

May 25, 2016

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

**Symbol: TIPSINDLTD**

**Subject: Outcome of the Board Meeting.**

Dear Sir/ Madam,

This is to inform you that the Meeting of the Board of Directors was held on today i.e. Wednesday, May 25, 2016 at the registered office of the Company. The Board has considered and approved the following business matters;

1. Audited Financial Results of the Company for the quarter and year ended on March 31, 2016 along with Auditors' Report and Form B.
2. Recommendation a final dividend of Re. 1.00/- (one rupee only) i.e. (10%) per fully paid up equity share of Rs. 10/- each, subject to approval of shareholders.

The Board Meeting commenced at 6.00 p.m. and concluded at 7.45 p.m.

Kindly take the above the same on your record.

Thanking You,  
Yours faithfully,

For Tips Industries Limited

  
**Bijal R. Patel**  
Company Secretary



*Encl: As above*

**TIPS INDUSTRIES LTD.**

601, Durga Chambers, 6th Floor, Linking Road, Khar (West); Mumbai 400 052.

Tel.: 6643 1188 Email: response@tips.in Website: www.tips.in

CIN: L92120MH1996PLC099359

| TIPS Industries Ltd.                                                   |                                                                                         |                       |                         |                       |                       |                       |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-----------------------|-------------------------|-----------------------|-----------------------|-----------------------|
| PART I                                                                 |                                                                                         |                       |                         |                       |                       |                       |
| (Rupees in lacs except for earning per share data)                     |                                                                                         |                       |                         |                       |                       |                       |
| Audited Financial Results for the Quarter / Year Ended 31st March 2016 |                                                                                         |                       |                         |                       |                       |                       |
| Sr. No.                                                                | Particulars                                                                             | Quarter Ended         |                         |                       | Year Ended            | Year Ended            |
|                                                                        |                                                                                         | 31.03.16<br>(Audited) | 31.12.15<br>(Unaudited) | 31.03.15<br>(Audited) | 31.03.16<br>(Audited) | 31.03.15<br>(Audited) |
| 1]                                                                     | <b>Income from Operations</b>                                                           |                       |                         |                       |                       |                       |
|                                                                        | a) Net Sales / Income from Operations                                                   | 3,336.99              | 1,420.90                | 1,021.19              | 6,844.45              | 10,235.19             |
|                                                                        | b) Other Operating Income                                                               | -                     | -                       | -                     | -                     | -                     |
|                                                                        | <b>Total Income from Operations (Net)</b>                                               | <b>3,336.99</b>       | <b>1,420.90</b>         | <b>1,021.19</b>       | <b>6,844.45</b>       | <b>10,235.19</b>      |
| 2]                                                                     | <b>Expenses</b>                                                                         |                       |                         |                       |                       |                       |
|                                                                        | a) Cost of materials consumed                                                           | 0.16                  | 0.16                    | 0.06                  | 1.40                  | 1.77                  |
|                                                                        | b) Purchase of stock-in-trade                                                           | -                     | -                       | -                     | -                     | -                     |
|                                                                        | b) Changes in inventories of finished goods, work-in progress and stock-in-trade        | -                     | -                       | 2.23                  | -                     | 2.50                  |
|                                                                        | c) Employees Benefit Expenses                                                           | 151.25                | 152.51                  | 142.56                | 586.22                | 581.02                |
|                                                                        | d) Depreciation                                                                         | 37.99                 | 37.86                   | 42.63                 | 161.39                | 174.87                |
|                                                                        | e) Cost of Production/ Distribution of films                                            | 2,307.91              | 437.30                  | 1,201.35              | 3,333.76              | 6,744.21              |
|                                                                        | f) Other Expenses                                                                       | 698.71                | 294.78                  | 339.22                | 1,425.33              | 1,400.46              |
|                                                                        | <b>Total Expenses</b>                                                                   | <b>3,196.02</b>       | <b>922.60</b>           | <b>1,728.04</b>       | <b>5,508.11</b>       | <b>8,904.83</b>       |
| 3]                                                                     | Profit From Operations before other Income, finance cost & Exceptional Items (1 - 2)    | 140.97                | 498.30                  | (706.86)              | 1,336.34              | 1,330.36              |
| 4]                                                                     | Other Income                                                                            | 174.91                | 35.70                   | 37.96                 | 305.73                | 154.94                |
| 5]                                                                     | Profit from ordinary activities before finance cost & Exceptional Items (3+4)           | 315.88                | 534.00                  | (668.90)              | 1,642.07              | 1,485.30              |
| 6]                                                                     | Finance Cost                                                                            | 289.58                | 301.49                  | 312.28                | 1,260.98              | 1,154.62              |
| 7]                                                                     | Profit from ordinary activities after finance cost but before Exceptional Items (5 - 6) | 26.30                 | 232.51                  | (981.17)              | 381.09                | 330.68                |
| 8]                                                                     | Exceptional Items                                                                       | -                     | -                       | -                     | -                     | -                     |
| 9]                                                                     | Profit /(Loss) from Ordinary Activities before tax (7 + 8)                              | 26.30                 | 232.51                  | (981.17)              | 381.09                | 330.68                |
| 10]                                                                    | Tax Expenses                                                                            | 5.36                  | 47.41                   | (214.20)              | 77.71                 | 61.07                 |
| a]                                                                     | Current Tax                                                                             | 5.36                  | 47.41                   | (216.15)              | 77.71                 | 59.13                 |
| b]                                                                     | Excess / (Short) Provisions                                                             | -                     | -                       | (1.94)                | -                     | (1.94)                |
| 11]                                                                    | Net Profit / (Loss) from ordinary activities After Tax (9 - 10)                         | 20.93                 | 185.10                  | (766.97)              | 303.39                | 269.61                |
| 12]                                                                    | Extra Ordinary Items (net of Tax Expenses)                                              | -                     | -                       | -                     | -                     | -                     |
| 13]                                                                    | <b>Net Profit / (Loss) for the period (11 - 12)</b>                                     | <b>20.93</b>          | <b>185.10</b>           | <b>(766.97)</b>       | <b>303.39</b>         | <b>269.61</b>         |
| 14]                                                                    | Paid-Up Equity Share Capital (Rs.10/- each Fully paid up)                               | 1,506.77              | 1,535.60                | 1,535.86              | 1,506.77              | 1,535.86              |
| 15]                                                                    | Reserve Excluding Revaluation Reserves as per balance sheet of previous accounting year | -                     | -                       | -                     | 5,457.41              | 5,489.10              |
| 16(i)                                                                  | <b>Earnings Per share (before extraordinary items)</b>                                  |                       |                         |                       |                       |                       |
| a]                                                                     | Basic & Diluted                                                                         | 0.14                  | 1.21                    | (4.99)                | 1.98                  | 1.76                  |
| 16(ii)                                                                 | <b>Earnings Per share (after extraordinary items)</b>                                   |                       |                         |                       |                       |                       |
| a]                                                                     | Basic & Diluted                                                                         | 0.14                  | 1.21                    | (4.99)                | 1.98                  | 1.76                  |

