

BABA ARTS LIMITED

3A, Valecha Chambers, New Link Road, Andheri (W), Mumbai - 400 053.

Tel.: 2673 3131 Fax : 2673 3375

email : babaartslimited@yahoo.com / investors@babaartslimited.com

CIN-L72200MH1999PLC119177 Website: www.babaartslimited.com

18th August, 2022

The Corporate Relationship Department

The BSE Limited

1st Floor, Phiroze Jeejeebhoy Towers

Dalal Street,

Mumbai-400 001

SCRIP CODE: 532380

SCRIP NAME: BABA

Dear Sir,

**Sub.: 1. Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015-
Electronic copy of the Notice of the 23rd Annual General Meeting and the Annual Report of Baba
Arts Limited for the Financial Year 2021-22.**

**2. Intimation of cut-off date of 14th September, 2022 (Wednesday) to determine the eligibility of
members to cast their vote through remote e-voting and ballot voting at the venue of the 23rd
Annual General Meeting.**

This is further to our letter dated 12th May, 2022 regarding, inter-alia, convening of the 23rd Annual General Meeting of the Company ("23rd AGM") on Tuesday the 20th September, 2022 at 11.30 a.m. at Juhu Vile Parle Gymkhana Club. Orchid Hall, Second Floor, Opp. Juhu Bus Depot. Juhu, Mumbai-400049.

Pursuant to Regulation 34 of the SEBI(Listing Obligations & Disclosure Requirements) Regulations 2015 ("Listing Regulations") please find enclosed electronic copy of the Notice of the 23rd AGM and the Annual Report for the financial year 2021-22 containing Directors' Report, Corporate Governance Report, Management Discussion Report etc. which is being sent by email to those members whose email addresses are registered with the Company/Depository Participant(s).

Further in compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company will be providing to the members, facility to exercise their right to vote at 23rd AGM by electronic means and business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited ("CDSL"). The e-voting period will commence on Friday the 16th September, 2022 at 9.00 a.m. (IST) and will end on Monday the 19th September, 2022 at 5.00 p.m. (IST) and the Company has fixed Wednesday the 14th September, 2022 as the cut-off date to determine the eligibility of the members to cast their vote by remote e-voting.

Kindly take the above document on your record and disseminate the same on the website of the Exchange.

Thanking you,

Yours truly,
For Baba Arts Limited



Naishadh H. Mankad
Company Secretary & Compliance Officer



Encl: as above.

23rd Annual Report 2021-2022

BABA ARTS LIMITED

(CIN : L72200MH1999PLC119177)

ROUTE MAP FROM ANDHERI RLY STATION TO THE VENUE OF 23RD AGM



ROUTE MAP FROM VILE PARLE RLY STATION TO THE VENUE OF 23RD AGM



BEST Route:

1. Bus No. 339 from Vile Parle Station (East)
2. Bus No. 253 from Andheri Station (West)
3. Bus No. 231 from Santacruz Station (West)

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BABA ARTS LIMITED CIN : L72200MH1999PLC119177

BOARD AND COMMITTEES

BOARD OF DIRECTORS

Shri Gordhan P. Tanwani
Chairman & Managing Director

Shri Santosh A. Shah
Independent Director
Chairman- Audit Committee

Shri Sanjiv L. Hinduja
Independent Director
Chairman – Nomination & Remuneration Committee
Chairman – Stakeholders' Relationship Committee

Smt. Malavika A. Acharya
Director

Ms. Juhi V. Pania
Independent Director (w.e.f.15th June, 2021)

Shri Nikhil G. Tanwani
Additional Director (w.e.f.20th January, 2022)
Whole Time Director (w.e.f.1st June, 2022)

Chief Financial Officer (CFO)
Shri Ajay D. Acharya

Company Secretary (CS) & Compliance Officer
Shri Naishadh H. Mankad

Statutory Auditors
Arunkumar K. Shah & Co.
Chartered Accountants

Banker
Bank of India, Versova Branch
Andheri West, Mumbai -400053
HDFC Bank, Indralok Branch
Lokhandwala, Andheri West, Mumbai -400053

Registered Office & Studio
Baba Arts Limited
3A, Valecha Chambers,
New Link Road, Andheri West,
Mumbai – 400053
Phone: 022 2673 3131
Fax: 022 2673 3375
Email: babaartslimited@yahoo.com/
investors@babaartslimited.com
Website: www.babaartslimited.com

Registrar & Share Transfer Agent
Universal Capital Securities Private Limited
C-101, 247 Park, 1st Floor, LBS Road,
Gandhi Nagar, Vikhroli West,
Mumbai-400083
Phone: 022 2820 7203-05/ 022 4918 6178-79
Fax: 022 2820 7207
Email: baba@unisec.in
Website: www.unisec.in

CIN: L72200MH1999PLC119177
ISIN: INE893A01036

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Regd. Address: 3A, Valecha Chambers, New Link Road, Andheri (West), Mumbai-400053

Tel No.022 2673 3131 Fax : 022 2673 3375

Email : babaartslimited@yahoo.com / investors@babaartslimited.com Website : www.babaartslimited.com

NOTICE OF THE TWENTY THIRD (23RD) ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Third (23rd) Annual General Meeting of Baba Arts Limited will be held on Tuesday, the 20th September, 2022 at 11.30 a.m. (IST) at Juhu Vile Parle Gymkhana Club, Orchid Hall, Second Floor, Opp. Juhu Bus Depot, Juhu, Mumbai-400049 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements and the reports of the Board of Directors and Auditors thereon for the financial year ended on 31st March, 2022 and in this connection to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** the audited financial statements of the Company and the reports of the Board of Directors and Auditors thereon for the financial year ended on 31st March, 2022 laid before this meeting be and are hereby considered and adopted.”

2. To appoint director in place of Smt Malavika A. Acharya (DIN 07007469) who retires by rotation and being eligible offers herself for reappointment and in this connection to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Smt. Malavika Acharya (DIN 07007469), who retires by rotation be and is hereby reappointed as a Director of the Company liable to retire by rotation.”

3. To Appoint M/s. M M Nissim & Co. LLP as Statutory Auditors of the Company and in this connection to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. M M Nissim & Co LLP, Chartered Accountants, Mumbai having Firm Registration No. 107122W/W100672 and holding valid Peer Review Certificate issued by Peer Review Board of The Institute of Chartered Accountants of India (ICAI), be and are hereby appointed as the Statutory Auditors of the Company in place of M/s. Arunkumar K. Shah & Co, Chartered Accountants, Mumbai (whose term of appointment expires at the conclusion of this Twenty Third Annual General Meeting) from the conclusion of Twenty Third Annual General Meeting upto conclusion of Twenty Eighth Annual General Meeting and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them as may be determined by the Audit Committee in consultation with the Auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Auditors and the Board of Directors from time to time.”

SPECIAL BUSINESS

4. To Appoint Shri Nikhil G. Tanwani (DIN 01995127) as Director and in this connection to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149,152 and 160 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for time being in force), and pursuant to recommendation of the Nomination & Remuneration Committee, Shri Nikhil G. Tanwani (DIN: 01995127), who was appointed as an Additional Director of the Company in the category of Non-Executive Non-Independent Director by the Board of Directors and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company liable to retirement by rotation.”

5. To Appoint Shri Nikhil G. Tanwani (DIN 01995127) as Whole Time Director of the Company and in this connection to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to recommendation of Nomination and Remuneration Committee of the Company and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions

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of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Articles of Association of the Company, Shri Nikhil G. Tanwani (DIN 01995127) be appointed as Whole Time Director of the Company for a period of Five (5) years from 1st June, 2022 to 31st May, 2027 on remuneration of Rs.50,000/- (Rupees Fifty Thousand Only) per month including all perquisites and allowances for the F.Y. 2022-2023 and future incremental remuneration in the scale of Rs. 50,000 – 10000 (3) – 20,000 (2) 1,20,000, to be decided by the Nomination and Remuneration Committee of the Company, within the limits prescribed under Schedule V to the Companies Act, 2013.

6. To Approve Related Party Transaction with M/s Larry's Impex LLP and Baba Films and in this connection to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and pursuant to Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations"), Company's Policy on Related Party Transactions and subject to such other approvals, consents, permissions as may be necessary from time to time, and pursuant to recommendation and approval of the Audit Committee and Board of Directors, the consent of the Company be and is hereby accorded to the Company to enter / continue to enter into Material Related Transaction(s)/ Contract(s)/Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with the following entities falling within the definition of 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, on such material terms and conditions as detailed below and as may be mutually agreed between related parties and the Company, such that the maximum value of the Related Party Transactions with such parties, in aggregate, does not exceed value as specified under each category for each financial year, provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out in the ordinary course of business of the Company and in respect of transactions with related parties under Section 2(76) of the Act, are at arm's length basis.'

Name of the Related Party	M/s. Larry's Impex LLP	M/s. Baba Films
Name of the Director / Key Managerial Person who is related, if any	Shri Gordhan P. Tanwani Chairman & Mg. Director of the Company Shri Nikhil G. Tanwani – Director	Shri Gordhan P. Tanwani Chairman & Mg. Director of the Company Shri Nikhil G. Tanwani – Director
Nature of Relationship	Shri Gordhan P. Tanwani and Shri Nikhil G. Tanwani are Designated Partners in the LLP	Shri Gordhan P. Tanwani is Proprietor of the Firm. Shri Nikhil G. Tanwani is son of Shri Gordhan P. Tanwani
Nature, Material Terms, Monetary Value and particulars of Contract or Arrangement	Sharing of the part of Office cum Studio Premises admeasuring about 400 Sq. Ft. of the Company at Andheri (West), Mumbai on Leave & License basis with interest free Security Deposit Rs. 6,00,000/- and monthly compensation of Rs.1,00,000/- to be paid in advance on or before 7 th day of every month. Monthly compensation to remain fixed at Rs.1,00,000/- and no increase in compensation during the entire term of 5 years.	Proposed arrangement to acquire various Intellectual Property Rights of commercial films to be produced by M/s. Baba Films. All payments to be made in accordance with agreement to be entered in to between the Company and M/s. Baba Films. The consideration for acquiring the rights, payment terms and all other terms and conditions will be fixed after considering all relevant factors, market rates, market practices and on an arm's length basis.
Period of Arrangement	5 years from 16 th October, 2022 to 15 th October, 2027	5 years from 1 st June, 2022 to 31 st May, 2027
Maximum Amount Per Annum (Rs. Lac)	50.00	30000.00



“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 the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**By Order of the Board
For Baba Arts Limited**

**Naishadh H. Mankad
Company Secretary & Compliance Officer**

Regd. Office:

3A, Valecha Chambers,
New Link Road,
Andheri (West)
Mumbai 400053.

Date 13th May, 2022

Place: Mumbai

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10% of the total paid up capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Proxies to be valid must be lodged with the Company at its registered office not later than 48 hours before the commencement of the annual general meeting. A proxy so appointed shall not have any right to speak at the meeting. Blank proxy form is enclosed.
4. Explanatory Statement pursuant to Regulation 36(5) of the Listing Regulations in respect of Item No. 3 of the Notice and pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the 23rd Annual General Meeting (AGM) is annexed hereto.
5. Corporate members are required to send a scanned copy (PDF/JPG Format) of its board or governing body resolution/ authorization etc. authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting to Universal Capital Securities Private Limited, Registrar and Transfer Agent of the Company, by e-mail through its registered e-mail address to baba@unisec.in.
6. Members may note that the notice and annual report 2021-2022 will also be available on the Company's website www.babaartslimited.com and website of the stock exchange i.e. BSE Limited viz. www.bseindia.com and on the website of CDSL viz. www.cdslindia.com.
7. The route map for venue of the meeting is annexed to this notice.

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8. As per Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations each as amended, read with afore said MCA Circulars and SEBI Circulars the items of business set out in the attached notice will be transacted through electronic voting systems as a mode of voting. The Company is providing the facility of casting votes through the electronic voting system ("e-Voting") under an arrangement with the CDSL. The notice of the meeting will also be available on the Company's website viz: www.babaartslimited.com and the website of the CDSL viz: www.evotingindia.com.

The instructions for shareholders for remote e-voting are as under:

- (i) The voting period begins on Friday 16th September, 2022 at 9.00 a.m. and ends on Monday, the 19th September, 2022 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 on Wednesday, the 14th September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat



Type of shareholders	Login Method
	Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<p>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: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

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

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(iv) Login method for e-Voting 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
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in physical form should enter Folio Number registered with the Company.
- 4) Next enter the image verification as displayed and click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier 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 Physical Shareholders and other than shareholders holding shares in Demat
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) 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.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xi) 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.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xiv) 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.



(xv) Additional Facility for Non-Individual Shareholders and Custodians-Remote Voting only.

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

Process for those shareholders whose email/mobile no. are not registered with the Companies/Depositories

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
- For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- 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 e-voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43

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

The Company has appointed Shri Nrupang B. Dholakia or in his absence Shri Vishwesh Bhagat, Designated Partners of M/s. Dholakia & Associates LLP, Company Secretaries in Whole Time Practice as Scrutinizer to scrutinize the e-voting process in fair and transparent manner

The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e- voting and shall make a consolidated Scrutinizer's Report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorised by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

The results declared along with the Scrutinizer's report shall be hosted on the website of the Company viz: www.babaartslimited.com and on the website of CDSL viz: www.evotingindia.com.

The results shall simultaneously be communicated to BSE Limited.

9. Details as required in Sub-regulation (3) of Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking appointment / reappointment at the 23rd Annual General Meeting forms integral part of this notice. Requisite declarations have been received from the director seeking appointment/reappointment.

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10. Beneficial Owners holding shares in electronic/demat form are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant. Members holding shares in physical form are requested to notify any change in their address, bank account etc. to the Registrar and Share Transfer Agents, **Universal Capital Securities Private Limited**.
11. Members desirous of getting any information about the accounts and operations of the Company are requested to write their queries to the Company at least seven days in advance of the meeting so that the information required can be made readily available at the meeting.
12. As per the provisions of Section 72(1) of the Act, the facility for making/ varying/ cancelling nomination is available to individuals holding shares in the Company. Nominations can be made in Form SH-13 and any variation/cancellation thereof can be made by giving notice in Form SH-14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the share department of the Company/ Registrars and Share Transfer Agents or downloaded from the website of the Company at www.babaartslimited.com.
13. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on 8th June, 2018 to permit transfer of listed securities only in the dematerialized form with a Depository. In view of the above and inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.
14. The Securities and Exchange Board of India ("SEBI") has recently mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January, 2022 any service request of complaints received from the member, will not be processed by RTA till the aforesaid details/documents are provided to RTA. On or after 1st April, 2023, in case any of the above cited documents/details are not available in the folio(s), RTA shall be constrained to freeze such folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.babaartslimited.com.
15. To avail of services through electronic mode, members are requested to register their E-mail address with the Registrar & Share Transfer Agent of the Company, **Universal Capital Securities Private Limited**, to receive all communication by the Company including Annual Report and notice(s) of meetings by E-mail, by sending appropriate communication on baba@unisec.in and also register/update their e-mail ID with the Depository Participant where their Demat account is maintained, for shares held in the electronic form.
16. The Members whose Unclaimed Dividend amount for the financial year from 2005-06 to 2009-10 have been transferred to IEPF may apply for refund by making an application to IEPF authority in form IEPF -5 (available on www.iepf.gov.in) along with requisite fee. The Company has uploaded details of unpaid and unclaimed dividend amounts transferred to IEPF on its website at www.babaartslimited.com and also on the website of the Ministry of Corporate Affairs.
17. **Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Account:**

Pursuant to the provisions of Section 124 and 125 of the Act, and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules") as amended, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF Account after complying with the procedure laid down under the Rules.

