



March 22, 2025

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

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

Scrip Code: **532375**

Symbol: **TIPSMUSIC**

Dear Sir/ Ma'am,

Subject: Corporate Presentation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith a copy of Corporate Presentation.

The same shall be uploaded on our website <https://tips.in>.

We request you to kindly take the above information on record.

Thanking you,

For TIPS MUSIC LIMITED
(Formerly known as Tips Industries Limited)

Bijal R. Patel
Company Secretary

TIPS MUSIC LIMITED
(Formerly known as Tips Industries Limited)

601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai - 400 052.
Tel.: +91-22-6643 1188, Email: info@tips.in, Website: www.tips.in
CIN : L92120MH1996PLC099359

MUSIC... THE RHYTHM OF LIFE



TIPS MUSIC LIMITED

Corporate Presentation



The Must Have HITS

Industry Snapshot



Music Industry Evolution

Every New Wave Of Technology Has Led To Rising Revenues & Profits



1. Origins of Music:

- Music is one of the oldest forms of human expression
- Rudimentary flutes from paleolithic era, over 40000 years old found



3. The Vinyl Revolution (1948):

- Vinyl records facilitated music consumption in every home



5. The Internet Era (1990s-2003):

- Introduced new technologies like MP3 which initially had a negative impact on the music industry
- Napster led to unauthorized file sharing & piracy
- Apple's iTunes started selling singles instead of entire album, and broke the economics of the music label



7. The New Business Model (21st Century):

- Music is the first industry which is fully digitized with streaming becoming the primary source of revenue for the industry



2. A Brief History of Technological Evolution:

- Until about 150 years ago, experiencing music required live performances
- Thomas Edison introduced the phonograph, marking the beginning of recorded music
- In the 1920s, radio became a popular medium for enjoying music



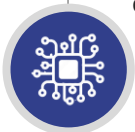
4. Cassettes & CDs (1982):

- Cassettes allowed storage of more music & improved the convenience of listening to music
- CDs revolutionized the music industry by offering superior sound quality and durability leading to a surge in profits during 1980s and 1990s

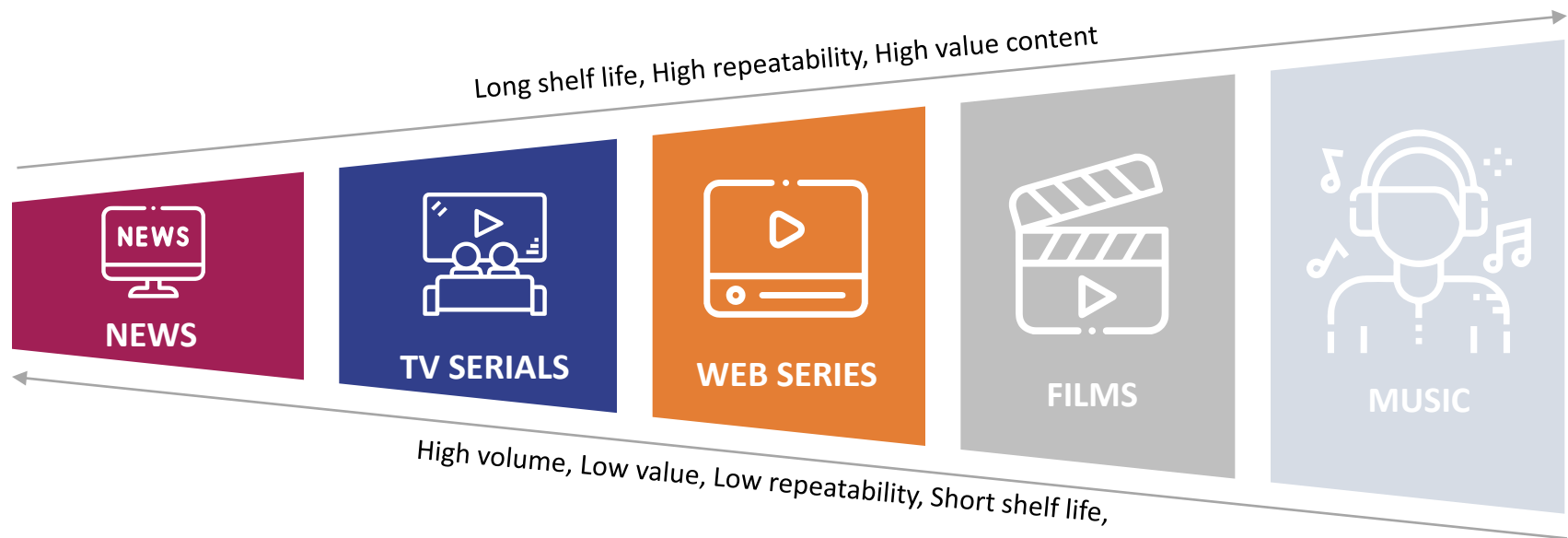


6. Industry Consolidation(2000s):

- Due to headwinds, the industry consolidated into three large players and few other smaller players



Music Is The Most Valuable Content



Content which can be monetized multiple times naturally commands greater economic value

Music ranks at the top of the content pyramid when ranked on repeated monetization

STREAMING

Streaming continued to grow strongly in 2023, up by 10.4% to US\$19.3 billion. Paid streaming revenues for CY23 were US\$14 billion

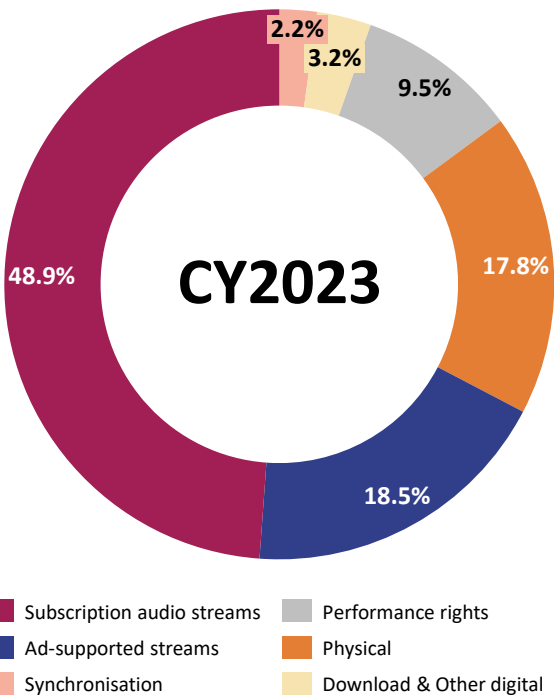
SYNCHRONISATION

Use of recorded music in advertising, film, games and TV grew by 4.7% (US\$632 million) in 2023. Revenues from synchronization accounted for 2.2% of the global market

PERFORMANCE RIGHTS

Performance rights are now a US\$2.7 billion revenue stream which grew 9.5% in CY2023

Global Music Revenue Sources



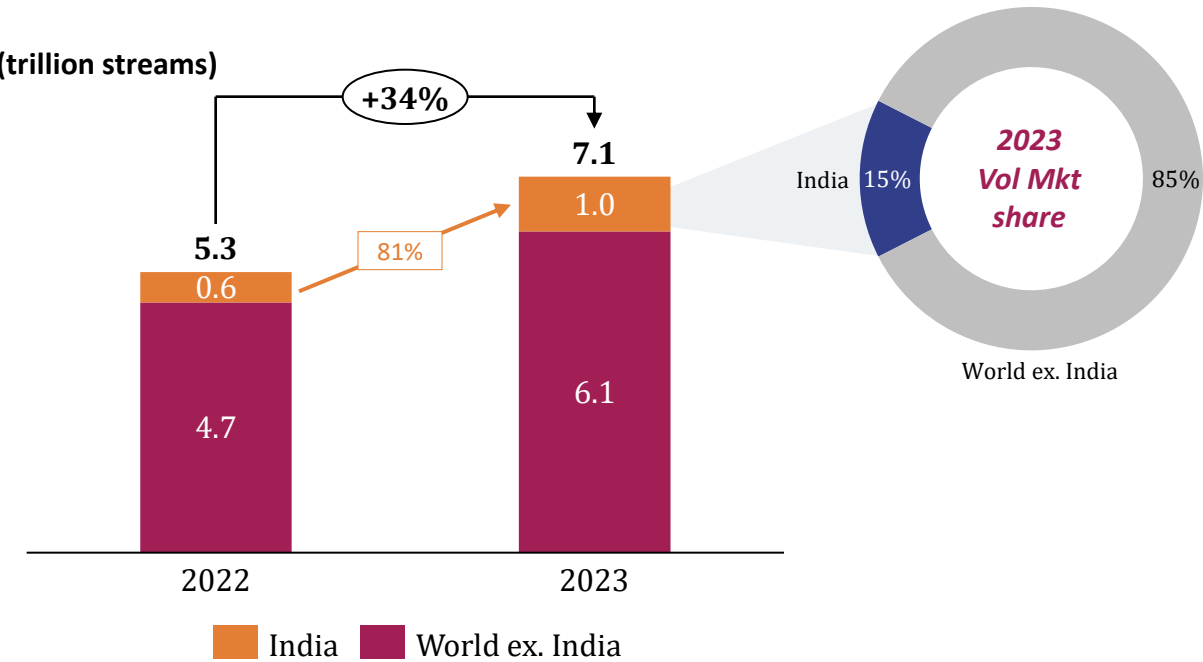
Streaming comprised **67%** of total revenues in 2023

