

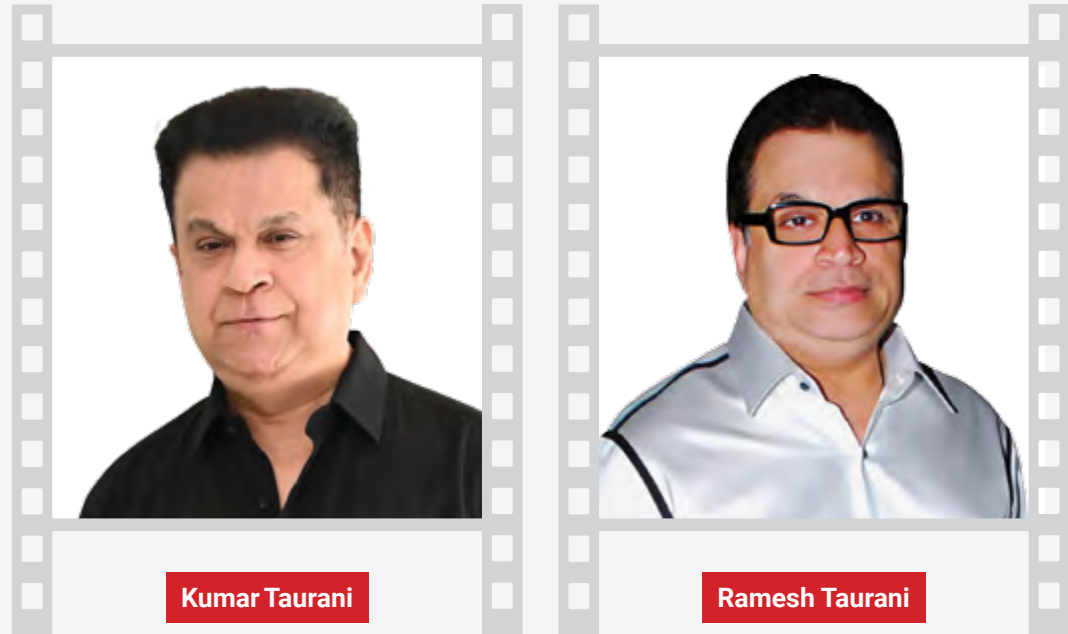
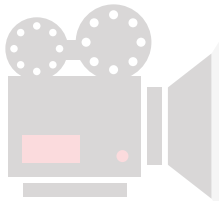
**54**


---

Management  
Discussion and  
Analysis Report



# Chairman's Message to Shareholders



We have finalised production of a film with Mr David Dhawan and Mr Varun Dhawan which is expected to release in the second half of FY26. A Punjabi film starring Gippy Grewal, Ammy Virk, Sargun Mehta and Nimrat Khaira has been finalised for production. 

***Dear Fellow Shareholders,***

FY 2023-24 was our third year as a standalone entity. We released 'Merry Christmas,' and our debut marathi film Sridevi Prasanna. Merry Christmas was applauded by critics and audiences alike but it did not meet our expectations of Box-office collections we only made minor profits. A deal for satellite rights of Merry Christmas is still pending. Sridevi Prasanna was also not well received at the box office.

We have finalised production of a film with Mr David Dhawan and Mr Varun Dhawan which is expected to release in the second half of FY26. A Punjabi film starring Gippy Grewal, Ammy Virk, Sargun Mehta and Nimrat Khaira has been finalised for production. Tips Films is also co-producing an action thriller with Northern Light Films, directed by Pulkit,

starring Raj Kumar Rao, Medha Shankr and Anshuman Pushkar. Apart from these 3 ongoing projects, we are working on scripts for Race-4, Bhoot Police -2 and several others. We are working towards achieving our goal of producing and releasing 5 to 6 movies per year.

Our focus is on creating good quality IPR, which in our experience, has always remained in great demand.

**Jai Hind****Kumar Taurani**

# Corporate Information

## BOARD OF DIRECTORS

**Mr. Kumar S. Taurani**

*Chairman & Executive Director*

**Mr. Ramesh S. Taurani**

*Managing Director*

**Ms. Jaya R. Taurani**

*Executive Director*

**Ms. Radhika Madhukar Dudhat**

*Independent Director*

**Mr. Vinode Thomas**

*Independent Director*

**Mr. Amitabh Das Mundhra**

*Independent Director*

*(Appointed w.e.f. April 30, 2024)*

**Mr. Venkitaraman Iyer**

*Independent Director*

*(Ceased w.e.f. February 02, 2024)*

## CHIEF FINANCIAL OFFICER

**Mr. Haresh N. Sedhani**

## VICE PRESIDENT - ADMINISTRATION

**Ms. Varsha Taurani**

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Mr. Dharmesh Navdhare**

*(Appointed w.e.f. November 16, 2023)*

**Mr. Vinit K. Bhanushali**

*(Ceased w.e.f. August 29, 2023)*

## STATUTORY AUDITORS

**Maheshwari & Co.**

Chartered Accountants

Mumbai.

## SECRETARIAL AUDITORS

**N L Bhatia & Associates**

Practicing Company Secretaries

Mumbai.

## INTERNAL AUDITORS

**Grant Thornton Bharat LLP**

Mumbai.

## BANKERS

Yes Bank Limited

IDBI Bank Limited

HDFC Bank Limited

## REGISTRAR & SHARE TRANSFER AGENT

**Link Intime India Pvt. Ltd.**

C-101, 247 Park, LBS Marg,  
Vikhroli (W), Mumbai – 400083.

Contact: +91 22 4918 6000

Fax: +91 22 4918 6060

E-mail ID: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## REGISTERED OFFICE

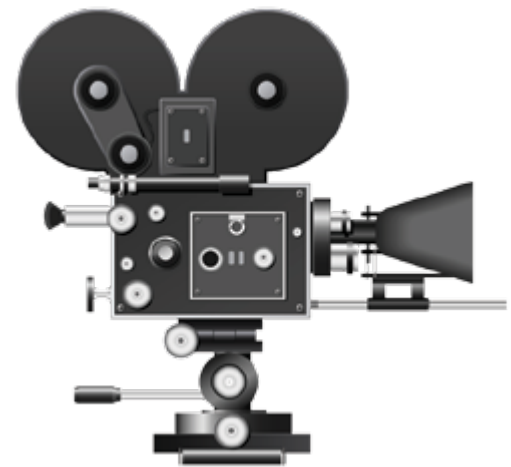
501, Durga Chambers. Linking Road,  
Khar (West), Mumbai – 400 052.

Contact: +91 22 6643 1188

E-mail ID: [info@tipsfilms.in](mailto:info@tipsfilms.in) / [cs@tipsfilms.in](mailto:cs@tipsfilms.in)

Website: [www.tipsfilms.in](http://www.tipsfilms.in)

CIN: U74940MH2009PTC193028



# Notice of the Annual General Meeting

NOTICE is hereby given that the 15<sup>th</sup> Annual General Meeting of the Members of Tips Films Limited will be held on **Monday, July 29, 2024** at **11.00 a.m. (IST)** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:

## ORDINARY BUSINESS:

### 1. Adoption of Audited Financial Statements of the Company

To receive, consider and adopt the Audited Financial Statements (Standalone) of the Company for the financial year ended March 31, 2024 together with the Reports of the Board of Directors and Auditors thereon.

### 2. Re-appointment of Mr. Ramesh S. Taurani (DIN: 00010130) as a Director, liable to retire by rotation.

To appoint a director in place of Mr. Ramesh S. Taurani (DIN: 00010130), who retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

### 3. Appointment of Mr. Amitabh Das Mundhra (DIN: 00014227) as an Independent Director

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT Mr. Amitabh Das Mundhra (DIN: 00014227), who was appointed as an Additional Director designated as Non-Executive – Independent Director of the Company with effect from April 30, 2024 by the Board of Directors, based on recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and of the Articles of Association of the Company, who is eligible for appointment and consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from

a Member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17, 25 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the appointment of Mr. Amitabh Das Mundhra, who had submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years, w.e.f. April 30, 2024, be and is hereby approved."

### 4. Material Related Party Transactions of the Company with Tips Industries Limited, Group Company.

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), other applicable laws/statutory provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with the Company's Policy on Related Party Transactions and basis on the approval of the Audit Committee and the Board of Directors of the Company and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time, the consent of the Members of the Company be and is hereby accorded to the Company to enter into Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s)

(whether individually or taken together or series of transactions or otherwise), whether by way of continuation/ extension/ renewal/ modification of earlier arrangements/ transactions or as fresh and independent transaction(s) or otherwise, with Tips Industries Limited, Group Company, a related party falling within definition of 'Related Party' under section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, during the financial year 2024-2025 which is valid upto the date of the next Annual General Meeting of the Company for a period of not exceeding 15 months, on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be mutually agreed between related party and the Company, for an aggregate value of up to INR 40 Crores, provided that the said transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) shall be carried out in the ordinary course of business and at arm's length basis.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection, including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

Place: Mumbai  
Date: April 30, 2024

By Order of the Board of Directors

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

**Dharmesh Navdhare**  
Company Secretary  
A68397

**NOTES:**

1. Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") the Company is convening the 15th AGM through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In compliance with the provisions of the Companies Act, 2013 ('the Act'), the Listing Regulations and MCA Circulars, the 15th AGM of the Company is being held through VC/OAVM on Monday, July 29, 2024 at 11.00 a.m. IST. The deemed venue for the AGM will be the Registered Office of the Company, i.e., 501, Durga Chambers, Linking Road, Khar (w), Mumbai – 400 052.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
3. The Explanatory Statement, pursuant to Section 102 of the Act in respect of the Business under Item No. 3 & 4 is annexed hereto. The relevant details of the Directors seeking appointment/ re-appointment at this AGM pursuant to Regulations 36(3) of the



Listing Regulations and as required under Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed.

4. Corporate members intending to appoint their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013 ("the Act"), are requested to send to the company a scanned copy of certified board resolution authorizing their representatives to attend the AGM through VC/ OAVM and vote on their behalf through remote e-voting or voting at AGM. The said resolution shall be sent to the scrutinizer by email at [csshirish@savllp.in](mailto:csshirish@savllp.in) or to the Company at [cs@tipsfilms.in](mailto:cs@tipsfilms.in). Corporate Members can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-voting" tab in their login.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. In line with the MCA Circulars and the SEBI Circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar and Share Transfer Agent/ Depository Participants. The Notice of AGM and Annual Report for the Financial Year 2023-24 are available on the Company's website at [www.tipsfilms.in](http://www.tipsfilms.in); and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).  
  
However, the Shareholders of the Company may request physical copy of the Annual Report from the Company by sending a request at [cs@tipsfilms.in](mailto:cs@tipsfilms.in), in case they wish to obtain the same.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, change of e-mail address, contact numbers etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Share Transfer Agent, M/s. Link Intime India Private Limited to provide efficient services.
9. The Register of Members and Share Transfer Books of the Company shall be closed on from July 23, 2024 to July 29, 2024 (both days inclusive) for the purpose of Annual General Meeting in terms of provisions of Section 91 of the Act and applicable regulations of Listing Regulation.
10. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt-out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be. The said forms are available on the website of the Company [www.tipsfilms.in](http://www.tipsfilms.in) Members are requested to submit the said details to their DP.
11. SEBI vide its Circulars dated July 31, 2023, and August 4, 2023, read with Master Circular dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.  
  
Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal <https://smartodr.in/login>.
12. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID [cs@tipsfilms.in](mailto:cs@tipsfilms.in) till the date of AGM.

13. Members seeking any information or clarification on the accounts are requested to send in writing queries to the Company at least seven days before the date of the meeting to enable the Management to keep the information ready at the Meeting. Replies will be provided at the meeting in respect of such queries received.
14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at [www.tipsfilms.in](http://www.tipsfilms.in).
15. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. For any clarification, assistance or information relating to dematerialization of Company's shares, please contact the Registrar & Share Transfer Agents ("RTA") of the Company viz., M/s. Link Intime India Pvt. Ltd. C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083 at Tel: +91 22 4918 6000 or e-mail at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
16. Members wishing to claim dividends that remain unclaimed are requested to correspond with Company's RTA i.e. Link Intime India Pvt. Ltd. at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). Members are requested to note that dividends, if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of

which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF, as per Section 124 of the Act read with applicable IEPF rules. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

The Members whose unclaimed dividends and/or shares have been transferred to IEPF, may contact the Company or RTA and submit the required documents for issue of Entitlement Letter. The Members can attach the Entitlement Letter and other required documents and file the IEPF-5 form for claiming the dividend and/ or shares available on [www.iepf.gov.in](http://www.iepf.gov.in).

To claim unpaid / unclaimed dividend or in case you need any information / clarification, please write to or contact to the Company's RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or the Company Secretary of the Company at [cs@tipsfilm.in](mailto:cs@tipsfilm.in)

#### 17. VOTING THROUGH ELECTRONIC MEANS:

- i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations and Circulars, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.
- ii) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, 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 AGM without restriction on account of first come first served basis.

- iii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. July 22, 2024 may obtain the login details in the manner as mentioned below.
- iv) The Members can opt for only one mode of remote e-Voting i.e., either prior to the AGM or during the AGM. The Members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-Voting prior to the Meeting shall be able to exercise their right to cast their vote by remote e-Voting during the Meeting. The Members who have cast their vote by remote e-Voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.

#### THE INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on July 26, 2024 at 9:00 a.m. and ends on July 28, 2024 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 22, 2024 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.
- (iii) Members will be provided with the facility for remote e-Voting during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on such resolution(s) upon announcement by the

Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.

- (iv) The remote e-Voting module on the day of the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.
- (v) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 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.

- (vi) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 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 meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders  | Login Method   |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <ol style="list-style-type: none"> <li>1) 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 users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) 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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>   |
| Individual Shareholders holding securities in demat mode with NSDL Depository | <ol style="list-style-type: none"> <li>1) 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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 &amp; voting during the meeting.</li> </ol> |

| Type of shareholders  | Login Method   |
|---|--|
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |
| 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-4886 7000 and 022-2499 7000         |

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (vii) Login method for e-Voting and joining virtual meeting for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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) <ul style="list-style-type: none"> <li>• 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.</li> </ul> |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• 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.</li> </ul>                 |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of TIPS FILMS LIMITED.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xix) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, 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 Scrutinizer at [csshirish@savllp.in](mailto:csshirish@savllp.in) or to the Company at the email address viz; [cs@tipsfilms.in](mailto:cs@tipsfilms.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 AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**
1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for 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 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 AGM/EGM.
  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. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@tipsfilms.in](mailto:cs@tipsfilms.in) . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@tipsfilms.in](mailto:cs@tipsfilms.in). These queries will be replied to by the company suitably by email.
  8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
  9. Only those shareholders, who are present in the AGM 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 AGM.
  10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may 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 Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
  2. 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 meetings through Depository.
- If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.
- 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](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.
18. The Board of Directors of the Company has appointed Mr. Shirish Shetye (FCS 1926) or failing him Ms. Aparna Joshi (FCS 7172) Designated Partner of M/s. SAV & Associates LLP, Company Secretaries as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process, in a fair and transparent manner.
- The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM and make, not later than 2 working days of the

conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.tipsfilms.in](http://www.tipsfilms.in) and on CDSL e-voting website immediately after the declaration of results by the Chairman of the Meeting or a person authorized by him and the same

shall be communicated to BSE Limited and National Stock Exchange of India Limited.

Place: Mumbai  
Date: April 30, 2024

By Order of the Board of Directors

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

**Dharmesh Navdhare**  
Company Secretary  
A68397



**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3:**

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board appointed Mr. Amitabh Das Mundhra (DIN:00014227) as an Additional Director of the Company and also as an Independent Director not liable to retire by rotation, for a term of five years w.e.f. from April 30, 2024, subject to approval by the Members.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and Articles of Association of the Company, Mr. Amitabh Das Mundhra shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from a Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mr. Amitabh Das Mundhra are provided as an Annexure to this Notice

Mr. Amitabh Das Mundhra has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and the rules made thereunder, and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act and (iv) he is not aware of any circumstance which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence. He has also given his consent to act as a Director.

In the opinion of the Board, Mr. Amitabh Das Mundhra is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the Management.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Amitabh Das Mundhra on the Board of the Company and accordingly the Board recommends the appointment of Mr. Amitabh Das Mundhra as an Independent Director, as proposed

in the Special Resolution set out at Item No. 3 of the accompanying Notice for approval by the Members.

Except for Mr. Amitabh Das Mundhra and/or his relatives, no other director, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

**Item No. 4:**

Pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, any transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with the previous transactions during a financial year, exceeds INR1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and will require prior approval of Members by means of an ordinary resolution, even if such transaction are in the ordinary course of business and at arm's length basis.

The Company is engaged in the business of production and distribution of films, web-series and related content on various platforms.

Tips Industries Limited, one of the leading music labels in India, is engaged in the business of creation, acquisition and exploitation of audio-video content of music digitally in India and overseas through licensing on various medium.

In line with the above objective and in the best interest of both the Companies to achieve synergies, the Company enters into various business contract(s)/ agreements(s)/ transaction(s) including purchase/sale of Audio Video Rights with Tips Industries Limited which are recurring in nature and are being made in the ordinary course of business at an arm's length basis.

The estimated value of the contract(s)/ agreements(s)/ transaction(s) of the Company with Tips Industries Limited in terms of the 'Related Party Transactions' under Regulation 2(1)(zc) of the SEBI Listing Regulations may exceed the threshold of Material Related Party Transactions, as provided under the SEBI (LODR) Regulations, 2015.

Your approval is being sought for the Related Party Transactions as set out in the resolution for the financial year 2024-25.

The other related information as envisaged under the Act and SEBI Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 are furnished hereunder:

| SN | Description   | Details  |
|----|---|--|
| 1  | <b>Details of Summary of information provided by the management to the Audit Committee</b>  |  |
| a  | Name of the Related Party   | Tips Industries Limited  |
| b  | Nature of relationship  | Group Company  |
| c  | Name of the director or key managerial personnel who is related, if any and nature of relationship  | Following Directors of the Company are also the Directors and Promoters of Tips Industries Limited<br>1. Mr. Kumar S. Taurani<br>2. Mr. Ramesh S. Taurani  |
| d  | Tenure of the proposed transaction  | One Year i.e. Financial Year 2024-25<br>(which is valid upto the date of the next AGM of the Company for period of not exceeding 15 months.)   |
| e  | Nature, material terms, monetary value and particulars of contracts or arrangement  | The Company enters/propose to enter into various transactions with Tips Industries Limited such as purchase/sale of rights, advance receive/provide thereof or any other transactions for transfer of resources, services or obligations and other reimbursements for business purpose from/ to Tips Industries Limited.   |
| f  | Value of Transaction  | Up to INR 40 Crores  |
| g  | Percentage of annual consolidated turnover considering FY 2023-24 as the immediately preceding financial year   | 50.48%   |
| 2  | Justification for the transaction   | Tips Industries Limited, one of the leading music labels in India, is engaged in the business of creation, acquisition and exploitation of audio-video content of music digitally in India and overseas through licensing on various medium.<br><br>The RPTs with Tips Industries Limited will help the Company achieve synergies, economies of scale and will be in the best interest of the Company. |
| 3  | <b>Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: Not Applicable</b>           |  |
| a  | details of the source of funds in connection with the proposed transaction  | Not Applicable   |
| b  | where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments<br>- nature of indebtedness;<br>- cost of funds and<br>- tenure |  |
| c  | applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security                                 |  |
| d  | the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT  |  |

| SN | Description  | Details  |
|----|--|--|
| 4  | A copy of the valuation or other external report, if any, such report has been relied upon | The proposed RPTs will be evaluated by external registered valuer in terms of pricing and arm's length criteria after completion of the project.                     |
| 5  | Any other information that may be relevant   | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forms a part of this Notice. |

In the financial year 2024-2025 and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months, the aforementioned transactions, in the aggregate, are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the shareholders is sought for all such transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) to be undertaken (whether individually or taken together or series of transactions or otherwise), whether by way of continuation/ extension/ renewal/ modification of earlier arrangements/ transactions or as fresh and independent transaction(s) or otherwise, in the financial year 2024-2025. The above transactions are in the ordinary course of business of the Company and on an arm's length basis and as such are exempt from the provisions of Section 188(1) of the Companies Act, 2013 and the rules made thereunder, however, for abundant caution, approval of shareholders under the said Section 188 and rules thereunder is also being sought.

In view of the above, the Company proposes to obtain prior approval of the shareholders for granting authority to the Board of the Company (which shall be deemed to include any Committee(s) constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to carryout/ continue with such arrangements and transactions as specified in the resolution or as mentioned above (whether individually or taken together or series of transactions or otherwise) with related parties, whether by way of renewal(s) or extension(s) or modification(s) of earlier arrangements/ transactions or as fresh and independent transaction(s) or otherwise notwithstanding the fact that all such transactions entered into during the financial year 2024-2025 upto the date of the next annual general

meeting of the Company for a period not exceeding fifteen months, whether individually or in aggregate may exceed materiality threshold as stated above.

Pursuant to Regulation 23 of SEBI Listing Regulation, all entities falling under the definition "Related Party" shall abstain from voting in respect of the resolution proposed at item no. 4 of the notice, irrespective of whether the entity is a party to the particular transaction or not. Accordingly, the promoters and promoter group will not participate in the voting.

Except Promoters, Directors (Mr. Kumar S. Taurani, Mr. Ramesh S. Taurani and Ms. Jaya R. Taurani) and their relatives (to the extent of their shareholding interest in the Company), no other director or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in passing of this resolution.

Basis the consideration and approval of the Audit Committee, the Board of Directors recommends the Ordinary Resolution for approval of the Members of the Company, as set out at Item No. 4 of the Notice.

Place: Mumbai  
Date: April 30, 2024

By Order of the Board of Directors

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

**Dharmesh Navdhare**  
Company Secretary  
A68397

Details of directors seeking appointment / re-appointment at the Annual General Meeting [Pursuant to Secretarial Standard 2 (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

|  |  |   |
|--|--|---|
| Name of Director   | Mr. Ramesh S. Taurani  | Mr. Amitabh Das Mundhra   |
| DIN  | 00010130   | 00014227  |
| Date of Birth / Age  | 17-01-1960 / 64 years  | 22-12-1967 / 56 years   |
| Nationality  | Indian   | Indian  |
| Qualification & Expertise in specific functional areas   | <p>Mr. Ramesh S. Taurani, Managing Director, holds the Bachelor degree in commerce. He is one of the promoters of the Company and comes with a rich experience of almost 43 years in the Media &amp; Entertainment Industry. He has played a key role in the progress of the Company. He is widely credited for remarkable success with many blockbuster films. His visualization and dedication support to build success of the business. His passion for films from an early age has honed his understanding of the film and music business. Over the years he has developed a sharp skill for music curation and film visualization. As Tips Films Ltd is in business of production and distribution of films, web-series etc, he has shouldered the responsibility for creative aspects of the business. He is widely credited for delivering several blockbuster films and bringing together several leading artistes for film projects, a difficult task for anybody in the industry. His deep network in the film fraternity is a source of strength for the Company. Mr. Ramesh Taurani's contribution to the creation of the Company's film and music libraries has been immense.</p> | <p>Mr. Amitabh Das Mundhra is helming a business group with major interest in Mining, infrastructures, Construction, Real Estate and other investments.</p> <p>He possessed B.SC Eng Degree from Kolkata University.</p> <p>He actively participates in various organization in various capacities.</p> |
| Date of Appointment as Director of the Company   | June 05, 2009  | April 30, 2024  |
| Relationships between Directors inter-se   | Mr. Ramesh S. Taurani is brother of Mr. Kumar S. Taurani and Ms. Jaya R. Taurani is daughter of Mr. Ramesh S. Taurani.   | Nil   |
| Shareholding in the Company  | 8,74,761   | 0   |
| Directorships held in other Public Companies (incl. Listed Companies) (excluding Foreign, Private and Section 8 Companies) | Tips Industries Limited  | 1- Simplex Oil Exploration Ltd.<br>2- Simplex Concrete Piles (India) Ltd.   |

|  |  |   |
|--|--|---|
| Memberships / Chairmanships of committees of other Public Companies (incl. Listed Companies) (includes only Audit Committee and Stakeholders Relationship Committee) | Tips Industries Limited - Stakeholders Relationship Committee                                  | Nil   |
| Name of Listed entities from which the person has resigned in the past three years   | Nil  | Tips Industries Limited   |
| Terms and Conditions of appointment/re-appointment   | Re-appointment as Director   | Appointment as an Independent Director for a period of 5 years w.e.f. April 30, 2024. Not liable to retire by rotation. |
| Details of Remuneration sought to be paid  | As per Special Resolution passed at the 13th Annual General Meeting held on December 27, 2022. | He shall be paid a sitting fees for attending meetings of the Board or Committees thereof.                              |

For details such as remuneration last drawn and number of board meetings attended during the FY 2023-2024 by Mr. Ramesh S. Taurani, please refer Corporate Governance Report which forms part of this Annual Report.