Accordingly, the Company has transferred 2,17,204 shares to the IEPF Account maintained with CDSL on 3rd December, 2019 taking the year 2009-2010 as base. The details of the shares transferred to IEPF Authority are uploaded under "Investor Section" on the website of the Company viz: www.babaartslimited.com

The said details have also been uploaded on the website of the IEPF and the same can be accessed through the link www.iepf.gov.in.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts.



19. Details of Directors seeking Appointment/Re-appointment at the Twenty Third Annual General Meeting [Pursuant Regulation 36 (3) of the Listing Regulations and Secretarial Standard on the General Meetings (SS-2)]:

Name of the Director	Malavika A. Acharya	Nikhil G. Tawani
Date of Birth (Age)	29 th September, 1960 (61 Years)	25 th January, 1987 (35 Years)
Date of Appointment on the Board	1 st April, 2015	20 th January, 2022 as an Additional Director 1 st June, 2022 as a Whole Time Director
Qualification	B.Com, Diploma in Business Management Certificate Course on Film Making & Direction, General Green House Management, Interior Designing	CFA Level 1 Completed, BA Honors Interior Designing in Business & International Finance – 2007, Oxford Brookes University, Oxford, England, United Kingdom
Nature of Expertise in specific functional areas	Interior Designer on free lance basis, Line Production in Films	Experience in field of Film & Television Production, Content Acquisition, Content Licensing, Negotiation of Commercial & Legal Contracts.
Relationship with other Directors and Key Managerial Personnel	Wife of Shri Ajay D. Acharya- Chief Financial Officer(CFO) of the Company	Son of Shri Gordhan P. Tanwani- Promoter & Managing Director of the Company.
Terms & Conditions of Re-appointment	As per Resolution item no.2 of the notice convening this meeting read with explanatory statement thereto, Smt. Malavika A. Acharya is proposed to be reappointed as a Director of the Company liable to retire by rotation.	As per the Resolution under Item No.4 and 5 of the Notice convening this meeting, Shri Nikhil G. Tanwani is proposed to be appointed as a Director and Whole Time Director w.e.f. 1 st June, 2022
Remuneration last drawn (including sitting fees, if any)	Sitting Fees paid of Rs.1,20,000/- during the F.Y.2021-2022	NIL
Number of meetings of the Board attended during the year	6 out of 6	1 out of 1
Names of listed entities in which he/she also holds Directorship and membership of committees of the Board.	Nil	Nil
Chairman / Member of Committee(s) of the Board of Directors of the Company	Member- Audit Committee Member- Nomination & Remuneration Committee	None
Chairman / Member of Committee (s) of Directors of other Companies in which he/she is a Director	None	None
No. of Shares held in the Company (as on 31 st March, 2022)	235600	Nil
Director Identification No.	07007469	01995127

By Order of the Board
For Baba Arts Limited

Regd. Office:
3A, Valecha Chambers,
New Link Road,
Andheri (West)
Mumbai 400053.

Place: Mumbai
Date: 13th May, 2022

Naishadh H. Mankad
Company Secretary & Compliance Officer

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.3

This Explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). However, the same is strictly not required as per Section 102 of the Companies Act, 2013.

The current auditors, viz. M/s. Arunkumar K. Shah & Co., Chartered Accountants (Firm Registration No. 126935W) were appointed at the 18th Annual General Meeting held on 19th September, 2017 for a term of 5 (five) years till the conclusion of the 23rd Annual General Meeting ("AGM").

As per the provisions of the Section 139 of the Companies Act, 2013, no listed company shall appoint an individual as auditor for more than one term of 5 (five) consecutive years. Hence, on completing the term at the conclusion of the ensuing Annual General Meeting, the Company can not re-appoint the current auditor viz. M/s. Arunkumar K. Shah & Co.

The Board of Directors at its meeting held on 12th May, 2022, based on the recommendation of Audit Committee has proposed to appoint M/s. M M Nissim & Co LLP, Chartered Accountants (Firm Registration No. 107122W/W100672) as the statutory auditors of the Company subject to approval by members at the ensuing Annual General Meeting.

M/s. M M Nissim & Co LLP, Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditors in terms of Section 143 of the Act. They have also confirmed that they hold a valid peer review certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

M/s. M M Nissim & Co LLP, Chartered Accountants will be appointed as the statutory auditors of the Company for a first term of 5 (five) consecutive years from the conclusion of 23rd (Twenty Third) AGM till the conclusion of 28th (Twenty-Eight) AGM.

Disclosure required pursuant to Regulation 36(5) of the Listing Regulations, are given below:

Sr. No.	Disclosure Requirements	Compliance Status
1.	Proposed Fees payable to the statutory Auditor(s)	To be decided by the Board of Directors upon recommendation of the Audit Committee.
2.	Term of Appointment	M/s. M M Nissim & Co LLP, Chartered Accountants (Firm Registration No. 107122W/W100672) to be and are hereby recommended for appointment, for the first term of five consecutive years, as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 28 th Annual General Meeting.
3.	In case of new Auditor, Material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	No material change in the fee for the proposed auditors from that paid to the outgoing auditor.
4.	Basis of recommendation for appointment	<p>The recommendations are based on the fulfillment of the eligibility criteria prescribed in the Companies Act, 2013</p> <p>M/s. M M Nissim & Co LLP has handled various audit assignments both in the public and private sectors.</p> <p>M/s. M M Nissim & Co LLP is handling various assignments in the field of direct and indirect taxes (Income Tax, Wealth Tax, Excise Service Tax and Value Added Tax)</p> <p>Ares of Specialization</p> <ul style="list-style-type: none"> • Statutory Audit, Tax Audit, GST Audit and Transfer Pricing Audit • Internal Audit, Concurrent Audit and Compliance Audit



		<ul style="list-style-type: none"> • Inspections of regulated entities on behalf of regulators • GST and Income Tax consulting and compliance • Cash Flow and Physical Progress monitoring of projected funded by the Banks • Forensic Audit and special audit of stocks and receivables • Merger, Amalgamations and Valuation • Management Consultancy, due diligence review • Corporate Taxation and Cross Border Taxation • Personal Taxation
5.	Details in relation to and credentials of the statutory auditor(s) proposed to be appointed	M/s. M M Nissim & Co LLP (Firm Registration No. 107122W/W100672), formed in 1927 having its Head Office at Barodawala Mansion, B Wing, 3 rd Floor, 81, Dr. Annie Besant Road, Worli, Mumbai-400018 and has various branch offices across the country. The Firm is having a team consisting of 35 Chartered Accountants, 40 Article Assistants and 110 Other staff (excluding partners and support staff)

The Board recommends the Ordinary Resolution set out at Item no.3 of the accompanying Notice for approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in way, concerned or interested in the Resolution set out at Item No.3 of the Notice.

Item No.4 and 5

The Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee ("NRC"), appointed Shri Nikhil Gordhan Tanwani (DIN: 01995127) as an additional director of the Company in the category of Non-Executive Non-Independent with effect from 20th January, 2022. In terms of Section 161(1) of the Act, Shri Nikhil Gordhan Tanwani holds office upto the date of this Annual General Meeting ('AGM') and is eligible for appointment as Director. The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director.

The Board of Directors of the Company, at its meeting held on 12th May, 2022, based on the recommendations of the NRC and taking into consideration several relevant factors appointed Shri Nikhil Gordhan Tanwani (DIN 01995127) as a Whole Time Director for a period of 5 (five) years, with effect from 1st June, 2022 to 31st May, 2027 and approved the terms and conditions of his appointment, including payment of remuneration, subject to the approval of Members of the Company.

Shri Nikhil Gordhan Tanwani is not disqualified in terms of Section 164 of the Companies Act, 2013 (the Act") and has given his consent to act as the Director and Whole Time Director of the Company, subject to approval by the Members. Shri Nikhil Gordhan Tanwani satisfies all the conditions as set out in Section 196(3) of the Act.

The material terms of appointment and remuneration as given below:

Reward Element	Amount (in INR)
Salary (including all perquisites)	Rs.50,000/- per month
Annual Cash Bonus	As per the Company's Policy and subject to approvals from Nomination & Remuneration Committee and the Board
For further increments	in the scale of Rs. 50,000 – 10000 (3) – 20,000 (2) 1,20,000 subject to approvals of Nomination & Remuneration Committee and the Board

The Board of Directors shall fix the annual remuneration within the above scale based on the recommendation of the Nomination and Remuneration Committee.

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Minimum Remuneration:

Notwithstanding anything contained above, wherein any financial year during his tenure as Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration payable to Shri Nikhil Gordhan Tanwani shall be subject to Section 197 of the Act, and provisions of Section II of Part II of Schedule V to the Act, or any other law or enactment for the time being in force.

The explanatory statement together with the accompanying resolution may also be regarded as an abstract of the terms and conditions of the appointment of the Shri Nikhil Gordhan Tanwani as Whole Time Director. The Letter of Appointment shall be available for inspection by the Members.

In compliance with the provisions of the Section 152, 196, 197 and 203 of the Act, the Listing Regulations and other applicable regulations, the appointment of Shri Nikhil Gordhan Tanwani as Whole Time Director for a period of 5 (five) years commencing from 1st June, 2022 is now placed for the approval of the Members by an Ordinary Resolution.

Brief profile and other details of Shri Nikhil G. Tanwani are provided in the note no.19 of the notice pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on the General Meetings issued by the Institute of Company Secretaries of India (ICSI).

Based on the qualifications and knowledge, the Board considers that Shri Nikhil Gordhan Tanwani's association would be of immense benefit to the Company and accordingly, the Board commends the Ordinary Resolution set out in the Item No. 4 and 5 of the accompanying Notice for approval of the members.

Shri Nikhil G. Tanwani and Shri Gordhan P. Tanwani and their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at item no.4 and 5 of the accompanying Notice.

No other directors of the Company or key managerial personnel or their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.4 and 5 of the accompanying Notice.

Item No.6

Section 188 of the Companies Act, 2013 which governs the related party transactions, requires that for entering in to transactions or arrangement with related parties, the Company must obtain prior consent of the Board of Directors and in case of certain transactions with related parties' prior approval of the Company by a resolution shall be obtained. Similarly, Regulation 23(4) of the Listing Regulations all material related party transactions shall require approval of shareholders through a resolution.

As per explanation to regulation 23(1) of the Listing Regulations a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Your Company proposing to enter in to transactions with M/s.Baba Films and M/s. Larry's Impex LLP parties in which the directors of the company are interested. The value of such transactions is likely to exceed limit of ten percent of the turnover of the Company of the previous financial year. As such the said transactions are required to be approved by the shareholders through a resolution.

Transactions with M/s. Larry's Impex LLP

The Company is having surplus space in its office cum studio premises where the Registered Office of the Company is also situated. Your Company had given part of the surplus space admeasuring about 700 Sq. Ft. on leave and license basis for a period of 5 years from 17th October, 2017 to 16th October, 2022 to M/s. Larry's Impex LLP in which Shri Gordhan P. Tanwani, Chairman & Mg. Director of the Company and his son Shri Nikhil G. Tanwani, are Designated Partners. Currently the Company is recovering compensation for use of the Company's premises at Rs. 1,10,000/- per month i.e. Rs. 13.20 Lac per annum. In addition, Company has received interest free Security Deposit of Rs. 6,00,000/- from Larry's Impex LLP.

Larry's Impex LLP has now requested to renew the Leave and License arrangement for a further period of 5 years from 17th October, 2022 to 16th October, 2027. However, the total area required by Larry's Impex LLP is now reduced from about 700 Sq. Ft. to about 400 Sq. Ft. Larry's Impex LLP has requested to charge compensation of Rs. 1,00,000/- per month i.e. Rs. 12,00,000/- per annum and continue interest free Security Deposit of Rs. 6,00,000/-.



Transactions with M/s. Baba Films

The members of the Company in their 19th Annual General Meeting held on 25th September, 2018 had also authorised the Company to enter in to related party transaction with M/s. Baba Films for acquiring various Intellectual Property Rights of films to be produced by M/s. Baba Films and exploit the said rights commercially. While, till date the Company has not done any transaction with M/s. Baba Films going forward the Company may enter in to transactions with M/s. Baba Films. It is therefore proposed to obtain fresh approval of the members of the Company to enter in to transactions for acquiring various Intellectual Property Rights of films to be produced by M/s. Baba Films and exploit the said rights commercially.

In the light of provisions of the Companies Act, 2013 and the Rules made there under, the Board of Directors of your Company have approved the proposed transactions that your Company may enter in to with the related parties with annual limit for respective contract.

The particulars of transactions pursuant to Section 188 of the Companies Act, 2013 and the Companies (Meetings of the Board and its Powers) Rules, 2014 as under:

Name of the Related Party	M/s. Larry's Impex LLP	M/s. Baba Films
Name of the Director / Key Managerial Person who is related, if any	Shri Gordhan P. Tanwani Chairman & Mg. Director of the Company Shri Nikhil G. Tanwani – Director	Shri Gordhan P Tanwani Chairman & Mg. Director of the Company Shri Nikhil G. Tanwani – Director
Nature of Relationship	Shri Gordhan P. Tanwani and Shri Nikhil G. Tanwani Designated Partners in the LLP	Shri Gordhan P. Tanwani is Proprietor of the Firm. Shri Nikhil G. Tanwani is son of Shri Gordhan P. Tanwani
Nature, Material Terms, Monetary Value and particulars of Contract or Arrangement	Sharing of the part of Office cum Studio Premises admeasuring about 400 Sq. Ft. of the Company at Andheri (West), Mumbai on Leave & License basis with interest free Security Deposit Rs. 6,00,000/- and monthly compensation of Rs. 1,00,000/- to be paid in advance on or before 7th day of every month. Monthly compensation to remain fixed at Rs. 1,00,000/- and no increase in compensation during the entire term of 5 years.	Proposed arrangement to acquire various Intellectual Property Rights of commercial films to be produced by M/s. Baba Films. All payments to be made in accordance with agreement to be entered in to between the Company and M/s. Baba Films. The consideration for acquiring the rights, payment terms and all other terms and conditions will be fixed after considering all relevant factors, market rates, market practices and on an arm's length basis.
Period of Arrangement	5 years from 16th October, 2022 to 16th October, 2027	5 years from 1st June, 2022 to 31st May, 2027
Maximum Amount Per Annum (Rs. Lacs)	50.00	30000.00
Any other information relevant or important for the Board / Members to take a decision	There is an existing arrangement of sharing of office premises which has been entered in to by the company to utilise surplus space available with the Company and to gain some income for the Company. The same agreement is being renewed for a further period of 5 years. The area to be given on Leave & License basis is now reduced from 700 Sq. Ft. to 400 Sq. Ft. Various terms of the agreement are as per prevailing market practice. The agreement is entered in to on an arm's length basis after consideration of all factors relevant to the arrangement.	The arrangement of acquiring various rights of films is being entered in to with a view to enhance business of the Company and is towards benefit of the Company as also of M/s. Baba Films. The agreements for acquisition of rights of films will be entered in to in the ordinary course of business of the Company and on an arm's length basis after consideration of all factors relevant to the arrangement.