48.9% of all streams were subscription based

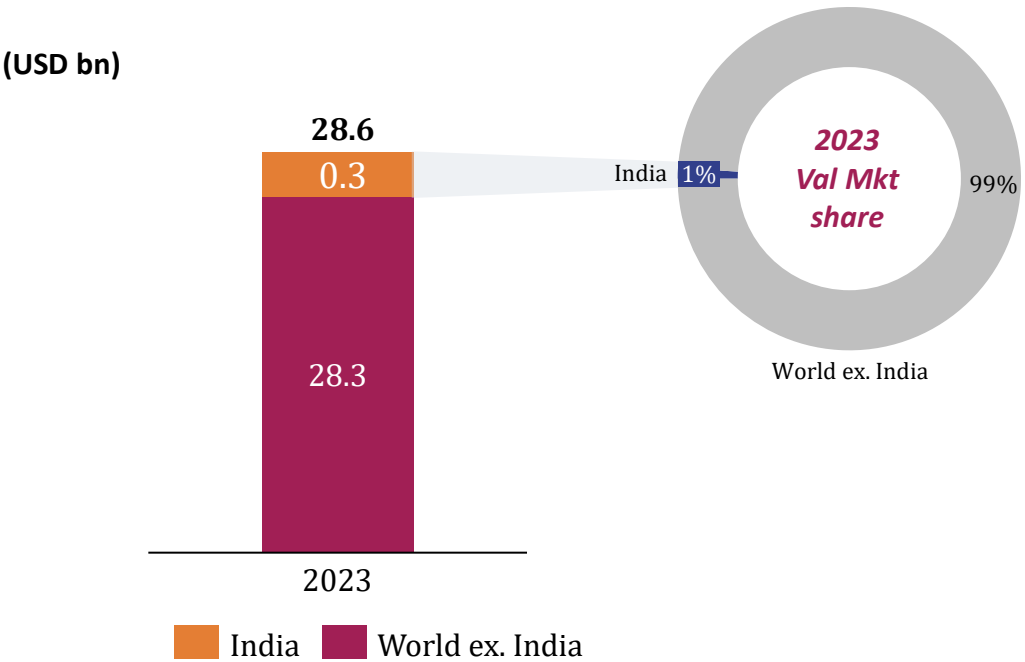
*Source: IFPI GMR (2024)

India Music Investment Opportunity (1/2)

Global Total Music Streaming Volume (Audio & Video)



Global Music Label Revenues

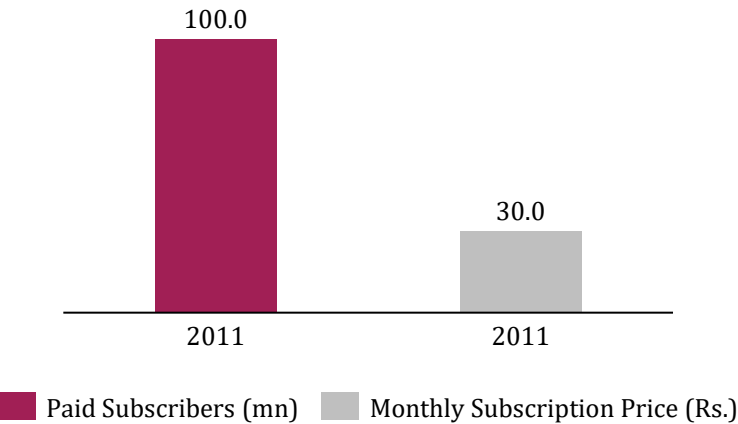


India is the fastest growing market by volume and provides significant opportunity for monetization of demand

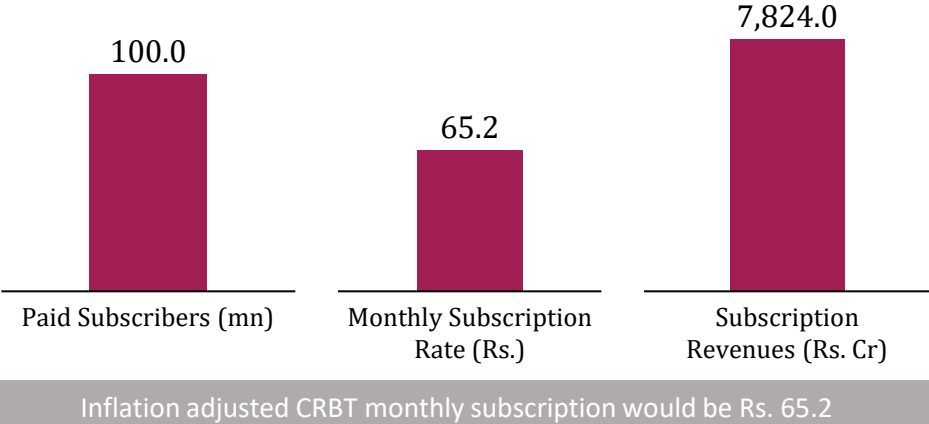
*Source: IFPI Global Music Report 2024; Luminate Year- End Music Report 2023; EY-FICCI M&E Report 2024 *Note: Exchange rate used is Average USD/INR of CY2023

India Music Investment Opportunity (2/2)

CRBT Revenue in 2011 Rs. 3,600 cr (US\$ 800 mn)



Like to Like Basis Subscription Revenue of Rs. 7,824 cr. p.a. (US\$ 900 mn)

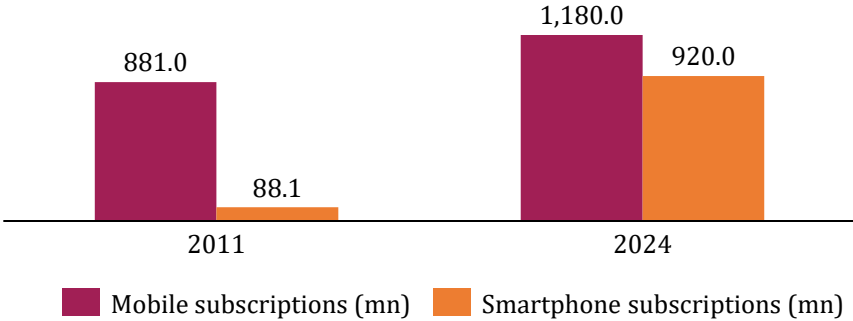


....affordability has gone up and Mobile subscriptions have also gone up

GDP Per Capita (US\$)¹



Mobile Subscriptions in India²

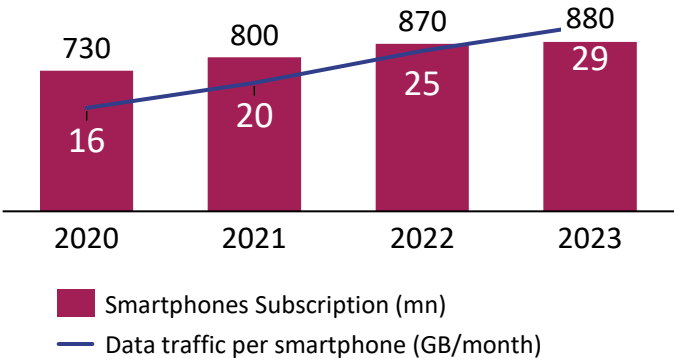


India's Music Industry Revenue could exceed US\$ 1.5 BN over the next 5-6 years

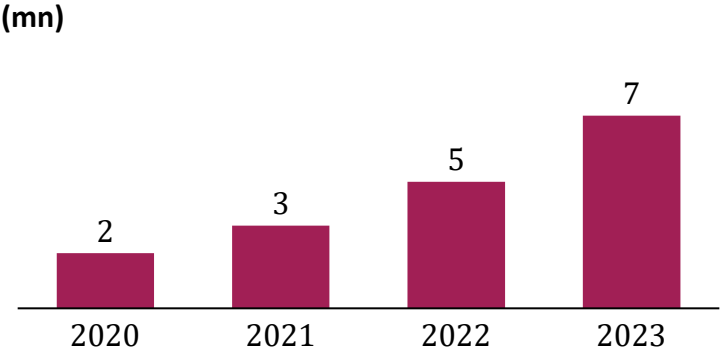
*Source: Business Standard; ¹World Bank; ²Ericsson Mobility Report