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**Segmentwise Revenue, Results and Capital Employed.**

| Sr. No. | Particulars                                                              | Quarter Ended         |                         |                       | Year Ended            | Year Ended            |
|---------|--------------------------------------------------------------------------|-----------------------|-------------------------|-----------------------|-----------------------|-----------------------|
|         |                                                                          | 31.03.16<br>(Audited) | 31.12.15<br>(Unaudited) | 31.03.15<br>(Audited) | 31.03.16<br>(Audited) | 31.03.15<br>(Audited) |
| 1       | <b>Segment Revenue:</b>                                                  |                       |                         |                       |                       |                       |
|         | Audio Product Sales / Income                                             | 1,852.47              | 970.83                  | 1,015.92              | 4,609.86              | 3,221.78              |
|         | Film Distribution/Production Income                                      | 1,484.52              | 450.08                  | 5.27                  | 2,234.60              | 7,013.41              |
|         | <b>Revenue from Operation</b>                                            | <b>3,336.99</b>       | <b>1,420.90</b>         | <b>1,021.19</b>       | <b>6,844.45</b>       | <b>10,235.19</b>      |
| 2       | <b>Segment Results:</b>                                                  |                       |                         |                       |                       |                       |
|         | Profit (+) / Loss (-) before interest & Tax                              |                       |                         |                       |                       |                       |
|         | - Audio Product                                                          | 1,444.39              | 834.29                  | 757.87                | 3,877.71              | 2,177.74              |
|         | - Film Distribution/Production                                           | (929.23)              | (32.71)                 | (1,249.99)            | (1,350.25)            | 79.05                 |
|         | Less: Interest [Net]                                                     | 289.58                | 301.49                  | 312.28                | 1,260.98              | 1,154.62              |
|         | Less: Unallocable Corporate Expenses net of unallocable corporate income | 199.28                | 267.58                  | 176.78                | 885.39                | 771.50                |
|         | <b>Profit (+) / Loss (-) before Tax</b>                                  | <b>26.30</b>          | <b>232.51</b>           | <b>(981.17)</b>       | <b>381.09</b>         | <b>330.68</b>         |
| 3       | <b>Capital Employed:</b>                                                 |                       |                         |                       |                       |                       |
|         | (Segment Assets - Segment Liabilities)                                   |                       |                         |                       |                       |                       |
|         | - Audio Product                                                          | 625.30                | 104.39                  | 326.06                | 625.30                | 326.06                |
|         | - Film Distribution/Production                                           | 11,529.67             | 12,618.38               | 12,236.30             | 11,529.67             | 12,236.30             |
|         | - Unallocable Corporate Assets Less Liabilities                          | (5,190.80)            | (5,416.98)              | (5,537.40)            | (5,190.80)            | (5,537.40)            |
|         | <b>Total</b>                                                             | <b>6,964.18</b>       | <b>7,305.79</b>         | <b>7,024.96</b>       | <b>6,964.18</b>       | <b>7,024.96</b>       |