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The Copy of the existing agreement for sharing of office premises with M/s. Larry's Impex LLP shall be available for inspection of the members at the Registered Office of the Company on all working days except Saturday between 10.30 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.

The members are informed that no member/s of the Company being a related party or having any interest in the resolution as set out at item no. 6 of this notice shall be entitled to vote on the resolution.

Except Shri Gordhan P Tanwani, the Chairman & Mg. Director and Shri Nikhil G. Tanwani, Additional Director of the Company and their relatives, no other Director and Key Managerial Person and their relative is interested or concerned financially or otherwise in passing of the proposed resolution.

Your Board of Directors recommends the Ordinary Resolution set out in the Item No.6 of the accompanying Notice for approval of the members.

By Order of the Board

Naishadh H. Mankad
Company Secretary & Compliance Officer

Regd. Office:
3A, Valecha Chambers,
New Link Road,
Andheri (West)
Mumbai 400053.

Date: 13th May, 2022
Place: Mumbai



DIRECTORS' REPORT

To,
The Members,
Baba Arts Limited

Your Company's Board of Directors ("Board") is pleased to present the Twenty Third Annual Report of Baba Arts Limited ("Company") for the financial year ended 31st March, 2022.

In Compliance with the applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this report covers the financial results and other developments during the financial year ended 31st March, 2022 and up to the date of Board Meeting held on 12th May, 2022 to approve this Report, in respect of Baba Arts Limited.

● FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
	As per IND AS	
Revenue from Operations	1801.80	1332.12
Other Income	90.38	119.70
Total Income	1892.18	1451.82
Total Expenditure	1481.11	1129.92
Profit Before Tax	411.07	321.90
Less: Tax Expenses		
Current Tax	113.06	36.42
MAT Credit Entitlement	-	(1.85)
Prior Year Short Provision of Tax	-	0.19
Deferred Tax	0.46	6.78
Net Profit /(Loss) for the Year	297.55	280.36

● DIVIDEND

In order to strengthen the reserves of the Company, your directors consider it prudent to plough back the profits and not to recommend any dividend for the financial year 2021-2022.

● REVIEW OF OPERATIONS

During the year under review, income from Post Production activity decreased to Rs.6.46 Lakhs from Rs.7.39 Lakhs in the previous year. Your Company earned income from trading in IPR of Rs.1795.33 Lakhs in the current year as against Rs.1324.73 Lakhs in the previous year. After providing for depreciation of Rs.5.88 Lakhs (Previous Year Rs.4.53 Lakhs), Current Tax (Net of MAT Credit entitlement) of Rs.113.05 Lakhs (Previous Year Rs.34.57 Lakhs), your Company earned Net Profit after tax of Rs.297.55 Lakhs vis-à-vis Net Profit after tax of Rs.280.36 Lakhs in the previous year. Other Comprehensive Income for the year was Rs.0.72 Lakhs (Previous Year Other Comprehensive Expense Rs.0.68 Lakhs).

● TRANSFER TO RESERVES

Your directors have proposed not to transfer any amount to reserves.

● CHANGES IN NATURE OF BUSINESS, IF ANY

There is no change in the nature of business during the year under review.

● MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of signing of this report.

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● BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

➤ DIRECTORS

Shri Santosh A. Shah and Shri Sanjiv L. Hinduja hold office as Independent Directors of the Company up to 31st March, 2024.

During the year, Ms. Juhi V. Pania has been appointed as Independent Director of the Company for a term of five years w.e.f. 15th June, 2021 to 14th June, 2026.

Appointment

Pursuant to the recommendation of Nomination and Remuneration Committee ('NRC'), the Board of Directors has appointed Shri. Nikhil G. Tanwani as Additional Director in the category of Non-Independent Non-Executive Director with effect from 20th January, 2022 and he holds office up to the date of the forthcoming Annual General Meeting ("AGM"). The Company has received notice from a Member in writing proposing his candidature as Director of the Company at the ensuing AGM.

Further, pursuant to recommendation of NRC, the Board of Directors at its Meeting held on 12th May, 2022 has appointed Shri Nikhil G. Tanwani as Whole Time Director of the Company for a term of five years i.e. with effect from 1st June 2022 to 31st May, 2027 subject to approval of members at ensuing AGM.

The Board recommends for approval of the members by way of an Ordinary Resolution, the appointment of Shri Nikhil G. Tanwani as Director on the Board and Whole Time Director i.e. with effect from 1st June 2022 to 31st May, 2027 under item no. 4 and 5 respectively of the accompanying notice of the 23rd AGM of the Company.

Re-appointment

In terms of Section 152 of the Companies Act, 2013, Smt. Malavika A. Acharya (DIN 07007469), Director, retires by rotation at the forthcoming AGM and is eligible for re-appointment. Smt Malavika A. Acharya has confirmed that she is not disqualified for appointment as Director under Section 164 of the Act and has offered herself for re-appointment.

The necessary resolution for re-appointment of Smt. Malavika A. Acharya forms part of the notice convening the AGM scheduled to be held on Tuesday, the 20th September, 2022.

A brief resume of directors being appointed / re-appointed along with the nature of their expertise, their shareholding in your Company and other details as stipulated under Regulation 36(3) of the Listing Regulations is given in the notice convening the 23rd AGM.

➤ KEY MANAGERIAL PERSONNEL

Shri Gordhan P Tanwani, Chairman & Managing Director, Shri Ajay D. Acharya, Chief Financial Officer and Shri Naishadh H. Mankad, Company Secretary continue to be Key Managerial Personnel (KMP) of the Company in compliance with the requirements of Section 203 of the Companies Act, 2013.

➤ INDEPENDENT DIRECTORS

In terms of Section 149 of the Act, Shri Santosh A. Shah, Shri Sanjiv L. Hinduja and Ms. Juhi V. Pania are Independent Directors of the Company. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received declarations from all Independent Directors confirming that they meet criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management.

In terms of Regulation 25(8) of the Listing Regulations, the independent directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of Legal, Accounts and Finance, Governance etc. and that they hold highest standards of integrity.



The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. Further, except Ms. Juhi V. Pania, all Independent Directors are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

➤ **FAMILIARISATION PROGRAMME**

The Company has put in place an induction and familiarization programme for all its directors including independent directors so as to acquaint themselves with the nature of the industry in which the Company operates. The Directors are periodically advised about the changes effected in the Corporate Laws, Listing Regulations, Taxation Laws and other statutes applicable to the Company, with regard to their roles, rights and responsibilities as Director of the Company. The familiarization programme for independent directors in terms of the provisions of Regulation 46(2) (i) of the Listing Regulations is uploaded on the web site of the Company.

➤ **ANNUAL EVALUATION OF BOARD**

Pursuant to Regulation 17 of the Listing Regulations read with Section 134 (3)(p) of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, annual evaluation of the performance of the Board, its Committees and of individual directors has been made during the year under review. To facilitate the evaluation process, the Nomination & Remuneration Committee of the Board has laid down the evaluation criteria for the performance of Executive/Non-Executive / Independent Directors through a Board effectiveness survey. A questionnaire of the survey is designed with the objective of reviewing the functioning and effectiveness of the Board. Each Board member (other than the Director being evaluated) is requested to evaluate the effectiveness of the members of the Board on the basis of information flow, decision making of the directors, relationship to stakeholders, Company performance, Company strategy, and the effectiveness of the whole Board and its various committees on a scale of one to five.

Evaluation of Independent Directors is done on the basis of their role in Governance, Control and Guidance and more particularly their performance in the following areas:

- ◆ Their contribution towards monitoring the Company's corporate governance practice
- ◆ Their participation in formulating business strategies and
- ◆ Their participation in Board and Committee meetings and generally fulfilling their obligations and fiduciary responsibilities as Directors of the Company.

● **BOARD AND COMMITTEES**

➤ **NUMBER OF MEETINGS OF BOARD**

The Board met six times during the year, details of which are given in the Corporate Governance Report that forms part of this annual report. The intervening gap between the meetings was within the limit prescribed under the Act and the Listing Regulations.

➤ **COMMITTEES OF BOARD**

As on 31st March, 2022 the Board had 3 (Three) Committees - the Audit Committee, the Nomination & Remuneration Committee and the Stakeholders Relationship Committee.

A detailed note on the composition of Board and its committees and the number of meetings held and attendance of Directors at such meetings is provided in the Corporate Governance Report, which forms part of the Annual Report.

● **POLICY ON DIRECTORS APPOINTMENT & REMUNERATION**

The Board has in accordance with the provisions of Sub-Section (3) of Section 178 of the Act, formulated a policy setting out the criteria for determining qualifications, positive attributes, independence of a director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The text of the policy is available on the website of the Company www.babaartslimited.com.

● **RISK MANAGEMENT POLICY**

The Board of Directors of your Company periodically assesses the risk in the internal and external business environment and takes necessary steps to mitigate the said risks. The Company has an adequate risk management plan in place which is reviewed at regular intervals by the Board.

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● VIGIL MECHANISM /WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal vigil mechanism to the directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) Conservation of energy:

Sr. No.	Particulars	Details
I	the steps taken or impact on conservation of energy	Your Company's activities do not require substantial energy consumption. However, the Company continues to lay emphasis on reducing energy consumption by constantly monitoring the consumption and taking steps to reduce wasteful use of energy. Employees are trained to switch off computers, air conditioners and lights when not required.
II	the steps taken by the company for utilizing alternate sources of energy.	Not applicable, in view of comments in clause (i)
III	the capital investment on energy conservation equipments	Not applicable, in view of comments in clause (i)

(B) Technology absorption:

Sr. No.	Particulars	Details
I	the effort made towards technology absorption	The Company does not have any imported technology.
II	the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
III	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) a) the details of technology imported b) the year of import; c) whether the technology has been fully absorbed d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
IV	the expenditure incurred on Research and Development	Nil

(C) Foreign Exchange Earnings and Outgo:

There was no Foreign Exchange Earnings and Outgo during the Financial Year.

Export Efforts

The Company is engaged in providing post production services to entertainment industry in its post production studio and creating content for Television and also in film production and distribution activity where there is not much scope for exports. The Company is selling overseas rights of films to domestic distributors. The Company did not have any export income during the year.



- **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There were no orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

- **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has in place adequate internal financial controls with reference to financial statements.

The Internal Auditor continuously monitors the efficiency of the internal controls/compliance with the objective of providing to Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organization's risk management, control and governance processes. This system of internal control facilitates effective compliance of Section 138 of the Act and the Listing Regulations.

During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

- **MAINTENANCE OF COST RECORDS**

Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Act, is not applicable to the Company.

- **AUDITORS**

- **Statutory Auditor**

M/s. Arunkumar K. Shah & Co. are the Statutory Auditors of the Company who were appointed for a period of five years in the 18th Annual General Meeting held on 19th September, 2017. The five year term of office of M/s. Arunkumar K. Shah & Co. as statutory auditors of the Company will expire from the conclusion of the forthcoming 23rd AGM of the Company.

The Board of Directors of the Company, based on the recommendation of the Audit Committee, at its meeting held on 12th May, 2022, have proposed to appoint M/s. M M Nissim & Co LLP Chartered Accountants, Mumbai having Firm Registration No. **107122W/W100672** as the statutory auditors of the Company to hold office for a term of five years from the conclusion of the 23rd AGM till the conclusion of 27th AGM to be held in year 2027. Necessary resolution for appointment of M/s. M M Nissim & Co LLP as Statutory Auditors of forms part of the notice convening the 23rd AGM. The Board recommends their appointment to the shareholders..

M/s. M M Nissim & Co LLP, have confirmed their eligibility and submitted a certificate in writing that they hold a valid peer review certificate issued by the Peer Review Board of The Institute of Chartered Accountants of India and that they are eligible, willing and not disqualified to hold the office of the Statutory Auditor.

There are no qualifications, reservations or adverse remarks made by M/s. Arunkumar K. Shah & Co., Statutory Auditors, in their report for the Financial Year ended 31st March, 2022.

Pursuant to provisions of Section 143(12) of the Act, the Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

- **Internal Auditor**

Pursuant to Section 138 of the Act, the Board of Directors of the Company has appointed M/s. SCA & Associates, Chartered Accountants as the internal auditors of the Company for the financial year 2022-2023.

The Audit Committee of Board of Directors in consultation with the Internal Auditor formulates the scope, functioning, periodicity and methodology for conducting the Internal Audit.

- **ANNUAL RETURN**

The Annual Return of the Company will be placed on the Company's Website www.babaartslimited.com after necessary certification and filing the same with the Ministry of Corporate Affairs.

An extract of the Annual Return as on 31st March, 2022, is attached in **Annexure I** to this Report.

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● SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company, with approval of Board, appointed M/s Dholakia & Associates LLP, Company Secretaries in whole time practice to undertake the Secretarial Audit of the Company for the financial year 2021-2022. The detailed report on Secretarial Audit is appended as an **Annexure II** to this report. There is no qualification, reservation or adverse remarks given by Secretarial Auditors of the Company.

The Board at its meeting held on 12th May, 2022 has reappointed M/s Dholakia & Associates LLP, Company Secretaries in whole time practice for conducting Secretarial Audit of the Company for the financial year 2022-2023.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2021-2022 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars / Guidelines issued there under. The annual secretarial compliance report duly signed by Shri Nrupang B. Dholakia, (ICSI Membership No. 10032) Designated Partner of M/s Dholakia & Associates LLP, Company Secretaries in whole time practice has been submitted to BSE Limited within the stipulated time in compliance with the provisions of the Regulation 24(A) of the Listing Regulations.

● PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS

The particulars of loans/advances given, guarantees/securities provided and investments made during the year under review, under Section 186 of the Act, 2013 are given in Note No. 36 and 37 of the notes forming part of the Financial Statements.

● CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A separate report on Corporate Governance is provided together with a Certificate from Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Schedule V of the Listing Regulations.

A certificate of the Managing Director (MD) and Chief Financial Officer (CFO) in terms of Regulation 17(8) as specified in Part B of Schedule II of the Listing Regulations, *inter alia*, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

The Management Discussion Analysis Report as required under the Listing Regulations is presented in separate section and forms part of this Annual Report.

● SEXUAL HARASSMENT

The provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company as the Company is having less than 10 employees. The Company did not receive any complaint of sexual harassment at workplace during the year under review.

● DEPOSITS

Your Company has not invited / accepted any deposits from public under Section 73 to Section 76 of the Act, hence the disclosures required as per Rule 8 (5) (v) and (vi) of the Companies (Accounts) Rules, 2014 are not applicable to your Company.

● PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

All related party transactions that were entered into during the financial year under review were on an arm's length basis and in ordinary course of business and were in compliance with the applicable provisions of the Act, and the Listing Regulations.

All related party transactions are placed before the Audit Committee as also before the Board for approval at every quarterly meeting. Details of transactions with related parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure III** in Form AOC -2 and forms part of this report.



Your Company has formulated a policy on related party transactions which is also available on Company's website at www.babaartslimited.com.

- **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of the Section 135 the Act, are not applicable to the Company.

- **PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Act, read with Rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure IV**.

- **SHARE CAPITAL**

The Company has only one class of shares viz. equity shares with a face value of Re. 1/- each.