# Directors' Report

To  
The Members,  
Tips Films Limited

The Board of Directors ("Board") of your Company pleased to present the 15<sup>th</sup> Annual Report of Tips Films Limited ("the Company") for the Financial Year ended March 31, 2024. In compliance with the applicable provisions of Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Annual Report contains the report of business & operations and other developments of your Company for the Financial Year 2023-2024.

## FINANCIAL RESULTS

During the year under review, the Company's total revenue, including other income stood of INR 7,923.63/- lakhs as compared to the previous year of INR 7,154.28/- lakhs. The Net Profit after Tax for the year stood at INR 108.83/- lakhs, as compared to INR 2,433.44/- lakhs in the previous year.

The highlights of the Financial Results of the Company for the year under review, along with the figures for the previous year, are as follows:

|   | (INR In Lakhs)  |                 |
|---|-----------------|-----------------|
| Particulars   | 2023-24         | 2022-23         |
| Revenue from Operations   | 7,763.67        | 6,144.62        |
| Other Income  | 159.96          | 1,009.66        |
| <b>Total income from operations</b>                               | <b>7,923.63</b> | <b>7,154.28</b> |
| Profit from operations before Depreciation, Interest and Taxation | 173.17          | 3,414.83        |
| Less: Depreciation  | 77.16           | 52.17           |
| Less: Finance Cost  | 47.22           | 157.49          |
| <b>Profit before Provision for Taxation</b>                       | <b>48.79</b>    | <b>3,205.17</b> |
| Less: Provision for Taxation                                      |                 |                 |
| Current Tax   | -               | 800             |
| Tax Expense of earlier year                                       | (60.16)         | -               |
| Deferred Tax  | 0.12            | (28.27)         |

(INR In Lakhs)

| Particulars                                      | 2023-24         | 2022-23         |
|--|-----------------|-----------------|
| <b>Profit/(Loss) after Taxation</b>              | <b>108.83</b>   | <b>2,433.44</b> |
| Other Comprehensive income/<br>(Expenses)        | (3.25)          | (6.55)          |
| <b>Total Comprehensive Income for the period</b> | <b>105.58</b>   | <b>2,426.89</b> |
| Share Capital                                    | 432.29          | 432.29          |
| <b>Reserves &amp; Surplus</b>                    | <b>8,650.08</b> | <b>8,760.64</b> |

## BUSINESS AND PERFORMANCE REVIEW/OPERATIONS

The Company is engaged in the business of Production and Distribution of films, web-series and related content. The film library consists of super hits such as Raja Hindustani, Raaz, Race, Ajab Prem ki Ghazab Kahani, Tere Naal Love Ho Gaya, Amber Sariya among others. Our film, Legend of Bhagat Singh has won the National Award for Best Feature Film in Hindi. The Company owns the copyrights to all these films and will monetize it appropriately in different mediums such as Satellite, OTT etc.

During the Financial year 2023-2024, films such as Merry Christmas (Hindi Film) and Sridevi Prasanna (Marathi Film) were released and the IMDB rating as on May 07, 2024 for Merry Christmas was 7.0/10 and for Sridevi Prasanna it was 8.6/10.

The Company have upcoming movie release i.e Ishq Vishq Rebound in the month of June, 2024 and also Company announced its project with David Dhawan and Varun Dhawan.

The Company is geared up for 5 to 6 productions per year and also building project pipeline to achieve this target. The state of the film industry remains very healthy and the outlook on content demand is positive. Therefore, we are confident that the Company will scale up profitability.

## DIVIDEND

Your board does not recommend any dividend for the financial year ended March 31, 2024.

## SHARE CAPITAL

As on March 31, 2024, the Company has an authorised share capital of INR 5,00,00,000/- comprising of 50,00,000 equity shares of INR 10/- each.

The Paid-up Equity Share Capital as on March 31, 2024 was INR 4,32,28,860 (Rupees Four Crore Thirty Two Lakhs Twenty Eight Thousand Eight Hundred and Sixty) consisting of 43,22,886/- (Forty Three Lakhs Twenty Two Thousand Eight Hundred and Eighty Six) Equity Shares of INR 10/- (Rupees Ten only) each.

During the financial year ended March 31, 2024:

- The Company has not issued any Equity Shares with differential voting rights.
- The Company has not issued any Sweat Equity Shares.
- The Company has not issued Employee Stock Options.

As on March 31, 2024, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

## RESERVES

There is no amount proposed to be transferred to the reserve.

## REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have any subsidiary, associate and joint venture company.

## MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this report. Further, there has been no change in the nature of business of the Company.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Directors:

Mr. Venkitaraman Iyer (DIN:00730501), Independent Director has resigned from the Board of Directors of the Company, w.e.f. February 02, 2024. The Board places on record its appreciation and gratitude for the valuable contributions made by him during his tenure as Director on the Board of the Company.

The Board of Directors at its meeting held on April 30, 2024 based on the recommendation of Nomination and Remuneration Committee approved the appointment of Mr. Amitabh Das Mundhra (DIN:00014227) as an Additional Director designated Non-Executive Independent Director for a period of five years with effect from April 30, 2024 subject to approval of shareholders at 15<sup>th</sup> Annual General Meeting. Accordingly matter with respect to appointment is proposed in the Notice of 15<sup>th</sup> Annual General Meeting.

In terms of the provisions of the Act and Articles of Association of the Company, Mr. Ramesh S. Taurani (DIN:00010130), Managing Director is liable to retire by rotation at the ensuing 15<sup>th</sup> Annual General Meeting and being eligible, offers himself for re-appointment.

The details of Board, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

### Key Managerial Personnel:

Pursuant to the provision of Section 203 of the Act, the Company has following Key Managerial Personnel as on March 31, 2024:

- Mr. Ramesh S. Taurani – Managing Director
- Mr. Haresh Sedhani – Chief Financial Officer
- Mr. Vinit Bhanushali – Company Secretary and Compliance Officer (Resigned w.e.f. August 29, 2023)
- Mr. Dharmesh Navdhare – Company Secretary and Compliance Officer (Appointed w.e.f. November 16, 2023)

### Declaration by Independent Directors:

The Company has received declarations from all the Independent Directors confirming that they meet with the criteria of independence as prescribed both under sub section (6) of Section 149 of the Act and Regulation 16(b) of the Listing Regulations and there has been no change in the circumstances which may effect their status as an Independent Director.

The Independent Directors have registered themselves with the Indian Institute of Corporate Affairs as required under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, in opinion of the Board, all Independent Directors possess integrity, expertise and experience including the proficiency required to be Independent Directors of the Company.

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website at <https://tipsfilms.in/corporate-governance/>

#### **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, its committees and individual directors pursuant to the provisions of the Act and Listing Regulations.

The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. and the Board as a whole. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

At the separate meeting of the Independent Directors held during the financial year ended March 31, 2024, performance evaluation of Non-Independent Directors, the Chairman of your company and the Board as a whole was carried out for 2023-2024.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from your Company, confirm that:

- a. that in the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024, and of the profit of the Company for the year ended on that date;
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis;
- e. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **DETAILS OF BOARD AND COMMITTEE MEETINGS**

##### **• Board Meetings**

The Board of Directors of the Company met four times during the financial year, i.e., on May 29, 2023, July 28, 2023, October 27, 2023 and January 31, 2024. Details of the Board Meetings and attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

##### **• Committees of the Board**

With a view to having a more focused attention on the business and for better governance and accountability, in compliance with the requirements of the Act and Listing Regulations, the Board has constituted Board Committees such as Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The details with respect to the compositions, roles, terms of reference, etc. of relevant committees are provided in the Corporate Governance Report of the Company, which forms part of this Annual Report.



## AUDITORS AND THEIR REPORTS

- **Statutory Auditors**

M/s. Maheshwari & Co., Chartered Accountants, (Firm Registration No: 105834W) were appointed as the Statutory Auditor of the Company at the 13th Annual General Meeting held on December 27, 2022 to hold the office for a period of 5 (five) years till the conclusion of the 18th Annual General Meeting of the Company to be held in the year 2027, in terms of the applicable provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules 2014.

- **Statutory Auditors' Report**

The Statutory Audit Report of M/s. Maheshwari & Co., Chartered Accountants, do not contain any qualification, reservation or adverse remarks on financial statement of the Company for the financial year 2023-2024. The Auditors Report are enclosed with the financial statements in the Annual Report.

## SECRETARIAL AUDITORS

- **Appointment of Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act read with rules made thereunder, the Board had appointed M/s. N L Bhatia & Associates, Practicing Company Secretaries (UIN: P1996MH055800), to undertake the Secretarial Audit of your company for the financial year 2023-2024.

- **Secretarial Audit Report**

In terms of Section 204 of the Companies Act, 2013, a Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as Annexure – A.

- **Annual Secretarial Compliance Report**

In accordance with regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, A Secretarial Compliance Report for the financial year ended March 31, 2024 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from M/s. N L Bhatia & Associates, Practicing Company Secretaries, Secretarial Auditors.

There are no qualifications, reservations or adverse remarks or disclaimers in the said Secretarial Audit Report.

## COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

## INTERNAL AUDITORS

Pursuant to provisions of Section 138 of the Act read with rules made thereunder, the Board has appointed M/s. Grant Thornton Bharat LLP as an Internal Auditors of the Company for the Financial year 2023-2024 to check the internal controls and functioning of the activities and recommend ways of improvement.

Internal Audit is carried out on a quarterly basis, and the report is placed in the Meetings of the Audit Committee and the Board for their consideration and direction. Their scope of work is as decided by the Audit Committee and the Board of Directors.

## REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditor and Secretarial Auditor of your Company have not reported any instances of fraud committed in your Company by its officers or employees, to the Audit Committee under section 143(12) of the Companies Act, 2013.

## INTERNAL CONTROL AND FINANCIAL REPORTING SYSTEMS

Your Company maintains an adequate and effective internal control system commensurate with its size and complexity. We believe that these internal control systems provide, among other things, a reasonable assurance that transactions are executed with management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting policies and that the assets of your company are adequately safe guarded against significant misuse or loss. An independent internal audit function is an important element of your Company's internal control system.

During the year under review, no material or serious observations have been received from the Internal Auditors of the Company with respect to inefficiency or inadequacy of the controls.

## RISK MANAGEMENT

The Company has structured to identify, assess and mitigate risks appropriately. The Audit Committee has additional oversight in the

area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further details on risk identification and their mitigations, are covered in Management Discussion and Analysis section, which forms part of this Annual Report.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

In terms of the requirements of Section 197(12) of the Act, read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the disclosures pertaining to the remuneration and other details, are given in Annexure B of this report.

The statement containing particulars of employees as required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. Further, in terms of section 136 of the Companies Act, 2013, the Annual Reports are being sent to the Members and others entitled thereto, excluding the aforesaid statement. The aforesaid statement is available for inspection by Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

### **WHISTLE-BLOWER POLICY / VIGIL MECHANISM POLICY**

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees, in confirmation with section 177(9) of the Act and Regulation 22 of the Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The Whistle Blower Policy is disclosed on the website of the Company at <https://tipsfilms.in/wp-content/uploads/2022/07/Whistle-Blower-Policy-Vigil-Mechanism-Policy.pdf>

### **RELATED PARTY TRANSACTIONS**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arms' length basis and do not have potential conflict with interest of the Company at large.

The contracts / arrangements / transactions with related party which are required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith and marked as Annexure C to this Report.

The Policy on Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at <https://tipsfilms.in/wp-content/uploads/2022/07/Policy-on-Related-Party-Transactions.pdf>

### **DEPOSITS**

During the year under review, the Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

### **PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS BY COMPANY**

Particulars of Loans, Guarantees and Investments, if any, as per section 186 of the Act have been disclosed in the Financial Statements read together with Notes annexed to and forming an integral part of the Financial Statements.

### **SECRETARIAL STANDARDS**

During the financial year, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

- **Conservation of energy**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act 2013, read with rule 8 of the Companies (Accounts) Rules 2014, in respect of conservation of energy have not been provided, considering the nature of activities undertaken by the Company during the year under review.

Although the Company is not engaged in manufacturing activities, as responsible citizen, we continue to pursue and adopt relevant energy conservation measures. The Company makes every effort to conserve energy as far as possible in its offices.

- **Technology absorption**

Since, the Company does not own any manufacturing facility, the other particulars relating to technology absorption is not applicable to the Company.

- **Foreign exchange earnings and outgoings**

Details of foreign exchange earnings and outgoings of the Company made during the year are provided in Notes to the Financial Statement.

### CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Corporate Governance Report and the Auditor's Certificate regarding compliance of conditions of Corporate Governance are made part of this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the financial year ended March 31, 2024 as stipulated under Regulation 34(2)(e) read with Schedule V of the Listing Regulations, is annexed to this report.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Company's CSR initiatives and activities are aligned to the requirements of section 135 of the Act. The Annual Report on brief outline of the CSR policy of the Company and CSR activities undertaken by the Company during the year are set out in Annexure D of this report in the format prescribed in the Act.

Pursuant to section 135(9) of the Act, your Company was not required to constitute a CSR Committee. The CSR policy is available on Company's website at <https://tipsfilms.in/corporate-governance/>

### EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return for financial year 2023-2024 is uploaded on website of the Company and the same is available on <https://tipsfilms.in/annual-returns/>

### OTHER DISCLOSURES

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No complaint received from any employee, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and rules made thereunder.
- Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- There are no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the financial year 2023-2024.
- The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with reasons thereof – Not Applicable.

### ACKNOWLEDGMENTS AND APPRECIATION

Your directors thanks all the esteemed shareholders, bankers, business associates and vendors for their faith, trust and confidence reposed in your company.

The Directors also recognize and appreciate all the employees for their commitment, commendable efforts, teamwork, professionalism and continued contribution to the growth of the Company.

For and on behalf of the Board of Directors

Date: April 30, 2024  
Place: Mumbai

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN: 00555831

## Annexure – A

# SECRETARIAL AUDIT REPORT

To,  
The Members,  
Tips Films Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records are the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the auditing standards issued by the Institute of Company Secretaries of India (ICSI) and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For M/s N L Bhatia & Associates  
Practicing Company Secretaries  
UIN: P1996MH055800  
PR No: 700/2020

**Bhaskar Upadhyay**

Partner

FCS: 8663

C.P. No.: 9625

UDIN: F008663F000259738

Place: Mumbai

Date: April 27, 2024

## Annexure - A (Contd)

## FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024  
 [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
 (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
 The Members,  
 Tips Films Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good governance practices by Tips Films Limited (herein after called ("the Company")). Secretarial Audit was conducted in conformity with the auditing standards issued by the Institute of Company Secretaries of India ("the Auditing Standards") and the processes and practices followed during the conduct of Audit are aligned with the Auditing Standards to provide us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us by the representation made by the Management, we hereby report that in our opinion, the Company has, during the period covering from the April 1, 2023 to March 31, 2024, ("the Audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- a) The Companies Act, 2013 ("the Act") and the Rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of applicable to the Company;
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 read with the notification, guidelines and circulars issued by Securities Exchange Board of India or Stock Exchange in this regard, to the extent applicable to the Company;
  - i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations")
  - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
  - v. Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
  - vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the financial year**
  - vii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018; **Not Applicable during the financial year**
  - viii. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the financial year**
  - ix. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the financial year**
  - x. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the financial year**

## Annexure - A (Contd)

f) Other Laws applicable to the Company as mentioned in "Annexure- A"

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with respect to Board and General Meeting.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors for the year. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meeting, agenda and detailed notes on agenda were sent at least seven days in advance for the meeting and other then those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Meeting of the Board of Director and of the Committee thereof were carried out unanimously as recorded in the Minutes of the Meeting of the Board of Directors or Committee(s) of the Board, as the case may be.

We Report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. All notices received from regulatory authorities have been replied in time.

For M/s N L Bhatia & Associates  
Practicing Company Secretaries  
UIN: P1996MH055800  
PR No: 700/2020

**Bhaskar Upadhyay**  
Partner  
FCS: 8663

Place: Mumbai  
Date: April 27, 2024

C.P. No.: 9625  
UDIN: F008663F000259738

## MR3 - Annexure - A

### OTHER LAWS APPLICABLE TO THE COMPANY

1. Income Tax Act, 1961
2. GST Act, 2017
3. The Companies (Indian Accounting Standards) Rules, 2015
4. Profession Tax Act, 1975
5. The Payment of Bonus Act, 1965
6. The Payment of Gratuity Act, 1972
7. Employees provident Funds & Miscellaneous Provisions Act, 1952
8. The Bombay Shop & Establishment Act, 1948
9. The Minimum Wages Act, 1948
10. The Employee State Insurance Act, 1948
11. Equal Remuneration Act, 1976
12. The Employment Exchange Act, 1960
13. Copyright Act, 1957
14. Trademarks Act, 1999
15. Sexual Harassment of Women at Workspace (Prevention Prohibition and Redressal) Act, 2013
16. The Contract Act, 1872
17. Indian Stamp Act, 1899
18. Bombay Stamp Act, 1958
19. The Cinematograph Act, 1952
20. The Cinematograph (Certification) Rules, 1983
21. Maharashtra Labour Welfare Fund Act, 1953
22. Micro, Small and Medium Enterprises Development Act, 2006
23. Digital Personal Data Protection Act, 2023
24. Information Technology (Reasonable Security Practices and Procedure and Sensitive Personal Data or Information) Rules, 2011
25. Information Technology Act, 2000

## Annexure – B

### PARTICULARS OF REMUNERATION

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration Of Managerial Personnel) Rules, 2014

(a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

| Name                        | Designation                     | Ratio to Median * | % increase / (decrease) in Remuneration |
|-----------------------------|---------------------------------|-------------------|---|
| Mr. Ramesh S. Taurani       | Managing Director               | 19.76             | NIL                                     |
| Ms. Jaya R. Taurani         | Executive Director              | 10.59             | 50%                                     |
| Mr. Kumar S. Taurani*       | Chairman and Executive Director | NA                | NA                                      |
| Mr. Venkitaraman Iyer ^     | Independent Director            | NA                | NA                                      |
| Ms. Radhika Madhukar Dudhat | Independent Director            | NA                | NA                                      |
| Mr. Vinode Thomas           | Independent Director            | NA                | NA                                      |

Mr. Kumar S. Taurani didn't draw any remuneration during the financial year 2023-24.

The Independent Directors were paid only sitting fees during the financial year 2023-24

^ Mr. Venkitaraman Iyer ceased to be director w.e.f. February 02, 2024.

\* For employees who were in employment for the whole financial year.

(b) The percentage increase in remuneration of Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

| Name                   | Designation             | % increase / (decrease) in Remuneration |
|------------------------|-------------------------|---|
| Mr. Hareesh Sedhani    | Chief Financial Officer | 25%                                     |
| Mr. Dharmesh Navdhare* | Company Secretary       | NA                                      |

\* Appointed w.e.f. November 16, 2023.

(c) The percentage increase in the median remuneration of employees in the financial year: For employees who were in employment for the whole of financial year, percentage increase in the median remuneration of employees is 21.43%

(d) The number of permanent employees on the rolls of the Company: 17 Employees as on March 31, 2024.

(e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase made in salaries of employees other than managerial personnel in the financial year 2023-24 was 18.79%. Details regarding increase in the managerial remuneration is given in the above table at Sr. No (a). The remuneration is determined based on the performance of the employees of the Company.

(f) Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Date: April 30, 2024  
Place: Mumbai

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN: 00555831



## Annexure – C

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis

| Name(s) of the related party and nature of relationship                                    | Tips Industries Limited (Group Company)  |
|--|--|
| Nature of Contracts/arrangements/ transactions   | Transactions entered with Tips Industries Limited such as sale/purchase of rights, advance receive/ provide thereof or any other transactions for transfer of resources, services or obligations and other reimbursements for business purpose for an aggregate amount of upto INR 30 Crores |
| Duration of the contracts/ arrangements/ transactions                                      | One year i.e. Financial Year 2023-24 (which is valid upto the date of the next AGM of the Company for period of not exceeding 15 months)   |
| Salient terms of the contracts or arrangements or transactions including the value, if any | Nil  |
| Date of Approval by the Board  | May 29, 2023   |
| Amount paid as advances, if any  | Nil  |

For and on behalf of the Board of Directors

Date: April 30, 2024  
Place: Mumbai

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN: 00555831

## Annexure - D

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FY 2023-2024

#### 1. Brief outline on CSR Policy of the Company:

Tips believes in sharing the profits not only with its members but also with the society around it. The Company through its CSR initiatives will continue to enhance value and promote social sustainability, sustainable development of the environment and social welfare of the people and society at large.

The Board has approved the CSR Policy of the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The complete CSR policy of the Company may be accessed at the website of the Company [www.tipsfilms.in](http://www.tipsfilms.in).

To follow these CSR objectives, the Company actively participate and

1. Contribute in the area of promoting education, providing medical facilities to needy and underprivileged persons, animal welfare.
2. Collaborate with charitable trusts, NGO in pursuit of our goals.
3. Meet and interact regularly with various NGO, trust for funding the CSR amount to economically weaker sections.

#### 2. Composition of CSR Committee: Not Applicable

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Committee – Not Applicable

CSR Policy: <https://tipsfilms.in/wp-content/uploads/2024/01/Corporate-Social-Responsibility-Policy-2.pdf>

CSR projects - <https://tipsfilms.in/wp-content/uploads/2023/07/CSR-Project.pdf>

#### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of Section 135: INR 13,83,10,582/-  
(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: INR 27,66,212/-  
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
(d) Amount required to be set-off for the financial year, if any: INR 33,544/-  
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: INR 27,32,668/-
6. (a) Amount spent on CSR projects (both ongoing project and other than ongoing project): INR 28,00,000/-  
(b) Amount spent in administrative overheads: NIL  
(c) Amount spent on impact assessment, if applicable: NIL  
(d) Total amount spent for the financial year [(a)+(b)+(c)]: INR 28,00,000/-

(e) CSR amount spent or unspent for the financial year: **Not Applicable**

| Total Amount Spent for the Financial Year. (in INR) | Amount (INR In lakh)   |                  |   |         |                  |
|---|--|------------------|---|---------|------------------|
|   | Total amount transferred to unspent CSR account as per subsection (6) of Section 135 |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135 |         |                  |
|   | Amount   | Date of transfer | Name of the Fund  | Amount. | Date of transfer |
| -   | -  | -                | -   | -       | -                |

(f) Excess amount for set-off, if any:

| Sr. No. | Particulars   | Amount      |
|---------|---|-------------|
| (i)     | Two percent of average net profit of the company as per sub-section (5) of section 135                      | 27,66,212/- |
| (ii)    | Total amount spent for the Financial Year   | 28,00,000/- |
| (iii)   | Excess amount spent for the Financial Year [(ii)-(i)]   | 33,788/-    |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | NIL         |
| (v)     | Amount available for set off in succeeding Financial Years [(iii)-(iv)]                                     | 33,788/-    |

7. Details of unspent CSR amount for the preceding three financial years: **Not Applicable**

| Sl. No. | Preceding Financial Year | Amount transferred to unspent CSR account under sub-section (6) of Section 135 (in INR) | Balance amount in unspent CSR account under sub-section (6) of Section 135 (in INR) | Amount spent in the financial year | Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any |                  | Amount remaining to be spent in succeeding financial years. (in INR) | Deficiency, if any |
|---------|--------------------------|---|---|------------------------------------|--|------------------|--|--------------------|
|         |                          |   |   |                                    | Amount (in INR)  | Date of transfer |  |                    |
| 1       | FY 2020-21               | -   | -   | -                                  | -  | -                | -  | -                  |
| 2       | FY 2021-22               | -   | -   | -                                  | -  | -                | -  | -                  |
| 3       | FY 2022-23               | -   | -   | -                                  | -  | -                | -  | -                  |

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year: **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – **Not Applicable**

For and on behalf of the Board of Directors

Date: April 30, 2024  
Place: Mumbai

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN: 00555831

# Report on Corporate Governance

## CORPORATE PHILOSOPHY

We are value-driven organization with a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals. The Company strongly believes that establishing good Corporate Governance practice in each and every function of the organization leads to increase operational efficiencies and sustained long term value creation for all the stakeholders. Our goal is to promote and protect the longterm interest of all stakeholders while maintaining due compliance with all legal and regulatory requirements.