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| Standalone statement of Assets and Liabilities |                                           | As at 31/03/2016 | As at 31/03/2015 |
|------------------------------------------------|-------------------------------------------|------------------|------------------|
| Particulars                                    |                                           |                  |                  |
| <b>A</b>                                       | <b>EQUITY AND LIABILITIES</b>             |                  |                  |
| 1                                              | Shareholder's funds                       |                  |                  |
|                                                | (a) Share Capital                         | 1,506.77         | 1,535.86         |
|                                                | (b) Reserves and surplus                  | 5,457.41         | 5,489.10         |
|                                                | Sub-total - Shareholder's funds           | 6,964.18         | 7,024.96         |
| 2                                              | Share application money pending allotment | -                | -                |
| 3                                              | Non-Current liabilities                   |                  |                  |
|                                                | (a) Long Term borrowings                  | 7,250.95         | 8,972.06         |
|                                                | (b) Other Long Term Liabilities           | 36.60            | 16.60            |
|                                                | (c) Long Term provisions                  | 34.59            | 27.86            |
|                                                | Sub-total - Non-current liabilities       | 7,322.14         | 9,016.52         |
| 4                                              | Current Liabilities                       |                  |                  |
|                                                | (a) Short Term borrowings                 | 200.00           | 50.00            |
|                                                | (b) Trade payables                        | 807.96           | 85.45            |
|                                                | (c) Other current liabilities             | 1,901.52         | 1,660.00         |
|                                                | (d) Short-term provisions                 | 181.35           | 187.17           |
|                                                | Sub-total - Current liabilities           | 3,090.83         | 1,982.62         |
|                                                | <b>TOTAL - EQUITY AND LIABILITIES</b>     | <b>17,377.15</b> | <b>18,024.10</b> |
| <b>B</b>                                       | <b>ASSETS</b>                             |                  |                  |
| 1                                              | Non-current Assets                        |                  |                  |
|                                                | (a) Fixed Assets                          | 2,602.67         | 2,758.50         |
|                                                | (b) Non current investments               | 10.50            | 10.50            |
|                                                | (c) Long-term loans and advances          | 1,009.80         | 924.19           |
|                                                | (d) Other Non-Current Assets              | 6.93             | 190.06           |
|                                                | Sub-total Non-current assets              | 3,629.90         | 3,883.26         |
| 2                                              | Current assets                            |                  |                  |
|                                                | (a) Inventories                           | 10,451.17        | 9,779.69         |
|                                                | (b) Trade receivables                     | 1,351.98         | 320.46           |
|                                                | (c) Cash and cash equivalents             | 187.41           | 1,092.60         |
|                                                | (d) Short-term loans and advances         | 1,719.06         | 2,914.28         |
|                                                | (e) Other current assets                  | 37.62            | 33.81            |
|                                                | Sub-total Current assets                  | 13,747.25        | 14,140.84        |
|                                                | <b>TOTAL ASSETS</b>                       | <b>17,377.15</b> | <b>18,024.10</b> |

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**Notes:**

- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting held on May 25, 2016.
- 2 The Board of Directors has proposed a dividend of 10% i.e. Re. 1/- (One Rupee only) Per Share for the Financial Year 2015-16.
- 3 Considering the nature of business carried on by the company whereby revenues do not necessarily accrue evenly over the year, the results of the quarter may not be representative of the result for the year. As such, the result of the current quarter is not comparable with the result of corresponding quarter.
- 4 The Company operates in two segments i.e. Audio/Video Products and Film Production/ Distribution Rights.
- 5 Considering the nature of the business of the Company, during the year ended March 31, 2016, Company had not recognised the deferred tax liability for current year and also for earlier years on the timing difference in accounting of inventory for which auditors have qualified their report for the same. Company has not recognised the Deferred tax liability on unamortised cost of production as in the opinion of the management the Company will have sufficient unabsorbed depreciation and business losses in the year in which timing differences will reverse.
- 6 During the quarter ended December 31, 2015, the Company has made a representation to the Central Government with respect to the excess managerial remuneration to be paid for the period June 1, 2015 to May 31, 2018.
- 7 In accordance with the provisions of the Companies Act, 2013 and pursuant to the public announcement for the buy-back made by the Company on November 18, 2015, the Company initiated a buy-back plan on November 26, 2015. Under the buy-back plan, the Company has bought back 290,958 equity shares for consideration of Rs. 183 lacs upto March 31, 2016. Out of 290,958 equity shares, 12,826 equity shares have been extinguished on April 8, 2016. However the effect of 12,826 equity shares is considered in the books of account as at March 31, 2016 for the purpose of calculating of Equity Shares Capital and for Earnings per shares (EPS) - Basic and Diluted.
- 8 The Previous period's / Year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current period.