- **ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

The Company has not issued equity shares with differential rights during the year under review.

- **ISSUE OF SWEAT EQUITY SHARES**

The Company has not issued sweat equity shares during the year under review.

- **ISSUE OF EMPLOYEE STOCK OPTIONS**

The Company has not issued any Employee Stock Options during the year under review.

- **SHARE CAPITAL AUDIT**

Share Capital audit as per the directives of Securities & Exchange Board of India is being conducted on quarterly basis by M/s. Dholakia & Associates LLP, Company Secretaries in whole time practice and the Audit Reports are duly forwarded to BSE Limited where the shares of the Company are listed.

- **BUSINESS RESPONSIBILITY REPORT**

The Business Responsibility Reporting as required by Regulation 34(2) (f) of the Listing Regulations is not applicable to your Company for the financial year ended 31st March, 2022.

- **GREEN INITIATIVES**

Pursuant to Section 101 and 136 of the Act, the Company has sent Annual Report through electronic mode (e-mail) to all shareholders who have registered their email addresses with the Company or with Depository to receive the Annual Report through electronic mode and initiated steps to reduce consumption of paper.

Physical copy of this annual report is mailed to those shareholders whose e mail addresses are not registered with the Depository or with the Registrar and Transfer Agents of the Company. The annual report is also available on the web site of the Company www.babaartslimited.com.

- **SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES.**

The Company does not have any Subsidiary, Joint Venture and Associate Company.

- **SECRETARIAL STANDARDS**

The Company has in place proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively. During the financial year under review, the Company was in compliance with Secretarial Standards i.e. SS-1 and SS-2 relating to "Meetings of Board of Directors" and "General Meetings" respectively.

- **DIRECTORS' RESPONSIBILITY STATEMENT**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values, the provisions of the Companies Act, 2013 (to the extent notified) and guidelines issued by SEBI. The IND AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting Policies have been consistently

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applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

In accordance with Section 134(5) of the Companies Act, 2013, your board of directors confirms that:

- i) In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the said standards;
- ii) The accounting policies have been consistently applied and reasonable and prudent judgment and estimates have been made so as to give a true and fair view of the profit of the Company for the year ended on 31st March, 2022 and the state of affairs of the Company as at 31st March, 2022 as disclosed in the enclosed accounts;
- iii) Proper and sufficient care has been taken for 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;
- iv) The annual accounts have been prepared on a going concern basis.
- v) They have laid down internal financial controls for the Company and such financial controls are adequate and operating effectively; and
- vi) They have devised proper systems to ensure compliance with provisions of all applicable laws and such systems are adequate and operating effectively.

ACKNOWLEDGEMENT

The Board wishes to thank all the Company's customers, vendors and Company's bankers, who have extended their continuous support to the Company.

Your Directors specially thank the shareholders of the Company for having reposed their confidence in the management of the Company and employees and technicians of the Company at all levels for their dedicated services to the Company and the contribution made by them towards working of the Company.

For and on behalf of the Board of Directors

Gordhan P. Tanwani
Chairman & Managing Director
DIN: 00040942

Place: Mumbai
Date: 13th May, 2022



ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE I Form No. MGT-9 EXTRACT OF ANNUAL RETURN As on the financial year ended on 31st March, 2022

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.]

I. REGISTRATION AND OTHER DETAILS

1	CIN	L72200MH1999PLC119177
2	Registration date	30/03/1999
3	Name of the Company	BABAARTS LIMITED
4	Category/ sub-category of the company	Company Limited by Shares Non Government Company
5	Address of the Registered office and contact details	3 A, Valecha Chambers, New Link Road, Andheri (West), Mumbai-400053 Tel: 022 26733131 Fax : 022 26733375 Email: babaartslimited@yahoo.com , investors@babaartslimited.com
6	Whether listed company	Yes
7	Name, address and contact details of registrar and transfer agent, if any	Universal Capital Securities Private Limited C-101, 247 Park, 1st Floor, LBS Road, Gandhi Nagar, Vikhroli(West), Mumbai-400083 Tel. : 022 2820 7203-05 /022 4918 6178-79 Fax : 022 2820 7207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1	Motion, Picture, Videotape & Television Programme Production Services.	99961210	100

III PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
NOT APPLICABLE					

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IV. SHARE HOLDING PATTERN (Equity Share Capital break up as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	39208000	—	39208000	74.68	39208000	—	39208000	74.68	—
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	—	—	—	—	—	—	—	—	—
e) Banks / FI	—	—	—	—	—	—	—	—	—
f) Any other	—	—	—	—	—	—	—	—	—
Sub Total (A) (1)	39208000	—	39208000	74.68	39208000	—	39208000	74.68	—
(2) Foreign									
a) NRI Individuals	—	—	—	—	—	—	—	—	—
b) Other Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Any other	—	—	—	—	—	—	—	—	—
Sub Total (A) (2)	—	—	—	—	—	—	—	—	—
TOTAL (A)	39208000	—	39208000	74.68	39208000	—	39208000	74.68	—
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIIs	10000	—	10000	0.02	—	—	—	—	(0.02)
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	10000	—	10000	0.02	—	—	—	—	(0.02)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2954967	65600	3020567	5.75	3932507	65600	3998107	7.62	1.86
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4197891	144328	4342219	8.27	3959085	141128	4100213	7.81	(0.46)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4808023	—	4808023	9.16	4031173	4031173	7.68	1.48	
c) Others (specify)									
i) Hindu Undivided Family (HUF)	211523	—	211523	0.40	237181	—	237181	0.45	0.05
i) Clearing Members	7584	—	7584	0.01	6604	—	6604	0.01	(0.00)
ii) Directors & Relatives	85250	—	85250	0.16	85250	—	85250	0.16	—
iii) NRI/OCBs	589630	—	589630	1.12	616268	—	616268	1.17	0.05
iv) IEPF Account	217204	—	217204	0	217204	—	217204	0.41	—
Sub-total (B)(2):-	13072072	209928	13282000	25.30	13085272	206728	13292000	25.32	(0.02)
Total Public Shareholding (B)=(B)(1)+(B)(2)	13082072	209928	13292000	25.32	13085272	206728	13292000	25.32	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	52290072	209928	52500000	100.00	52293272	206728	52500000	100.00	—



ii) Share holding of promoters

Sl No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Gordhan P. Tanwani	39200000	74.67	—	26600000	50.67	—	(24.00)
2	Pravin J. Karia	8000	0.01	—	8000	0.01	—	—
3	Rahul G. Tanwani	—	—	—	12600000	24.00	—	24.00
	Total	39208000	74.68	—	39208000	74.68	—	—

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	GORDHAN P. TANWANI						
1	At the beginning of the year	01/02/2022	Inter-se Transfer	39200000	74.67	39200000	74.67
	Shares bought/(sold) during the year			(12600000)	(24.00)	26600000	50.67
	At the end of the year			26600000	50.67	26600000	50.67
	PRAVIN J. KARIA						
2	At the beginning of the year	NO CHANGE		8000	0.01	8000	0.01
	Shares bought/(sold) during the year		—	—	—	—	
	At the end of the year		8000	0.01	8000	0.01	
	RAHUL G. TANWANI						
3	At the beginning of the year	01/02/2022	Inter-se Transfer	—	—	—	—
	Shares bought/(sold) during the year			12600000	24.00	12600000	24.00
	At the end of the year			12600000	24.00	12600000	24.00

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(iv) Shareholding Pattern of top ten shareholders

(other than Directors, Promoters and Holders of GDRs and ADRs) as on 31st March, 2022

Sr. No.	Name of Shareholders	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	KARISHMA CONST INVESTMENTS PVT. LTD.				
	At the beginning of the year	1271334	2.42	1271334	2.42
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	1271334	2.42	1271334	2.42
2	TEJPAL AMBALAL SHAH				
	At the beginning of the year	718797	1.37	718797	1.37
	Bought during the year	170398	0.32	889195	1.69
	Sold during the year	-	-	-	-
	At the end of the year	889195	1.69	889195	1.69
3	Y T ENTERTAINMENT LIMITED				
	At the beginning of the year	29391	0.06	29391	0.06
	Bought during the year	816149	1.55	845540	1.61
	Sold during the year	1000	-	844540	1.61
	At the end of the year	844540	1.61	844540	1.61
4	KUMAR MANGAT				
	At the beginning of the year	800000	1.52	800000	1.52
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	800000	1.52	800000	1.52
5	AJAY DEVGAN				
	At the beginning of the year	800000	1.52	800000	1.52
	Bought during the year	-	-	-	0.00
	Sold during the year	-	-	-	-
	At the end of the year	800000	1.52	800000	1.52
6	SYPPRESS CONSTRUCTIONS LLP				
	At the beginning of the year	676422	1.29	676422	1.29
	Bought during the year	3000	0.01	679422	1.29
	Sold during the year	-	-	-	-
	At the end of the year	679422	1.29	679422	1.29
7	SELECT MEDIA HOLDINGS LLP				
	At the beginning of the year	-	-	-	-
	Bought during the year	660000	1.26	660000	1.26
	Sold during the year	-	-	-	-
	At the end of the year	660000	1.26	660000	1.26
8	SUSAN KHAMBATTA MOHANLAL KANAYALAL PAHUJA				
	At the beginning of the year	549825	1.05	549825	1.05
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	549825	1.05	549825	1.05
9	DEEPAK BATHIJA				
	At the beginning of the year	356960	0.68	356960	0.68
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	356960	0.68	356960	0.68
10	RITA TEJPAL SHAH				
	At the beginning of the year	229032	0.44	229032	0.44
	Bought during the year	50467	0.10	279499	0.53
	Sold during the year	-	-	-	-
	At the end of the year	279499	0.53	279499	0.53



(v) Shareholding of the Directors and Key Managerial Personnel

Sr. No.	Name of the Directors and Key Managerial Personnel	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Shri Gordhan P. Tanwani (Designation : Managing Director)				
	At the beginning of the year	39200000	74.67	39200000	74.67
	Bought during the year	-	-	-	-
	Sold during the year	12600000	24.00	26600000	50.67
	At the end of the year	26600000	50.67	12600000	24.00
2	Shri Santosh A. Shah (Designation: Director)				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	-	-	-	-
3	Shri Sanjiv L. Hinduja (Designation: Director)				
	At the beginning of the year	7600	0.01	7600	0.01
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	7600	0.01	7600	0.01
4	Ms.Juhi V. Pania (Designation: Director) w.e.f.15th June 2021				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	Shri Nikhil G. Tanwani (Designation: Additional Director) w.e.f.20th January, 2022				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	Shri Ajay D. Acharya [Designation Chief Financial Officer(CFO)] jointly with Smt Malavika A. Acharya (Designation: Director)				
	At the beginning of the year	235400	0.45	235400	0.45
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	235400	0.45	235400	0.45
7	Shri Naishadh H. Mankad (Designation : Company Secretary & Compliance Officer)				
	At the beginning of the year	61600	0.12	61600	0.12
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	61600	0.12	61600	0.12

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V. INDEBTNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—
Change in Indebtedness during the financial year				
* Addition	—	—	—	—
* Reduction	—	—	—	—
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager :

(Amt. in Rs.)

Sl.NO.	Particulars of Remuneration	Name of MD/WTD/manager	Total
		Gordhan P. Tanwani-Managing Director	
1.	Gross salary	NIL	NIL
(a)	Salary as per provisions contained in section 17(1) of the income-tax act,1961		
(b)	Value of perquisites u/s 17(2) Income-Tax Act,1961		
(c)	Profits in lieu of salary under section 17(3) Income Tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission		
	- As % profit		
	- Others (specify)		
5.	Total (A)		NIL
	Ceiling as per the Act		8400000



B. Remuneration to other Directors

(Amt. in Rs.)

Sl.NO.	Particulars to Remuneration	Names of Directors				Total Amount
		Shri Santosh A. Shah	Shri Sanjiv L. Hinduja	Smt. Malavika A. Acharya	Ms. Juhi V. Pania (w.e.f. 15th June, 2021)	
1	Independent Directors					
	Fee for attending board committee meetings	60000	90000	-	90000	240000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	60000	90000	-	90000	240000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	120000	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	120000	-	-
	Total (B)=(1+2)	60000	90000	120000	90000	360000
	Total Managerial Remuneration	60000	90000	120000	90000	360000
	Overall Ceiling as per the Act					8400000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB

(Amt. in Rs.)

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name Designation	Ajay D. Acharya CEO	Naishadh H. Mankad Chief Financial Officer (CFO) Company Secretary (CS)	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	1300000	975000	2275000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	—	—	—
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	N.A.	—	—	—
2	Stock Option	N.A.	—	—	—
3	Sweat Equity	N.A.	—	—	—
4	Commission				
	- as % of profit	N.A.	—	—	—
	- others, specify	N.A.	—	—	—
5	Others, please specify	N.A.	—	—	—
	Total	—	1300000	975000	2275000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishment/ compounding offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other officers in default during the year.

For and On behalf of the Board of Directors

Gordhan P. Tanwani
Chairman & Managing Director
DIN: 00040942

Date: 13th May, 2022
Place: Mumbai

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ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Issued in Pursuance to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
Baba Arts Limited.
3A Valecha Chambers,
New Link Road,
Andheri (West),
Mumbai-400053.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Baba Arts Limited (CIN L72200MH1999PLC119177)** (hereinafter called 'the Company') for the financial year ended 31st March, 2022 through electronic platform due to widespread outbreak of pandemic COVID-19. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

A. In expressing our opinion, it must be noted that-

- i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
- iii. We have not verified correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- v. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the online verification of procedures on test basis.
- vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

B. Based on online verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us 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 and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance mechanism in place to the extent and as applicable to the Company in the manner and subject to the reporting made hereinafter:

- C. We have conducted an online examination of the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:
- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment only. There is no Overseas Direct Investment and External Commercial Borrowings made by the Company;



- V.A. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- V.B. The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and hence are not relevant for the purpose of audit:-
- a. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (up to 12th August 2021) and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from 13th August 2021);
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (up to 16th August 2021) and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 17th August 2021);
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (up to 9th June 2021) and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (with effect from 10th June 2021).
- VI. And the Company being in the business of Films and TV Serial Production and trading in Intellectual Property Rights of Films, provisions of Cinematograph Act, 1952 are applicable to the Company and the same has been complied with during the period under Audit.
- D. We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India;
 - (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.
- E. We further report that—
- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 Companies Act, 2013;
 - II. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance 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;
 - III. Majority decision is carried through and there was no instance of any director expressing any dissenting views.
- F. We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- G. We further report that during the audit period none of the following events has taken place-
- I. Public/Rights/Preferential Issue of Shares/Debentures etc.
 - II. Redemption/buy-back of securities.
 - III. Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.
 - IV. Merger/Amalgamation/Reconstruction, etc.
 - V. Foreign Technical Collaborations.