The Company believes that timely disclosures, transparent accounting policies and a strong active and Independent Board that provides supervisory and strategic advice and direction go a long way in protecting the shareholder's interest.

The Company has complied with the governance requirements stipulated under Regulations 17 to 27 read with para C, D, and E of Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations and hereby presents the Corporate Governance Report for the financial year ended March 31, 2024.

## BOARD OF DIRECTORS

### • Composition of Board

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors including one woman director, which is in conformity with the provision of Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

During the year under review following change took place in the composition of the Board of Directors:

1- Mr. Venkitaraman Iyer, Non-Executive-Independent Director of the Company resigned from the directorship w.e.f February 02, 2024.

Thereafter, As on March 31, 2024, the Board consists of Five Directors comprising of three Executive Directors and two Non-Executive Independent Directors.

Further, Board at its meeting held on April 30, 2024, based on recommendation of Nomination and Remuneration Committee ("NRC") approved the appointment of Mr. Amitabh Das Mundhra as an Additional Director, designated to Non-executive-Independent Director of the Company for a period of Five years w.e.f. April 30, 2024 subject to approval of shareholders.

The Chairman of the Board is an Executive Director.

The Directors are eminently qualified and experienced professionals in industrial, managerial, business, finance, marketing and corporate management that allow them to make effective contribution to the Board and its Committees. The Directors attend the meetings and actively participate in the deliberations by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. which adds value in the decision making process of the Board of Directors.

None of the directors on the Board:

a - holds directorships in more than seven listed Companies

b - serves as a member of more than 10 committees or Chairperson of more than 5 committees. Committees include Audit Committee and Stakeholders Relationship Committee across all public companies in which they are directors.

c - hold directorships in more than ten public Companies

The Company has obtained the requisite disclosures from Directors in respect of their directorship in other companies and membership/ chairmanship in committees of other companies.

All Directors are in compliance with the limit on Directorships / Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

- The Composition and Category of Directors, the number of Directorships and Committee Chairpersonships/ Memberships held by them and Directorships held by them in other listed entities as on March 31, 2024

| Name   | Category / position                     | No. of Directorships in other public Ltd Companies <sup>^</sup> | No. Chairmanship/ Membership of Committees* |             | Directorships in listed companies and category of Directorship as on March 31, 2024   |
|--|---|---|---|-------------|---|
|  |   |   | Member                                      | Chairperson |   |
| Mr. Kumar S. Taurani<br>DIN: 00555831        | Promoter, Chairman & Executive Director | Nil   | 4   | Nil         | Tips Industries Limited (Chairman & Managing Director)  |
| Mr. Ramesh S. Taurani<br>DIN: 00010130       | Promoter, Managing Director             | Nil   | 1   | Nil         | Tips Industries Limited (Executive Director)  |
| Ms. Jaya R. Taurani<br>DIN: 08209186         | Executive Director                      | Nil   | Nil   | Nil         | Nil   |
| Ms. Radhika Madhukar Dudhat<br>DIN: 00016712 | Non-Executive Independent Director      | Nil   | 4   | 1           | 1- Jain Irrigation Systems Limited (Non-Executive Independent Director)<br>2- Parag Milk Foods Limited (Non-Executive Independent Director)<br>3- Jagson Pal Pharmaceuticals Limited (Non-Executive Independent Director)<br>4- Bajel Projects Limited (Non-Executive Independent Director) |
| Mr. Vinode Thomas<br>DIN: 01893613           | Non-Executive Independent Director      | Nil   | 2   | Nil         | Nil   |
| Mr. Amitabh Das Mundhra@<br>DIN: 00014227    | Non-Executive Independent Director      | 2   | 1   | 1           | Nil   |
| Mr. Venkitaraman Iyer#<br>DIN: 00730501      | Non-Executive Independent Director      | Nil   | Nil   | Nil         | Nil   |

<sup>^</sup>Excludes Public Listed Companies

\*Includes Public unlisted and Listed Companies

@ Appointed w.e.f. April 30, 2024

# Resigned w.e.f February 02, 2024

#### Notes:

- Directorship Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
- Committee includes only Audit Committee and Stakeholders' Relationship Committee.
- Mr. Kumar S. Taurani and Mr. Ramesh S. Taurani are related to each other as brother and Ms. Jaya R. Taurani is the daughter of Mr. Ramesh S. Taurani. None of other directors are related to each other.

- **Declaration/ Confirmation and status of Independent Directors**

The Company has received declaration from all the Independent Directors confirming that they meet the criteria of independence laid down in section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from all the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and that they are independent of the management.

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and the Listing Regulation, A separate meeting of Independent Directors of the Company without the presence of Executive Directors and Management Representatives was held during the FY 2023-2024 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

- **Familiarisation Programme for Independent Directors**

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize

- **Attendance of each Director at the Board meetings during the year and last Annual General Meeting and Number of shares held by the directors in the Company**

| Name                        | No. of Board Meeting |          | Attendance at last AGM held on August 18, 2023 | Number of shares held in the Company |
|-----------------------------|----------------------|----------|--|--------------------------------------|
|                             | Held                 | Attended |  |                                      |
| Mr. Kumar S. Taurani        | 4                    | 4        | yes  | 8,76,600                             |
| Mr. Ramesh S. Taurani       | 4                    | 4        | yes  | 8,74,761                             |
| Ms. Jaya R. Taurani         | 4                    | 4        | yes  | Nil                                  |
| Mr. Venkitaraman Iyer@      | 4                    | 3        | yes  | Nil                                  |
| Ms. Radhika Madhukar Dudhat | 4                    | 4        | yes  | Nil                                  |
| Mr. Vinode Thomas           | 4                    | 4        | yes  | 1,400                                |

@Resigned w.e.f. February 02, 2024

The Company has not issued any convertible instruments.

themselves with the Company's procedures and practices. The Company has a familiarisation programme for Independent Directors with regard to their roles, rights and responsibilities in the Company and provides details regarding the nature of industry in which Company operates, the business models of the Company etc. which aims to provide insight to the Independent Directors to understand the business of the Company. The details of the same can be viewed at <https://tipsfilms.in/wp-content/uploads/2024/04/Attachment-1.pdf>

- **Directors and Office Insurance**

The Company has undertaken Directors and Officers Liability insurance for all its Directors, including Independent Directors and officers of the Company. The Board is of the opinion that the quantum and risks presently covered are adequate.

- **Board Meetings**

The Board of Directors of the Company met four times during the financial year i.e. from April 1, 2023 to March 31, 2024 on May 29, 2023, July 28, 2023, October 27, 2023, and January 31, 2024, and the maximum time gap between two Board meetings was less than one hundred and twenty days. The necessary quorum was present for all the Board Meetings.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance to enable the Board to discharge its responsibilities effectively and take informed decisions.

- Matrix setting out the skills/expertise/competence required in the context of its business for it to function effectively and those actually available with the Board
  - Industry experience including its entire value chain and in depth experience in corporate strategy and planning.
  - Leadership experience in managing companies and associations including general management.
  - Comprehensive understanding of financial accounting, reporting and controls and analysis.
  - Experience in providing guidance on major risks, compliances and various legislations.
  - Experience in developing strategies to build brand awareness and equity and enhance enterprise reputation.
- Details of the skills/ expertise/ competencies possessed by the Directors who were part of the Board are as follows :

| Sr. No. | Board of Directors     | Experience  |
|---------|------------------------|---|
| 1       | Mr. Kumar S. Taurani   | Industry Experience<br>Leadership Experience<br>Accounting and Finance Experience<br>Risk Management<br>Strategy development and implementation |
| 2       | Mr. Ramesh S. Taurani  | Industry Experience<br>Leadership Experience<br>Accounting and Finance Experience<br>Risk Management<br>Strategy development and implementation |
| 3       | Mr. Venkitaraman Iyer@ | Industry Experience<br>Leadership Experience<br>Accounting and Finance Experience<br>Risk Management<br>Strategy development and implementation |

|   |                             |   |
|---|-----------------------------|---|
| 4 | Ms. Radhika Madhukar Dudhat | Industry Experience<br>Accounting and Finance Experience<br>Legal & Risk Management<br>Strategy development and implementation                  |
| 5 | Mr. Vinode Thomas           | Industry Experience<br>Accounting and Finance Experience<br>Compliance & Risk Management<br>Strategy development and implementation             |
| 6 | Ms. Jaya R. Taurani         | Industry Experience<br>Leadership Experience<br>Accounting and Finance Experience<br>Risk Management<br>Strategy development and implementation |
| 7 | Mr. Amitabh Das Mundhra#    | Industry Experience<br>Leadership Experience<br>Accounting and Finance Experience<br>Risk Management<br>Strategy development and implementation |

@ Resigned w.e.f. February 02, 2024

# Appointed w.e.f. April 30, 2024

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and competence required for it to function effectively.

#### • Code of Conduct

The Company always endeavors to conduct the business in an ethical manner and create a work environment which is conducive to all the stakeholders it deals with. The Company has framed a Code of Conduct for the members of the Board of Directors and Senior Management Personnel of the Company. All members of the Board of Directors and Senior Management Personnel affirm on annual basis the Compliance of the Code of Conduct. A declaration that the Members of the Board and Senior Management Personnel have affirmed compliance under the Code during the Financial Year 2023-2024 has been signed by Mr. Kumar S. Taurani, Chairman & Executive Director, is annexed to this Report. The code of conduct is available on the website of the Company at <https://tipsfilms.in/wp-content/uploads/2022/07/CODE-OF-CONDUCT.pdf>

- **Insider Trading Code**

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted the Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Codes allows the formulation of trading plan subject to certain conditions mentioned in the said Regulations and requires pre-clearance for dealing in the Company's securities. It is also prohibits the purchase or sale of Company's securities by the Directors, Designated Person and Connected Persons, while in possession of Unpublished Price Sensitive Information in relation to the Company and during the period when trading window is closed. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The Company has also put Structured Digital Database (SDD) system in the Company for UPSI as per legal requirement. The Code is available on the website of the Company at <https://tipsfilms.in/corporate-governance/>

- **Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:**

During the year under review, Mr. Venkitaraman Iyer (DIN: 00730501), Independent Director has resigned from the Board of Directors of the Company, with effect from February 02, 2024.

Detailed reason mentioned in the resignation letter is as follows:

keen on spending more time towards spiritual studies and path, which has been very close to my heart for quite a while and this necessarily means moving away from corporate world.

Mr. Venkitaraman Iyer also confirmed that there is no other than as mentioned above for stepping down from the position of Independent Director of the Company.

- **Composition, Meetings and Attendance of each member of the Audit Committee**

| Name of the Members         | Position    | Category             | No. of Meetings during the FY 2023-24 | Meetings Attended |
|-----------------------------|-------------|----------------------|---------------------------------------|-------------------|
| Mr. Amitabh Das Mundhra@    | Chairperson | Independent Director | 4                                     | 0                 |
| Mr. Kumar S. Taurani        | Member      | Executive Director   | 4                                     | 4                 |
| Ms. Radhika Madhukar Dudhat | Member      | Independent Director | 4                                     | 4                 |
| Mr. Vinode Thomas           | Member      | Independent Director | 4                                     | 4                 |
| Mr. Venkitaraman Iyer#      | Chairperson | Independent Director | 4                                     | 3                 |

@appointed w.e.f. April 30, 2024

#resigned w.e.f February 02, 2024

## BOARD COMMITTEES

The Company is in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations with regard to constitution of the Board Committees. Composition, terms of reference and duties and responsibilities of each of the Board Committee is based on the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The Board Committees play a crucial role in the governance structure of the Company and they deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board and Chairpersons of the respective committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. Minutes of proceedings of the Committee meetings are circulated to the respective Committee members of the Board and placed before Board meeting for noting.

The Board has constituted the following Committees to take informed decisions in the best interests of the Company in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee

### I. AUDIT COMMITTEE

The Audit Committee is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation. The Committee comprises of members who possess financial and accounting expertise/exposure.



During the FY 2023-24, Mr. Venkitaraman Iyer resigned from the post of Independent Director and from the Chairperson of Audit Committee w.e.f February 02, 2024. Thereafter, the Board appointed Mr. Amitabh Das Mundhra, as an Additional Director designated as Independent Director and Chairperson of Audit Committee w.e.f. April 30, 2024.

The changes that took place during the year under review were in compliance with the provisions of the Act and Listing Regulations.

The Audit Committee met four times during the Financial Year 2023-24 on May 29, 2023, July 28, 2023, October 27, 2023 and January 31, 2024. The necessary quorum was present for all Meetings. The Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on August 18, 2023.

The Managing Director, Chief Financial Officer, Internal Auditors, Statutory Auditors and other Senior Managers attend the Audit Committee Meetings as invitees. The Company Secretary acts as the Secretary to the Audit Committee.

- **Terms of Reference**

Terms of Reference and role of the Audit Committee includes the matters specified under the section 177(4) of the Act and items

- **Composition, Meeting and Attendance of each member of the Nomination and Remuneration Committee**

| Name of the Members         | Position    | Category             | No. of Meetings during the FY 2023-24 | Meetings Attended |
|-----------------------------|-------------|----------------------|---------------------------------------|-------------------|
| Mr. Amitabh Das Mundhra@    | Chairperson | Independent Director | 2                                     | 0                 |
| Ms. Radhika Madhukar Dudhat | Member      | Independent Director | 2                                     | 2                 |
| Mr. Vinode Thomas           | Member      | Independent Director | 2                                     | 2                 |
| Mr. Venkitaraman Iyer#      | Chairperson | Independent Director | 2                                     | 2                 |

@appointed w.e.f. April 30, 2024

#resigned w.e.f. February 02, 2024

During the FY 2023-24, Mr. Venkitaraman Iyer resigned from the post of Independent Director and from the Chairperson of Nomination and Remuneration Committee w.e.f February 02, 2024. Thereafter, the Board appointed Mr. Amitabh Das Mundhra, as an Additional Director designated as Independent Director and Chairperson of Nomination and Remuneration Committee w.e.f. April 30, 2024.

specified in Part C of Schedule II of the Listing Regulations under the head Role of Audit Committee, which includes oversight of financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity; approval of payment to statutory auditors for any other services rendered by the statutory auditors; reviewing with the management the annual financial statements and auditors report thereon before submission to the board for approval; scrutiny of inter-corporate loans and investments; approval or any subsequent modification of transactions of the listed entity with related parties; valuation of undertakings or assets of the listed entity, wherever it is necessary; to review the functioning of the whistle blower mechanism; discussion with internal auditors of any significant findings and follow up there on etc.

## II. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the provisions of Regulation 19 of the Listing Regulation.

The changes that took place during the year under review were in compliance with the provisions of the Act and Listing Regulations.

The Company Secretary acts as the Secretary to the Committee.

The Committee met two times during the financial year 2023-24 on October 27, 2023 and January 31, 2024 The necessary quorum was present for all Meetings. The Chairperson of the Nomination

and Remuneration Committee was present at the Annual General Meeting of the Company held on August 18, 2023.

The Nomination and Remuneration Policy is available on the website of the Company at: <https://tipsfilms.in/wp-content/uploads/2024/02/Annexure-2.pdf>

- **Terms of Reference**

Terms of Reference and role of the Nomination and Remuneration Committee includes the matters specified under the section 178 of the Act and items specified in Part D(A) of Schedule II of Listing Regulations, which includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, Key managerial personnel and other employees; formulation of criteria for evaluation of performance of independent directors and the board of directors; devising a policy on diversity of board of directors; identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal; whether to extend or continue the appointment of the independent director, on the basis of the report of performance evaluation of independent directors etc.

- **Performance Evaluation**

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors (including Independent Director, Non-Independent Director & Chairperson) in terms of Section 178(3) of the Act and the SEBI Listing Regulations.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of committees, effectiveness of committee meetings, etc. The criteria for performance evaluation of the individual Directors includes aspects on contribution to the Board and Committee Meetings like preparedness on the issues to be discussed, attendance at the meetings, commitment and contribution to the Board, inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role.

Evaluation of Performance of the Board, its committees, individual directors and Chairperson, for the financial year 2023-24 was carried out. The Board was satisfied with the evaluation results, which reflected the overall engagement of the Board with the Company.

### REMUNERATION TO THE DIRECTORS

Detail of Remuneration paid to Non-Executive Independent Directors and Executive Directors of the Company for the financial year ended March 31, 2024 is as stated below:

- **Non-Executive Independent Directors**

The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. Non-Executive Directors do not draw any remuneration from the Company except the sitting fees as permitted under the Companies Act, 2013 for attending the Board and Committee Meetings. During the year 2023-24, the total sitting fees paid to the Non-Executive Independent Directors are as stated below:

(INR in Lakhs)

| Director's Name | Mr. Venkitaraman Iyer | Ms. Radhika Madhukar Dudhat | Mr. Vinode Thomas |
|-----------------|-----------------------|-----------------------------|-------------------|
| Sitting Fees    | 4                     | 6                           | 6                 |

The Criteria for making payments to non-executive directors has been disclosed on website at

<https://tipsfilms.in/wp-content/uploads/2022/07/CRITERIA-FOR-MAKING-PAYMENTS-TO-NON-EXECUTIVE-DIRECTORS.pdf>

- **Executive Directors**

| Name                  | Designation        | Remuneration        | Bonuses & Stock options |
|-----------------------|--------------------|---------------------|-------------------------|
| Mr. Ramesh S. Taurani | Managing Director  | INR 14 Lakhs p.m.   | NIL                     |
| Ms. Jaya R. Taurani   | Executive Director | INR 7.50 Lakhs p.m. | NIL                     |

### III. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the provisions of Regulation 20 of the Listing Regulation.

- Composition, Meeting and Attendance of each member of the Committee

| Name of the Members         | Position    | Category             | No. of Meetings during the FY 2023-24 | Meetings Attended |
|-----------------------------|-------------|----------------------|---------------------------------------|-------------------|
| Ms. Radhika Madhukar Dudhat | Chairperson | Independent Director | 4                                     | 4                 |
| Mr. Vinode Thomas           | Member      | Independent Director | 4                                     | 4                 |
| Mr. Kumar S. Taurani        | Member      | Executive Director   | 4                                     | 4                 |

Mr. Vinit Bhanushali ceased as Company Secretary and Compliance Officer w.e.f. August 29, 2023.

Mr. Dharmesh Navdhare has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. November 16, 2023.

The Committee met four times during the financial year 2023-24 on May 29, 2023, July 28, 2023, October 27, 2023 and January 31, 2024. The necessary quorum was present for all Meetings. The Chairperson of the Stakeholders Relationship Committee was present at the Annual General Meeting of the Company held on August 18, 2023.

- Terms of Reference

Terms of Reference and role of the Stakeholders Relationship Committee includes the matters specified under the section 178 of the Act and items specified in Part D(B) of Schedule II of Listing Regulations, which includes Resolving the grievance of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory.

- The details of Complaints received, redressed/ pending during the financial year 2023-24 is given below

The Company has a designated e-mail ID, [cs@tipsfilms.in](mailto:cs@tipsfilms.in) for the redressal of any Stakeholders' related grievances for the purpose of registering complaints by Members/stakeholders. The Company has also displayed the said email ID under the investors section at its website, [www.tipsfilms.in](http://www.tipsfilms.in) and other relevant details prominently for creating investor/stakeholder awareness.

| Pending at the beginning of the year | Received during the year | Redressed / Replied during the year | Pending at the end of the year |
|--------------------------------------|--------------------------|-------------------------------------|--------------------------------|
| 0                                    | 1                        | 1                                   | 0                              |

- Compliance officer and Address for Correspondence

| Name & Designation  | Address  | E-mail I.D   | Contact No.  |
|---|--|--|--------------|
| Dharmesh Navdhare<br>Company Secretary & Compliance Officer | 501, Durga Chambers, 5 <sup>th</sup> Floor, Linking Road, Khar(W), Mumbai -52. | <a href="mailto:cs@tipsfilms.in">cs@tipsfilms.in</a> | 022-66431188 |

- Particulars of Senior Management Personnel and changes since the close of previous financial year

| Name                  | Designation                            | Changes if any, during the FY 2023-24 |
|-----------------------|--|---------------------------------------|
| Mr. Haresh Sedhani    | Chief Financial Officer                | No                                    |
| Mr. Vinit Bhanushali  | Company Secretary & Compliance Officer | Ceased w.e.f. August 29, 2023         |
| Mr. Dharmesh Navdhare | Company Secretary & Compliance Officer | Appointed w.e.f. November 16, 2023    |

## GENERAL BODY MEETINGS

- The details of date, location and time of the last three Annual General Meetings held is as under

| Date and Time                       | Location  | Special Resolutions  |
|-------------------------------------|---|--|
| August 18, 2023<br>at 11.00 a.m.    | Video conferencing/other<br>audio visual means  | Nil  |
| December 27, 2022<br>at 11.00 a.m.  | Video conferencing/ other<br>audio visual means | <ol style="list-style-type: none"> <li>Change in Designation of Mr. Ramesh Taurani (DIN: 00010130) as a Managing Director of the Company for a period of three years w.e.f. May 02, 2022 at a Minimum Remuneration of INR 14 lakh per month.</li> <li>Appointment of Ms. Jaya Taurani (DIN: 08209186) as an Executive Director of the Company for a period of three years w.e.f. May 02, 2022 at a Minimum Remuneration of INR 5 lakh per month.</li> <li>Appointment of Mr. Kumar Taurani (DIN: 00555831) as a Chairman and Executive Director of the Company for a period of three years w.e.f. May 02, 2022.</li> <li>Appointment of Mr. Venkitaraman Iyer (DIN: 00730501) as an Independent Director of the Company for a term of Five Consecutive years from May 02, 2022.</li> <li>Appointment of Ms. Radhika Dudhat (DIN: 00016712) as an Independent Director of the Company for a term of Five Consecutive years from May 02, 2022.</li> <li>Appointment of Mr. Vinode Thomas (DIN: 01893613) as an Independent Director of the Company for a term of Five Consecutive years from June 01, 2022.</li> <li>Approval of Material Related Party Transactions with Tips Industries Limited.</li> <li>Approval for Borrowing Powers pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 upto INR 200 Crores.</li> <li>Approval for Creation of Charges, mortgages, hypothecation on the immovable and movable properties of the Company pursuant to provisions of Section 180(1) (a) of the Companies Act, 2013 upto INR 200 Crores.</li> </ol> |
| September 21, 2021 at 11.00<br>a.m. | Physical at the Registered of the<br>Company    | NIL  |

- **Postal Ballot**

Following Special Resolution was passed on May 04, 2023 through postal ballot.

a. **Revision and increase in Remuneration of Ms. Jaya Taurani (DIN: 08209186), Executive Director of the Company.**

i. **Voted in favour of the Resolution:**

| Numbers of members | Number of votes cast by them | % of total number of valid votes cast |
|--------------------|------------------------------|---------------------------------------|
| 49                 | 17,37,277                    | 99.92                                 |

ii. **Voted against the Resolution:**

| Numbers of members | Number of votes cast by them | % of total number of valid votes cast |
|--------------------|------------------------------|---------------------------------------|
| 21                 | 1,388                        | 0.08                                  |

iii. **Invalid Votes:**

| Numbers of members | Number of votes cast by them |
|--------------------|------------------------------|
| 0                  | 0                            |

The Board of Directors had appointed Mr. Shrish Shetye, Practicing Company Secretary, (FCS: 1926 CP: 825), as the Scrutinizer for conducting the Postal Ballot through e-voting process in a fair and transparent manner.