Music Consumption Trends

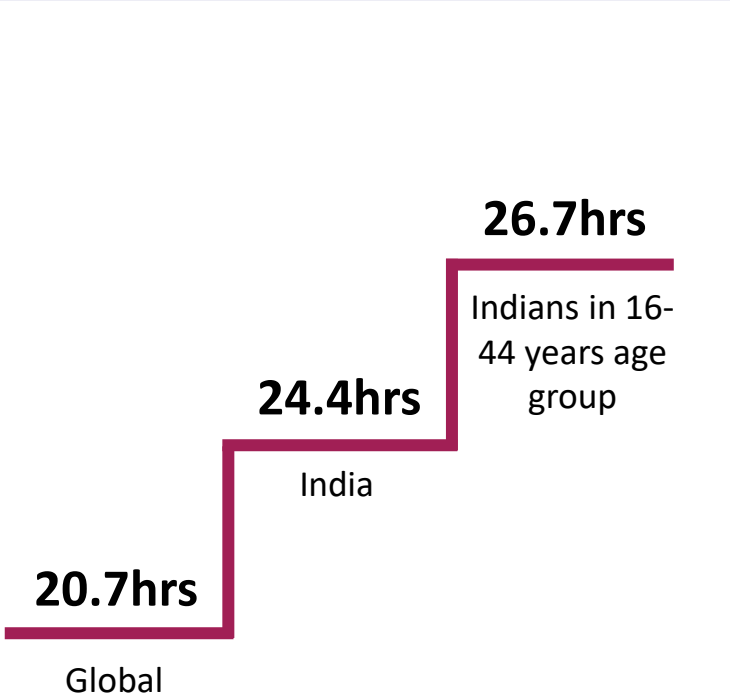
India Smartphone subscription & data traffic



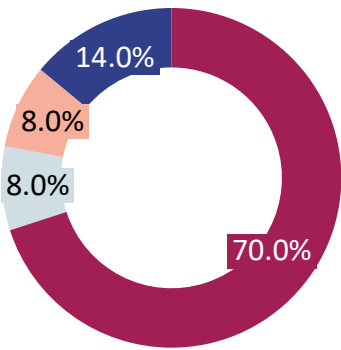
India Paying Music OTT subscription



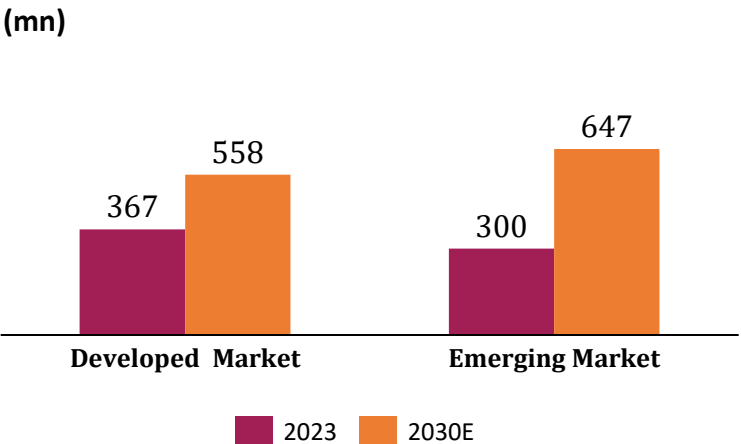
Average music listening hours per week



India Digital Listenership by Language



Global Paid Subscribers

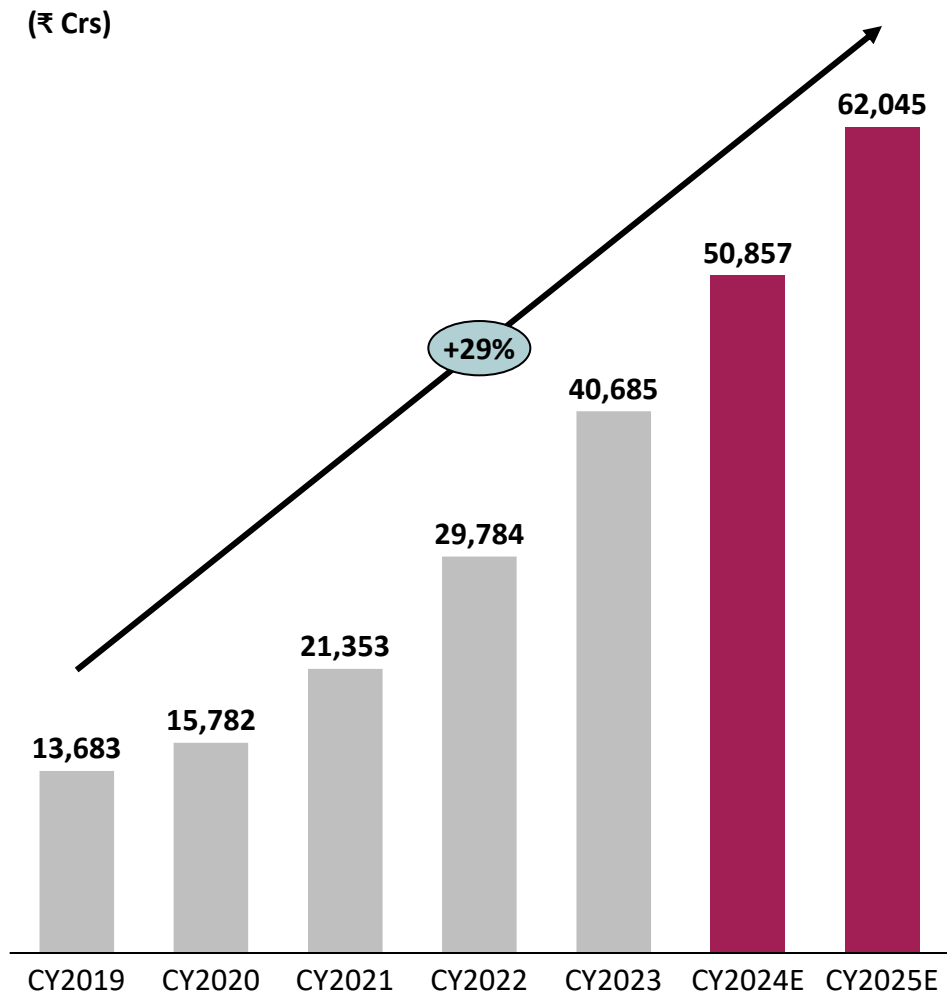


The Most Relevant Age Group (16-44) For TIPS Listens To ~27 Hours Of Music Per Week

*Source: Ericsson Mobility Report; EY-FICCI M&E Report 2024; IMI Digital Study 2023; Goldman Sachs Global Investment Research

Digital Advertising – Key Driver of Indian Music Industry

Indian Digital Ad Industry



The Indian digital advertising industry stood at Rs 40,685 crore by the end of 2023, up from Rs 29,784 crore in the previous year. It is estimated to grow at a CAGR of 29%.

Ongoing enhancements in digital infrastructure, combined with the robust e-commerce activities, have propelled digital to become the largest media platform, contributing significantly to the overall growth of the advertising industry in India.

The highest proportion of spends on digital media is claimed by **social media (30%, Rs 11,962 crore)**, closely followed by **online Video (28%, Rs 11,363 crore)**. Paid search claims 23% (Rs 9,419 crore), while display banners claim 16% (Rs 6,579 crore).