**For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)**

**Place: Mumbai
Date: 13th May, 2022
UDIN: F010032D000320089**

**CS Nrupang B. Dholakia
Designated Partner
FCS-10032 CP No. 12884**

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ANNEXURE TO DIRECTORS' REPORT

ANNEXURE III

Form No. AOC-2

Form for disclosure of particulars or 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

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

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
Larry's Impex LLP Shri Gordhan P. Tanwani- Chairman & Managing Director and his son Shri Nikhil G. Tanwani - Director of the Company are Designated Partners in the LLP	Rent Received Rs.12,63,244/-	17th October, 2017 to 16th October, 2022	1. Monthly rent of Rs. 1,00,000/- for first 24 months, Rs. 1,10,000/- 25th to 36th Month, Rs. 1,15,000/- (*) from 37th to 60th Month and interest free security deposit of Rs. 6,00,000/-. (*) Board of Directors in its Meeting held on 5th August, 2020 has approved not to increase monthly rent from Rs.1,10,000/- to Rs.1,15,000/-. Accordingly, the rent from 37th to 60th month now stands at Rs.1,10,000/- per month. 2. Lock in Period of 12 Months.	4th September, 2017 and 5th August, 2020. Also approved by the shareholders in their AGM held on 25th September, 2018.	Nil
Graceland New Media LLP Shri Nikhil G. Tanwani- Director of the Company is Designated Partner in the LLP	Purchase of TV Serial Rights Rs. 3,88,00,000/- Share of Advertising Income-IPR Rs.43,67,361/-	1st October 2021 to 30th September, 2026	1. Profit sharing ratio in the range of 70% to 80% for the Company and 20% to 30% for the LLP.	30th July, 2021. Also approved by the Shareholders in their 22nd AGM held on 22nd September, 2021.	Nil

By Order of the Board of Directors

Place: Mumbai
Date: 13th May, 2022

Gordhan P. Tanwani
Chairman & Managing Director
DIN: 00040942



ANNEXURE TO DIRECTORS' REPORT

ANNEXURE IV

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014:

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;	The Directors are paid fees for attending the meetings of the Board of Directors and of the Committees of which they are members. This Remuneration by way of fees is not related to the performance of the Company. In view of this, the ratio of remuneration of each director to the median employees' remuneration is not computed.
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	1. Chief Financial Officer(CFO)- Nil 2. Company Secretary (CS) - Nil 3. Chief Executive Officer(CEO)- N.A.
(iii) the percentage increase in the median remuneration of employees in the financial year;	Nil
(iv) the number of permanent employees on the rolls of Company;	Five (5) As on 31/03/2022.
(v) 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;	In view of uncertainty prevailing with regard to business environment on account of COVID 19 pandemic, the Company did not grant any increase in salary to its employees during the year.
(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014:

Particulars of Top 10 employees in terms of remuneration drawn:

Name	Age	Designation	Total Remuneration (in Rs.)	Qualification	Exp. in Years	Date of Joining	Last Employment
Ajay D. Acharya	63	Chief Financial Officer (CFO)	13,00,000	B.Com	29	16.09.2016	Bhagwati Media Pvt. Ltd.
Naishadh H. Mankad	69	Company Secretary (CS)	9,75,000	ACS	49	01.10.2003	Gandhi Special Tubes Limited
Ankush A. Shigwan	31	Accountant	4,16,000	B.Com	9	23.06.2016	M/s Dalvadi & Co.
Prabhakar S. Bandre	53	Office Assistant	2,73,000	Non Matric	34	23.08.2003	M/s Baba Films
Rakesh J. Singh	40	Office Assistant	2,60,000	S.S.C.	22	01.04.2006	M/s A P Sales Corporation

Notes:

- All appointments are contractual and terminable by notice on either side
- Shri Ajay D. Acharya is related to Smt. Malavika A. Acharya Director of the Company. None of the other employees is related to any Director or Manager of the Company.
- None of the Employees himself or along with his spouse or dependent children hold 2% or more of the Equity Shares of the Company.

Employees employed throughout the year and in receipt of remuneration aggregating Rs.1.02 Crores or more per annum.	NIL
Employed for part of the year and in receipt of remuneration aggregating Rs.8.5 lacs or more per month	NIL
Employed throughout the Financial Year or part thereof in receipt of remuneration in that year which, in a aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	NIL

By Order of the Board of Directors

Place: Mumbai
Date: 13th May, 2022

Gordhan P. Tanwani
Chairman & Managing Director
(DIN : 00040942)

MANAGEMENT DISCUSSION AND ANALYSIS**1. Industry Structure and Development****(a) Indian Economy**

During the financial year 2021-2022 Indian economy grew by 8.7% after contracting by about 6.6% in the previous year. The GDP growth in F.Y. 2021-2022 has taken the economic growth above the pre pandemic level. While the overall growth in GDP during the year is highly satisfactory, the economic growth during the entire fiscal 2021-2022 has gradually spiraled downwards with each quarter.

(b) Industry Scenario

According to the EY-FICCI report 'Tuning into consumer - Indian M&E rebounds with a customer-centric approach', the Indian **Media and Entertainment (M&E)** sector grew 16.4% to INR1.61 trillion (US\$21.5 billion) in 2021. Assuming no further impact of the pandemic, it is expected to grow 17% in 2022 to reach INR 1.89 trillion (US\$25.2 billion) and recover its 2019 pre-pandemic levels, then grow at a CAGR of 11% to reach INR 2.32 trillion (US\$30.9 billion) by 2024.

2. Outlook for Company

Your Company has been planning to exploit its own library content and developing of new content for streaming on various internet based entertainment mediums. The Company will be shortly launching its own Digital Music Channel of devotional songs which will be available on various audio and video OTT platforms like "You Tube", "Face Book", "Instagram", "Spotify", "Jio-Saavan", "Amazon Music", "Wynk", "Gaana", "Bollywood Hungama", "Resso" among others.

Your Company is expecting to generate regular revenue from monetization of its content on the digital platforms.

3. Opportunities, Threats and Challenges

The internet has become the mainstream medium for entertainment for most of the people. Subscription based revenue of TV channels, OTT Platforms and Digital content providers has increased substantially over the past two years. Your Company is expanding its repertoire of content by developing and acquiring new content to increase its presence on OTT and other Digital Media Platforms and thereby take advantage of the growth opportunities that is provided by internet-based entertainment channels.

4. Internal Control System

The Company has adequate internal control system to ensure operational efficiency and compliance of laws and regulations. The internal control system is reviewed by the Audit Committee from time to time and its suggestions, if any, are implemented. The Company has appointed a firm of Chartered Accountants as Internal Auditor, which submits its report on a quarterly basis. Observations of Internal Auditor are noted and wherever necessary corrective steps are taken.

5. Financial Performance with respect to Operational Performance**(i) Sales**

Income from post production activity declined from Rs.7.39 Lakhs in the previous year to Rs.6.46 Lakhs in the current year.

Income from sale of rights of Films and Television Shows was at Rs.1795.33 Lakhs during the year as against income by way of commission on sale of IPR of Rs.1324.73 Lakhs in the previous year.

(ii) Operating Profit, Finance Charges, Depreciation and Net Profit

The Company earned an operating profit of Rs.411.65 Lakhs against operating profit of Rs.322.48 Lakhs in the previous year. Finance charges during the year were at Rs. 0.58 Lakhs (Previous Year Rs.0.58 Lakhs). After providing for Depreciation of Rs.5.88 Lakhs (Previous Year Rs. 4.53 Lakhs), and after providing for current taxation (net of MAT Credit entitlement) of Rs.113.06 Lakhs (Previous Year Rs.34.57 Lakhs), prior year short provision of Tax of Rs. Nil (Previous Year Rs.0.19 Lakhs) and providing for Deferred Tax Liability of Rs.0.46 Lakhs (Previous Year Deferred Tax Asset of Rs.6.78 Lakhs), the Net Profit of the Company during the current year was Rs. 297.55 Lakhs (Previous Year Rs.280.36 Lakhs).

(iii) Capital Investment

During the year ended on 31st March, 2022 the Company has made capital investment of Rs.1.76 Lakhs (Previous Year Rs.5.24 Lakhs) out of its own sources.



(iv) Working Capital

The Company is not enjoying any working capital finance from bank. The Company is managing its activities with its own funds.

6. Human Resources

The Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

7. Return on Net Worth

The Company's return on net worth for the year ended on 31st March, 2022 decreased to 13.31% as compared to 14.47% in the previous year. In previous year provision for tax was after utilization of MAT Credit which was available to the Company. Entire MAT Credit was utilized in the previous year as such no further MAT Credit was available in the current financial year and hence provision for tax was substantially higher compared to the previous year resulting in decline in return on net worth.

8. Changes in Key Financial Ratios

Sr. No.	Particulars	2021-22	2020-21	Details of significant changes (25% or more)
1.	Return on Networth (%)	13.31	14.47	
2.	Debtors Turnover	15.83	180.06	Revenue growth impact and High collection period allowed to customers
3.	Inventory Turnover	The inventory comprises of under production film/web series. There is no turnover of inventory.	The inventory comprises of under production film/web series. There is no turnover of inventory.	
4.	Interest Coverage Ratio	Not Applicable as the Company does not have any borrowings.	Not Applicable as the Company does not have any borrowings.	
5.	Current Ratio	18.2	77.67	Decrease due to increase in turnover and corresponding expenses
6.	Debt Equity Ratio	Not Applicable as the Company has no Debts.	Not Applicable as the Company has no Debts.	
7.	Operating Profit Margin (%)	21.76%	22.21%	
8.	Net Profit Margin (%)	15.73%	19.31%	

Cautionary Statement

Statements in this report on Management Discussion and Analysis describing the Company's objectives, estimates and expectations are "forward looking" statements. These statements are based on certain assumptions and expectations of future events. The actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting the Entertainment Industry, changes in government regulations, tax regimes, economic developments within India and outside the country and other factors such as litigations and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Board of Directors of your Company constantly makes efforts to follow highest standards of business ethics and financial accountability. The Company's business policies are based on accountability, transparency and fairness to all our stakeholders including the investors, customers, vendors, employees, regulators and society in general.

The paid-up share capital and net worth of the Company is below the threshold limit for the purpose of compliance of corporate governance provisions under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). However, your Company is voluntarily complying with requirements of Corporate Governance stipulated under the Listing Regulations, with regard to Corporate Governance and guidance note on board evaluation as prescribed by SEBI.

2. BOARD OF DIRECTORS

● Composition and Category of Directors

The Board comprises of such number of Non-Executive, Executive and Independent Directors as required under applicable legislation. As on date of this report, the board consists of Six (6) members who include One (1) Executive Chairman & Managing Director, Two (2) Non-Independent & Non-Executive Director and Three (3) Independent Directors, free from any business or other relationship with the Company, Promoters of the Company or other Directors of the Company, that could materially influence their judgement.

None of the Directors on the Board is a member of more than ten committees or Chairman of five committees (Committees being Audit Committee and Stakeholders' Relationship Committee) across all the public companies in which he/she is a Director. Necessary disclosures regarding their committee positions have been made by all Directors.

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

- (i) Ms. Juhi V. Pania (DIN 09198847) was appointed as Independent Director for a period of 5 (five) years commencing from 15th June, 2021 to 14th June, 2026.
- (ii) Shri Nikhil G. Tanwani (DIN 01995127) was appointed as an Additional Director with effect from 20th January, 2022 and Whole Time Director of the Company for a period of 5 (five) years with effect from 1st June, 2022 to 31st May, 2027, subject to approval of the members at the ensuing 23rd Annual General Meeting.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149 (6) of the Companies Act, 2013 ("the Act") along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet criteria of Independence as mentioned under Regulation 16(1) (b) of the Listing Regulations and that they are Independent of the management. Further, the Independent Directors have included their names in the data Bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company did not have any pecuniary relationship or transaction with Non-Executive Directors.

The Profiles of our Directors are available on our website at www.babaartslimited.com.



• **The Details of Directors**

Sr. No.	Name, Category & Designation	No. of Shares Held in the Company As on 31.03.2022	No. of board meetings during the year 2021-22		Attendance at the last AGM	Directorship in other Companies/
			Held	Attended		
1.	Shri Gordhan P. Tanwani Promoter-Executive Director Chairman & Mg. Director	2,56,00,000	6	5	Yes	2
2.	Shri Santosh A. Shah Independent- Non- Executive Director	Nil	6	3	Yes	2
3.	Shri Sanjiv L. Hinduja Independent-Non-Executive Director	7,600	6	6	Yes	—
4.	Smt. Malavika A. Acharya Non-Independent-Non-Executive Director	2,35,400 Jointly as second shareholder with Shri Ajay D. Acharya	6	6	Yes	—
5.	Ms. Juhi V. Pania# Independent-Non-Executive Director	Nil	6	3	Yes	—
6.	Shri Nikhil G. Tanwani## Non-Independent-Non-Executive Additional Director	Nil	6	1	N.A.	—

#Ms. Juhi V. Pania was appointed with effect from 15th June, 2021.

##Shri Nikhil G. Tanwani was appointed with effect from 20th January, 2022.

None of the Directors is related to each other except Shri Gordhan P. Tanwani and Shri Nikhil G. Tanwani.

The Company has not issued any convertible securities.

• **Number of Meetings of the Board of Directors held and dates on which held**

The board meets at least once a quarter to review the quarterly performance and the financial results. The notice of the meeting is sent well in advance and detailed agenda along with other board papers are also sent to all the directors before the board meeting for facilitating effective discussion and decision making. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings. The board meetings are generally held at the Registered Office of the Company at Mumbai.

The Company Secretary and Compliance Officer is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary and Compliance Officer is also responsible for preparation of the agenda and convening of the board and committee meetings. The Company Secretary and Compliance Officer attends all meetings of the Board and its Committees.

During the financial year, Six (6) Board Meetings were held on 28th May, 2021, 24th June, 2021, 21st July, 2021, 30th July, 2021, 26th October, 2021 and 20th January, 2022. The interval between board meetings was well within the maximum allowed gap of 120 days.

The necessary quorum was present for all the meetings.

During the year 2021-2022, information as mentioned in Schedule II Part A of the Listing Regulations has been placed before the Board for its consideration.

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• Separate Independent Directors' Meeting

During the financial year, a separate meeting of Independent Directors was held on 20th January, 2022. In the said meeting the Independent Directors inter alia-

- Reviewed the performance of non-independent directors and the board of directors as whole.
- Reviewed the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors.
- Assessed the quality, quantity and timelines of flow of information between the management of the Company and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

All Independent Directors of the Company except Ms. Juhi V. Pania have attended the meeting of Independent Directors held on 20th January, 2022.

Independent Directors of the Company are in compliance with provision of Regulation 16(2) of the Listing Regulations. Further, disclosures have been made by the Directors regarding their chairmanships/membership of the mandatory committees of the Board and that the same are within the maximum permissible limit as stipulated under Regulation 16(2) of the Listing Regulations.

The terms and conditions of appointment of Independent directors and details of the familiarization programme of the Independent Directors are available on the website of the Company (www.babaartslimited.com).

• Board Skill Matrix

The Board Skill matrix represents some of the key skills that our Board has identified as particularly valuable to the effective oversight of the Company and the execution of our strategy. This matrix highlights the depth and breadth of skills on the Board.