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular no. 11/2022 dated December 28, 2022 (in continuation to the circulars issued earlier in this regard) issued by the Ministry of Corporate Affairs.

The Postal Ballot voting results along with Scrutinizer report were announced on May 05, 2023 and the same was communicated to Stock Exchanges and Depositories and same was displayed on website of the Company.

No special resolution is proposed to be conducted through postal ballot.

## MEANS OF COMMUNICATION

- **Website**

The Company maintains a website [www.tipsfilms.in](http://www.tipsfilms.in), wherein all information relevant for the Shareholders are displayed under the 'Investor Section'. The website provides details, inter alia, about the Company, its performance including quarterly financial results, annual reports, press release, transcript of earning conference call, investor presentation, shareholding pattern, contact details etc. as required under Regulation 46 of Listing Regulations are made available on the website.

- **Quarterly/Annual Financial Results**

Quarterly Results of the Company are published in national English newspaper and in local language (Marathi) newspaper. i.e. The Economic Times and Mumbai Lakshadeep. The results are also uploaded on the websites of BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

- **Stock Exchanges**

All periodical information, including the statutory filings and disclosures, are filed with BSE and NSE. The filings required to be made under the Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are filed on BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).

- **Investors presentations**

The Company makes detailed presentation to the Analysts and Institutional Investors on the quarterly financial results. These presentations are sent to stock exchanges and are also displayed on the Company's website at [www.tipsfilms.in](http://www.tipsfilms.in).

- **Annual Report**

Annual Report containing audited standalone financial statements together with Directors' Report, Auditor's Report and other important information are circulated to Members and is also made available on the Company's website: [www.tipsfilms.in](http://www.tipsfilms.in).

- **Online Dispute Resolution Portal (ODR):**

In accordance with SEBI Circular dated July 31, 2023, the Company has registered itself on the ODR Portal. The ODR Portal harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market and can be accessed through <https://smartodr.in/>.

## GENERAL SHAREHOLDERS INFORMATION

- Date, Time and Venue of the Annual General Meeting

The ensuing AGM of the Company will be held on Monday, July 29, 2024 at 11.00 a.m. (IST) through video conferencing or other audio visual means.

- Financial Year

|                      |  |
|----------------------|--|
| Financial Year       | April 1, 2023 to March 31, 2024                      |
| Date of Book Closure | July 23, 2024 to July 29, 2024 (both days inclusive) |

- Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)

The equity shares of the Company are listed at:

|  |   |
|--|---|
| BSE Limited<br>P.J Towers, Dalal Steet, Fort,<br>Mumbai – 400 001. | National Stock Exchange of<br>India Limited<br>Exchange Plaza, Plot No. C/1,<br>Block G, Bandra Kurla Complex,<br>Bandra (E), Mumbai – 400 050. |
|--|---|

The annual listing fee for the year 2024-25 has been paid to the above Stock Exchanges within the stipulated time.

- Stock Code, ISIN & CIN

|   |                             |
|---|-----------------------------|
| Stock Code  | BSE: 543614; NSE: TIPSFILMS |
| International Security Identification Number (ISIN) | INE0LQS01015                |
| Corporate Identification No (CIN)                   | U74940MH2009PTC193028       |

- Market price data - high, low during each month in financial year 2023-24

| Month        | Share Prices on the BSE |           | Share Prices on the NSE |           |
|--------------|-------------------------|-----------|-------------------------|-----------|
|              | High (INR)              | Low (INR) | High (INR)              | Low (INR) |
| April-23     | 445.05                  | 350.00    | 448.95                  | 396.00    |
| May-23       | 486.00                  | 403.00    | 488.00                  | 402.05    |
| June-23      | 600.85                  | 405.00    | 598.00                  | 419.80    |
| July-23      | 668.70                  | 458.35    | 670.00                  | 463.55    |
| August-23    | 608.10                  | 500.00    | 607.95                  | 503.35    |
| September-23 | 555.00                  | 512.00    | 568.00                  | 501.05    |
| October-23   | 575.00                  | 507.05    | 575.00                  | 513.00    |
| November-23  | 717.00                  | 544.00    | 718.00                  | 538.00    |
| December-23  | 819.00                  | 610.00    | 819.00                  | 600.00    |
| January-24   | 986.70                  | 695.00    | 994.90                  | 690.60    |
| February-24  | 794.85                  | 605.00    | 789.00                  | 620.65    |
| March-24     | 760.00                  | 618.00    | 765.95                  | 617.05    |

- Performance in comparison to the broad based indices such as BSE and NSE

Tips Share Price compared with BSE Sensex and NSE Nifty

| Months       | Closing Share Price (BSE) |           | Closing Share Price (NSE) |           |
|--------------|---------------------------|-----------|---------------------------|-----------|
|              | Tips(INR)                 | Sensex    | Tips(INR)                 | Nifty     |
| April-23     | 403.15                    | 61,112.44 | 408.85                    | 18,065.00 |
| May-23       | 422.50                    | 62,622.24 | 422.60                    | 18,534.40 |
| June-23      | 522.95                    | 64,718.56 | 522.50                    | 19,189.05 |
| July-23      | 572.70                    | 66,527.67 | 574.00                    | 19,753.80 |
| August-23    | 530.00                    | 64,831.41 | 531.55                    | 19,253.80 |
| September-23 | 541.00                    | 65,828.41 | 555.10                    | 19,638.30 |
| October-23   | 535.00                    | 63,874.93 | 538.05                    | 19,079.60 |
| November-23  | 611.20                    | 66,988.44 | 602.05                    | 20,133.15 |
| December-23  | 786.90                    | 72,240.26 | 801.65                    | 21,731.40 |
| January-24   | 750.70                    | 71,752.11 | 742.30                    | 21,725.70 |
| February-24  | 656.85                    | 72,500.30 | 652.40                    | 21,982.80 |
| March-24     | 680.35                    | 73,651.35 | 674.40                    | 22,326.90 |

- In case the securities are suspended from trading, the directors report shall explain the reason thereof

No securities of the Company were suspended from trading during the financial year 2023-24.

- Registrar and Share Transfer Agent ('RTA')

All work related to Share Registry, are handled by the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited. The communication address of the Registrar and Share Transfer Agent is given hereunder:

Link Intime India Pvt. Ltd.

C-101, 247 Park, L.B.S Marg, Vikhroli (W), Mumbai – 400 083

Tel: +91 22 4918 6000

Fax: +91 22 4918 6060

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

- Investor Self-Service Portal – 'SWAYAM'

Link Intime India Pvt. Ltd. has launched an Investor Self-Service Portal, called 'SWAYAM'. This empowers shareholders to access information through a dashboard for all companies, in which they hold shares, which are serviced by Link Intime India Pvt. Ltd. This portal enables shareholders to obtain an updated status on their electronic and physical (KYC compliant) holdings across various companies as also to track dividend and other corporate action details. Shareholders can also raise queries/complaints on the same and track them till resolution. The portal can be accessed at <https://swayam.linkintime.co.in>.

- Share Transfer System

Pursuant to Regulation 40 of Listing Regulations, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with respective Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. In order to simplify the process of securities trading for investors, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, renewal/exchange of securities certificate, endorsement, subdivision/splitting/ consolidation of certificate, transmission and transposition which were allowed in physical form should be processed only in dematerialized form. Shareholders are accordingly advised to avail the facility of dematerialization holding shares in physical form.

- Distribution of Shareholding as on March 31, 2024

| No. of Equity Shareholdings | No. of Share-holders | Percentage of share-holders | No. of Shares  | Percentage of share-holding |
|-----------------------------|----------------------|-----------------------------|----------------|-----------------------------|
| 1 - 500                     | 8364                 | 96.9789                     | 255219         | 5.9039                      |
| 501 - 1000                  | 114                  | 1.3247                      | 88518          | 2.0477                      |
| 1001 - 2000                 | 68                   | 0.7901                      | 97753          | 2.2613                      |
| 2001 - 3000                 | 22                   | 0.2556                      | 52523          | 1.2150                      |
| 3001 - 4000                 | 15                   | 0.1743                      | 50949          | 1.1786                      |
| 4001 - 5000                 | 8                    | 0.0930                      | 35907          | 0.8306                      |
| 5001 - 10000                | 13                   | 0.1511                      | 87105          | 2.0150                      |
| 10001 & above               | 20                   | 0.2324                      | 3654912        | 84.5480                     |
| <b>Total</b>                | <b>8606</b>          | <b>100.00</b>               | <b>4322886</b> | <b>100.00</b>               |

- Shareholding Pattern as on March 31, 2024

| Category                                   | No. of Equity Shares held | Percentage of share held |
|--|---------------------------|--------------------------|
| Promoter                                   | 3241116                   | 74.9757                  |
| Public                                     | 882222                    | 20.4082                  |
| Other Bodies Corporate                     | 96293                     | 2.23                     |
| Hindu Undivided Family                     | 67177                     | 1.55                     |
| Foreign Portfolio Investors (Corporate)    | 2519                      | 0.06                     |
| Non Resident (Non Repatriable)             | 1233                      | 0.0285                   |
| Non Resident Indians                       | 20387                     | 0.4716                   |
| Investor Education And Protection Fund     | 5696                      | 0.1318                   |
| Body Corporate - Ltd Liability Partnership | 1364                      | 0.03                     |
| Clearing Members                           | 211                       | 0.0049                   |
| Trusts                                     | 81                        | 0.0019                   |
| Key Managerial Personnel                   | 1                         | 0.00                     |
| Directors                                  | 1400                      | 0.03                     |
| Unclaimed Shares                           | 3186                      | 0.07                     |
| <b>Total</b>                               | <b>4322886</b>            | <b>100.00</b>            |

- **Dematerialization of Shares**

As on March 31, 2024, 43,22,886 shares representing 100% of the Company's paid-up share capital (including shares held by the Promoters) were held in dematerialized form with National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL).

The break-up of Equity shares held in Demat form as on March 31, 2024 is given below:

| Particulars  | Shares         | %             |
|--------------|----------------|---------------|
| Demat Shares |                |               |
| NSDL         | 645090         | 14.92         |
| CDSL         | 3677796        | 85.08         |
| <b>Total</b> | <b>4322886</b> | <b>100.00</b> |

- **Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ ADRs/Warrants or any convertible instruments.

- **Plant locations**

The Company does not have any plants.

- **Address for Correspondence**

Shareholders can send their correspondence to the Company with respect to their shares, dividend, request for annual reports and other grievances. The contact details are provided below:

Mr. Dharmesh Navdhare  
 Company Secretary and Compliance Officer  
 Tips Films Limited  
 501, Durga Chambers, Linking Road, Khar (West),  
 Mumbai 400 052.  
 Tel No.: 022-66431188  
 Email I.D.: [cs@tipsfilms.in](mailto:cs@tipsfilms.in)  
 website: [www.tipsfilms.in](http://www.tipsfilms.in)

- **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year**

No Credit Rating was obtained during the Financial Year 2023-24.

- **Disclosure of Commodity Price Risk and Commodity Hedging Activities**

The Company does not trade in commodities. The Commodity price risk and commodity hedging activities are not applicable to the Company. Therefore, the said disclosure is not applicable to the Company.

### OTHER DISCLOSURES

- **Related Party Transaction**

During the year ended March 31, 2024, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Note to Accounts. Policy on related party transactions has been uploaded on website of the Company at below mentioned link:

<https://tipsfilms.in/wp-content/uploads/2022/07/Policy-on-Related-Party-Transcations.pdf>

- **Disclosure of non-compliance of the Company**

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter relating to the Capital Markets during the last three years.

- **Details of establishment of Vigil Mechanism/Whistle Blower policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal and unethical behaviors. The Board of Directors has adopted a "Whistle Blower Policy/ Vigil Mechanism Policy" for directors and employees to report any actual or potential violation of our code, policies, or laws of the Company. No employee of the Company was denied access to the Audit Committee. A copy of the Whistle Blower Policy is also available on the website of the Company at below mentioned link:

<https://tipsfilms.in/wp-content/uploads/2022/07/Whistle-Blower-Policy-Vigil-Mechanism-Policy.pdf>



- Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of Corporate Governance as stipulated under the SEBI Listing Regulations.

- Web link where policy for determining 'material' subsidiaries is disclosed

During the year ended March 31, 2024, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations.

- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year.

- Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority

The Company has received a certificate from Practicing Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

- Acceptance of recommendations of Committees by the Board of Directors

In terms of the Listing Regulations, there have been no instances during the year under review, wherein the Board had not accepted recommendations made by any Committee of the Board.

- Fees paid to the statutory auditor

The details of total fees for all services paid by the Company to the statutory auditor are as follows:

| Type of service           | INR In Lakhs |
|---------------------------|--------------|
| Audit fees                | 6.00         |
| Other Certification Fee   | -            |
| Reimbursement of expenses | -            |
| <b>Total</b>              | <b>6.00</b>  |

- Details of workplace sexual harassment complaints reported as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

| Sr. No. | Particulars  | No. of Complaints |
|---------|--|-------------------|
| 1       | Number of complaints filed during the financial year 2023-24         | NIL               |
| 2       | Number of complaints disposed of during the financial year 2023-24   | NIL               |
| 3       | Number of complaints pending as on end of the financial year 2023-24 | NIL               |

- Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'

During the financial year 2023-24, the Company has not given any 'Loans and Advances' in the nature of loan to Firms/ Companies in which Directors are interested.

- Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have material subsidiary Companies as on reporting date. Hence, the said disclosure is not applicable.

- There is no non-compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the Listing Regulations.

- Disclosure of the extent to which the Discretionary Requirements as Specified in Part E of Schedule II have been adopted

Among discretionary requirements, as specified in Part E of Schedule II of Listing Regulations, the Company has adopted the following:

➤ **The Board**

Since the Company does not have a Non-Executive Chairperson, the requirement of maintaining a separate Chairperson's office does not arise.

➤ **Shareholders Rights**

The quarterly, half-yearly and annual financial results of the Company are published in newspapers and posted on Company's website [www.tipsfilms.in](http://www.tipsfilms.in). The same are also available on the website of stock exchanges, where the shares of the Company are listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

➤ **Modified opinion(s) in Audit Report**

The Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone financial statements for the year ended March 31, 2024.

➤ **Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee and make detailed presentation at quarterly meetings.

- Disclosures of the Compliance with Corporate Governance Requirements Specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub- Regulation (2) of Regulation 46

The Company has complied with all the Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- Declaration signed by the Chief Executive Officer stating that the members of board of directors and senior management

personnel have affirmed compliance with the code of conduct of board of directors and senior management

A declaration signed by the Chairman & Executive Director of the Company, stating that the members of board and senior management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management is annexed here with as a part of the report.

- Compliance Certificate from either the Auditors or Practicing Company Secretaries regarding Compliance of Conditions of Corporate Governance

The Company has obtained a Certificate from its Statutory Auditors i.e. Maheshwari & Co., Chartered Accountants (Firm Registration No. 105834W) regarding compliance of the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is annexed with this report.

- Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

| Particulars   | No. of Shareholders | No. of Shares |
|---|---------------------|---------------|
| Aggregate number of shareholders and the outstanding shares in the Unclaimed Securities Suspense Account lying at the beginning of the year | 71                  | 3623          |
| Number of shareholders who approached listed entity for transfer of shares from Unclaimed Securities Suspense Account during the year       | 4                   | 437           |
| Less: Number of shareholders to whom shares were transferred from Unclaimed Securities Suspense Account during the year                     | 4                   | 437           |
| Aggregate number of shareholders and the outstanding shares in the Unclaimed Securities Suspense Account lying at the end of the year       | 67                  | 3186          |

That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**Reason for shares in Unclaimed Securities Suspense Account:** Pursuant to scheme of Arrangement and Demerger between Tips Industries Limited (Demerged Company) and Tips Films Limited (Resulting Company) and their respective shareholders under section 230 to 232 and other applicable provisions of the Companies Act, 2013, the Film division of the Tips Industries Limited has been vested and transferred into Tips Films Limited on going concern basis. The scheme had been made effective from March 23, 2022.

Further, in respect of the scheme, all the equity shareholders of the demerged Company were allotted one fully paid-up equity shares of Resulting Company of INR 10/- each for every three equity shares held in Demerged Company on May 27, 2022.

There were all physical shareholders and other shareholders to whom electronic credit of shares were rejected and therefore the Company had not issued physical share certificates but transferred the same to the Unclaimed Securities Suspense Account.

- **Disclosure of certain types of agreements binding listed Companies.**

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

For and on behalf of the Board of Directors

Place: Mumbai  
Date: April 30, 2024

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN: 00555831

### DECLARATION FROM THE CHAIRMAN AND EXECUTIVE DIRECTOR

[Pursuant to Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of Tips Films Limited,

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management for the year ended on March 31, 2024.

For and on behalf of the Board of Directors

Place: Mumbai  
Date: April 30, 2024

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN: 00555831

---

### CEO AND CFO CERTIFICATION

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Kumar S. Taurani, Chairman & Executive Director of Tips Films Limited and Haresh Sedhani, Chief Financial Officer of Tips Films Limited, do hereby certify to the Board that:

- (a) We have reviewed Financial Statements and the Cash Flow Statement of the Company for the year ended 2024 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 2024 are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or we propose to take to rectify these deficiencies.
- (d) During the year
  - (i) there have not been any significant changes in internal control over financial reporting;
  - (ii) there have not been any significant changes in accounting policies; and
  - (iii) there have been no instances of significant fraud of which we are aware that involve management or other employees have significant role in Company's internal control system over financial reporting.

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN: 00555831

**Haresh Sedhani**  
Chief Financial Officer

Date: April 30, 2024  
Place: Mumbai

**CERTIFICATE UNDER REGULATION 34(3) AND CLAUSE C(10)(i) OF SCHEDULE V OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015****FOR YEAR ENDED 31<sup>ST</sup> MARCH, 2024****TO WHOMSOEVER IT MAY CONCERN**

This certificate is issued in accordance with the terms of your request received through e-mail.

The said e-mail requires us to provide a certificate regarding qualification of the Directors on the Board of the Company for being appointed or continuing as director of the Company.

The provision of the requisite documents and information provided to me for the purpose of the certification is the responsibility of the management of the Company, including the preparation and maintenance of all relevant registers, records and documents. The management is also responsible for ensuring that the Company complies with other requirements with respect to the information required for the purpose of preparation, submission and publication of the Annual Report under the above-mentioned Regulations. Our responsibility is to provide a certificate as mentioned below.

I, CS Shirish Shetye, a Company Secretary in Practice, Designated Partner of SAV & Associates LLP, have examined all relevant Registers, declarations and confirmations by the directors, files and other documents relating to TIPS FILMS LIMITED [CIN: U74940MH2009PTC193028], having its registered office at 501, Durga Chambers, 5th Floor, Opp. B.P.L. Gallery, 278/E, Linking Road, Khar (West), Mumbai – 400052, pertaining to the Directors, for year ended 31st March, 2024, for the purpose of issuing a certificate under Regulation 34(3) and Clause C(10)(i) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”) and based on our examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of our certification, we hereby certify that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The Certificate is provided to the Company solely for the purpose of compliance with the Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For SAV & Associates LLP  
Company Secretaries  
Peer Review Regn. No.: 4867/2023

Date: April 30, 2024  
Place: Thane

**Shirish Shetye**  
Designated Partner  
COP No.: 825  
FCS: 1926  
UDIN: F001926F000276948

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of Tips Films Limited  
501, Durga Chamber's  
Linking Road, Khar west  
Mumbai- 400 052  
Maharashtra  
India

Dear Members,

### BACKGROUND:

We, Maheshwari & Co., Chartered Accountants, being the Statutory Auditors of Tips Films Limited ("TFL" or "the Company") are issuing this certificate as required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company. The Corporate Governance Report prepared by Tips Films Limited, contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2024.

### MANAGEMENT RESPONSIBILITY:

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### AUDITOR'S RESPONSIBILITY:

Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.

We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.

The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. We have examined (a) the minutes of the meetings of the board of directors of the Company

(the "Board") and of committees of the Board, the annual general and extra-ordinary general meetings of the shareholders of the Company; (b) declarations made by the Board under relevant statutory / regulatory requirements; (c) relevant statutory registers maintained by the Company; and (d) such other documents and records of the Company as we deemed necessary, in connection with ascertaining compliance with the conditions of corporate governance by the Company, as prescribed under the, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI Listing Regulations").

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### REPORT ON CORPORATE GOVERNANCE

#### Opinion:

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, in our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with all the SEBI Listing Regulations, and the rules made thereunder, each as amended on Corporate Governance.

#### Restriction on use:

The Certificate is issued to the company solely for their consideration and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

#### Disclaimer:

Such Compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: April 30, 2024  
Place: Mumbai

For Maheshwari & Co.  
Chartered Accountants  
Firm Registration No: 105834W

**K. K. Maloo**  
Partner  
M.No. 075872  
UDIN: 24075872BKBQND3703

# Management Discussion and Analysis Report

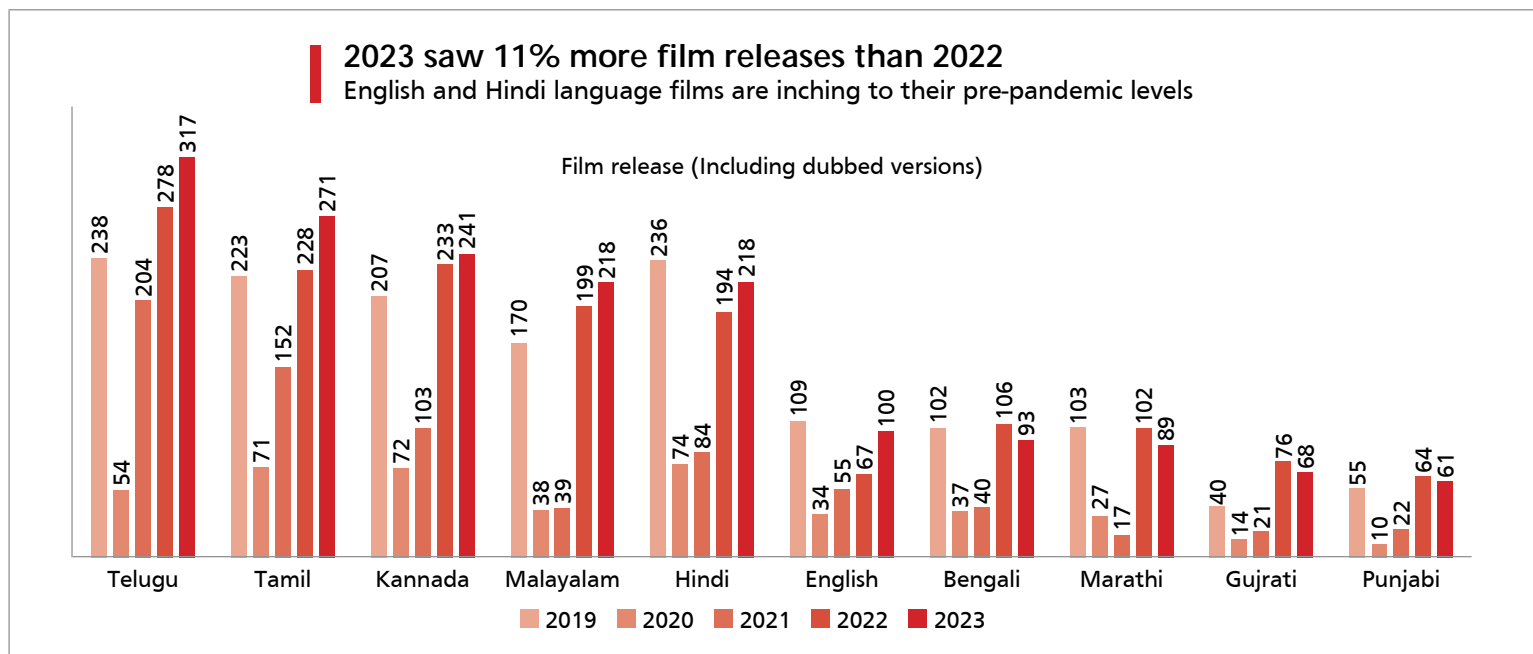
## THE INDIAN MEDIA AND ENTERTAINMENT INDUSTRY

The growth rate in the Media and Entertainment ('M&E') sectors outperformed that of India's GDP growth rate. What makes this interesting is that the consumer spending in this sector is discretionary. With the per capita outlook for the Indian economy looking to increase several notches in the coming years, the consequent overall consumer spend outlook in the sector remains positive. In addition, favorable FDI policy in telecom and digital channels would impact investments trends positively across all segments.