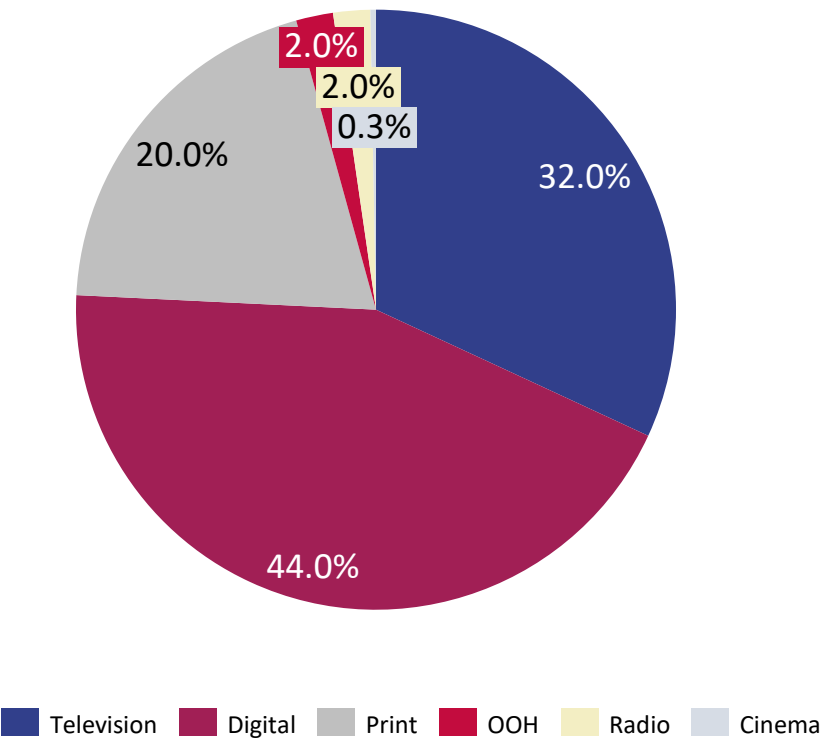
Social media is expected to grow at a CAGR of 24% to have a spend share of 30% by 2025.

On average, Indians spend 3-4 hours on Social Media daily
73% of the audience belonging to the age group of 45 years to 54 years use YouTube to watch online content.

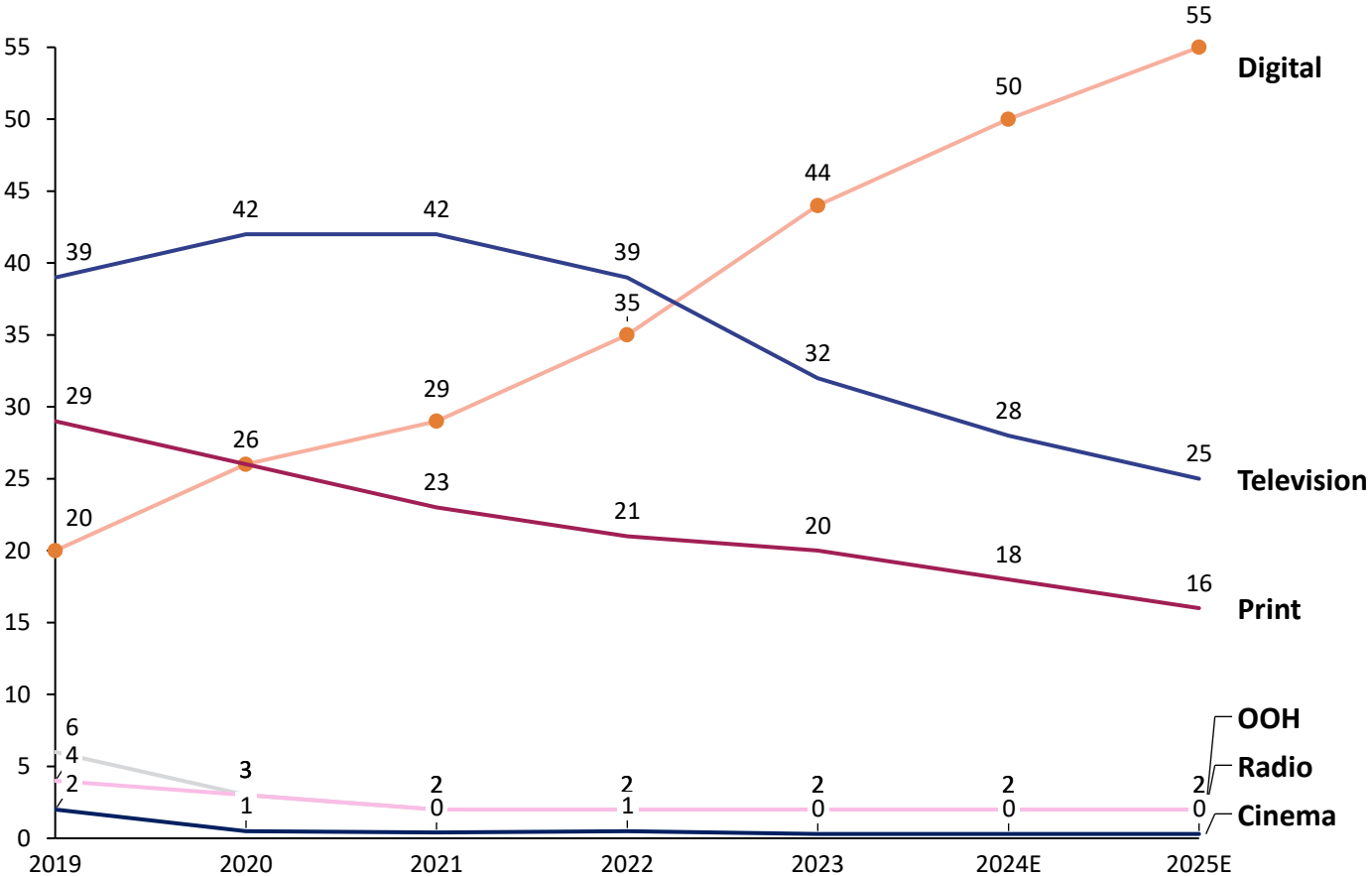
*Source: Dentsu Aegis Network Report 2024

Digital Advertising will Dominate Media Spending in India for the Next Few Years

Advertising spends on different media



Advertising spends across various media (%) - Forecast



The current pie of digital ad spends constitutes 44% of the advertising spends in 2023, and moving forward in 2024 and 2025, the percentage is expected to increase to 50% and 55% respectively.

*Source: Dentsu Aegis Network Report 2024

Business Model

Value

Music Creators



Film Producer



Music Label



Streaming platforms



Music creators include lyricists, composers, and singers who create songs and get paid for the same

Film producers use these compositions in films and sell the music rights to music labels

Music labels owns the IPR (Intellectual Property Rights) and license the music to various platforms

Streaming platforms licence the content and make it accessible to consumer

Producer pays the artists the value for the music that is created

Music label pays the producer for the rights of the songs

Music labels pay film producers for perpetual rights.

Streaming platforms pay per stream to music labels



The Must Have HITS

Company Snapshot



The Promoters' Journey

Family Background & Relocation (1946)

- Shri Sadhuram Taurani migrated from Karachi to Mumbai
- Received government aid of Rs. 6,000
- Started a grocery store in Colaba with Rs 3000
- Focused on selling items popular among the Sindhi community, for higher profitability

Expansion into Electronics Retail (1972)

- The family started an electronics shop on Lamington Road, selling electronics, watches, and clocks

Transition to Music Distribution (1977)

- The electronic shop was converted into a music record store
- Gained dealerships of HMV and later other major music labels like Polydor - Music India and CBS
- Became the largest distributors of music records in the western region

New Beginnings & Family Division (1980s)

- In 1981- First division of family assets- Grocery store given away
- Fledgling recording company started under the banner of R.K Electronics' (TIPS Label)
- In 1986 – Second division of family assets- music distribution business given away
- R.K Electronics' (TIPS Label) small recording business remained with the Taurani brothers which eventually became TIPS Industries Ltd in 1988

Initial years of recording business (1981)

- Focused on recording bhajans and songs in Hindi, Sindhi, and Marathi, emphasis on introducing & promoting promising singers

Major Shift to Film Music Rights (1988)

- The Higher profitability of recording business led to expansion into film music rights
- Initial commercial setbacks from acquisition of film music rights did not change the focus of management

THE STORY CONTINUES...