Place : Mumbai  
Date : May 25, 2016



**Kumar S Taurani**  
Chairman & Managing Director

**TIPS INDUSTRIES LTD.**

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## **SSPA & ASSOCIATES**

*Chartered Accountants*

1st Floor, "Arjun", Plot No. 6 A,  
V. P. Road, Andheri (W),  
Mumbai - 400 058. INDIA.

Tel. : 91 (22) 2670 4376

91 (22) 2670 3682

Fax : 91 (22) 2670 3916

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

### **Auditor Report on quarterly financial results and year to date results of Tips Industries Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015**

To the Board Directors of

#### **Tips Industries Limited**

1. We have audited the accompanying financial results ('the statement') of Tips Industries Limited for the year ended March 31, 2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended March 31, 2016 as reported in these financial results are the balancing figures between audited figures in respect of full financial year and published year to date figures made up to the end of the third quarter of the relevant financial year and have been regrouped/ reclassified where necessary. Also the figures up to the third quarter ended December 31, 2015 had only been reviewed and not subjected to an audit.
2. These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results up to the end of third quarter, Management is responsible for the preparation of these financial results that give true and fair view of the net profits and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standard specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This responsibility includes design, implementation, and maintenance of internal control relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatements, whether due to fraud or error.

3. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial results. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement.



An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

4. *We draw attention to note 5 to the Statement, regarding non recognition of deferred tax liability on timing differences in accounting of inventory. In the absence of adequate information, we are unable to quantify its impact on the profits for the year and on the reserves as at March 31, 2016.*
5. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in above paragraph, these financial results:
  - i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.
  - ii) give a true and fair view of the net profit and other financial information for the year ended March 31, 2016.



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

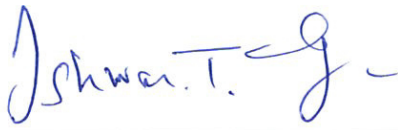
*Parag S. Ved*

Parag S Ved  
Partner  
Membership No: 102432

Place: Mumbai  
Date: May 25, 2016

**FORM B (for audit report with modified opinion)**

|   |                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Name of the Company                                                                                                                       | Tips Industries Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2 | Annual Financial Statements for the year ended                                                                                            | March 31, 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 3 | Type of Audit qualification                                                                                                               | Qualified opinion as mentioned below                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 4 | Frequency of qualification                                                                                                                | Second time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|   | Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report: | <p><b><u>Qualified Opinion as reported in Auditors' Report:</u></b><br/> <i>(Basis for Qualified Opinion)</i><br/> Non recognition of Deferred tax liability on timing differences in accounting of inventory. In the absence of adequate information auditors are unable to quantify its impact on the profits for the year and on the reserves as at March 31, 2016.</p> <p><b>Management response:</b> Considering the nature of business carried on by the Company, Deferred Tax Liability is not recognised on unamortised cost of production as in the opinion of the management the Company will have sufficient unabsorbed depreciation and business losses in the year in which timing differences will reverse.</p> |
|   | Additional comments from the Board/Audit Committee chair:                                                                                 | Additional comments from the Board/Audit Committee are not required as above mentioned notes to the Financial Statements are fully explanatory.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 5 | <b>To be signed by-</b><br><br><b>Mr. Kumar S. Taurani</b><br>Chairman & Managing Director                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

|                                                                                                                                                             |                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mr. I. T. Gursahani</b><br>Chief Financial Officer                                                                                                       |                                                                                      |
| <b>Mr. Parag Ved</b><br>SSPA & Associates<br>Chartered Accountants<br>Statutory Auditor<br>Firm Registration No.: 131069W<br>Partner Membership No.: 102432 |   |
| <b>Mr. Venkitaraman Subramanian Iyer*</b><br>Audit Committee Chairman                                                                                       |                                                                                      |

*\*Mr. Venkitaraman Subramanian Iyer was appointed as a chairman of the Audit Committee Meeting held on May 25, 2016.*