Experience / Expertise / Competence	Gordhan P. Tanwani	Santosh A. Shah	Sanjiv L. Hinduja	Malavika A. Acharya	Juhi V. Pania (w.e.f. 15/06/2021)	Nikhil G. Tanwani (w.e.f. 20/01/2022)
Business Operations	✓	✓	✓	✓		✓
Industry knowledge	✓	✓		✓	✓	✓
Financial Management		✓	✓		✓	
Accounting		✓	✓		✓	✓
Commercial Experience	✓	✓	✓	✓		✓
Risk Management	✓	✓	✓	✓		✓
Strategy	✓			✓		
Legal or Regulatory		✓	✓		✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓

• Directors' Tenure, Appointment/Re-appointment and Remuneration

In terms of section 152 read with Section 149(13) of the Act Smt. Malavika A. Acharya is liable to retire by rotation. The said Director has offered herself for re appointment and resolution for her appointment is incorporated in the notice of the ensuing 23rd Annual General Meeting.

The Directors of the Company are appointed by members at the General Meetings and two-third of total number of directors (other than Independent Directors) retire by rotation pursuant to the provisions of the Companies Act, 2013. The Executive Directors serve in accordance with their Roles & Responsibilities with the Company.

Appointment of Shri Gordhan P. Tanwani as the Managing Director is valid upto 31st October, 2023.

Shri Santosh A. Shah and Shri Sanjiv L. Hinduja were re-appointed as Independent Directors for a second term of five years w.e.f. 1st April, 2019 up to 31st March, 2024 by the members of the Company in their 19th Annual General Meeting held 25th September, 2018.



Ms. Juhi V. Pania was appointed as Independent Director for a term of five years w.e.f. 15th June, 2021 to 14th June 2026 by members of the Company in their 22nd Annual General Meeting held on 22nd September, 2021.

Shri Nikhil G. Tanwani was appointed as an Additional Director w.e.f. 20th January, 2022 and as Whole Time Director w.e.f. 1st June, 2022. Resolution for approval of his appointment as Director and Whole Time Director is incorporated in the notice of the ensuing 23rd Annual General Meeting.

Brief profile and other information as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India, relating to director being appointed /reappointed, forms part of the notice of ensuing 23rd Annual General Meeting.

3. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with provisions of Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013. The Committee acts as a link between the management, Auditors and Board of Directors of the Company and has full access to financial information.

• Terms of Reference

- (i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgement by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings
 - (e) Compliance with listing and other legal requirements relating to financial statements
 - (f) Disclosure of any Related Party Transactions
 - (g) Qualifications in the draft audit report
- (v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the Company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to Board;

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- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post –audit discussion to ascertain any area of concern.
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors;
- (xviii) To review the functioning of the whistle Blower Mechanism.
- (xix) Approval of appointment of CFO (i.e. the whole time finance director or any other person heading the finance function of discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
- (xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (xxi) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs.100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.
- (xxii) Consider and comment on rationale, cost-benefits and impact of schemes involving, merger, demerger, amalgamation etc. on the listed entity and its shareholders.

- **Composition, name of members and chairperson**

As on 31st March, 2022, the Audit Committee comprised of Shri Santosh A. Shah- Independent Director as Chairman of the Committee, Shri Sanjiv L. Hinduja-Independent Director, Smt. Malavika A. Acharya- Non-Independent & Non-Executive Director and Ms. Juhi V. Pania- Independent Director (w.e.f. 15th June, 2021) as its members.

All the members of the committee have relevant experience in financial matters.

- **Meetings and attendance during the year**

The Audit Committee met Six (6) times during the year. The dates of the Audit Committee Meetings and attendance of the Committee Members at the said meetings are given in table now:

Name of the Member	Category	Attendance at the meeting held on					
		14/04/2021	24/06/2021	21/07/2021	30/07/2021	26/10/2021	20/01/2022
Shri Santosh A. Shah	Chairman	Yes	No	No	Yes	Yes	Yes
Shri Sanjiv L. Hinduja	Member	Yes	Yes	Yes	Yes	Yes	Yes
Smt. Malavika A. Acharya	Member	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Juhi V. Pania#	Member	N.A.	Yes	Yes	Yes	Yes	No

#Ms. Juhi V. Pania was appointed with effect from 15th June, 2021.

The Chairperson of the Committee had attended the 22nd Annual General Meeting of the Company for the year ended 31st March, 2021, held on 22nd September, 2021.

During the year, Audit Committee was reconstituted by induction of Ms. Juhi V. Pania- Independent Director as a member of the Audit Committee with effect from 15th June, 2021.

The Managing Director, Shri Gordhan P. Tanwani is permanent invitee to the meetings of Audit Committee. The Meetings of the Audit Committee were also attended by the Statutory Auditors, Internal Auditors, Chief Financial Officer (CFO) and Senior Management Staff of the Company whenever required to provide information and answer queries raised by the committee members. All the recommendations of the Audit Committee have been accepted by the Board of Directors. The Company Secretary acts as Secretary of the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

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

- **Terms of Reference**

- (i) To identify persons who are qualified to become Directors, Key Managerial Personnel and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committee and individual directors to be carried out either by the Board, Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.



- (ii) To formulate the criteria for determining qualifications, position-ve attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (iii) The Nomination and Remuneration Committee shall, while formulating the policy under (ii) above ensure that
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and;
 - (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- (iv) Devising a policy on diversity of Board of Directors.
- (v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.
- (vi) Recommend to the Board all remuneration, in whatever form payable to senior management.

The policy relating to the remuneration to the Directors, Key Managerial Personnel and other employees and the policy on evaluation of performance of the Board is available on the Company's website viz: www.babaartslimited.com.

- **Composition, name of members and chairperson**

As on 31st March 2022, the Nomination and Remuneration Committee comprised of Shri Sanjiv L. Hinduja, Independent Director, as Chairman, Shri Santosh A. Shah- Independent Director, Smt. Malavika A. Acharya- Non-Independent Non-Executive Director and Ms. Juhi V. Pania as Independent Director (w.e.f. 15th June, 2021) as members of the Committee.

During the year, Nomination and Remuneration Committee was reconstituted by induction of Ms. Juhi V. Pania- Independent Director as a member of the Nomination and Remuneration Committee with effect from 15th June, 2021.

- **Meeting and attendance during the year**

The Nomination and Remuneration Committee (NRC) met twice (2) during the year. The dates of Nomination and Remuneration Committee and attendance of the Committee members at the said meetings are given in table below:

Name of the Member	Category	Attendance at the meeting held on	
		24/06/2021	20/01/2022
Shri Sanjiv L. Hinduja	Chairman	Yes	Yes
Shri Santosh A. Shah	Member	No	Yes
Shri Malavika A. Acharya	Member	Yes	Yes
Ms. Juhi V. Pania#	Member	Yes	No

#Ms. Juhi V. Pania was appointed with effect from 15th June, 2021.

The Chairperson of the Committee had attended the 22nd Annual General Meeting of the Company for the year ended 31st March, 2021, held on 22nd September, 2021. The Company Secretary and Compliance Officer acts as the Secretary of the Committee.

- **Performance evaluation criteria for Independent Directors**

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include:

- participation and contribution by a director
- commitment, effective deployment of knowledge and expertise
- effective management of relationship with stakeholders
- integrity and maintenance of confidentiality and
- independence of behaviour and judgement.

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5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Company is constituted in line with provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

• Terms of Reference

- (i) Resolving the grievances 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.
- (ii) Review of measures taken for effective exercise of voting rights by shareholders.
- (iii) 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.
- (iv) 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 notices by the shareholders of the Company.

• Name of Non-Executive director heading the Committee

As on 31st March, 2022, the Stakeholder's Relationship Committee comprised of Shri Sanjiv L. Hinduja, Independent Non-Executive Director as the Chairman and Shri Gordhan P. Tanwani, Chairman & Managing Director, Shri Santosh A. Shah, Independent Non-Executive Director and Ms. Juhi V. Pania, Independent Non-Executive Director as members of the Company.

During the year, Stakeholder's Relationship Committee was reconstituted by induction of Ms. Juhi V. Pania-Independent Director as a member of the Stakeholder's Relationship Committee with effect from 15th June, 2021.

All the investor complaints that are not settled by the Registrar and Transfer Agents and /or the Compliance Officer are required to be forwarded to this committee for final settlement. However, no complaint was referred to this committee during the year.

• Meeting and attendance during the year

Name of the Member	Category	Attendance at the meeting held on			
		24/06/2021	21/07/2021	26/10/2021	20/01/2022
Shri Sanjiv L. Hinduja	Chairman	Yes	Yes	Yes	Yes
Shri Gordhan P. Tanwani	Member	Yes	Yes	Yes	Yes
Shri Santosh A. Shah	Member	No	No	Yes	Yes
Ms. Juhi V. Pania	Member	Yes	Yes	Yes	No

• Name and Designation of Compliance Officer

Shri Naishadh H. Mankad, Company Secretary has been designated as the Compliance Officer.

• Details of Complaints

Details of Investors' complaints received and resolved during the year is as under:

No. of Complaints pending at the beginning of the year	Nil
No. of Complaints received during the year	01
No. Complaints resolved to the satisfaction of the shareholders	01
No. Complaints unresolved at the end of the quarter	Nil
No. of Share Transfers pending at the end of the year	Nil

The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and there are no pending complaints registered with SCORES for the Financial Year 2021-2022.



As per Regulation 46 of the Listing Regulations the exclusive email ID of the investor Grievance Department of the Company is investors@babaartslimited.com.

The number of pending requests for share transfers and pending requests for dematerialization as on 31st March, 2022 were Nil.

6. RISK MANAGEMENT COMMITTEE

The provisions of Regulation 21 of the Listing Regulations are not applicable to the Company.

7. REMUNERATION OF DIRECTORS

- **The Company did not have any pecuniary relationship or transaction, except payment of sitting fees for attending meetings of board and committee, with Non-Executive Directors.**

During the year under review, Board of Directors did not take any sitting fees for attending meetings of board and committee held on 30th July, 2021. Shri Sanjiv L. Hinduja did not take sitting fees for attending meeting of board and committee held 21st July, 2021 and Shri Nikhil G. Tanwani did not take sitting fees for attending meeting of board held on 20th January, 2022.

- **Remuneration Policy and Details of Remuneration**

The decisions regarding remuneration of executive and non-executive directors is taken by the entire Board based on recommendation of the Nomination and Remuneration Committee and subject to statutory and regulatory compliances as may be necessary. The Company does not pay any remuneration to non-executive directors except sitting fees for attending Board/ Committee meetings.

(i) Managing Director

Shri Gordhan P. Tanwani the present Managing Director of the Company did not draw any remuneration during the financial year 2021-2022.

(ii) Non-Executive Directors

The Non-Executive Directors are not entitled to any remuneration except sitting fees for attending the meetings of the Board of Directors and committees thereof. Total amount of sitting fees paid to the Non-Executive Directors during the year was Rs.3,60,000/- as per details given hereunder:

Shri Santosh A. Shah	Rs. 60,000/-
Shri Sanjiv L. Hinduja	Rs. 90,000/-
Smt. Malavika A. Acharya	Rs. 1,20,000/-
Ms. Juhi V. Pania (w.e.f. 15th June, 2021)	Rs. 90,000/-
Shri Nikhil G. Tanwani (w.e.f. 20th January, 2022)	Nil

8. GENERAL BODY MEETINGS

- Location and time and special resolutions passed in the previous three Annual General Meetings held

	Date	Time	Location	Special Resolution Passed
20th AGM	Wednesday, 18th September, 2019	11.30 a.m.	Juhu Vile Parle Gymkhana Club, Jasmine Hall, Second Floor, Opp. Juhu Bus Depot, Juhu, Mumbai-400049	None
21st AGM	Tuesday, 15th September, 2020	11.30 a.m.	Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	None
22nd AGM	Wednesday, 22nd September, 2021	11.30 a.m.	Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	None

- **Postal Ballot Details**

No Special Resolution was passed through Postal Ballot during the Financial Year 2021-2022.

No Special Resolution is proposed to be conducted through Postal Ballot as on date of this Report.

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9. MEANS OF COMMUNICATION

- Quarterly/Half yearly and Annual results of the Company are published in the newspapers and posted on the website of the Company at www.babaartslimited.com. The quarterly and annual results along with the segment report are generally published in the Free Press Journal and Navshakti. The Company's financial results are intimated to stock exchange.
- The meetings of Board of Directors for approval of quarterly financial results during the financial year ended on 31st March, 2022 were held on the following dates:

First Quarter Results	24th June, 2021
Second Quarter and Half Year Results	26th October, 2021
Third Quarter Results	20th January, 2022
Fourth Quarter and Annual Results	12th May, 2022

- Company's Corporate Website**

The Company's website is a comprehensive reference on the Company's management, investor relations, clients etc. The section on "Investor Relations" serves to inform the shareholders, by giving complete financial details, corporate governance, composition of board, contact information relating to our registrar and transfer agent etc.

- Release of Official News**

The Company intimates to the stock exchange any official news and places the same on its website also.

- Presentation to Institutional Investors or to analyst**

The Company has not made any presentation to institutional investors or equity analyst.

10. GENERAL SHAREHOLDER INFORMATION

- Annual General Meeting (AGM)- Date, Time & Venue**

Annual General Meeting	Twenty Third Annual General Meeting
Day, Date & Time	Tuesday, 20th September, 2022 at 11.30 a.m.
Venue	Juhu Vile Parle Gymkhana Club, Orchid Hall, Second Floor, Opp. Juhu Bus Depot, Juhu, Mumbai-400049
Financial Year	1st April, 2021 to 31st March, 2022
Dividend Payment Date	The Board of Directors has not recommended any dividend for the year ended 31st March, 2022.