The Promoters' Journey

First Major Success (1991-1992)

- The blockbuster success of music from 'Pathar Ke Phool' and 'Phool Aur Kaante' marked a turning point
- Invested heavily in acquiring music rights, and became one of the leading acquirers of film music rights

Venture into Film Production (1993)

- Began co-producing films to learn the craft of film production and acquire music rights economically
- The first four movies under co-production were 'Coolie No.1', 'Raja Hindustani', 'Haqeeqat' and 'Jeet'. Both movies & their music were blockbuster hits
- Started with independent film production around 1996

Market Leadership (1997)

- By the late 90s, TIPS became the industry leader
- Company launched 13 films simultaneously with a view to acquire more music

Technological Disruption (Early 2000s)

- The rise of MP3 & Piracy led to collapse of the music distribution chain
- Selling of singles pioneered by iTunes destroyed economics of music labels globally
- TIPS executed the first licensing deal in India for streaming & downloads with Sound Buzz
- Radio channels started flourishing without paying adequate compensation to the music industry

CRBT & OTT Platforms (2007)

- Telecom Companies introduced Caller Ring Back Tone (CRBT) which provided relief to the music industry
- CRBT generated ~INR 8000 Cr revenue for the telecom companies of which ~INR 600 Crs was shared with music industry
- Digitized the entire catalogue and adapted to distribution through partnership with major OTT platforms i.e., YouTube, Gaana & Saavn

The 2020s

- TIPS demerged its film production & music business into separate listed entities to provide independent focus for each business

KEY FACTS

Catalogue comprises of music in over **25 languages** available across multiple platforms **globally**

Only listed player to expense off 100% of content cost in the quarter of release

Debt free company with **₹ 259 cr** of cash & investments as on Q3FY25

Founded Year
1988

Website
www.tips.in

Established **A&R** capability

96
Employees
(Q3FY2025)

75%
Revenue through
digital platforms

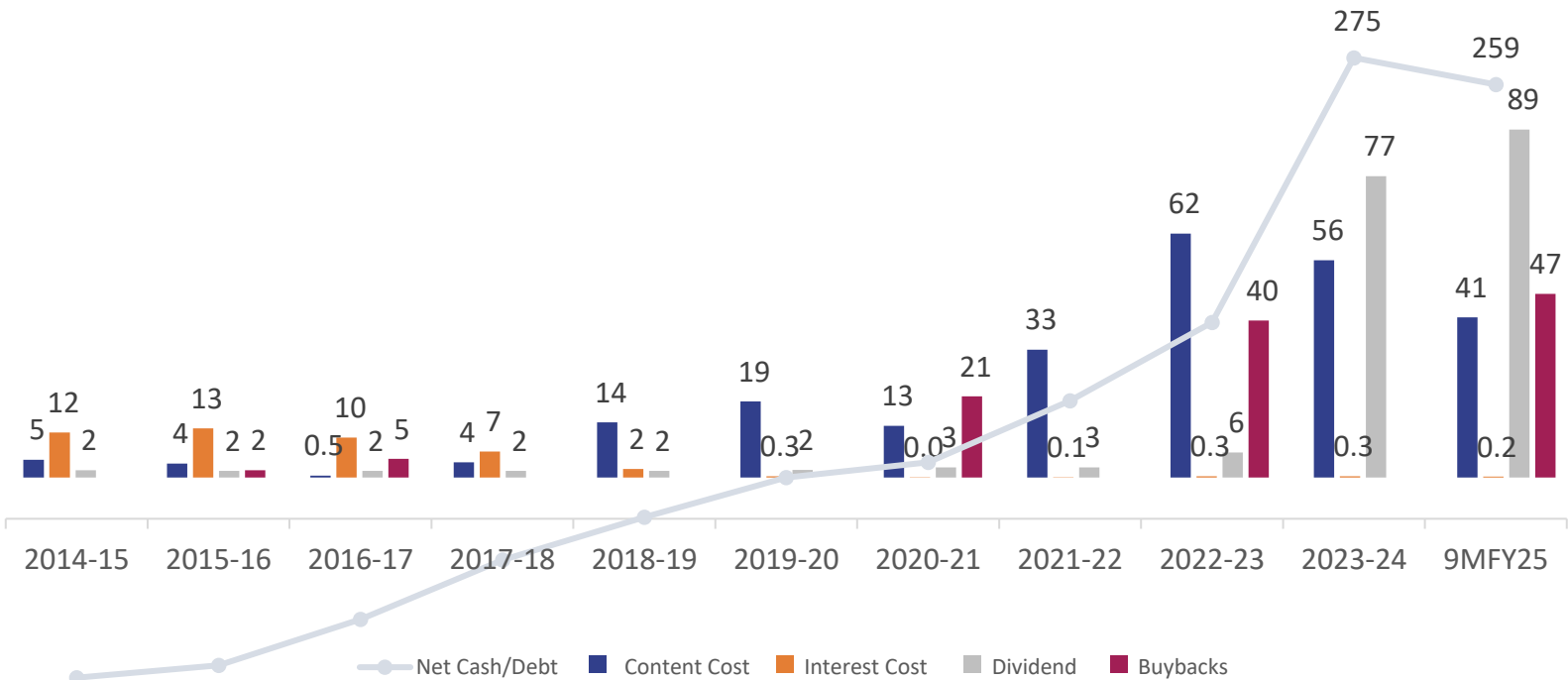
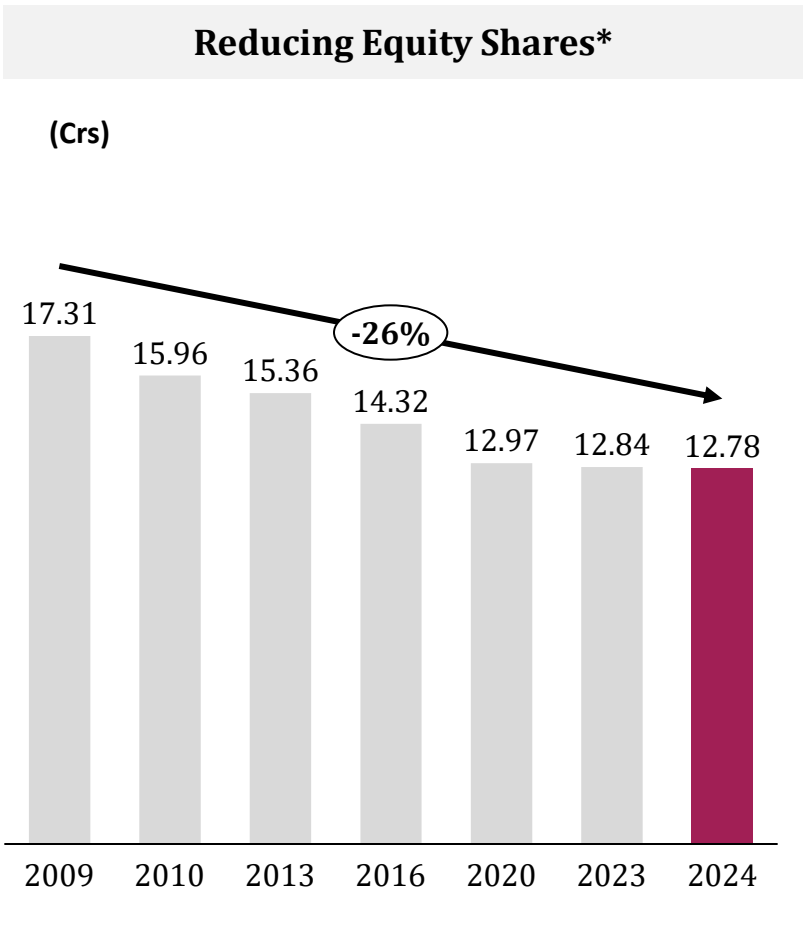
25+
Partners across
media business

113 mn
subscribers on
YouTube as on
Q3FY25
CAGR of 20%
(3 Year)