FICCI-EY Media & Entertainment (M&E) Report 2024, the Indian M&E sector will grow by INR 763 billion over 3 years to reach INR 3.1 trillion in 2026 registering a growth rate of 10% p.a. All Segments are expected to grow as long as GDP registers a growth of over 5%. Digital Media and Gaming are expected to contribute to 61% of this growth followed by VFX (9%) and Television (9%). As per the EY's M&E sector report of March 2024, #Reinvent, the film segment will continue to grow, driven by theatrical revenues as Hindi movies go mass market in their storytelling, incorporate more VFX to enhance the movie-going experience and expand more aggressively into tier-II and III cities. The report expects high-end cinemas to evolve into "experience zones" to cater to top-end multiplex audiences who watch movies for their spectacular experience and to enjoy an evening out with friends and family – a market they estimate at around over 100 million customers / 50 million households today.

Additionally, the report expects a set of lower-priced "cinema products" will emerge for the next 100 to 150 million audiences across the top 50 to 75 cities of India, which will also require a change to the type of content being produced for these audiences, and which could even see regional OTT products releasing in a windowed manner.

India has less than 10,000 screens, and the highest deficit is in Hindi speaking markets and less than 100 million Indians visited a cinema hall in 2023. This points to the size of the opportunity that lies ahead of us.

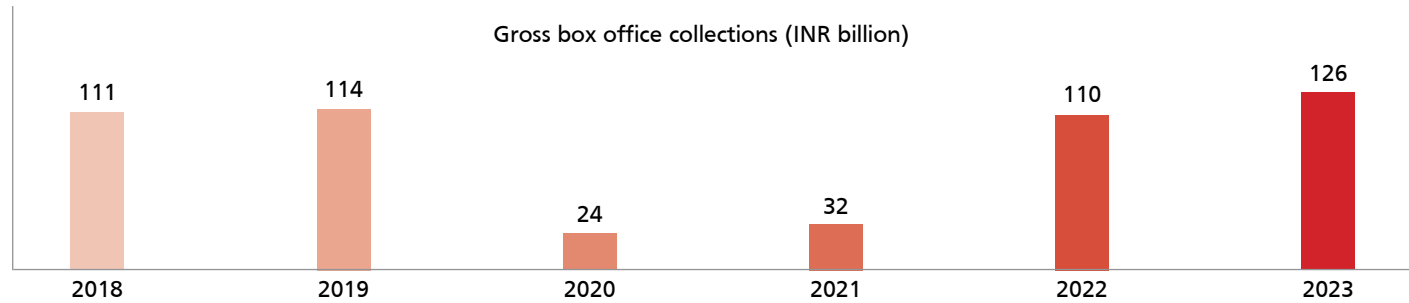


Source: FICCI-EY Report 2024



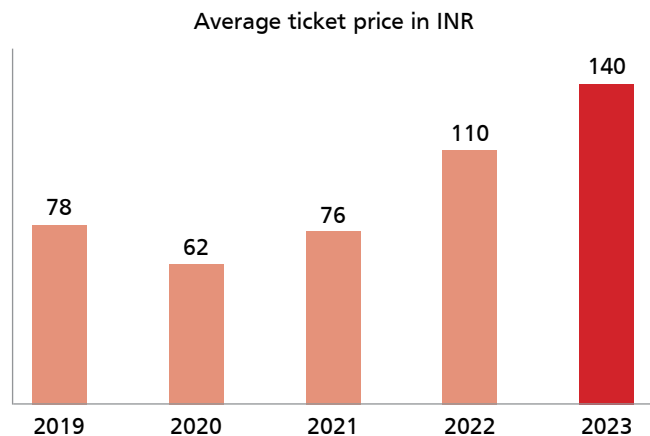
1,796 films were released in theatres during 2023, 11% higher than in 2022. 339 Indian films released across 38 countries, up from 33 countries in the previous year. They generated a gross box office collection of INR19 billion, 19% more than 2022. The highest number of films were released in Telugu (317), Tamil (271), Kannada (241), Malayalam and Hindi (218 each).

### Theatrical revenues exceeded pre-pandemic levels due to ticket price increases

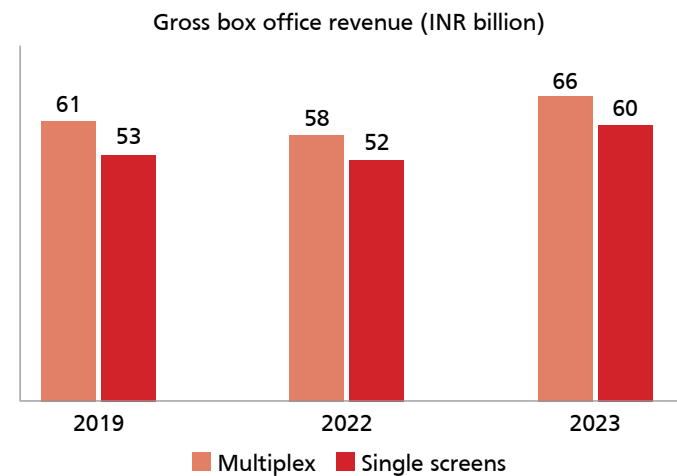


Source: FICCI-EY Report 2024

Average ticket prices increased by over 20% with multiplex rates more than double that of single screen rates on average



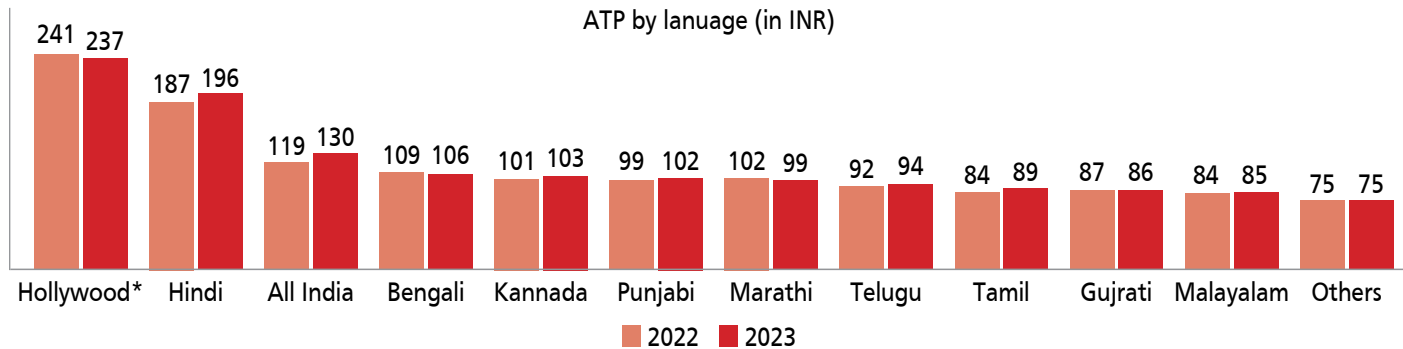
Single screens accounts for 48% of revenue in 2023



Source: FICCI-EY Report 2024

## Hollywood films command the highest ticket prices, followed by Hindi language films

ATP of south Indian language films is approximately half that of Hindi films



\*Hollywood includes all language versions

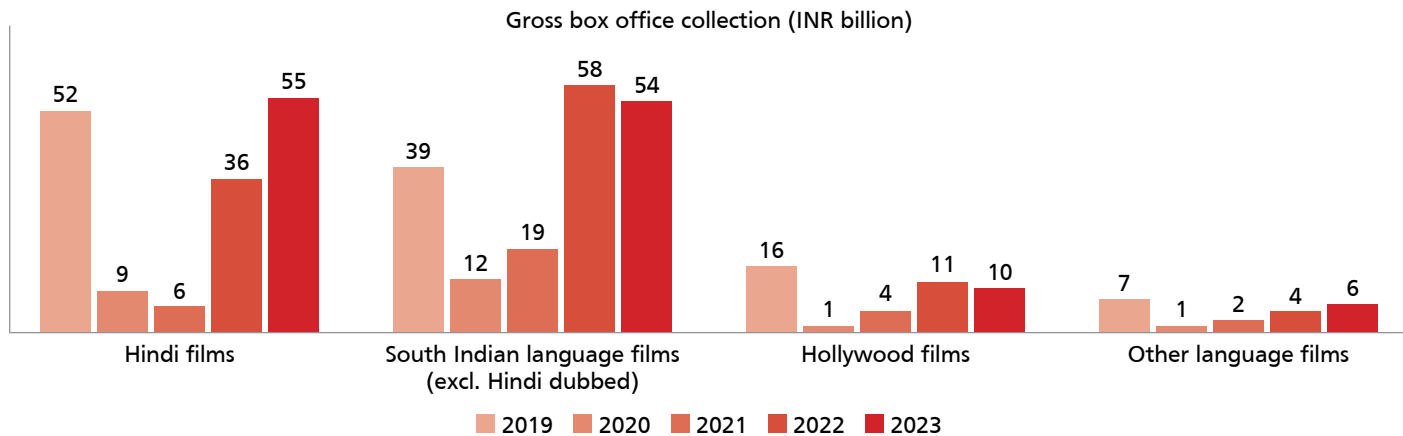
All data has been provided by Ormax and has not been verified by EY. It has been provided in summary form for representation purpose only.

Source: FICCI-EY Report 2024

During 2023, the film segment recorded an all time high revenue of INR 197 billion. Gross box office revenues increased 14% to INR 120 billion in 2023, an all-time high, led by higher ticket prices. The growth was driven by Hindi cinema's revival at the box office. Out of the top ten movies that crossed the INR 1 billion mark, six were in Hindi and the remaining four were in South Indian languages.

## Hindi cinema regained its No.1 spot

While, Hollywood and other languages continued to bag behind pre-pandemic levels

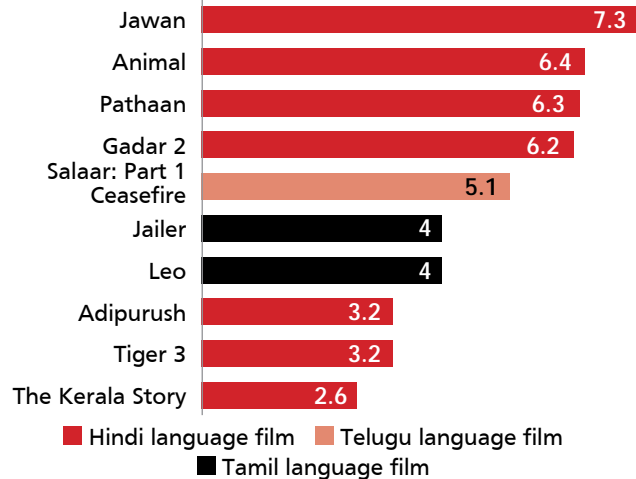


Source: FICCI-EY Report 2024

### Seven Hindi films featured among the top 10 grossing films of 2023

There were just four in 2022

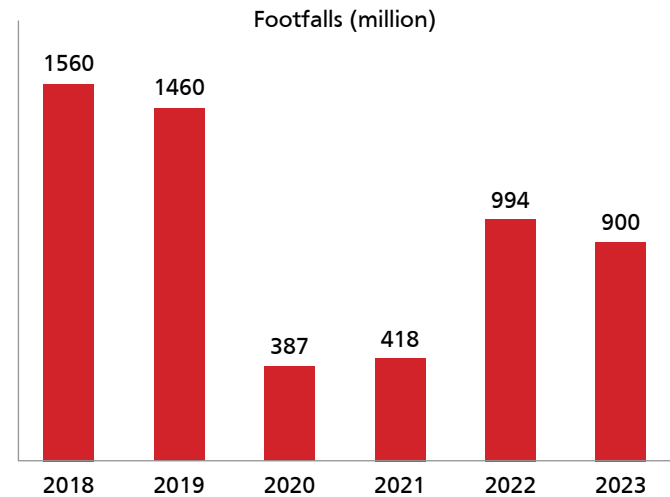
Gross box office (INR billion) of the top 10 films of 2023



Cumulative box office revenues of each film in all languages in which it was released

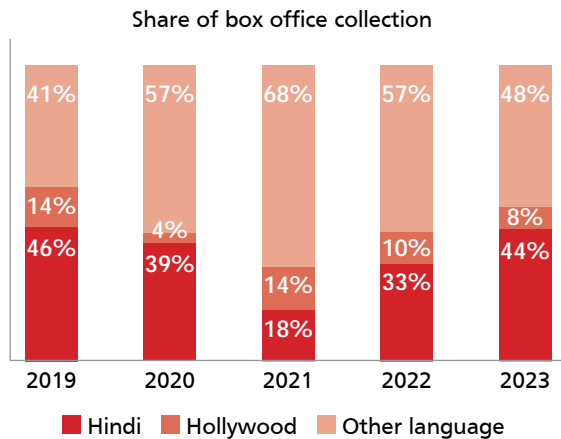
Source: FICCI-EY Report 2024

### Footfalls fell 9%



Footfalls decreased to 900 million in 2023 but were still significantly lower than the 1,460 million footfalls recorded in 2019 as per Comscore. Growing footfalls back to the 2019 is the key focus for the industry.

### Hindi cinema significantly recovered revenue share to 44%



Source: FICCI-EY Report 2024

### Overseas revenues continued to recover in 2023

|   | 2019            | 2020           | 2021           | 2022            | 2023            |
|---|-----------------|----------------|----------------|-----------------|-----------------|
| Countries in which Indian Films were released | 26              | 24             | 28             | 33              | 38              |
| Number of films released abroad               | 350             | 74             | 151            | 335             | 339             |
| Gross box office collections including China  | US\$332 million | US\$39 million | US\$77 million | US\$249 million | US\$337 million |

| Particulars           | 2019       | 2020      | 2021      | 2022       | 2023       | 2026E      |
|-----------------------|------------|-----------|-----------|------------|------------|------------|
| Domestic Theatricals  | 115        | 25        | 39        | 105        | 120        | 146        |
| Overseas Theatricals  | 27         | 3         | 6         | 16         | 19         | 23         |
| Broadcast Rights      | 22         | 7         | 7         | 14         | 15         | 16         |
| Digital/ OTT Rights   | 19         | 35        | 40        | 33         | 35         | 42         |
| In-Cinema Advertising | 8          | 2         | 1         | 5          | 8          | 10         |
| <b>Total</b>          | <b>191</b> | <b>72</b> | <b>93</b> | <b>173</b> | <b>197</b> | <b>238</b> |

As per the FICCI-EY Report, the Filmed Entertainment segment will grow to INR 238 billion by 2026 driven by higher per capita income, which will expand the cinema audience base to 120 to 150 million, and by offering segmented offerings – classy and massey – for distinct audience sets across markets and price points.

#### OPPORTUNITIES AND THREATS

##### Opportunities:

- Untapped OTT led monetization avenues.
- Growth rate in M&E sectors has outperformed that of India's GDP growth rate.
- Favorable FDI policy in telecom and digital channels would impact investments trends positively across all segments.
- New internet led opportunities for content such as metaverse and NFTs.
- Technological innovations like animations, multiplexes, etc and new distribution channels like mobiles and Internet have opened up the doors of new opportunities in the sector.

##### Threats:

- Budget Overruns
- Technical Issues
- Filming on locations can be unpredictable, and weather and environment conditions can pose a significant risk to film production. Rain, wind, extreme temperature cause delay in filming.

- Intense competition at time of film releases
- Piracy, violation of intellectual property rights poses a major threat to the Media and Entertainment companies.

#### SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your Company is engaged in the business of film production, distribution and entertainment activities and there is no separate reportable segment.

#### OUTLOOK

M&E Industry sector to reach INR 238 billion by 2026. Film segment to continue to grow, driven by theatrical revenues as Hindi movies go mass market in their storytelling, incorporate more VFX to enhance the movie-going experience and expand more aggressively into tier-II and III cities. Growth in overseas revenues will depend on opening-up of culturally similar markets like China and the middle east.

| Particulars           | 2023       | 2024E      | 2026E      |
|-----------------------|------------|------------|------------|
| Domestic Theatricals  | 120        | 126        | 146        |
| Overseas Theatricals  | 19         | 20         | 23         |
| Broadcast Rights      | 15         | 15         | 16         |
| Digital/ OTT Rights   | 35         | 37         | 42         |
| In-Cinema Advertising | 7.5        | 8.5        | 10         |
| <b>Total</b>          | <b>197</b> | <b>207</b> | <b>238</b> |

The FY25 Union Budget has shown commitment towards fiscal consolidation while retaining its emphasis on growth supporting capital expenditures. These measures would enable laying down a strong foundation for robust medium-term growth.

#### RISKS AND CONCERNS

The risks are measured, estimated and controlled with the objective to mitigate its adverse impact on the business of the Company. The Company has inherent risk associated with its business apart from credit risk, liquidity risk and market risk. The Company has an effective risk management framework to monitor the risk controls in key business processes. The Company has identified the followings risks that can impact its business performance and plans:

- **Failure or delay to obtain approvals, permits and licenses**

We require certain statutory and regulatory permits and approvals for our business. Additionally, we may need to apply for more approvals in the future including renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals within the requisite time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

- **Changing consumer tastes**

We create filmed content, demand for which depends substantially on consumer tastes or preferences that often change in unpredictable ways. There is no formula that will predict whether a given film will be successful. The success of our business depends on our ability to consistently create and distribute filmed entertainment that meets the changing preferences of the broad consumer market both within India and internationally.

- **Dependence on the Indian box office success of our films from which a significant portion of our revenues are derived.**

In India, a relatively high percentage of a film's overall revenues tends to be derived from theatre box office sales and, in particular, from such sales in the first week of a film's release. Indian domestic box office receipts may also be an indicator of a film's expected success in other distribution channels. As such, poor box office receipts from our films could have a significant adverse impact on our results of operations in both the year of release of the relevant films and in the future for revenues expected to be earned through other distribution channels.

- **Piracy of our content may adversely impact our revenues and business.**

Our business is highly dependent on maintenance of intellectual property rights in the entertainment products and services we create. Piracy of media products, including digital and internet piracy and the sale of counterfeit consumer products, may decrease revenue received from the exploitation of our products. Consumer awareness of illegally accessed content and the consequences of piracy is lower in India than in Western countries and the move to digital formats has facilitated high-quality piracy in particular through the internet and cable television.

## STRENGTH

Our vision is to emerge as a leading entertainment and media house by establishing a sustainable connection with audiences and successfully exploiting our content library through diversified platforms on a worldwide basis. We are working to bring predictability, scalability and sustainability, to our business model ultimately resulting in profitability.

- **Valuable and expanding content library**

TIPS believes that we have a diverse content library which is constantly updated through the addition of new releases. The TIPS library includes Hindi film titles such as Soldier, Ajab Prem ki Ghazab Kahani, Kya Kehna, Raaz, Raja Hindustani, Jab Pyaar Kisi Se Hota Hai, Ishq Vishq, Dil Apna Punjabi, Jihne Mera Dil Luteya, Race, Tere Naal Love Ho Gaya, Race-2, Ramaiya Vastavaiya, Phata Poster Nikla Hero, Entertainment, Love Shhuda, Ambarasariya, Kaptan, Bhoot Police, Race 3 and Merry Christmas and in Marathi Regional Language include Sridevi Prasanna.

- **Value of the TIPS name**

We believe that TIPS enjoys a strong reputation in the Indian film industry as a film production company and is widely respected. We use the TIPS banner for our Hindi and other regional language film production and distribution businesses as it is widely known and well established. We believe many Indian film actors, directors, studios, exhibitors and other distributors as well as Indian audiences associate the TIPS name with quality content and a strong distribution network. Through our continued efforts, both with participants and audiences, we seek to continue to benefit from the positive values associated with the TIPS brand name.

- **Established relationship with audiences and Film Fraternity**

As an established entity, in various aspects of the media and entertainment industry in India, we believe that we have managed to create, maintain and build our goodwill within the film fraternity including artists, actors, directors, music composers, singers, recording studios, editors and other technicians. Over the years, audiences have come to rely on us for providing quality entertainment.

- **Build diversified content portfolio and maintaining a wide release strategy**

The TIPS India Library has over 35 Hindi films and 8 Regional films, our strategy is to gradually achieve 4-5 new films releases annually. We intend to produce films in multiple languages including Hindi and other regional language films to achieve a mix of high, medium and low budget films, which will allow us to create multiple options for new releases across various distribution platforms.

#### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company maintains an adequate and effective internal control system commensurate with its size and complexity. We believe that these internal control systems provide, among other things, a reasonable assurance that transactions are executed with management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting policies and that the assets of your company are adequately safe guarded against significant misuse or loss. An independent internal audit function is an important element of your Company's internal control system.

During the year under review, no material or serious observations have been received from the Internal Auditors of the Company with respect to inefficiency or inadequacy of the controls.

#### FINANCIAL PERFORMANCE

During the year under review, the Company's total revenue, including other income stood of INR 7,923.63/- lakhs as compared to the previous year of INR 7,154.28/- lakhs. The Net Profit after Tax for the year stood at INR 108.83 lakhs, as compared to INR 2,433.44 lakhs in the previous year.

The Company is engaged in the business of Production and Distribution of films, web-series and related content. The film library consists of

super hits such as Raja Hindustani, Raaz, Race, Ajab Prem ki Ghazab Kahani, Tere Naal Love Ho Gaya, Amber Sariya among others. Our film, Legend of Bhagat Singh has won the National Award for Best Feature Film in Hindi. The Company owns the copyrights to all these films and will monetize it appropriately in different mediums such as Satellite, OTT etc.

During the Financial year 2023-2024, films such as Merry Christmas (Hindi Film) and Sridevi Prasanna (Marathi Film) were released and the IMDB rating as on May 07, 2024 for Merry Christmas it was 7.0/10 and for Sridevi Prasanna it was 8.6/10.

The Company have upcoming movie release i.e Ishq Vishq Rebound in the month of June, 2024 and also Company announced its project with David Dhawan and Varun Dhawan.

Your Company is geared up for 5 to 6 productions per year and also building project pipeline to achieve this target. The state of the film industry remains very healthy and the outlook on content demand is positive. Therefore, we are confident that the Company will scale up profitability.

#### DISCLOSURE OF ACCOUNTING TREATMENT

In preparation of the financial statements for the year ended March 31, 2024, the applicable Accounting Standards have been followed.

#### HUMAN RESOURCES

TIPS has always believed that its people are its most valuable assets. The Company ensures that all its employees enjoy a safe and healthy working environment. The Company has a strong emphasis on values based on integrity, excellence, and passion. We have always had a mutually respectful and appreciative relationship with all our employees.

As on March 31, 2024, the number of employees on the payroll of the Company are 17.

## KEY FINANCIAL RATIOS

| Ratios                           | 2023-24 | 2022-23 | Variance% | Reason  |
|----------------------------------|---------|---------|-----------|---|
| Current Ratio                    | 6.09    | 2.67    | 127.86    | Current ratio Increased as there is reduction in the current liabilities during the year.                                 |
| Debt Equity Ratio                | 0       | 4.06    | -100      | Decreased due to repayment of borrowings in the current year.   |
| Debt Service Coverage Ratio      | 4.94    | 16.78   | -70.57    | Decreased due to repayment of borrowings in the current year as compared to net proceeds from borrowings in previous year |
| Return on Equity%                | 1.19    | 30      | -96.09    | Decreased due to reduction in net profit after taxes  |
| Inventory Turnover Ratio         | -       | -       | -         | NA  |
| Trade receivables turnover ratio | 5.08    | 5.85    | -13.29    | -   |
| Trade payables turnover ratio    | -       | -       | -         | -   |
| Net capital turnover ratio       | 1.43    | 0.82    | 74.11     | Increased is Due to reduction in working capital and increase in turnover   |
| Net profit ratio %               | 1.40    | 39.60   | -96.46    | The profit for the current year after taxes is less than the previous year  |
| Return on Capital Employed %     | 1.06    | 30.72   | -96.56    | Decreased due to the reduction in earnings before interest and taxes by 30%   |
| Return on Investment%            | 1.19    | 30      | -96.09    | Decreased due to reduction in net profit after taxes  |
| Return on Networth               | 1.20    | 26.47   | -95.47    | Decreased due to reduction in net profit after taxes  |

## CAUTIONARY STATEMENT

Statements in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include a change in government regulations, tax laws, demand, supply, price actions, economic and political developments within and outside the country and such other factors.