- Listing on Stock exchanges & Stock Code**

Listing on Stock exchange	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
Stock Code	532380
Payment of Listing Fees	Listing fee for the year 2022-2023 has been paid to the BSE Limited, Mumbai
Date of Book Closure	Not Applicable
Demat ISIN for NSDL & CDSL	INE893A01036
Tentative Calendar for F.Y.2022-23	
Result for the Quarter ending 30th June, 2022	2nd Week of August, 2022
Result for the Quarter ending 30th September, 2022	2nd Week of November, 2022
Result for the Quarter ending 31st December, 2022	2nd Week of February, 2023
Result for the Quarter & Year ending 31st March, 2023	4th Week of May, 2023

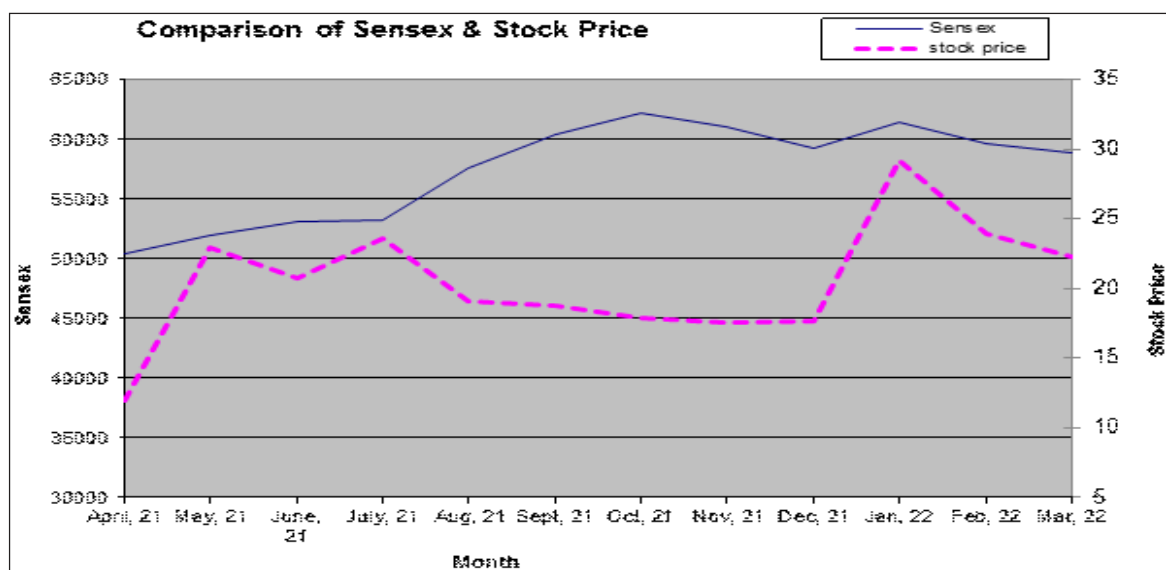


- Market Price Information**

Monthly high and low quotations of Company's equity shares traded on BSE Limited during 2021-2022 are as follows:

Month	Share Price (Rs.)		BSE Sensex		
	High	Low	High	Low	Close
2021					
April	12.00	8.91	50375.77	47204.50	48782.36
May	22.95	10.08	52013.22	48028.07	51937.44
June	20.75	15.40	53126.73	51450.58	52482.71
July	23.60	17.55	53290.81	51802.73	52586.84
August	19.15	14.75	57625.26	52804.08	57552.39
September	18.75	15.00	60412.32	57263.90	59126.36
October	17.90	15.00	62245.43	58551.14	59306.93
November	17.60	14.60	61036.56	56382.93	57064.87
December	17.65	15.10	59203.37	55132.68	58253.82
2022					
January	29.15	16.00	61475.15	56409.63	58014.17
February	23.95	16.15	59618.51	54383.20	56247.28
March	22.30	16.50	58890.92	52260.82	58568.51

Performance of Company's Share Price in comparison with BSE Sensex



- The Securities of the Company are not suspended from trading by the Stock Exchange on which the said securities are listed.
- Name & Address of the registrar and Share Transfer Agent**

UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED

C-101, 247 Park, 1st Floor, LBS Road,
Gandhi Nagar, Vikhroli (West),
Mumbai-400083
Tel: (022) 28207203-05/4918 6178-79
Fax: +91 22 28207207
Email: baba@unisec.in

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• Share Transfer System

As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of request received for transmission or transposition and relodged transfers of securities. Further SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 2nd December, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the demat form. Transfer of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale / purchase transaction from the broker, shareholders should approach the Depository Participant ('DP') with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account.

• Distribution of Shareholding as on 31st March, 2022

Range of Holding	No. of Share Holders	% to Total Shareholders	Shareholdings	Share Amount (Rs.)	% to Total Share Capital
1 - 500	4827	82.90	341575	341575	0.65
501 - 1000	314	5.39	260011	260011	0.49
1001 - 2000	289	4.96	449711	449711	0.86
2001 - 3000	106	1.82	259904	259904	0.50
3001 - 4000	70	1.20	257567	257567	0.49
4001 - 5000	45	0.77	214388	214388	0.41
5001 - 10000	64	1.10	486782	486782	0.93
10001 and above	108	1.86	50230062	50230062	95.67
Total	5823	100.00	52500000	52500000	100.00

• Categories of Shareholders as on 31st March, 2022

Sr. No.	Category of Members	No. of Shares Held	% to Total Capital
1.	Body Corporate/LLP	1339422	2.55
2.	Clearing Members	6604	0.01
3.	Hindu Undivided Family	237181	0.45
4.	Investor Education and Protection Fund	217204	0.41
5.	Non-Resident (Non Repatriable)	569157	1.08
6.	Non-Resident Indians	47111	0.09
7.	Other Bodies Corporate	2658685	5.06
8.	Promoters	39208000	74.68
9.	Public	8216636	15.67
	Total	52500000	100.00

** For the purpose of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011, the following persons are to be considered as Promoters/ Persons Acting in Concert (PAC) with Promoters.

Sr. No.	Name of the Person	Category	Relationship with Promoter	Shareholding as on 31.03.2022
1.	Shri Gordhan P. Tanwani	Promoter I	Self	26600000
2.	Shri Pravin J. Karia	PAC	Person Acting in Concert	8000
3.	Shri Rahul G. Tanwani	Promoter II	Son	12600000



- **Dematerialization of Shares and Liquidity**

The trading in Company's Shares is compulsorily in Demat Segment only through two depositories namely NSDL and CDSL. The status of dematerialization as on 31st March 2022 was as under:

Particulars	No. of Shares	% to Capital	No. of Accounts / Folios
NSDL	30917380	58.89	1443
CDSL	21375892	40.72	4302
Total Shares under Demat	52293272	99.61	5745
Physical	206728	0.39	78
Total Capital	52500000	100.00	5823

All the demat requests have been approved within 21 Days.

- **Outstanding GDRs/ADRs/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 in the past and hence as on 31st March, 2022, the Company does not have any outstanding GDRs/ADRs/ Warrants or any convertible instruments.

- **Commodity price risk or foreign exchange risk and hedging activities:**

The Company is not exposed to any commodity price risk or foreign exchange risk and hedging activities.

- **Plant Locations**

The Company's Post Production Studio is located at:
3A, Valecha Chambers, New Link Road,
Andheri (West), Mumbai-400053.

- **Address for Correspondence**

Investors may address correspondence to

Shri Naishadh H. Mankad
Company Secretary & Compliance Officer

Baba Arts Limited
3A, Valecha Chambers, New Link Road,
Andheri (West),
Mumbai-400053
Phone: 022 2673 3131
Fax : 022 2673 3375
Email: investors@babaartslimited.com/
babaartslimited@yahoo.com

Shri Ravi Utekar
General Manager

Universal Capital Securities Private Limited
C-101, 247 Park, 1st Floor, L.B.S Road,
Gandhinagar, Vikhroli (West)
Mumbai-400083.
Phone: 022 2820 7203
Fax: 022 2820 7207
Email: baba@unisec.in

- **Credit Rating**

The Company has not issued any debt instrument and the Company does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds and as such the Company has not obtained Credit Rating from any Credit Rating Agency.

11. OTHER DISCLOSURES

- **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

There are no transactions with directors or the senior management personnel or their subsidiaries and relatives that have potential conflict with the interest of the Company.

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Transactions entered into with related parties during F.Y.2021-2022 were in ordinary course of business and at arms' length basis and were approved by the member of Audit Committee including Independent Directors. The Board's approved Policy for related party transactions is uploaded on the Company's website www.babaartslimited.com.

- **Details of non-compliance by Company, penalties, strictures imposed on the Company by stock exchange or the board or any statutory authority on any matter related to capital markets during the last three years:**

The Company has complied with all the requirements under the applicable laws and regulations. No penalty has been imposed or strictures passed by stock exchange, SEBI, or any other statutory authority on any matter related to capital markets during the last three years.

- **Details of establishment of vigil mechanism,/whistle blower policy and affirmation that no personnel have been denied access to the audit committee.**

The Company has formulated and adopted a comprehensive Whistle Blower Policy applicable to all the permanent employees and directors of the Company. The Whistle Blower Policy has been circulated to all the board members and senior management personnel of the Company. A copy of the policy has been posted on the Company's website www.babaartslimited.com. The Board of Directors hereby confirms that no employee of the Company is denied direct access to the Audit Committee.

- **Reconciliation of Share Capital Audit Report**

A qualified practicing Company Secretary carries out reconciliation of share capital audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

- **Insider Trading Code**

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the PIT Regulations"). The PIT Regulations has come into effect from 15th May, 2015 and replaced the earlier regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed company.

The Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders ("the Code") in accordance with the requirements of the PIT Regulations. The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company.

The Code of Corporate Disclosure Practices along with the Policy for Determination of Legitimate Purposes is also available on the website of the Company at www.babaartslimited.com.

The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to UPSI relating to the Company. The Company Secretary is the Compliance Officer for monitoring & adherence to the said Regulations.

The Company has also formulated "The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) in compliance with SEBI (Prohibition of Insider Trading), Regulations, 2015. This Code is displayed on the Company's Website.

- **Compliance with Mandatory Requirements and adoption of Non-Mandatory Requirements**

The Company has voluntarily complied with all the requirements of the Listing Regulations including the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulations (2) of Regulation 46. The status of compliance with non-mandatory requirement is as under:

- (i) **Maintenance of the Chairman's Office:**

The Company has an Executive Chairman and the office provided to him is also used by him in his capacity as Chairman of the Board. No Separate office is maintained for the Non-Executive Chairman of the Audit Committee but secretarial and other assistance is provided to him, whenever needed, in performance of his duties.



(ii) Shareholders Rights:

Unaudited quarterly financial results were published in Free Press Journal & Navshakti, Mumbai. All the Results were posted on website of the Company www.babaartslimited.com.

(iii) Audit Qualification:

So far there have been no qualifications by the Auditors in their report on the accounts of the Company. The Company shall endeavor to continue to have unqualified financial statements.

(iv) Separate Posts of Chairman and CEO:

The Position of Chairman & CEO is at present common.

(v) Reporting of Internal Auditor:

The Internal Auditors directly report to the Audit Committee.

(vi) Shareholding of the Non- Executive Directors in the Company

Sr.No.	Name of the Non – Executive Director	No. of Shares held as on 31st March, 2022
1.	Shri Santosh A. Shah	Nil
2.	Shri Sanjiv L. Hinduja	7600
3.	Smt. Malavika A. Acharya Jointly as second holder with Shri Ajay D. Acharya	235400
4.	Ms. Juhi V. Pania (w.e.f.15th June, 2021)	N.A.
5.	Shri Nikhil G. Tanwani (w.e.f.20th January, 2022)#	Nil

#with effect from 1st June, 2022 Shri Nikhil G. Tanwani was appointed as Whole Time Director in the Category of Executive.

- **Web link where policy for determining material subsidiaries is disclosed:**

The Company does not have any subsidiary.

- **Web link where policy on dealing with related party transactions is disclosed:**

The policy on Related Party Transactions has been posted on the Company's Website www.babaartslimited.com.

- **Disclosure of commodity price risks and commodity hedging activities**

The Company is not exposed to any commodity price risk or foreign exchange risk and hedging activities.

- **Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified.**

During the year the Company has not raised funds through preferential allotment or qualified institutional placement.

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- A Certificate has been received from Dholakia & Associates LLP, Practicing Company Secretary, confirming 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 Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

No Disqualification Certificate from Company Secretary in Practice

(Pursuant to Regulation 34(3) read with Schedule V Para –C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Baba Arts Limited
(CIN: L72200MH1999PLC119177)
3A, Valecha Chambers,
New Link Road,
Andheri (West)
Mumbai 400053

1. We have been engaged to issue certificate that none of the Directors on the Board of the **Baba Arts Limited** ("Company") having **CIN L72200MH1999PLC119177** 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 in terms of Para 10(i) of Part C of Schedule V read with Regulations 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations):
2. We have examined the following:
 - (a) The declaration given by each of the Directors of the Company with respect to their interest in other entities as Director or otherwise along with names of their relatives in pursuance of Section 184 of the Companies Act, 2013 and taken on record by the Company;
 - (b) Declarations pursuant to Section 164 of the Companies Act, 2013 given by each of the Directors of the Company confirming that he/she is not disqualified to hold the Office of Director as on 31st March, 2022 in Form No DIR-8 and taken on record by the Company;
 - (c) The particulars of Directors of the Company as displayed on the web portal of the Ministry of Corporate Affairs and;
 - (d) General Search on the website of the Securities and Exchange Board of India;
3. Based on the above verification and to the best of our information and according to the explanations provided to us, we are of the opinion that none of the following 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 as on 31st March, 2022:

Sr No	Name of the Director	Designation/Category	Director Identification Number
1.	Mr. Gordhan Prabhudas Tanwani	Chairman & Managing Director/Promoter	00040942
2.	Mr. Santosh Anilkumar Shah	Non-Executive/Independent Director	01259840
3.	Mr. Sanjiv Laxmichand Hinduja	Non-Executive/Independent Director	00040858
4.	Mrs. Malavika Ajay Acharya	Non-Executive /Non-Independent Director	07007469
5.	Ms. Juhi Vinod Pania	Non-Executive/Independent Director	09198847
6.	Mr. Nikhil Gordhan Tanwani	Non-Executive/Non-Independent Additional Director	01995127

4. It should be noted that our responsibility is to express a reasonable assurance in the form of an opinion as to the qualification/eligibility of each of the Directors of the Company to hold the office as Director in the Companies in accordance with the generally accepted procedure and the process of due-diligence followed based on the available information on best efforts basis as on 31st March, 2022 and it is neither an audit nor an expression of opinion on the personal credentials of the Directors of the Company.



5. This certificate is issued to the Company solely for the purpose of complying with the aforesaid Listing Regulations and may not be used for any other purpose.

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)

CS Nrupang B. Dholakia
Designated Partner
FCS-10032 C.P. No. 12884

Place: Mumbai
Date: 13th May, 2022

UDIN: F010032D000320067

Note: The paid-up share capital and net worth of the listed entity is below the threshold limit for the purpose of compliance of corporate governance provisions under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). However, this certificate under Regulation 34(3) read with Schedule V Para –C Clause 10(i) of LODR is being submitted by the listed entity on voluntary basis.

- The Board of Directors has accepted all the recommendations of the Committees of the Board during the year.
- Total fees for all services paid by the Company to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part:

During the year the Company has paid fees to the Statutory Auditor as follows:

a.	Statutory Audit Fee	Rs. 80,000/-
b.	Certification Fee	Rs. 25,000/-
	Total	Rs. 1,05,000/-

12. DISCLOSURE OF NON-COMPLIANCE OF REQUIREMENTS OF CORPORATE GOVERNANCE:

The Company has complied with all the requirements of Corporate Governance.

13. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V of the Listing Regulations, details of equity shares in the suspense account are as follows:

Sr. No.	Particulars	No. of Shareholders	No. of Equity Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year as 1st April, 2021.	Nil	Nil
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year 2021-22.	Nil	Nil
3	Number of shareholders to whom shares were transferred from suspense during the year 2021-22.	Nil	Nil
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 31st March, 2022.	Nil	Nil

The voting rights on the shares outstanding in the suspense as on 31st March, 2022 shall remain frozen till the rightful owner of such shares claims the shares.

Transfer of Unclaimed/unpaid amounts to the Investor Education and Protection Fund

The Company was not required to transfer any unclaimed shares to IEPF Authority during the financial year 2021-2022.

14. DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34 (3) READ WITH PARA D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015

To,
The Members of Baba Arts Limited

I, Gordhan P. Tanwani, Chairman & Managing Director of Baba Arts Limited, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct of Board of Directors and Senior Management, for the year ended 31st March, 2022.

Date: 13th May, 2022
Place: Mumbai

Gordhan P. Tanwani
Chairman & Managing Director

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MANAGING DIRECTOR (MD) /CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors
Baba Arts Limited

Dear Members of the Board,

We, Gordhan P. Tanwani, Chairman & Managing Director and Ajay D. Acharya, Chief Financial Officer (CFO) of Baba Arts Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at 31st March, 2022, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the *Board's report* for the year ended 31st March, 2022.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
 - c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - d) Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
 - a) Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b) Any significant changes in internal controls during the year covered by this report.
 - c) All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
 - d) Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistle blowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

For BABA ARTS LIMITED

Place: Mumbai
Date: 13th May, 2022

Gordhan P. Tanwani
Chairman & Managing Director (MD)

Ajay D. Acharya
Chief Financial Officer (CFO)



Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Members of Baba Arts Limited

1. We have examined the Compliance of Conditions of Corporate Governance by Baba Arts Limited ("The Company") for the year ended 31st March, 2022 as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and Paragraph C,D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchange.