Industry
Media & Entertainment

Target
Indian Subcontinent & Diaspora

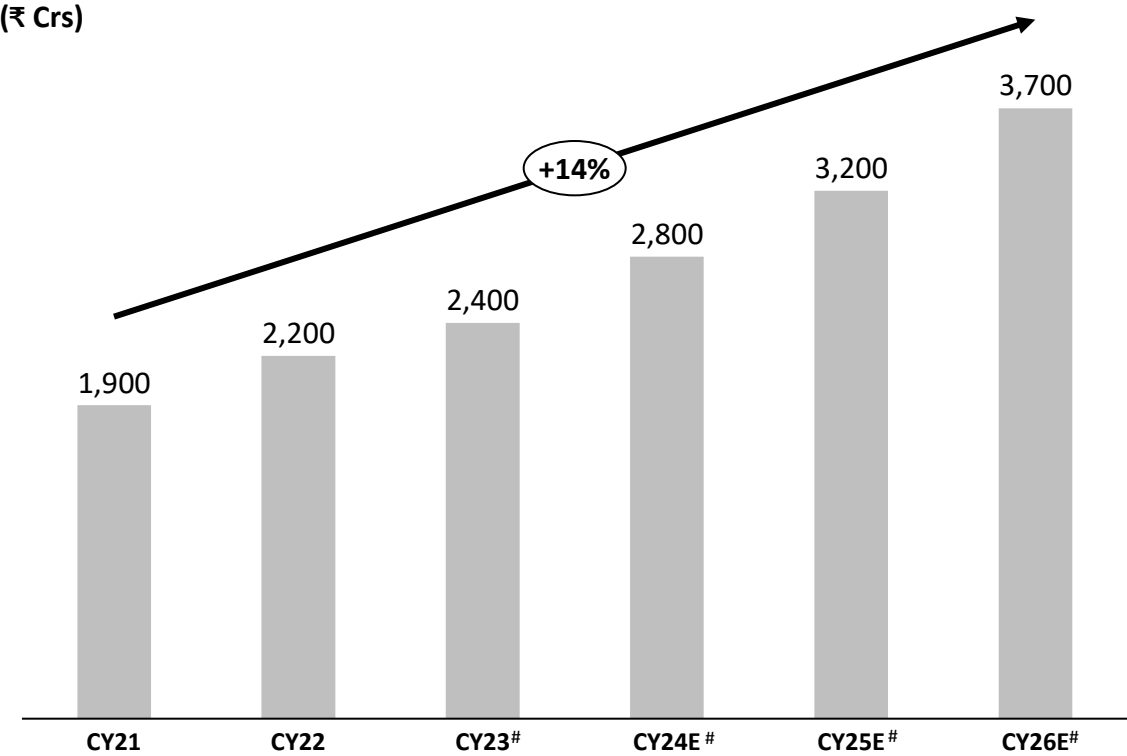
Q3FY25 – Interim Dividend of Rs 3 per share amounting to Rs 38.35 Cr
Total Payout for 9MFY25 - Rs 136.09 Cr (including buyback)



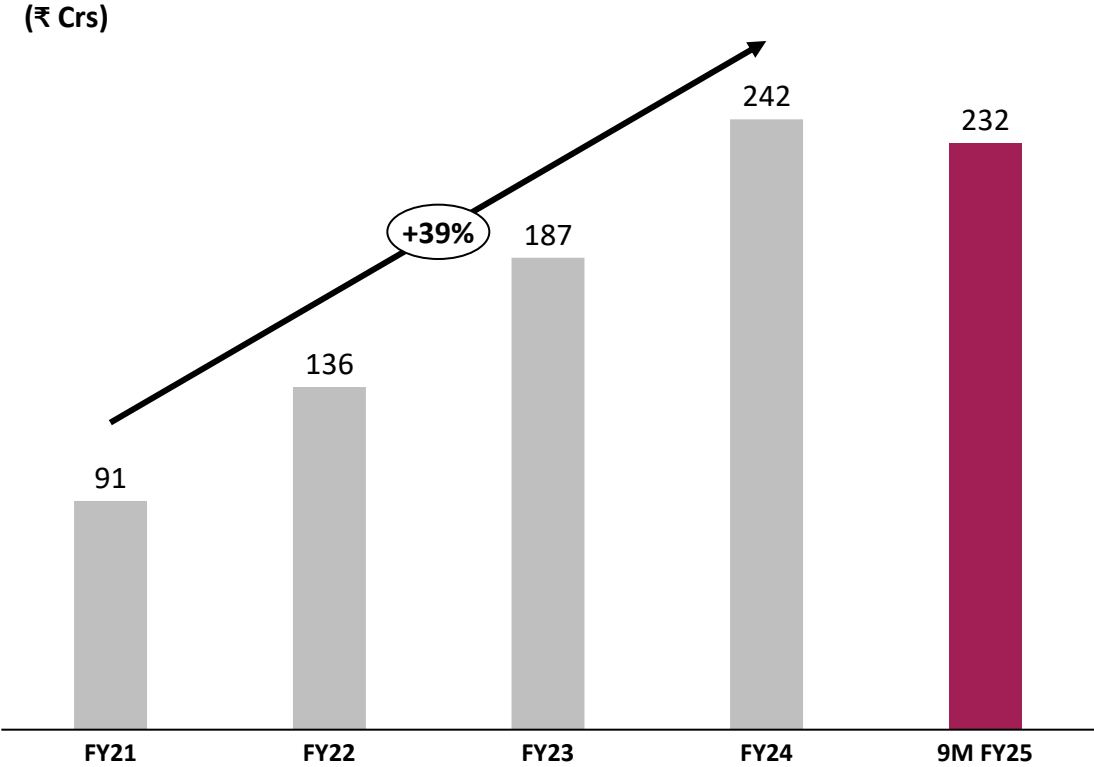
*Note : No. of shares after share split

Sustained Market Share Growth: Revenues Surged 1.8x in Last 2 Years

Music Sector*



Revenues



Tips Music outperformed sectoral growth by 2.8x over the past 4 years

*Source: EY-FICCI M&E Report 2024; # EY Estimates

Two Pronged Content Acquisition Strategy

PURCHASE

STRATEGY

- We purchase music rights from other producers when we see profitable opportunities
- Our understanding of music and its creative process provides us deep insight on costs and returns and therefore we always maintain cost consciousness while acquiring music rights

PRODUCE

STRATEGY

- To introduce promising singers (Tips) is in our DNA
- We have a strong A&R team which engages with artistes across genres and languages which allows us to promote upcoming talent
- Our team has a deep understanding of music & a track record of creating a repertoire of “Must Have Hits”
- Strong track record of producing hit music

CONTENT COST

100% of content cost is expensed off from profit & loss account in the quarter of release

No capitalization & no pending write-offs in the future.

**Content acquisition is entirely funded through internal accruals.
No borrowings/leverage**

Focus is on building a strong A&R team to sign promising artists and acquire quality content, with additional managers now onboard to support these efforts