# Independent Auditor's Report

## To The Members of TIPS FILMS LIMITED Report on the Audit of Financial Statements

### OPINION

We have audited the accompanying financial statements of TIPS FILMS LIMITED (CIN- U74940MH2009PTC193028) ("the Company"), which comprise the Balance Sheet as at March 31, 2024, Statement of Profit and Loss 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 (herein 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 ('Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 its Profit and 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 there under, 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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included

in the Board's Report including annexure to Board's 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 RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") 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. 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 statement 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.

The Board of Directors is 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 financial controls 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 system 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 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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, based on our audit 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 purposes 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) and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 over financial reporting of the company and the operating effectiveness of such controls refer to our separate Report in "Annexure A".
- g) 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, as amended 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 litigation which would impact its financial position in its financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards;
- iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b)The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c)Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Maheshwari & Co.  
Chartered Accountants  
FRN- 105834W

**K. K. Maloo**  
Partner

Date: April 30, 2024  
Place: Mumbai

M.No. 075872  
UDIN: 24075872BKBQNF5371

# Annexure 'A' to the Independent Auditor's Report

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of TIPS FILMS LIMITED ('the Company') as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and 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. 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 over financial reporting was established and maintained and if 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 system over

financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial 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 system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting 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 control over financial reporting 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

#### OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Company considering the

essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For Maheshwari & Co.  
Chartered Accountants  
FRN- 105834W

**K. K. Maloo**  
Partner

Date: April 30, 2024  
Place: Mumbai

M.No. 075872  
UDIN: 24075872BKBQNF5371

## Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a) (A) According to information and explanations given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company does not have any intangible assets during the year.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment 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) According to the information and explanation given to us and on the basis of our examination of the records of the statement but not held in name of the company:

(INR In Lakhs)

| Description of Property | Gross Carrying Value | Held in the Name of     | Whether promoter, director or their relative or employee | Period held-indicate range, where appropriate | Reason for not being held in the name of the Company  |
|-------------------------|----------------------|-------------------------|--|---|---|
| Office Building         | 1045.67              | Tips Industries Limited | No   | Since FY 2022-23                              | Pending completion of relevant formalities of the fixed assets which vested in the Company pursuant to the scheme of Arrangement, Such assets continue to be in the name of the erstwhile Demerged company. |
| Office Building         | 635.58               | Tips Industries Limited | No   | Since FY 2022-23                              |   |

- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment during the year.
  - e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, and rules made thereunder.
2. a) The company does not have Inventory during the year ended March 31, 2024 and hence clause of the Order is not applicable to the Company for the current year.
  - b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of INR 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
3. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to below parties during the year in respect of which the requisite

information is as below. The Company has not granted any loan, secured or unsecured, to companies, firms or limited liability partnership during the year.

- a) Based on the audit procedures carried on by us and as per the information and explanations given to us, Company has provided loans as below:

| (INR In Lakhs)                               |       |
|--|-------|
| Particulars                                  | Loans |
| Aggregate amount during the year             | 5.12  |
| - Employee Loans                             |       |
| Balance Outstanding as at balance sheet date | 5.91  |
| - Employee Loans                             |       |

- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the interest of the Company.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in case of interest free loans given to other parties, the repayment of principal has been stipulated, however no amount is due to be received during the year. Further, the Company has not given any advance in the nature of loan to any party.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advance in the nature of loan to any party.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advances in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

4. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not granted loans, or made investments or provided any guarantee or security to the parties covered under Section 185 and 186 of the Companies Act, 2013 ("the Act"). Accordingly, clause 3(iv) of the Order is not applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder during the year. Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Companies Act, are not applicable to the Company during the year.
7. The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- 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.

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, 2024 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.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other

statutory dues which have not been deposited on account of any dispute are as follows:

| Name of the Statute      | Nature of dues | Amount (INR in Lakhs) | Period to which the amount relates | Forum where the dispute is pending                            |
|--------------------------|----------------|-----------------------|------------------------------------|---|
| Central Excise Act, 1944 | Services Tax   | 230.56                | FY 2013-14 to FY 2015-16           | Commissioner of Central Excise and Services Tax (Mumbai West) |

\*Amount is net of payments made under dispute

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not availed any loans or other borrowings from any lenders during the year.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any term loan during the year, hence, paragraph 3(ix)(c) of the Order is not applicable to the Company
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not raised any funds on short term basis during the year, hence, paragraph 3(ix)(d) of the Order is not applicable to the Company
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company did not have any Subsidiaries, Associate or joint ventures during the year. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company did not have any Subsidiaries, Associate or joint ventures during the year. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the company, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the Company during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the 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.

14. In our opinion and based on our examination, the Company has adequate internal audit system commensurate with the size and nature of its business.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. Accordingly, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the paragraph 3 of the Order is not applicable.  
  
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of the paragraph 3 of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the

assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause (xx)(a) of the paragraph 3 of Order is not applicable for the year.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a special account in compliance with provision of sub section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx)(b) of the paragraph 3 of Order is not applicable for the year.

For Maheshwari & Co.  
Chartered Accountants  
FRN- 105834W

**K. K. Maloo**  
Partner

Date: April 30, 2024  
Place: Mumbai

M.No. 075872  
UDIN: 24075872BKBQNF5371

# Balance Sheet as at March 31, 2024

| Particulars  | Notes | (INR in Lakhs)          |                         |
|--|-------|-------------------------|-------------------------|
|  |       | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>ASSETS</b>  |       |                         |                         |
| <b>Non-current assets</b>  |       |                         |                         |
| (a) Property, Plant and Equipment  | 3     | 255.09                  | 95.96                   |
| (b) Investment Property  | 4     | 1,152.41                | 1,180.43                |
| (c) Financial Assets   |       |                         |                         |
| (i) Other Financial Assets   | 5     | 25.89                   | 24.41                   |
| (d) Other Non current assets   | 6     | 2,502.01                | 1,232.03                |
| <b>Total Non-current assets</b>  |       | <b>3,935.40</b>         | <b>2,532.83</b>         |
| <b>Current assets</b>  |       |                         |                         |
| (a) Financial assets   |       |                         |                         |
| (i) Investments  |       | -                       | -                       |
| (ii) Cash and Cash Equivalents   | 7     | 530.41                  | 308.77                  |
| (iii) Bank Balances Other Than (ii) Above  | 8     | 406.54                  | 531.62                  |
| (iv) Trade Receivables   | 9     | 959.52                  | 2,099.07                |
| (v) Loans  | 10    | 5.91                    | 0.79                    |
| (vi) Other Financial Assets  | 11    | 269.16                  | 255.00                  |
| (b) Current Tax Assets   | 12    | 748.50                  | 819.47                  |
| (c) Other Current Assets   | 13    | 3,575.18                | 7,939.79                |
| <b>Total current assets</b>  |       | <b>6,495.22</b>         | <b>11,954.51</b>        |
| <b>Total Assets</b>  |       | <b>10,430.62</b>        | <b>14,487.34</b>        |
| <b>EQUITY AND LIABILITIES</b>  |       |                         |                         |
| <b>Equity</b>  |       |                         |                         |
| (a) Equity Share Capital   | 14    | 432.29                  | 432.29                  |
| (b) Other Equity   | 15    | 8,650.08                | 8,760.64                |
| <b>Total Equity</b>  |       | <b>9,082.37</b>         | <b>9,192.93</b>         |
| <b>Liabilities</b>   |       |                         |                         |
| <b>Non-current liabilities</b>   |       |                         |                         |
| (a) Financial Liabilities  |       |                         |                         |
| (i) Long Term Borrowings   | 16    | -                       | 550.00                  |
| (b) Deferred Tax Liabilities (Net)   | 17    | 227.46                  | 228.43                  |
| (c) Long Term Provisions   | 18    | 54.09                   | 43.21                   |
| <b>Total non-current liabilities</b>   |       | <b>281.54</b>           | <b>821.63</b>           |
| <b>Current liabilities</b>   |       |                         |                         |
| (a) Short Term Borrowings  | 19    | -                       | 1,204.73                |
| (b) Financial Liabilities  |       |                         |                         |
| (i) Trade payables   | 20    |                         |                         |
| (a) Total outstanding dues of micro enterprises and small enterprises                      |       | 8.79                    | 3.09                    |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises |       | 582.74                  | 898.27                  |
| (ii) Other Financial Liabilities   |       | -                       | -                       |
| (c) Short Term Provisions  | 21    | 0.69                    | 0.52                    |
| (d) Other Current Liabilities  | 22    | 474.49                  | 1,566.17                |
| (e) Current Tax Liabilities  | 23    | -                       | 800.00                  |
| <b>Total current liabilities</b>   |       | <b>1,066.71</b>         | <b>4,472.78</b>         |
| <b>Total Equity and Liabilities</b>  |       | <b>10,430.62</b>        | <b>14,487.34</b>        |

Significant accounting policies

1-2

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

In terms of our report of even date

For Maheshwari & Co  
Chartered Accountants  
Firm Registration No. 105834W

**K. K. Maloo**  
Partner  
Membership No. 075872

For and on behalf of the Board of Directors of

TIPS FILMS LIMITED  
CIN : U74940MH2009PTC193028

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN : 00555831

**Haresh N. Sedhani**  
Chief Financial Officer

**Ramesh S. Taurani**  
Managing Director  
DIN : 00010130

**Dharmesh H. Navdhare**  
Company Secretary  
Membership No: A68397

Place : Mumbai  
Date: April 30, 2024

Place : Mumbai  
Date: April 30, 2024

# Statement of Profit and Loss for the year ended March 31, 2024

(INR in Lakhs)

| Particulars   | Notes  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|--------|------------------------------|------------------------------|
| I. Revenue from operations  | 24     | 7,763.67                     | 6,144.62                     |
| II. Other income  | 25     | 159.96                       | 1,009.66                     |
| Total Revenue (I+II)  |        | 7,923.63                     | 7,154.28                     |
| III Expenses:   |        |                              |                              |
| Cost of Production of films   | 26     | 6,739.50                     | 2,911.29                     |
| Employee Benefits Expense   | 27     | 385.97                       | 331.48                       |
| Depreciation and Amortization Expense   | 28     | 77.16                        | 52.17                        |
| Finance Cost  | 29     | 47.22                        | 157.49                       |
| Other Expenses  | 30     | 624.99                       | 496.68                       |
| IV Total Expenses   |        | 7,874.84                     | 3,949.11                     |
| V Profit before Tax   |        | 48.79                        | 3,205.17                     |
| VI Tax Expenses:  |        |                              |                              |
| (1) Current Tax   |        |                              | 800.00                       |
| (2) Tax expense of earlier year   |        | (60.16)                      |                              |
| (3) Deferred Tax  |        | 0.12                         | (28.27)                      |
| VII Profit / (Loss) for the period  |        | 108.83                       | 2,433.44                     |
| 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) |        | (3.25)                       | (6.55)                       |
| Other Comprehensive Income for the year, net of taxes                           |        | (3.25)                       | (6.55)                       |
| IX Total Comprehensive income for the year                                      |        | 105.58                       | 2,426.89                     |
| X Earnings per equity share of INR 10/- each                                    |        |                              |                              |
| (1) Basic   | 31(15) | 2.52                         | 56.29                        |
| (2) Diluted   | 31(15) | 2.52                         | 56.29                        |

## Significant accounting policies

1-2

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

In terms of our report of even date  
For Maheshwari & Co  
Chartered Accountants  
Firm Registration No. 105834W

For and on behalf of the Board of Directors of  
TIPS FILMS LIMITED  
CIN : U74940MH2009PTC193028

**K. K. Maloo**  
Partner  
Membership No. 075872

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN : 00555831

**Ramesh S. Taurani**  
Managing Director  
DIN : 00010130

**Haresh N. Sedhani**  
Chief Financial Officer

**Dharmesh H. Navdhare**  
Company Secretary  
Membership No: A68397

Place : Mumbai  
Date: April 30, 2024

Place : Mumbai  
Date: April 30, 2024

## Statement of Cash Flow for the year ended March 31, 2024

(INR in Lakhs)

| Particulars   | For the Year ended<br>March 31, 2024 | For the Year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Cash flows from operating activities</b>                   |                                      |                                      |
| Profit/(Loss) before Tax                                      | 48.79                                | 3,205.17                             |
| <b>Adjustments</b>  |                                      |                                      |
| Depreciation and amortization                                 | 77.16                                | 52.17                                |
| Bad debts and advances written off                            | -                                    | 57.18                                |
| Fair value gain on mutual fund at FVTPL                       | -                                    | (0.36)                               |
| Provision for/ (write back of) doubtful debts and advances    | (16.06)                              | (15.81)                              |
| Gratuity expense  | (3.25)                               | (8.76)                               |
| Interest Paid   | 47.22                                | 157.49                               |
| Profit on sale of car   | (3.00)                               |                                      |
| Interest income   | (37.50)                              | (10.42)                              |
| <b>Operating Profit before Working Capital changes</b>        | <b>113.36</b>                        | <b>3,436.66</b>                      |
| <b>Working capital adjustments</b>                            |                                      |                                      |
| (Increase)/ Decrease in trade and other receivables           | 1,139.54                             | (2,156.25)                           |
| (Increase) / Decrease in loans (current)                      | (5.12)                               | 2.52                                 |
| (Increase) / Decrease in other financial assets ( current)    | (14.16)                              | 0.40                                 |
| (Increase) / Decrease in other current assets                 | 4,364.60                             | (3,593.29)                           |
| (Increase) / Decrease in other financial assets (non current) | (1.47)                               | (5.30)                               |
| (Increase) / Decrease in other non current assets             | (1,269.98)                           | (299.67)                             |
| Increase/ (Decrease) in short term provisions (current)       | 0.17                                 | 0.16                                 |
| Increase/ (Decrease) in long term provisions (non-current)    | 10.88                                | 14.30                                |
| Increase/ (Decrease) in other liabilities (current)           | (1,091.67)                           | 1,565.46                             |
| Increase/ (Decrease) in financial liabilities (current)       | -                                    | (923.23)                             |
| Increase/(Decrease) in trade payables                         | (293.76)                             | 390.04                               |
| <b>Cash generated from operations</b>                         | <b>2,952.39</b>                      | <b>(1,568.20)</b>                    |
| Direct taxes paid (net of refund)                             | (669.98)                             | (1,101.27)                           |
| <b>Net cash flows from operating activities</b>               | <b>2,282.41</b>                      | <b>(2,669.47)</b>                    |
| <b>Cash flows from investing activities</b>                   |                                      |                                      |
| Acquisition of property, plant and equipments                 | (208.26)                             | (14.02)                              |
| Sale of motor car   | 3.00                                 |                                      |
| Maturity of fixed deposits                                    | 531.62                               | 1,427.34                             |
| Investment in fixed deposits                                  | (406.54)                             | (531.62)                             |
| Redemption of mutual funds                                    | -                                    | 20.22                                |
| Interest received   | 37.50                                | 10.42                                |
| <b>Net cash flows from investing activities</b>               | <b>(42.68)</b>                       | <b>912.34</b>                        |

# Statement of Cash Flow

for the year ended March 31, 2024

(INR in Lakhs)

| Particulars   | For the Year ended<br>March 31, 2024 | For the Year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Cash flows from Financing activities</b>                               |                                      |                                      |
| Loan taken  | -                                    | 1,754.73                             |
| Loan repaid   | (1,754.73)                           |                                      |
| Interest paid on loan   | (47.22)                              | (157.49)                             |
| Dividend paid   | (216.14)                             |                                      |
| <b>Net cash flow from financing activities</b>                            | <b>(2,018.09)</b>                    | <b>1,597.24</b>                      |
| <b>Net increase/ (decrease) in cash and cash equivalents</b>              | <b>221.64</b>                        | <b>(159.88)</b>                      |
| Cash and cash equivalents at the beginning of the year                    | 308.77                               | 468.65                               |
| Cash and cash equivalents at the end of the year                          | 530.41                               | 308.77                               |
| <b>Reconciliation of Cash and Cash equivalents with the Balance Sheet</b> |                                      |                                      |
| <b>Cash and Cash Equivalents as per Balance Sheet</b>                     |                                      |                                      |
| In Current Account  | 529.22                               | 304.87                               |
| Cash on Hand  | 1.19                                 | 3.90                                 |
| <b>Cash and Cash equivalents as restated as at the year end</b>           | <b>530.41</b>                        | <b>308.77</b>                        |

## Notes

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

In terms of our report of even date  
For Maheshwari & Co  
Chartered Accountants  
Firm Registration No. 105834W

**K. K. Maloo**  
Partner  
Membership No. 075872

Place : Mumbai  
Date: April 30, 2024

For and on behalf of the Board of Directors of  
TIPS FILMS LIMITED  
CIN :U74940MH2009PTC193028

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN : 00555831

**Haresh N. Sedhani**  
Chief Financial Officer

Place : Mumbai  
Date: April 30, 2024

**Ramesh S. Taurani**  
Managing Director  
DIN : 00010130

**Dharmesh H. Navdhare**  
Company Secretary  
Membership No: A68397

# Statement of Changes in Equity

## A. Equity Share Capital

As at March 31, 2024

Amount in INR Lakhs unless otherwise stated

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 432.29   | -  | -   | -   | 432.29   |

As at March 31, 2023

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 432.29   | -  | -   | -   | 432.29   |

## B. Other Equity

| As at March 31, 2024         | Reserves and Surplus |                   | Total    |
|------------------------------|----------------------|-------------------|----------|
|                              | Capital Reserve      | Retained Earnings |          |
| Balance as on April 01, 2023 | 5,643.55             | 3,117.09          | 8,760.64 |
| Dividend Paid                |                      | (216.14)          | (216.14) |
| Profit/(Loss) for the year   | -                    | 108.83            | 108.83   |
| OCI for the year             | -                    | (3.25)            | (3.25)   |
| Balance as on March 31, 2024 | 5,643.55             | 3,006.53          | 8,650.08 |

| As at March 31, 2023         | Reserves and Surplus |                   | Total    |
|------------------------------|----------------------|-------------------|----------|
|                              | Capital Reserve      | Retained Earnings |          |
| Balance as on April 01, 2022 | 5,643.55             | 690.20            | 6,333.75 |
| Profit/(Loss) for the year   | -                    | 2,433.44          | 2,433.44 |
| OCI for the year             | -                    | (6.55)            | (6.55)   |
| Balance as on March 31, 2023 | 5,643.55             | 3,117.09          | 8,760.64 |

Significant accounting policies

1-2

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

In terms of our report of even date

For and on behalf of the Board of Directors of

For Maheshwari & Co  
Chartered Accountants  
Firm Registration No. 105834W

TIPS FILMS LIMITED  
CIN :U74940MH2009PTC193028

**K. K. Maloo**  
Partner  
Membership No. 075872

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN : 00555831

**Ramesh S. Taurani**  
Managing Director  
DIN : 00010130

**Haresh N. Sedhani**  
Chief Financial Officer

**Dharmesh H. Navdhare**  
Company Secretary  
Membership No: A68397

Place : Mumbai  
Date: April 30, 2024

Place : Mumbai  
Date: April 30, 2024

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 1. Company Background:

Tips Films Limited is a Company limited by shares, incorporated, and domiciled in India. The Company was incorporated on June 5, 2009 under Chapter IX of the Companies Act, 1956. The Company is engaged in the business of Production and Distribution of motion Pictures. The Company is listed on the Stock exchanges i.e. BSE Limited and National Stock Exchange 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 of financial statements:

#### 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") read with 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 were approved by the Company's board of director April 30, 2024.

These financial statements are presented in Indian rupees (INR), which is the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakh, unless 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) that are measured at fair value.
- 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.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

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:

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from the estimates.

Such estimates are reviewed at each reporting period and impact if any is given in current and future periods. Estimates and assumptions are required in particular for:

### i) Estimated useful life of property, plant and equipment:

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

### 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, over the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for Improvements to Leasehold Premises.

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

Depreciation on additions / deletions is calculated on a pro-rate basis from the date of addition / upto the date of deletion.

### 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) Investment properties

Properties that are 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

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

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.

## e) 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 became 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 acquisition 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).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the statement of profit and loss only to the extent that such gain or loss arises due to a change in factor market participants take into account when pricing the financial asset.

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:

- i) Financial assets measured at amortised cost.
- ii) Financial assets measured at fair value through profit and loss (FVTPL).

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

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, 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.

**Impairment of financial assets:**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

**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.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 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 acquisition 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.

## f) 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.

## g) Inventories:

Items of inventory are valued on the basis as given below:

### i) Cost of Feature Films:

The Company amortize the cost of movie rights over the period in which revenues are expected to be received.

### 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.

## h) Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with remaining maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### i) 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.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## j) Revenue recognition:

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) **Satellite and OTT Rights** Revenue from Satellite & OTT 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.

### ii) 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 transfer of theatrical rights.

iii) **Interest Income:** Interest income is accounted on accrual basis, at the contracted terms.

iv) **Others:** Revenue in respect of Insurance/Other claims is recognized only when it is reasonably certain that the ultimate collection is made.

## k) 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 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.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

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 actuarial 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 has 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.

### l) 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.

Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### 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.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority.

## m) 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.

## n) 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 in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.



# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

**o) 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 initial 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 acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**p) Leases:**

As a Lessee:

The company recognizes a right-of-use asset and a lease liability at the lease commencement date.

**Right-of-use asset (ROU):**

The right-of-use asset is initially measured at cost. Cost comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

After the commencement date, a lessee shall measure the right-of-use asset applying cost model, which is Cost less any accumulated depreciation and any accumulated impairment losses and also adjusted for certain re-measurements of the lease liability.

Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term. If the lease transfers the ownership of the underlying asset to the company at the end of the lease term or the cost of the right-of-use asset reflects the company will exercise the purchase option, ROU will be depreciated over the useful life of the underlying asset, which is determined based on the same basis as property, plant and equipment.

**Lease liability:**

Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the implicit interest rate in the lease, if that rate cannot be readily determined, then using the company's incremental borrowing rate. Incremental borrowing rate is determined based on entity's borrowing rate adjusted for terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments), variable lease payments that depends on an index or a rate, initially measured using the index or rate at the commencement date, amount

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

expected to be payable under a residual value guarantee, the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

Lease liability is measured at amortised cost using the effective interest method. Lease liability is re-measured when there is a change in the lease term, a change in its assessment of whether it will exercise a purchase, extension or termination option or a revised in-substance fixed lease payment, a change in the amounts expected to be payable under a residual value guarantee and a change in future lease payments arising from change in an index or rate.

When the lease liability is re-measured corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero it will be recorded in statement of profit and loss.

Right-of-use asset is presented under "Property, Plant & Equipment" and lease liabilities are presented under "Financial liabilities" in the balance sheet.