Our Content On Global Platforms



Digital Partners

 **YouTube**

 **YouTube Shorts**

 **YouTube Music**

 **Spotify**





 **iTunes**

 **MUSIC**



 **JioSaavn**

 **SONY MUSIC PUBLISHING**

 **WARNER MUSIC GROUP**

 **prime music**

 **gaana**

 **hungama**

 **ShareChat**

 **moj**

 **deezer**

Sync Deals

 **NETFLIX**

 **VIACOM 18**

 **Coca-Cola zero SUGAR**

 **MADDOCK FILMS**

 **DHARMA PRODUCTIONS**

 **EXCEL ENTERTAINMENT**

 **Legacy ROOTS**

 **TATA sky**

 **STERLING RESERVE TAKE 2**

 **motorola**

 **boAt**

 **marico**

 **a AAMIR KHAN PRODUCTIONS PVT. LTD.**

 **Cream Bell**

Broadcast Partners

 **Star**

 **SONY ENTERTAINMENT TELEVISION**

 **VIACOM 18**

 **zoom**

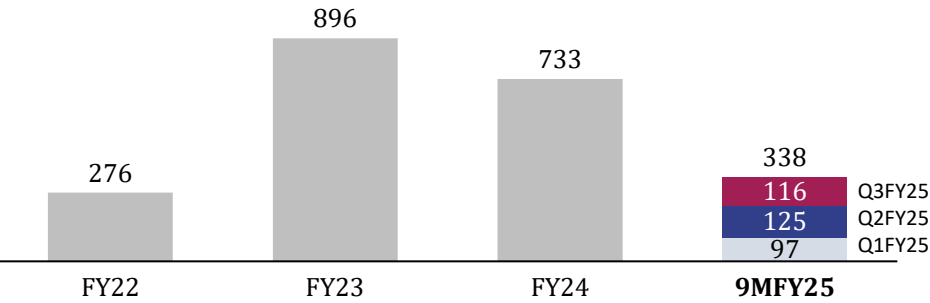


Growing listenership & Increasing Content Addition

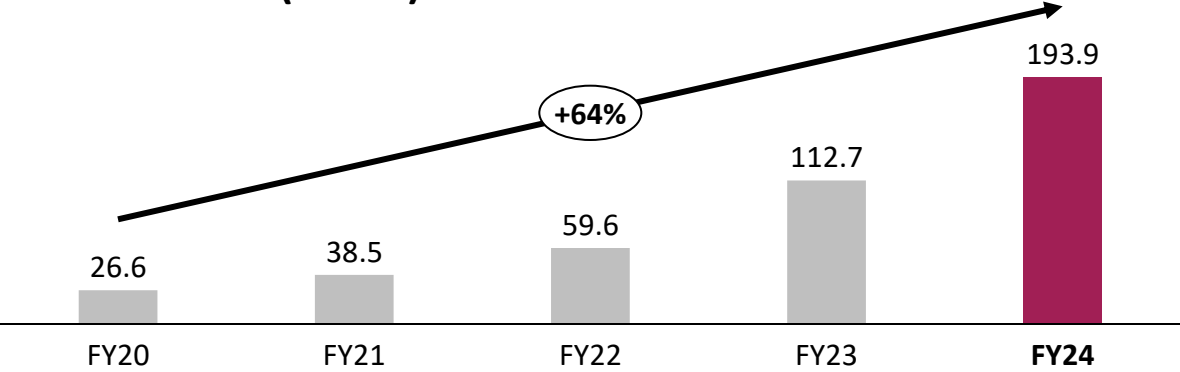
Evergreen & Rich content of **over 32,000 songs** across genres, languages & decades giving us high visibility of music revenue

New Songs Added

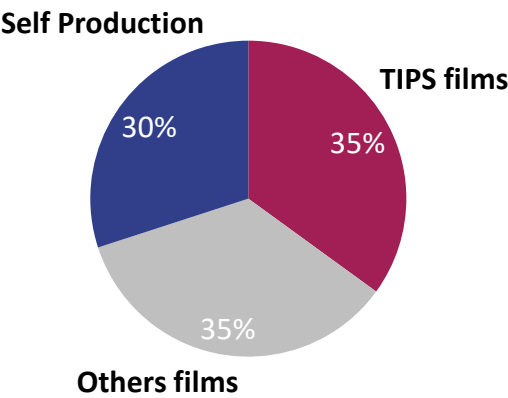
116
New releases in Q3FY25



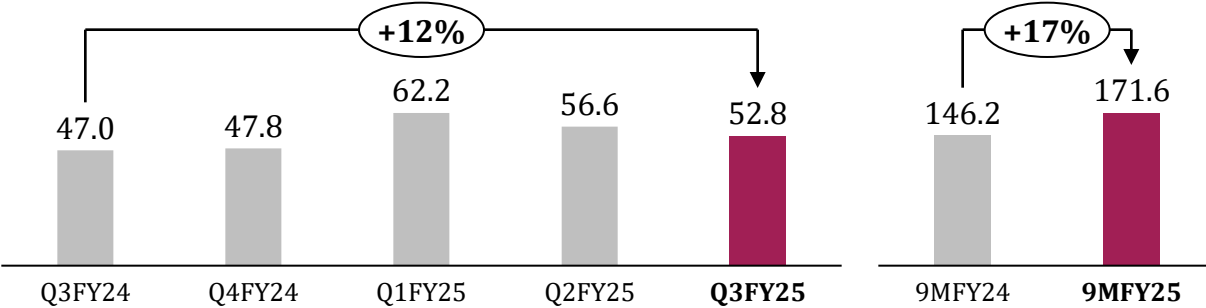
YouTube Views (in. Bn)



Upto **35%** of music content is likely to come from TIPS films while 35% would be from other movie producers

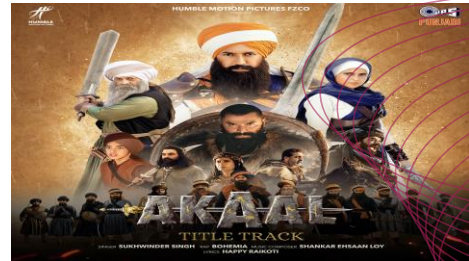
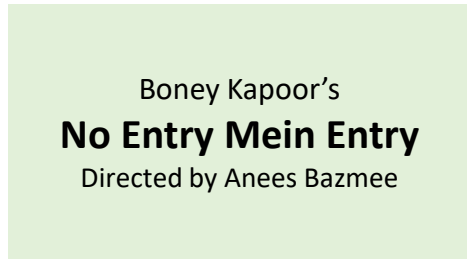


YouTube Views (in. Bn)



The slower growth in total views is primarily on account of YT shorts, which is not a significant contributor to revenue/profit yet.

Upcoming Music Releases



Spotify India Subscription Revenue up by 90% and Ad revenue rose by 114% for FY24

Spotify India Loss Narrows, Revenue Strikes a High Note

REPORT CARD Revenue surge fuelled by robust growth in both advertising and subscription

Javed Farooqui

Mumbai: Spotify India LLP, the local arm of audio streaming firm Spotify, reported a net loss of ₹143 crore for 2023-24, reflecting a 58% decline compared to the ₹343 crore loss in the previous fiscal, according to financial details shared by Tozler.

The company's operating revenue surged 93% to ₹321 crore from ₹166 crore, driven by strong growth in both advertising and subscription revenue.

Expenses decreased 2.4% to ₹492 crore from ₹504 crore. Notably, advertisement and marketing expenses increased 4% to ₹386 crore, while personnel expenses went up 35% to ₹85 crore.

During 2023-24, subscription revenue shot up 90% to ₹167 crore, while advertising revenue soared 114% to ₹135 crore.

Spotify India declined to comment on the financials.

Spotify India LLP is a limited liability partnership between Spotify AB (99.99%) and Spotify Ltd (0.01%), with its ultimate parent company being Spotify Technology S.A., based in Luxembourg.

The entity's primary business operations involve providing access to the Spotify platform and services to local users in India. It is also engaged in selling advertising space and conducting marketing activities in the local market.

According to Spotify India's 2024 advertising deck, the platform has 70 million monthly active users who spend an average

Balance Sheet

NET LOSS
₹143 cr, down 58% from ₹343 cr in the last fiscal

REVENUE GROWTH
Operating revenue up 93% to ₹321 cr

Expenses down 2.4%

Subscription Revenue
up 90% to ₹167 cr; Ad revenue rose by 114% to ₹135 cr

70 million active users, 59% from metros, 41% from smaller towns



According to Spotify India's 2024 advertising deck, the platform now boasts 70 million monthly active users who spend an average of 1.44 hours daily streaming music

59% of Spotify's total reach comes from the top eight metro cities, while the remaining 41% is spread across 7,000 towns

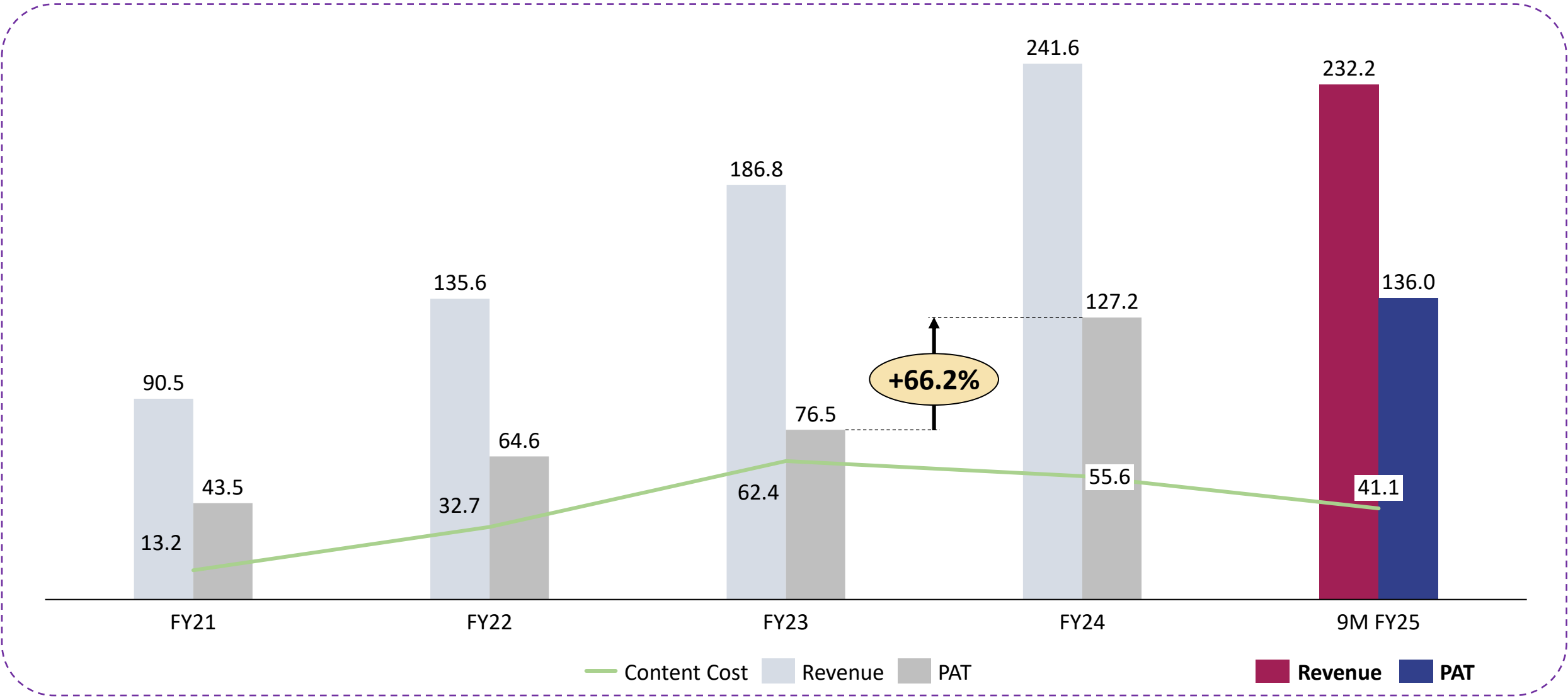
63% of Spotify India's users fall within the 25 to 44-plus age group, while the 16-24 age group makes up the remaining 37%

Subscription Realization per stream is higher, which will help drive top-line growth and improve margins over time

* Source: Economic Times.

Summary of Last 5 Years

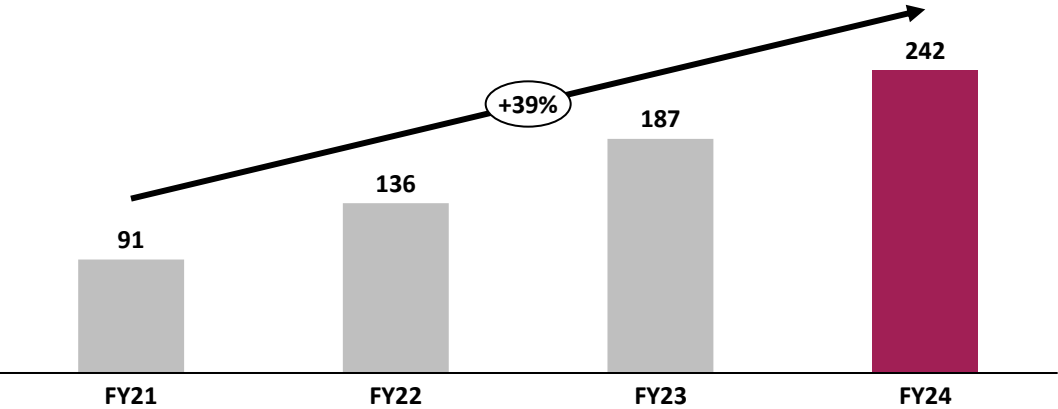
(Crs)



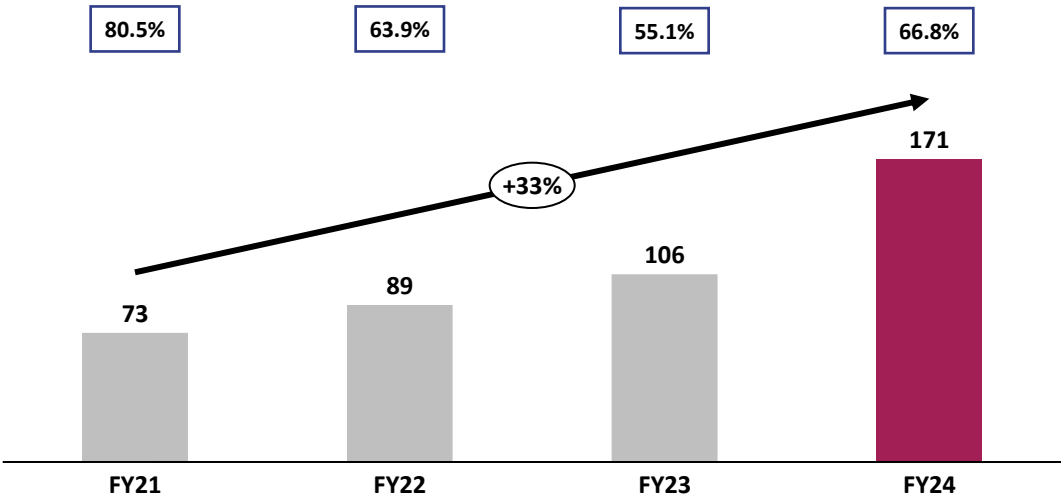
Industry Leading Financial Performance

(₹ Crs)

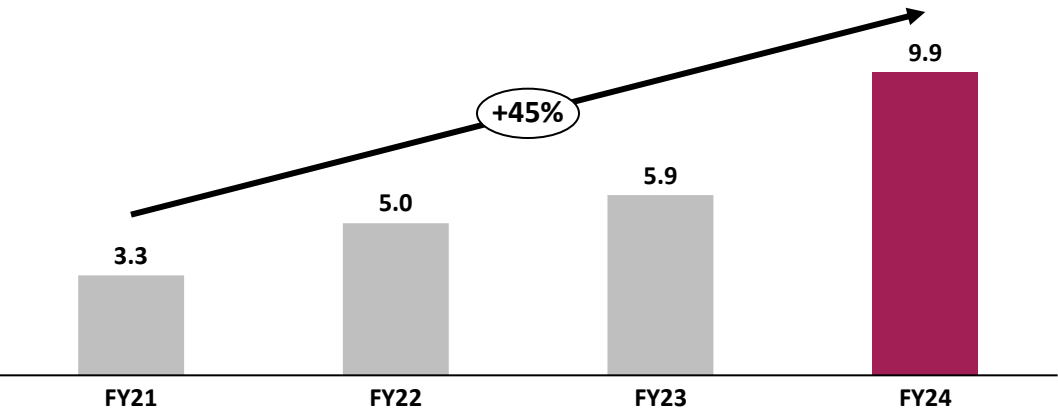
Revenue



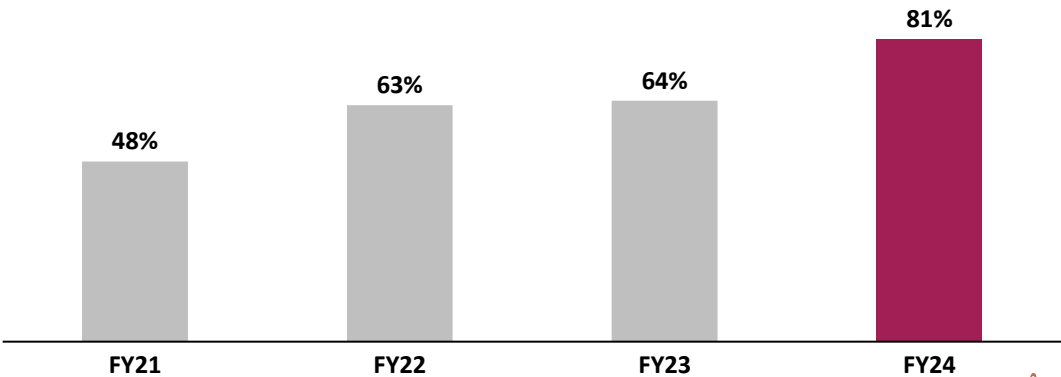
EBIT & EBIT Margin*



EPS#



ROE#



Note *Segmental EBIT before allocating corporate overheads for FY21; #ROE and EPS are before demerger for FY21



Company Details:

Tips Music Limited

CIN: L92120MH1996PLC099359

Email id: investorrelations@tips.in



Investor Relations Advisors:

Orient Capital (a division of Link Group)

Mr. Nikunj Jain | Ms. Mamta Nehra

+91 9769060608 | +91 9987903500

nikunj.jain@linkintime.co.in | mamta.nehra@linkintime.co.in