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

**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.

## q) 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).

## r) 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)

| Description of Assets               | Plant & Equipment | Furniture & Fixture | Vehicles      | Office Equipment | Total         |
|-------------------------------------|-------------------|---------------------|---------------|------------------|---------------|
| <b>Gross Block Value</b>            |                   |                     |               |                  |               |
| Balance as at April 01, 2022        | 42.93             | 0.14                | 401.93        | 4.31             | 449.31        |
| Additions                           | -                 | -                   | -             | 14.02            | 14.02         |
| Adjustments/Disposals/Transfer      | -                 | -                   | -             | -                | -             |
| <b>Balance as at March 31, 2023</b> | <b>42.93</b>      | <b>0.14</b>         | <b>401.93</b> | <b>18.33</b>     | <b>463.33</b> |
| Additions                           | 6.32              | 6.09                | 184.71        | 11.14            | 208.26        |
| Adjustments/Disposals/Transfer      | -                 | -                   | 94.23         | -                | 94.23         |
| <b>Balance as at March 31, 2024</b> | <b>49.25</b>      | <b>6.23</b>         | <b>492.41</b> | <b>29.47</b>     | <b>577.36</b> |
| <b>Accumulated Depreciation</b>     |                   |                     |               |                  |               |
| Balance as at April 01, 2022        | 38.47             | 0.02                | 304.08        | 0.63             | 343.20        |
| Depreciation for the year           | 1.50              | 0.03                | 20.13         | 2.50             | 24.16         |
| <b>Balance as at March 31, 2023</b> | <b>39.97</b>      | <b>0.05</b>         | <b>324.21</b> | <b>3.13</b>      | <b>367.36</b> |
| Depreciation for the year           | 1.79              | 0.24                | 42.18         | 4.93             | 49.14         |
| Adjustments/Disposals/Transfer      | -                 | -                   | 94.23         | -                | 94.23         |
| <b>Balance as at March 31, 2024</b> | <b>41.76</b>      | <b>0.29</b>         | <b>272.16</b> | <b>8.06</b>      | <b>322.27</b> |
| <b>Net Block Value</b>              |                   |                     |               |                  |               |
| As at March 31, 2024                | 7.49              | 5.94                | 220.25        | 21.41            | 255.09        |
| As at March 31, 2023                | 2.96              | 0.09                | 77.72         | 15.20            | 95.96         |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 4. INVESTMENT PROPERTY

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>I. Investment property (at cost less accumulated depreciation)</b>                   |                         |                         |
| Opening   | 1,680.95                | 1,680.95                |
| Add: Additions  | -                       | -                       |
| Closing   | 1,680.95                | 1,680.95                |
| Less: Accumulated depreciation  | 500.52                  | 472.50                  |
| Opening   |                         |                         |
| Add : Depreciation/Amortisation   | 28.02                   | 28.02                   |
| Closing   | 528.54                  | 500.52                  |
| <b>Net Block</b>  | <b>1,152.41</b>         | <b>1,180.43</b>         |
| <b>II. Information regarding income and expenditure of Investment Property</b>          |                         |                         |
| (a) Rental income derived from investment properties                                    | 96.73                   | 80.27                   |
| (b) Profit arising from investment properties before depreciation and indirect expenses |                         |                         |
| Less: Depreciation  | 28.02                   | 28.02                   |
| Less: Property Tax & Maintenance charges  | 17.45                   | 15.35                   |
| Profit arising from investment properties before indirect expenses                      | 51.26                   | 36.90                   |
| <b>III. Fair Value</b>  |                         |                         |
| Investment Properties   | 1,849.82                | 1,849.82                |

## IV. Estimation of fair value

Fair value of the above Investment Property as at March 31, 2023 is INR 1849.82 Lakhs (March 31, 2022- 1849.82 Lakhs) based on valuation report obtained in the financial year 2021-22 by management from an independent registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017

V. Title Deeds of the Investment Properties as set out in the above table are in the name of Tips Industries Ltd (Demerged Company) on account of Composite Scheme of Arrangement. The Company is in the process of having the title transferred in its name.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 5. OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Other Receivables from Related Parties  | -                       | 0.72                    |
| Fixed Deposits with Banks against Bank Guarantee with above 12 months- Maturity | 25.59                   | 23.38                   |
| Deposits-Others   | 0.30                    | 0.31                    |
| <b>Total</b>  | <b>25.89</b>            | <b>24.41</b>            |

## 6. OTHER NON CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

| Particulars                        | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Advances for Film Projects in hand | 2,502.01                | 1,232.03                |
| <b>Total</b>                       | <b>2,502.01</b>         | <b>1,232.03</b>         |

## 7. CASH & CASH EQUIVALENTS

| Particulars                  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| a] Cash on Hand              | 1.19                    | 3.90                    |
| b] <u>Balance with Banks</u> |                         |                         |
| - Current Account            | 529.22                  | 304.87                  |
| <b>Total</b>                 | <b>530.41</b>           | <b>308.77</b>           |

## 8. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Bank Deposits with 3-12 months original maturity period | 406.54                  | 531.62                  |
| <b>Total</b>  | <b>406.54</b>           | <b>531.62</b>           |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 9. TRADE RECEIVABLES

| Particulars       | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Trade receivables | 959.52                  | 2,099.07                |
| <b>Total</b>      | <b>959.52</b>           | <b>2,099.07</b>         |

Refer note no.34(14a) for details of Aging

## 10. LOANS (UNSECURED, CONSIDERED GOOD)

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------|-------------------------|-------------------------|
| Employee Loan | 5.91                    | 0.79                    |
| <b>Total</b>  | <b>5.91</b>             | <b>0.79</b>             |

There are no loans or advances in the nature of loans granted to promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

## 11. OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| a] Security Deposit against Premises to Related Parties | 250.00                  | 250.00                  |
| b] Security Deposits - Others                           | 19.16                   | 5.00                    |
| c] Other Receivables from Related Parties               | -                       | -                       |
| <b>Total</b>  | <b>269.16</b>           | <b>255.00</b>           |

## 12. CURRENT TAX ASSETS

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------------|-------------------------|-------------------------|
| Current Tax  | 748.50                  | 819.47                  |
| <b>Total</b> | <b>748.50</b>           | <b>819.47</b>           |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 13. OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

| Particulars                               | As at           |                 |
|---|-----------------|-----------------|
|   | March 31, 2024  | March 31, 2023  |
| a] Advances for film Projects in Hand     | 3,488.52        | 7,737.29        |
| b] Prepaid Expenses                       | 1.15            | 5.09            |
| c] Balances with Government Authorities @ | 17.29           | 183.91          |
| d] Advances for Expenses                  | 57.19           | 7.42            |
| e] Other Current assets                   | 11.03           | 6.08            |
| <b>Total</b>                              | <b>3,575.18</b> | <b>7,939.79</b> |

@ This includes INR 17.29 Lakhs (Previous year INR 17.29 Lakhs) on account of deposit for appeal for service tax matter.

## 14. EQUITY SHARE CAPITAL {REFER NOTE NO 28(6)}

| Particulars  | As at March 31, 2024 |               | As at March 31, 2023 |               |
|--|----------------------|---------------|----------------------|---------------|
|  | Number of Shares     | Amount        | Number of Shares     | Amount        |
| <b>Authorised</b>  |                      |               |                      |               |
| 50,00,000 (Previous year 50,00,000) Equity Shares of INR 10/- each * | 50,00,000            | 500.00        | 50,00,000            | 500.00        |
| <b>Issued, Subscribed and fully paid-up</b>                          |                      |               |                      |               |
| 43,22,886 (Previous year 43,22,886) Equity Shares of INR 10/- each * | 43,22,886            | 432.29        | 43,22,886            | 432.29        |
| <b>Total</b>   | <b>43,22,886</b>     | <b>432.29</b> | <b>43,22,886</b>     | <b>432.29</b> |

Refer Note no. 34(6) for

- (i) Rights preferences and restrictions attached to equity shares
- (ii) Details of Equity shares held by shareholders holding more than 5% of the aggregate equity
- (iii) Details of Equity shares held by promoters in the company

Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year

| Particulars   | As at March 31, 2024 |               | As at March 31, 2023 |               |
|---|----------------------|---------------|----------------------|---------------|
|   | Number of Shares     | Amount        | Number of Shares     | Amount        |
| At the commencement of the year                           | 43,22,886            | 432.29        | -                    | -             |
| Add: Issued on account of Composite Scheme of Arrangement | -                    | -             | 43,22,886            | 432.29        |
| <b>Total</b>  | <b>43,22,886</b>     | <b>432.29</b> | <b>43,22,886</b>     | <b>432.29</b> |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 15 OTHER EQUITY

| Particulars         | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------|-------------------------|-------------------------|
| 1 Capital Reserve   | 5,643.55                | 5,643.55                |
| 2 Retained Earnings | 3,006.53                | 3,117.09                |
| <b>Total</b>        | <b>8,650.08</b>         | <b>8,760.64</b>         |

### 1 Capital Reserve

| Particulars                          | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Balance at the beginning of the year | 5,643.55                | 5,643.55                |
| Balance at the end of the year       | 5,643.55                | 5,643.55                |

Capital Reserve: This reserve is to be utilised in accordance with the provisions of the Companies Act, 2013

### 2 Retained Earnings

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Balance at the beginning of the year  | 3,117.09                | 690.20                  |
| Less: Dividend paid for the year 2022-23  | (216.14)                |                         |
| Net profit for the period   | 108.83                  | 2,433.44                |
| Other comprehensive income for the year   |                         |                         |
| Remeasurement gain (loss) of post employment benefit obligations (net of taxes) | (3.25)                  | (6.55)                  |
| Balance at the end of the year  | 3,006.53                | 3,117.09                |

## 16 FINANCIAL LIABILITIES

| Particulars                            | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| (a) Long Term Borrowings (Non Current) |                         |                         |
| From Banks                             | -                       | 550.00                  |
| <b>Total</b>                           | <b>-</b>                | <b>550.00</b>           |

Secured loan from bank is NIL (previous year INR 550 Lakhs) was secured against mortgage charge on film negatives which were under production.



# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 17 DEFERRED TAX LIABILITIES (NET)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Deferred Tax Liabilities                           |                         |                         |
| Property, Plant, Equipment and Investment Property | 237.46                  | 238.53                  |
| Employees benefit obligations                      | (11.07)                 | (11.53)                 |
| Others   | 1.07                    | 1.43                    |
| <b>Total</b>                                       | <b>227.46</b>           | <b>228.43</b>           |

## 18 LONG TERM PROVISION (NON CURRENT)

| Particulars                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| Gratuity {Refer Note No.34(12)} | 54.09                   | 43.21                   |
| <b>Total</b>                    | <b>54.09</b>            | <b>43.21</b>            |

## 19 SHORT TERM BORROWINGS

| Particulars    | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----------------|-------------------------|-------------------------|
| From Directors | -                       | 704.73                  |
| From Others    | -                       | 500.00                  |
| <b>Total</b>   | <b>-</b>                | <b>1,204.73</b>         |

Unsecured loan NIL (previous year INR 1,204.73 Lakhs)

## 20 TRADE PAYABLES

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| (a) Total outstanding dues of micro enterprises and small enterprises {Refer Note No 34(7)} | 8.79                    | 3.09                    |
| (b) Total outstanding dues of Creditors other than micro enterprises and small enterprises  | 582.74                  | 898.27                  |
| <b>Total</b>  | <b>591.53</b>           | <b>901.36</b>           |

For Ageing Refer Note No {34(14(b))}

## 21 SHORT TERM PROVISIONS

| Particulars                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| Gratuity {Refer Note No.34(12)} | 0.69                    | 0.52                    |
| <b>Total</b>                    | <b>0.69</b>             | <b>0.52</b>             |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 22 OTHER CURRENT LIABILITIES

| Particulars              | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------------------------|-------------------------|-------------------------|
| Statutory Dues           | 127.46                  | 63.46                   |
| Advance For music Rights | 326.29                  | 1,389.97                |
| From Other               | 20.74                   | 112.74                  |
| <b>Total</b>             | <b>474.49</b>           | <b>1,566.17</b>         |

## 23 CURRENT TAX LIABILITIES

| Particulars           | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-----------------------|-------------------------|-------------------------|
| Provision of Taxation | -                       | 800.00                  |
| <b>Total</b>          | <b>-</b>                | <b>800.00</b>           |

## 24 REVENUE FROM OPERATIONS

| Particulars                                | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| <b>Sale of Services:</b>                   |                              |                              |
| Income from Digital Rights/Satelite Rights | 7,722.11                     | 6,110.00                     |
| Income from Royalty receipts               | 41.56                        | 34.62                        |
| <b>Total Revenue from operations</b>       | <b>7,763.67</b>              | <b>6,144.62</b>              |

### a) Disaggregation of revenue from contracts with customers

| Particulars  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| <b>Revenue by geography:</b>                       |                              |                              |
| Domestic   | 7,722.11                     | 6,110.00                     |
| International                                      | 41.56                        | 34.62                        |
|  | <b>7,763.67</b>              | <b>6,144.62</b>              |
| <b>Timing of Revenue Recognition</b>               |                              |                              |
| Services transferred at a point in time            | 7,763.67                     | 6,144.62                     |
| <b>Total Revenue from Contracts with Customers</b> | <b>7,763.67</b>              | <b>6,144.62</b>              |

### b) Contract Balances

|                   |               |                 |
|-------------------|---------------|-----------------|
| Trade Receivables | 959.52        | 2,099.07        |
| <b>Total</b>      | <b>959.52</b> | <b>2,099.07</b> |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 25 OTHER INCOME

| Particulars                                   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| Interest Income                               |                              |                              |
| On fixed deposits with banks                  | 37.50                        | 10.42                        |
| On income tax refund                          | 3.63                         |                              |
| Rent income                                   | 96.73                        | 80.27                        |
| Amounts written back                          | 16.06                        | 15.81                        |
| Employer employee insurance maturity proceeds | -                            | 900.00                       |
| Fair value gain on mutual fund at FVTPL       | -                            | 0.36                         |
| Interest income                               | 0.31                         |                              |
| Profit on sale of motor car                   | 3.00                         |                              |
| Other non-operating Income                    | 2.73                         | 2.80                         |
| <b>Total</b>                                  | <b>159.96</b>                | <b>1,009.66</b>              |

## 26 COST OF PRODUCTION OF FILMS

| Particulars                 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|-----------------------------|------------------------------|------------------------------|
| Cost of Production of films | 6,739.50                     | 2,911.29                     |
| <b>Total</b>                | <b>6,739.50</b>              | <b>2,911.29</b>              |

## 27 EMPLOYEE BENEFIT EXPENSES

| Particulars                               | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| Salary, Wages & Bonus                     | 375.56                       | 322.32                       |
| Contribution to Provident and other Funds | 3.00                         | 2.90                         |
| Gratuity                                  | 6.96                         | 5.71                         |
| Staff Welfare Expenses                    | 0.45                         | 0.55                         |
| <b>Total</b>                              | <b>385.97</b>                | <b>331.48</b>                |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 28 DEPRECIATION AND AMORTIZATION EXPENSE

| Particulars                   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|-------------------------------|------------------------------|------------------------------|
| Property, Plant and Equipment | 49.14                        | 24.16                        |
| Investment Property           | 28.02                        | 28.02                        |
| <b>Total</b>                  | <b>77.16</b>                 | <b>52.17</b>                 |

## 29 FINANCE COST

| Particulars      | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|------------------|------------------------------|------------------------------|
| Interest on Loan | 47.22                        | 157.49                       |
| <b>Total</b>     | <b>47.22</b>                 | <b>157.49</b>                |

## 30 OTHER EXPENSES

| Particulars                        | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|------------------------------------|------------------------------|------------------------------|
| Electricity Expenses               | 2.67                         | 2.83                         |
| Rent                               | 61.55                        | 50.16                        |
| <b>Repairs &amp; Maintenance</b>   |                              |                              |
| - Office premises                  | 6.70                         | 17.86                        |
| Insurance                          | 133.84                       | 130.83                       |
| Rates and taxes                    | 29.46                        | 17.58                        |
| Legal and professional             | 204.31                       | 100.77                       |
| Advertisement expenses             | 33.05                        | 22.36                        |
| Travelling and conveyance          | 3.98                         | 5.33                         |
| Directors sitting fees             | 16.00                        | 20.00                        |
| <b>Auditors remuneration</b>       |                              |                              |
| - Statutory fees                   | 6.00                         | 5.50                         |
| - Out of pocket expenses           | 0.43                         | 0.15                         |
| Listing fees                       | 5.85                         | 22.79                        |
| Donation                           | 5.87                         | 6.27                         |
| CSR expenses                       | 28.00                        | 7.00                         |
| Bad debts and advances written off | -                            | -                            |
| Bank Interest                      | -                            | 6.73                         |
| Miscellaneous expenses             | 87.28                        | 80.51                        |
| <b>Total</b>                       | <b>624.99</b>                | <b>496.68</b>                |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 31 NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1] Contingent liabilities to the extent not provided for in respect of :

| a) |   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----|---|-------------------------|-------------------------|
|    | Claims against the Company not acknowledged as debt |                         |                         |
|    | Service Tax matter *                                | 230.56                  | 230.56                  |

\*The Company is hopeful of favourable decisions for the appeal pending before the Commission of Central Excise/Service Tax

- b) There has been a Supreme Court Judgement dated 28 February 2019, relating to components of salary structure that need to be taken into account while computing to provident fund under the EPF Act. There are interpretive 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] Tax expenses

#### A. Tax expense recognised in the Statement of Profit or Loss

| Particulars                        | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Current Tax                        |                         |                         |
| Current Tax on Profit for the year | -                       | 800.00                  |
| Deferred tax liability             | 0.12                    | (28.27)                 |
| <b>Total</b>                       | <b>0.12</b>             | <b>771.73</b>           |

#### B. Amounts recognised in other comprehensive income

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Items that will not be reclassified to profit or loss |                         |                         |
| Remeasurements of defined benefit liability (asset)   | (4.34)                  | (8.75)                  |
| Tax (expenses)/benefit                                | 1.09                    | 2.20                    |
| <b>Net of taxes</b>                                   | <b>(3.25)</b>           | <b>(6.55)</b>           |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## C. Reconciliation of effective tax rate

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Profit before tax  | 48.79                   | 3,205.17                |
| Tax using the company's domestic tax rate of 25.17% (Previous year 27.82%) | 12.28                   | 806.74                  |
| Tax effect of:   |                         |                         |
| Non deductible expenses/others   | (12.16)                 | (35.02)                 |
|  | 0.12                    | 771.73                  |

## D. Movement of Deferred tax balances

| Particulars   | March 31, 2024                   |                                 |                      |          |                       |                           |
|---|----------------------------------|---------------------------------|----------------------|----------|-----------------------|---------------------------|
|   | Net balance<br>April 01,<br>2023 | Recognised in<br>profit or loss | Recognised in<br>OCI | Net      | Deferred Tax<br>Asset | Deferred Tax<br>Laibility |
| Property, Plant & Equipment and Investment Property | (238.53)                         | 1.07                            |                      | (237.46) | -                     | (237.46)                  |
| Employee Benefits                                   | 11.53                            | 0.63                            | (1.09)               | 11.07    | 11.07                 | -                         |
| Others  | (1.43)                           | 0.36                            |                      | (1.07)   |                       | (1.07)                    |
| Net Deferred tax assets (liabilities)               | (228.43)                         | 2.06                            | (1.09)               | (227.46) | 11.07                 | 238.53                    |

## Movement of Deferred tax balances

| Particulars   | March 31, 2023                   |                                 |                      |          |                       |                           |
|---|----------------------------------|---------------------------------|----------------------|----------|-----------------------|---------------------------|
|   | Net balance<br>April 01,<br>2022 | Recognised in<br>profit or loss | Recognised in<br>OCI | Net      | Deferred Tax<br>Asset | Deferred Tax<br>Laibility |
| Property, Plant & Equipment and Investment Property | (265.68)                         | 27.15                           |                      | (238.53) | -                     | (238.53)                  |
| Employee Benefits                                   | 8.14                             | 5.59                            | (2.20)               | 11.53    | 11.53                 | -                         |
| Others  | (1.37)                           | (0.06)                          |                      | (1.43)   |                       | (1.43)                    |
| Net Deferred tax assets (liabilities)               | (258.91)                         | 32.68                           | (2.20)               | (228.43) | 11.53                 | (239.96)                  |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 3] Company as a lessee

The Company has incurred expenses relating to short term leases . 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 for the year recognised in Statement of Profit and Loss amounts to INR 61.55 Lakhs (2022-2023 INR 50.16 Lakhs).

## 4] Company as a lessor

Rent income includes payments of INR 96.73 lakhs (2022-2023 INR 80.27 Lakhs) for the year relating to agreements entered into by the Company. There are no restrictions imposed by lease arrangements and there are no contingent rents recognised as income for the period. These lease arrangements inter alia include escalation clause/option for renewal.

## 5] Corporate Social Responsibility

Pursuant to section 135(9) of the Companies Act, 2013, the Company is not required to constitute a CSR Committee. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act 2013

| Particulars   | As at<br>March 31, 2024                   | As at<br>March 31, 2023                   |
|---|---|---|
| a. Amount required to be spent by the company during the year   | 27.66                                     | 6.66                                      |
| b. Amount of expenditure incurred   | 28.00                                     | 7.00                                      |
| c. Shortfall at the end of the year   | NIL                                       | NIL                                       |
| d. Total of previous years shortfall  | NA  | NA  |
| e. Reason for shortfall   | NA  | NA  |
| f. Nature of CSR activities   | Animal Welfare,<br>Promoting<br>Education | Animal Welfare,<br>Promoting<br>Education |
| g. Details of related party transactions, e.g. contribution to trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard                   | NIL                                       | NIL                                       |
| h. Where provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown seperately | NIL                                       | NIL                                       |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 6] 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 INR 10/- per share. Each shareholder is eligible for one vote per share held. 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:**

| Name             | March 31, 2024 |              | March 31, 2023 |              |
|------------------|----------------|--------------|----------------|--------------|
|                  | No. of shares  | % of holding | No. of shares  | % of holding |
| Kumar S Taurani  | 8,76,600       | 20.28        | 8,76,600       | 20.28        |
| Ramesh S Taurani | 8,74,761       | 20.24        | 8,74,761       | 20.24        |
| Varsha R Taurani | 7,43,880       | 17.21        | 7,43,880       | 17.21        |
| Renu K Taurani   | 7,42,042       | 17.17        | 7,42,042       | 17.17        |

During March 31,2023 the shares were allotted on May 27,2022

c] **Details of equity shares held by Promoters in the Company:**

| Name             | March 31, 2024 |              |                             | March 31, 2023 |              |                             |
|------------------|----------------|--------------|-----------------------------|----------------|--------------|-----------------------------|
|                  | No. of shares  | % of holding | % of change during the year | No. of shares  | % of holding | % of change during the year |
| Kumar S Taurani  | 8,76,600       | 20.28        | -                           | 8,76,600       | 20.28        | -                           |
| Ramesh S Taurani | 8,74,761       | 20.24        | -                           | 8,74,761       | 20.24        | -                           |
| Varsha R Taurani | 7,43,880       | 17.21        | -                           | 7,43,880       | 17.21        | -                           |
| Renu K Taurani   | 7,42,042       | 17.17        | -                           | 7,42,042       | 17.17        | -                           |
| Shyam Lakhani    | 3,833          | 0.09         | -                           | 3,833          | 0.09         | -                           |

During March 31, 2023 the shares were allotted on May 27,2022



# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 7] 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 INR 8.79 Lacs dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| 1 Principal amount remaining unpaid to any supplier as at the year end   | 8.79                    | 3.09                    |
| 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  | -                       | -                       |

## 8] Related Party Disclosure

i] List of related parties and nature of their relationship is furnished below:

- |                                      |  |
|--------------------------------------|--|
| a) Subsidiaries where control exists | None   |
| b) Joint Ventures                    | None   |
| c) Key Management Personnel          | <p>Mr. Kumar S Taurani - Chairman &amp; Executive Director<br/>           Mr. Ramesh S Taurani - Managing Director<br/>           Ms. Jaya R Taurani - Executive Director<br/>           Mr. Vinit K. Bhanushali- Company Secretary ceased w.e.f. 29-08-2023<br/>           Mr. Haresh Sedhani - Chief Financial Officer<br/>           Mr. Dharmesh Navdhare - Company Secretary appointed w.e.f. 16-11-2023</p> <p>Non Executive Independent Director<br/>           Ms. Radhika Dudhat w.e.f 02.05.2022<br/>           Mr. Venkitaraman Iyer ceased w.e.f. 02-02-2024<br/>           Mr. Vinode Thomas w.e.f 01.06.2022</p> |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

d) Relatives of Key Management Personnel

Mrs. Renu K Taurani  
 Mrs. Varsha R Taurani  
 Mr. Kunal K Taurani  
 Mr. Girish K Taurani  
 Ms. Sneha R Taurani  
 Ms. Raveena R Taurani  
 Ms. Krsna Girish 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  
 Tips Industries Limited (Demerged Company) wef April 01, 2021

| Particulars                           | March 31, 2024           |                                       |  |        | March 31, 2023           |                                       |  |        |
|---------------------------------------|--------------------------|---------------------------------------|--|--------|--------------------------|---------------------------------------|--|--------|
|                                       | Key Management Personnel | Relatives of Key Management Personnel | Enterprise owned or significantly influenced by Key Management Personnel or their relatives, where transactions have taken place | Total  | Key Management Personnel | Relatives of Key Management Personnel | Enterprise owned or significantly influenced by Key Management Personnel or their relatives, where transactions have taken place | Total  |
| ii] Transactions with related parties |                          |                                       |  |        |                          |                                       |  |        |
| Rent Paid                             | -                        | 42.00                                 | -  | 42.00  | -                        | 42.00                                 | -  | 42.00  |
| Rent Received                         | -                        | -                                     | 16.40  | 16.40  | -                        | -                                     | 16.64  | 16.64  |
| Interest Paid                         | 47.22                    | -                                     | -  | 47.22  | 5.25                     | -                                     | -  | 5.25   |
| Legal & Profession Fees Paid          | 22.50                    | 30.00                                 | -  | 52.50  | 16.75                    | 30.00                                 | -  | 46.75  |
| Director Remmuneration Paid           | 258.00                   | -                                     | -  | 258.00 | 168.00                   | 60.00                                 | -  | 228.00 |
| Salary Paid                           | 4.14                     | -                                     | -  | 4.14   | 5.04                     | -                                     | -  | 5.04   |
| Unsecured Loans received              | 150.00                   | -                                     | -  | 150.00 | 700.00                   | -                                     | -  | 700.00 |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

| Particulars                                  | March 31, 2024           |                                       |  |          | March 31, 2023           |                                       |  |          |
|--|--------------------------|---------------------------------------|--|----------|--------------------------|---------------------------------------|--|----------|
|  | Key Management Personnel | Relatives of Key Management Personnel | Enterprise owned or significantly influenced by Key Management Personnel or their relatives, where transactions have taken place | Total    | Key Management Personnel | Relatives of Key Management Personnel | Enterprise owned or significantly influenced by Key Management Personnel or their relatives, where transactions have taken place | Total    |
| Unsecured Loans repaid                       | 850.00                   | -                                     | -  | 850.00   | -                        | -                                     | -  | -        |
| Sale of Music Rights                         | -                        | -                                     | 1,433.20   | 1,433.20 | -                        | -                                     | -  | -        |
| Purchase of Fixed Assets                     | -                        | -                                     | 12.59  | 12.59    | -                        | -                                     | -  | -        |
| Reimbursement of Expenses                    | -                        | -                                     | 83.52  | 83.52    | -                        | -                                     | 33.26  | 33.26    |
| Advance received against Music rights        | -                        | -                                     | -  | -        | -                        | -                                     | 1,381.29   | 1,381.29 |
| Directors Sitting fees                       | 16.00                    | -                                     | -  | 16.00    | 20.00                    | -                                     | -  | 20.00    |
| <b>iii] Balances Outstanding at the year</b> |                          |                                       |  |          |                          |                                       |  |          |
| (Advance Against Music Rights)               | -                        | -                                     | 326.29   | 326.29   | -                        | -                                     | 1,381.29   | 1,381.29 |
| Other Payable                                | -                        | -                                     | -  | -        | -                        | -                                     | 8.27   | 8.27     |
| Loan Payable (Unsecured)                     | -                        | -                                     | -  | -        | 700.00                   | -                                     | -  | 700.00   |
| Interest Payable                             | -                        | -                                     | -  | -        | 4.73                     | -                                     | -  | 4.73     |
| Receivable Deposits                          | -                        | 250.00                                | -  | 250.00   | -                        | 250.00                                | -  | 250.00   |

Note: Due to demerger reimbursement of expenses payable for previous year are shown on Net Basis.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 9] Segment Reporting

The Company operates in single business segment i.e. Films (Production/Distribution). Accordingly there are no separately reportable as per IndAs 108 on operating segment and no further disclosure required.

## 10] 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

As at March 31,2024

| Particulars                    | Carrying Amount |        |                |        | Fair Value |         |         |       |
|--------------------------------|-----------------|--------|----------------|--------|------------|---------|---------|-------|
|                                | FVTPL           | FVTOCI | Amortised Cost | Total  | Level 1    | Level 2 | Level 3 | Total |
| <b>Financial Assets</b>        |                 |        |                |        |            |         |         |       |
| <b>Non Current</b>             |                 |        |                |        |            |         |         |       |
| Other Financial Assets         | -               | -      | 25.89          | 25.89  | -          | -       | -       | -     |
| <b>Current Assets</b>          |                 |        |                |        |            |         |         |       |
| Investment                     | -               | -      | -              | -      | -          | -       | -       | -     |
| Cash & Cash Equivalents        | -               | -      | 530.41         | 530.41 | -          | -       | -       | -     |
| Bank Balances other than above | -               | -      | 406.54         | 406.54 | -          | -       | -       | -     |
| Loans                          | -               | -      | 5.91           | 5.91   | -          | -       | -       | -     |
| Other Financial Assets         | -               | -      | 269.16         | 269.16 | -          | -       | -       | -     |
| <b>Financial Liabilities</b>   |                 |        |                |        |            |         |         |       |
| <b>Current Liabilities</b>     |                 |        |                |        |            |         |         |       |
| Trade Payable                  | -               | -      | 591.53         | 591.53 | -          | -       | -       | -     |
| Other Financial Liabilities    | -               | -      | -              | -      | -          | -       | -       | -     |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

As at March 31,2023

| Particulars                    | Carrying Amount |        |                |        | Fair Value |         |         |       |
|--------------------------------|-----------------|--------|----------------|--------|------------|---------|---------|-------|
|                                | FVTPL           | FVTOCI | Amortised Cost | Total  | Level 1    | Level 2 | Level 3 | Total |
| <b>Financial Assets</b>        |                 |        |                |        |            |         |         |       |
| <b>Non Current</b>             |                 |        |                |        |            |         |         |       |
| Other Financial Assets         | -               | -      | 24.41          | 24.41  | -          | -       | -       | -     |
| <b>Current Assets</b>          |                 |        |                |        |            |         |         |       |
| Investment                     | -               | -      | -              | -      | -          | -       | -       | 0.00  |
| Cash & Cash Equivalents        | -               | -      | 308.77         | 308.77 | -          | -       | -       | -     |
| Bank Balances other than above | -               | -      | 531.62         | 531.62 | -          | -       | -       | -     |
| Loans                          | -               | -      | 0.79           | 0.79   | -          | -       | -       | -     |
| Other Financial Assets         | -               | -      | 255.00         | 255.00 | -          | -       | -       | -     |
| <b>Financial Liabilities</b>   |                 |        |                |        |            |         |         |       |
| <b>Current Liabilities</b>     |                 |        |                |        |            |         |         |       |
| Trade Payable                  | -               | -      | 901.36         | 901.36 | -          | -       | -       | -     |
| Other Financial Liabilities    | -               | -      | -              | -      | -          | -       | -       | -     |

There are no transfers between Level 1 and Level 2 during the year

## Financial instruments – Fair values and risk management

- 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.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 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 Company's 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 INR 936.95 Lakhs (INR 840.40 Lakhs as on March 31, 2023). 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 INR 300.96 Lakhs (INR 280.20 Lakhs as on March 31, 2023). The loans and advances are in nature of rent deposit paid to landlords, bank deposits with more than 12 month maturity 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 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

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 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

| March 31, 2024               | Contractual Cash Flows |        |                    |               |             |             |                   |
|------------------------------|------------------------|--------|--------------------|---------------|-------------|-------------|-------------------|
|                              | Carrying Amount        | Total  | Less than 6 months | 6 - 12 months | 1 - 2 years | 2 - 5 years | More than 5 years |
| <b>Financial Liabilities</b> |                        |        |                    |               |             |             |                   |
| Trade Payables               | 591.53                 | 591.53 | 550.28             | 6.63          | 33.32       | 1.30        | -                 |
| Other Financial Liabilities  | -                      | -      | -                  | -             | -           | -           | -                 |

| March 31, 2023               | Contractual Cash Flows |        |                    |               |             |             |                   |
|------------------------------|------------------------|--------|--------------------|---------------|-------------|-------------|-------------------|
|                              | Carrying Amount        | Total  | Less than 6 months | 6 - 12 months | 1 - 2 years | 2 - 5 years | More than 5 years |
| <b>Financial Liabilities</b> |                        |        |                    |               |             |             |                   |
| Trade Payables               | 901.36                 | 901.36 | 900.06             | -             | 1.30        | -           | -                 |
| Other Financial Liabilities  | -                      | -      | -                  | -             | -           | -           | -                 |

## 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.

## 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 functiona currency i.e. INR

The currency profile of financial assets and financial laibilities as on March 31,2024 and March 31,2023 as as below:

The Company's exposure to foreign currency risk of receivables at the end of the reporting period expressed in INR, is as follows:

| Currency     | March 31, 2024 | March 31, 2023 |
|--------------|----------------|----------------|
| USD          | 1.27           | 2.71           |
| <b>Total</b> | <b>1.27</b>    | <b>2.71</b>    |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## ii) 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 and 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

| Effect in INR      | March 31, 2024 |           | March 31, 2023 |           |
|--------------------|----------------|-----------|----------------|-----------|
|                    | Profit or Loss |           | Profit or Loss |           |
|                    | Strengthening  | Weakening | Strengthening  | Weakening |
| INR - 10% Movement | 0.13           | (0.13)    | 0.27           | (0.27)    |

## 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

| Particulars              | March 31, 2024 | March 31, 2023 |
|--------------------------|----------------|----------------|
| Borrowings               | -              | -              |
| Fixed Rate Borrowings    | -              | 550.00         |
| Variable Rate Borrowings | -              | -              |

### 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.



# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 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.

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.

## 11] 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

| Particulars  | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| <b>Dividend declared and paid during the year</b>  |                |                |
| Final Dividend for the year ended March 31,2024 is (Nil) (March 31,2023 was INR 5) per fully paid share  | 216.14         | NIL            |
| <b>Proposed Dividend not recognised at the end of the reporting period</b>   |                |                |
| The Directors have recommended the payment of final dividend for the year March 31,2024 NIL (March 31,2023- INR 5/-) per fully paid share. The Proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. Hence no liability has been recognised in the books | NIL            | 216.14         |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 12] 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 INR 3.00 Lacs for year ended March 31, 2024 (INR 2.90 Lacs for March 31, 2023) 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, 2024. 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.

#### Gratuity

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: | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----|--|-------------------------|-------------------------|
|    | Present value of obligation at the beginning of the year   | 43.73                   | -                       |
|    | Add: Transferred on account of Composite scheme of arrangement (Ref Note No 28(16))                    |                         | 29.27                   |
|    | Current service cost   | 3.54                    | 1.96                    |
|    | Interest cost  | 3.13                    | 2.12                    |
|    | Contributions by Employer  | (0.25)                  |                         |
|    | <u>Remeasurements (gains) / losses</u>   |                         |                         |
|    | Actuarial (gain)/ loss arising from changes in financial assumptions                                   | 4.62                    | 10.38                   |
|    | Actuarial (gain)/ loss arising from changes in experience adjustments                                  |                         | -                       |
|    | <b>Present value of obligation at the end of the year</b>  | <b>54.77</b>            | <b>43.73</b>            |

# 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:                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|    | Fair value of plan assets at the beginning of the year   | -                       | -                       |
|    | Fair value of plan assets at the end of the year   | -                       | -                       |
| c] | Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets: | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|    | Present value of obligation at the end of the year   | 54.77                   | 43.73                   |
|    | Fair value of plan assets at the end of the year   | -                       | -                       |
|    | Liabilities recognised in the balance sheet  | 54.77                   | 43.73                   |
| d] | Actual Return of Plan Assets   | -                       | -                       |
| e] | Re-measurements losses/(gains) recognised in the Other Comprehensive Income                              | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|    | Return on plan assets (excluding amount included in net interest cost)                                   | -                       | -                       |
|    | Effect of changes in financial assumptions   | 0.97                    | 0.32                    |
|    | Effect of changes in experience adjustments  | 3.65                    | 10.06                   |
|    | Total re-measurement included in Other Comprehensive Income  | 4.62                    | 10.38                   |
| f] | Expense recognised in Statement of Profit or Loss:   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|    | Current service cost   | 3.55                    | 1.96                    |
|    | Net interest cost  | 3.13                    | 2.12                    |
|    | Total expense recognised in Statement of Profit and Loss (Refer Note No 25)                              | 6.68                    | 4.09                    |
| 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)

| h] | Maturity profile of defined benefit obligation: | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----|---|-------------------------|-------------------------|
|    | Within 1 year                                   | 0.69                    | 0.53                    |
|    | 1 - 2 years                                     | 0.77                    | 0.60                    |
|    | 2 - 3 years                                     | 0.87                    | 0.67                    |
|    | 3 - 4 years                                     | 34.13                   | 0.75                    |
|    | 4 - 5 years                                     | 0.94                    | 29.75                   |
|    | 5 - 10 years                                    | 12.74                   | 11.43                   |

| i] | Principal actuarial assumptions: | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|----|----------------------------------|-------------------------|-------------------------|
|    | Discount rate                    | 6.97%                   | 7.21%                   |
|    | Salary growth rate               | 10%                     | 10%                     |
|    | Mortality Rate during employment | IALM (2012-14) Ult.     | IALM (2012-14) Ult.     |

| j] | Sensitive Analysis | As at March 31, 2024   |             | As at March 31, 2023   |             |
|----|--------------------|------------------------|-------------|------------------------|-------------|
|    |                    | Discount Rate          |             | Discount Rate          |             |
|    |                    | PVO DR + 1%            | PVO DR - 1% | PVO DR + 1%            | PVO DR - 1% |
|    | PVO                | 51.20                  | 59.42       | 40.41                  | 47.55       |
|    |                    | Salary Escalation Rate |             | Salary Escalation Rate |             |
|    |                    | PVO ER + 1%            | PVO ER - 1% | PVO ER + 1%            | PVO ER - 1% |
|    |                    | 59.22                  | 51.29       | 47.39                  | 40.48       |

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 INR 2.13 Lakhs as on March 31, 2024 (INR 1.63 lakhs as on March 31, 2023)

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 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.

## 13] Recent accounting pronouncements - Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

- 1) Ind AS 103 – Reference to Conceptual Framework - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103
- 2) Ind AS 16 – Proceeds before intended use - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.
- 3) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract - The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.
- 4) Ind AS 109 – Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

## Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

- 5) Ind AS 116 – Annual Improvements to Ind AS (2021) - The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 2024.

### 14] (a) Trade Receivables as at March 31, 2024

| Particulars  | Unbilled    | Outstanding for following periods from due date of payment |                   |           |           |                   | Total         |
|--|-------------|--|-------------------|-----------|-----------|-------------------|---------------|
|  |             | Less than 6 Months   | 6 months - 1 Year | 1-2 years | 2-3 Years | More than 3 years |               |
| (i) Undisputed Trade Receivables - considered good                                 | 1.27        | 958.25   | -                 | -         | -         | -                 | 959.52        |
| (ii) Undisputed Trade Receivables - Which have significant increase in credit risk | -           | -  | -                 | -         | -         | -                 | -             |
| (iii) Undisputed Trade Receivables - credit impaired                               | -           | -  | -                 | -         | -         | -                 | -             |
| (iv) Disputed Trade Receivables - considered good                                  | -           | -  | -                 | -         | -         | -                 | -             |
| (v) Disputed Trade Receivables - Which have significant increase in credit risk    | -           | -  | -                 | -         | -         | -                 | -             |
| (vi) Disputed Trade Receivables - credit impaired                                  | -           | -  | -                 | -         | -         | -                 | -             |
| <b>Total</b>   | <b>1.27</b> | <b>958.25</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>959.52</b> |
| Less: Allowance for expected credit loss   | -           | -  | -                 | -         | -         | -                 | -             |
| <b>Total</b>   | <b>1.27</b> | <b>958.25</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>959.52</b> |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 14] (a) Trade Receivables As at March 31, 2023

| Particulars  | Unbilled    | Outstanding for following periods from due date of payment |                   |           |           |                   | Total           |
|--|-------------|--|-------------------|-----------|-----------|-------------------|-----------------|
|  |             | Less than 6 Months   | 6 months - 1 Year | 1-2 years | 2-3 Years | More than 3 years |                 |
| (i) Undisputed Trade Receivables - considered good                                 | 2.71        | 2,096.36   | -                 | -         | -         | -                 | 2,099.07        |
| (ii) Undisputed Trade Receivables - Which have significant increase in credit risk | -           | -  | -                 | -         | -         | -                 | -               |
| (iii) Undisputed Trade Receivables - credit impaired                               | -           | -  | -                 | -         | -         | -                 | -               |
| (iv) Disputed Trade Receivables - considered good                                  | -           | -  | -                 | -         | -         | -                 | -               |
| (v) Disputed Trade Receivables - Which have significant increase in credit risk    | -           | -  | -                 | -         | -         | -                 | -               |
| (vi) Disputed Trade Receivables - credit impaired                                  | -           | -  | -                 | -         | -         | -                 | -               |
| <b>Total</b>   | <b>2.71</b> | <b>2,096.36</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>2,099.07</b> |
| Less: Allowance for expected credit loss   | -           | -  | -                 | -         | -         | -                 | -               |
| <b>Total</b>   | <b>2.71</b> | <b>2,096.36</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>2,099.07</b> |

## 14] (b) Trade payables as at March 31, 2024

| Particulars                 | Outstanding for following periods from due date of payment |                  |              |             |                   | Total         |
|-----------------------------|--|------------------|--------------|-------------|-------------------|---------------|
|                             | Not Due  | Less than year 1 | 1-2 years    | 2-3 years   | More than 3 years |               |
| (i) MSME                    | -  | 5.70             | 3.09         | -           | -                 | 8.79          |
| (ii) Others                 | -  | 551.21           | 30.24        | 1.30        | -                 | 582.74        |
| (iii) Disputed dues - MSME  | -  | -                | -            | -           | -                 | -             |
| (iv) Disputed dues - Others | -  | -                | -            | -           | -                 | -             |
| <b>Total</b>                | <b>-</b>   | <b>556.91</b>    | <b>33.32</b> | <b>1.30</b> | <b>-</b>          | <b>591.53</b> |

## 14] (b) Trade payables As at March 31, 2023

| Particulars                 | Outstanding for following periods from due date of payment |                  |             |           |                   | Total         |
|-----------------------------|--|------------------|-------------|-----------|-------------------|---------------|
|                             | Not Due  | Less than year 1 | 1-2 years   | 2-3 years | More than 3 years |               |
| (i) MSME                    | -  | 3.09             | -           | -         | -                 | 3.09          |
| (ii) Others                 | -  | 896.97           | 1.30        | -         | -                 | 898.27        |
| (iii) Disputed dues - MSME  | -  | -                | -           | -         | -                 | -             |
| (iv) Disputed dues - Others | -  | -                | -           | -         | -                 | -             |
| <b>Total</b>                | <b>-</b>   | <b>900.06</b>    | <b>1.30</b> | <b>-</b>  | <b>-</b>          | <b>901.36</b> |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 14(c) Ratios: The following are analytical ratios for the year ended:

| S. No | Ratio                               | Numerator   | Denominator  | March 31, 2024 | March 31, 2023 | Variance | Reason for Change   |
|-------|-------------------------------------|---|--|----------------|----------------|----------|---|
| 1     | Current Ratios                      | Current assets  | Current liabilities  | 6.09           | 2.67           | 127.86%  | Current ratio Increased as there is reduction in the current liabilities during the year                                  |
| 2     | Debt Equity Ratio                   | Borrowing (current + non current)   | Total Equity   | 0.00           | 4.06           | -100.00% | Decreased due to repayment of borrowings in the current year.   |
| 3     | Debt Service Coverage Ratio         | PAT + Depreciation and Amortization Expense + Interest cost on Borrowings + (Profit)/ Loss on sale of Fixed assets) | (Interest cost on Borrowings + Principal repayments made during the period for Long Term Borrowings) | 4.94           | 16.78          | -70.57%  | Decreased due to repayment of borrowings in the current year as compared to net proceeds from borrowings in previous year |
| 4     | Return on Equity %                  | Net profit after taxes  | Average Total equity   | 1.19%          | 30%            | -96.09%  | Decreased due to reduction in net profit after taxes  |
| 5     | Inventory Turnover Ratio            | Sales of Product  | Average inventory  | -              | -              | -        | -   |
| 6     | Trade receivables turnover ratio    | Gross Revenue from Operations   | Average accounts receivable  | 5.08           | 5.85           | -13.29%  | -   |
| 7     | Trade payables turnover ratio       | Purchases of Goods  | Average trade payables   | -              | -              | -        | -   |
| 8     | Net capital turnover ratio          | Net sales   | Working capital  | 1.43           | 0.82           | 74.11%   | Increased is Due to reduction in working capital and increase in turnover   |
| 9     | Net profit ratio %                  | Profit after Tax  | Revenue from Operation   | 1.40%          | 39.60%         | -96.46%  | The profit for the current year after taxes is less than the previous year  |
| 10    | Return on capital employed (ROCE) % | Earning before interest and taxes   | "(Net worth + Total Debts + Deferred Tax Liabilities)"   | 1.06%          | 30.72%         | -96.56%  | Decreased due to the reduction in earnings before interest and taxes by 30%   |
| 11    | Return on investment %              | Profit after Tax  | Average Total Equity   | 1.19%          | 30%            | -96.09%  | Decreased due to reduction in net profit after taxes  |



# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## Note-14 (d) Additional regulatory information required by Schedule III

- 1 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 2 The Company has not advanced or loaned or invested funds to any other person(s) or entity (is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lender invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 3 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4 The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous year.
- 5 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 6 The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- 7 The Company has not revalued any of its Property, Plant and Equipment during the year.
- 8 The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- 9 Relationship with Struck off Companies  
During the year, the company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 2013, however, please note that the Company named as Chothani Fibres Private Limited (Shareholder category) is StrikeOff and its holding 266 shares in Tips Films Limited.
- 10 The Company is having bank borrowings during the current year NIL and previous year 550 lakhs.

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 15] 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

| Particulars  | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Profit/(Loss) attributable to equity shareholders  |                |                |
| Continuing Operation   | 108.83         | 2,433.44       |
| Profit attributable to equity holders of the Company for basic earnings                  | 108.83         | 2,433.44       |
| Profit attributable to equity holders of the Company adjusted for the effect of dilution | 108.83         | 2,433.44       |

### b] Weighted average number of ordinary shares

|   | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| No of Equity shares at beginning of the year                            | 43.23          | 0.00           |
| Issued During the year  | 0.00           | 43.23          |
| No of Equity Shares at end of the year                                  | 43.23          | 43.23          |
| Weighted average number of shares at March 31 for Basic and Diluted EPS | 43.23          | 43.23          |

### c] Basic and Diluted earnings per share @ Face Value per Share INR 10

|                            | March 31, 2024 | March 31, 2023 |
|----------------------------|----------------|----------------|
| Basic earnings per share   | 2.52           | 56.29          |
| Diluted earnings per share | 2.52           | 56.29          |

# Notes to the Financial Statements

(Amount expressed in INR Lakhs unless otherwise stated)

## 16) Other matters:

Although, pursuant to the Composite Scheme of Arrangement, the immovable properties belonging to the demerged undertaking of Tips Industries Limited vest in and/or deemed to be transferred to an vested in the Company, the mutation of title/assignment of leases thereof in the name of the Company are yet to be made and recorded by the appropriate authorities. Notwithstanding the same, the Company exercises all rights and privileges and pays ground rent, municipal taxes and fulfils all obligations, in relation to or applicable to such immovable properties. The company is in the process of having it transferred in its name.

### 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 Maheshwari & Co  
Chartered Accountants  
Firm Registration No. 105834W

For and on behalf of the Board of Directors of  
TIPS FILMS LIMITED  
CIN :U74940MH2009PTC193028

**K. K. Maloo**  
Partner  
Membership No. 075872

**Kumar S. Taurani**  
Chairman & Executive Director  
DIN : 00555831

**Ramesh S. Taurani**  
Managing Director  
DIN : 00010130

**Haresh N. Sedhani**  
Chief Financial Officer

**Dharmesh H. Navdhare**  
Company Secretary  
Membership No: A68397

Place : Mumbai  
Date: April 30, 2024

Place : Mumbai  
Date: April 30, 2024