Management's Responsibility

2. The compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is the responsibility of the Company's Management including the preparation and maintenance of all relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated In the Listing Regulations.

Auditors' Responsibility

3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of the corporate governance as stipulated in the Listing Regulations for the year ended 31st March, 2022.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for special purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) a, quality Control for Firms that perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.

Opinion

7. 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 the Conditions of the Corporate Governance stipulated in the above- mentioned Listing Regulations.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has concluded the affairs of the Company.

Restriction on use

9. The Certificate is addressed to and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirements of the Listing 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 Arunkumar K. Shah & Co.
Chartered Accountants
Firm Regn. No. 126935W**

**(Arunkumar Shah)
Proprietor**

**Membership No. 034606
UDIN: 22034606AIWIHD9245**

**Place Mumbai
Date: 12th May, 2022**

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF BABA ARTS LIMITED****Report on the Standalone Ind AS Financial Statements****Opinion**

We have audited the accompanying standalone Ind AS financial statements of **BABA ARTS LIMITED** ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including other comprehensive Income), the Statement of Cash Flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

Description of Key Audit Matters as follows:-

The Key Audit Matters	How the matter was addressed in our Audit
a. Adoption of Ind AS 115 – Revenue From Contracts with Customer	
As described in Note No. 3(i) To the standalone financial statements, The company adopted Ind AS 115 - Revenue from Contracts with Customers which is a new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.	<p>We Assessed the company's process to identify the impact of adoption of the new accounting standard. Our Audit Approach consisted testing of design and operating effectiveness of the internal controls and substantive testing as follows :</p> <ul style="list-style-type: none"> Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variances and verify whether those variations have been considered in estimating the remaining efforts to complete the contract. Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.
b. Evaluation of Uncertain Tax Positions	
The company has material uncertain tax positions including matters under disputes which involves significant judgment to determine the possible outcome of these disputes, Refer Note No. (30) of the financial statements	<ul style="list-style-type: none"> We obtained details of completed tax assessments and demands for the year ended March 31, 2022 from management. We discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions and; Assessed management's estimate to the possible outcome of the disputed cases.



Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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.

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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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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 standalone 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.

Emphasis of Matter

We draw attention to Note: 34 to the standalone financial results, which describes that the extent to which the COVID-19 and subsequent wave of Pandemic will impact the Company's results will depend on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter

Report on Other Legal and Regulatory Requirements

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement of the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 (including other comprehensive income) the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;



- e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended

Company has not paid any remuneration to Directors (including Mg Director and Independent Directors) other than sitting fees which is in limit of Companies Act, 2013

- h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and to our best of our information and according to the explanations given to us:-
 - a. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 30 to the financial statements.
 - b. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended.
 - d. (i) The Management of the Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have 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;
 - (ii) The Management of the Company has represented, that, to the best of its knowledge and belief, 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;
 - (iii) 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.

FOR Arunkumar K.Shah & Co
Chartered Accountants
Firm Reg. No: 126935W

(Arunkumar.K.Shah)
Proprietor
Membership No: 034606
UDIN NO: 22034606AIWGPV3652

Place: Mumbai
Dated: 12th May, 2022

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Annexure “A” to the Independent Auditor’s Report

Re: Baba Arts Limited

The Annexure referred to in our Independent Auditor’s Report to the members of the company on the standalone Ind AS financial statements for the year ended 31st March 2022,

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 report that:

1. In respect of Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The company has updated its property, plant and equipment records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to information and explanations provided to us and based on our examination, the title deeds of immovable property are held in the name of the company as at Balance Sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
2. In respect of Inventories:
 - (a) Since, the company is having only intellectual property rights as its inventory Therefore the Para 3(ii) of the order relating to physical verification of Inventories is not applicable.
 - (b) The Company has not been sanctioned working capital limits in excess of 5 Crore, in aggregate, at any points 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. In respect of Investments, Granting of Loan:
 - a) The Company has not made investments in, companies, firms, Limited Liability Partnerships. The Company has not provided any guarantee nor provided security to any other entity during the year. The Company has granted loans or advances in the nature of loans.
 - b) In our opinion, the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company’s interest.
 - c) In respect of loans granted by the Company, the same are repayable on demand and receipts of interest are generally been regular as per stipulation.
 - d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
 - f) The Company has granted loans or advances in the nature of loans which are repayable on demand during the year.
4. In our opinion and according to the information and explanations given to us, the Company has complied Section 185 and 186 of the Companies Act, 2013 in respect of loan, investment, guarantees and securities.
5. The company has not accepted the deposits from public as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.



6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
7. (a) In our opinion and according to explanation given to us the company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- (b) There is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, and the records of the company examined by us, there are no dues in respect of income-tax, wealth tax, gst, excise duty, custom duty, and cess as at March 31, 2022 which have not been deposited on account of any dispute. The particulars of dues of sales tax and service tax as at March 31, 2022 which has not been deposited on account of dispute is as follows : -

Nature of Statute	Nature of Dues	Amount in Rs.	Period to which amount relates	Forum where the dispute is pending
Maharashtra Value Added Tax	Sales Tax	18,84,486	2010-11	Sales Tax Appellate Tribunal
Maharashtra Value Added Tax	Sales Tax	2,853	2013-14	Commissioner of Sales Tax
Service Tax Act	Service Tax	7,64,70,058	2011-15	Appeal before CESTAT

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments Under the Income-tax Act, 1961 (43 of 1961).
9. a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- b) The Company has not been declared willful defaulter by any bank or financial Institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, the Company has not raised any funds on short-term basis have, hence clause 3(ix)(d) of the Order is not applicable.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable
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. 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 informed there were no whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.

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13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures
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. and hence 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 3(xvi)(a), (b) and (c) 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 according reporting under clause 3(xvi)(d) 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 realization 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. As per Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) is not applicable, hence reporting under clause 3(xx)(a) (b) of the Order is not applicable for the year.

For Arunkumar K.Shah & Co
Chartered Accountants
Firm Reg. No: 126935W

(Arunkumar K.Shah)
Proprietor
Membership No: 034606

Place : Mumbai
Dated: 12th May, 2022



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred in paragraph 2(f) under "Report on Legal and Regulatory Requirement" section of our report of even date on the Standalone Ind AS Financial Statement Of Baba Arts Limited

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

1. We have audited the internal financial controls over financial reporting of **Baba Arts Limited** (the "Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind As financial statements for the year ended on that date.

2. 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 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 preparation of reliable financial information, as required under the Companies Act, 2013.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 to the extent applicable.

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 controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

4. 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 authorisations of management and directors of the company;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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5. 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.

6. 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 March 31, 2022, 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 Arunkumar K. Shah & Co
Chartered Accountants
FRN: 126935W

(Arunkumar K. Shah)
Proprietor
Membership No: 034606
UDIN: 22034606AIWGPV3652

Place: Mumbai
Dated : 12th May,2022



BALANCE SHEET AS AT 31ST MARCH, 2022

(Rupees in Lakhs)

Particulars	Note	As at March 31,2022	As at March 31,2021
ASSETS			
Non Current Assets			
Property, Plant and Equipment	4	145.32	149.45
Financial Assets			
Investments		-	-
Loans	5	-	-
Other Financial Assets	6	0.37	0.45
Deferred Tax Assets (net)		-	21.37
Income Tax Assets (net)	8	185.22	80.72
Other Non-Current Assets	9	-	-
		330.91	251.99
Current Assets			
Inventories	10	268.71	267.13
Financial Assets			
Trade Receivables	11	215.41	12.26
Cash and Cash Equivalents	12	375.37	46.42
Bank Balance other than Cash and Cash Equivalents	13	499.00	499.00
Loans	5	425.00	645.00
Other Financial Assets	6	21.04	17.72
Other Current Assets	9	240.25	235.26
		2,044.78	1,722.79
TOTAL ASSETS		2,375.69	1,974.78
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	525.00	525.00
Other Equity	15	1,711.03	1,412.77
		2,236.03	1,937.77
Non-current liabilities			
Financial Liabilities			
Other Financial Liabilities	16	-	5.62
Provisions	17	9.91	9.21
Deferred Tax Liabilities (net)	7	17.41	-
Other Non-Current Liabilities	18	-	-
		27.32	14.83
Current liabilities			
Financial Liabilities			
Trade Payables	19	-	-
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		88.70	8.30
Other Financial Liabilities	16	6.22	0.33
Other Current Liabilities	18	9.20	5.76
Provisions	17	8.22	7.78
		112.34	22.17
TOTAL EQUITY & LIABILITIES		2,375.69	1,974.78

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Arunkumar K. Shah & Co.

Chartered Accountants

Firm Reg. No.: 126935W

For and on behalf of Board of directors

Gordhan P. Tanwani

Chairman & Managing Director
[DIN : 00040942]

Arunkumar K. Shah
Proprietor
Membership No. 034606

Santosh A. Shah
[Director]
[DIN : 01259840]

Sanjiv L. Hinduja
[Director]
[DIN : 00040858]

Malavika A. Achrya
[Director]
[DIN : 07007469]

Nikhil G. Tanwani
[Director]
[DIN : 01995127]

Naishadh H. Mankad
Company Secretary

Ajay D. Acharya
Chief Financial Officer

Place: Mumbai
Date: 12th May,2022

Place : Mumbai
Date : 12th May,2022

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Rupees In Lakhs except EPS)

Particulars	Note	For the year ended Current Year	For the year ended Previous Year
INCOME			
Revenue from Operations	21	1,801.80	1,332.12
Other Income	22	90.38	119.70
TOTAL INCOME (I+II)		1,892.18	1,451.82
EXPENSES			
Cost of Production of Films / Web Series	23	75.09	51.96
Purchases of Stock-in-Trade	24	1,274.50	1,155.00
Changes in Inventories of Finished Goods, Stock-in-Trade, and Work-in-Progress	25	(1.59)	(265.96)
Employee Benefits Expense	26	38.26	31.97
Finance Cost	27	0.58	0.59
Depreciation and Amortization Expense	4	5.88	4.53
Other Expenses	28	88.39	151.83
TOTAL EXPENSES		1,481.12	1,129.93
PROFIT/(LOSS) BEFORE TAX		411.06	321.89
Tax expense:			
Current Tax		113.06	36.42
MAT Credit Entitlement		-	(1.85)
Prior Year Taxes		-	0.19
Deferred Tax		0.46	6.78
Total Tax Expense		113.52	41.54
PROFIT/(LOSS) FOR THE YEAR		297.54	280.35
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Statement of Profit and Loss			
Remeasurements of Defined Benefit Plans		0.99	0.94
Income Tax relating to items that will not be reclassified to Statement Profit of Loss		(0.28)	(0.26)
TOTAL OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR (NET OF TAX)		0.71	0.68
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		298.25	281.03
Earnings per equity share:	29		
(1) Basic		0.567	0.534
(2) Diluted		0.567	0.534
Summary of significant accounting policies			

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Arunkumar K. Shah & Co.

Chartered Accountants

Firm Reg. No.: 126935W

For and on behalf of Board of directors

Gordhan P. Tanwani
Chairman & Managing Director
[DIN : 00040942]

Arunkumar K. Shah
Proprietor
Membership No. 034606

Santosh A. Shah
[Director]
[DIN : 01259840]

Sanjiv L. Hinduja
[Director]
[DIN : 00040858]

Malavika A. Achrya
[Director]
[DIN : 07007469]

Nikhil G. Tanwani
[Director]
[DIN : 01995127]

Naishadh H. Mankad
Company Secretary

Ajay D. Acharya
Chief Financial Officer

Place: Mumbai
Date: 12th May, 2022

Place : Mumbai
Date : 12th May, 2022



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2022

(Rupees in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	411.07	321.90
Adjustment for :		
Depreciation & Amortisation	5.88	4.53
Finance Cost	0.58	0.59
Interest Income	(77.54)	(75.23)
Rental Income	(13.20)	(13.20)
Impact of reclassification of Actuarial Gain / (Loss) on employee benefits	0.99	0.94
Provision for Doubtful Debts	-	(104.64)
Loss/(Gain) on sale/disposal of Property, Plant and Equipment	-	-
	(83.28)	(187.00)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	327.79	134.90
(Increase)/Decrease in Trade Receivables	(203.15)	94.91
(Increase)/Decrease in Other Financial Assets	(4.91)	3.90
(Increase)/Decrease in Inventories	(1.59)	(265.96)
Increase/(Decrease) in Other Financial Liabilities	85.24	(22.25)
Increase/(Decrease) in Other Liabilities	-	-
	(124.41)	(189.40)
CASH GENERATED FROM OPERATIONS	202.38	(54.50)
Direct taxes (paid)/refund	(179.50)	(98.20)
NET CASH FROM OPERATING ACTIVITIES	23.87	(152.70)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE & Intangibles	(1.76)	(5.24)
Loan to Others	220.00	5.00
Fixed Deposits Placed/(Matured)	-	51.00
Interest Income	74.22	74.41
Rental income	13.20	12.88
	305.66	138.05
NET CASH USED IN INVESTING ACTIVITIES	305.66	138.05

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(Rupees in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(0.58)	(0.59)
	(0.58)	(0.59)
NET CASH FROM FINANCING ACTIVITIES	(0.58)	(0.59)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	328.95	(15.25)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	46.42	61.67
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	375.37	46.42

Note to Cash Flow Statement:

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 - Cash Flow Statement
2. Cash and cash equivalents consists of Cash on hand and Balance with banks including Fixed Deposits with Bank having maturity of less than three months
3. Previous year's figures have been regrouped/rearranged wherever necessary.

As per our report of even date

For Arunkumar K. Shah & Co.

Chartered Accountants

Firm Reg. No.: 126935W

For and on behalf of Board of directors

Gordhan P. Tanwani

Chairman & Managing Director

[DIN : 00040942]

Arunkumar K. Shah

Proprietor

Membership No. 034606

Santosh A. Shah

[Director]

[DIN : 01259840]

Sanjiv L. Hinduja

[Director]

[DIN : 00040858]

Malavika A. Acharya

[Director]

[DIN : 07007469]

Nikhil G. Tanwani

[Director]

[DIN : 01995127]

Naishadh H. Mankad

Company Secretary

Ajay D. Acharya

Chief Financial Officer

Place: Mumbai

Date: 12th May,2022

Place : Mumbai

Date : 12th May,2022



STATEMENT OF CHANGES IN EQUITY

(All amount in Rupees Lakhs, unless otherwise stated)

A. Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	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
525	525	-	525

(2) Previous reporting period

Balance at the beginning of the current reporting period	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
525	525	-	525

B. Other Equity

(1) Current reporting period

Particulars	Reserves and Surplus			Other Comprehensive income	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Balance as on 1st April, 2021	507.00	110.00	797.18	(1.41)	1,412.77
Profit for the year	-	-	297.55	0.72	298.27
Balance as on 31st March, 2022	507.00	110.00	1,094.73	(0.69)	1,711.04

(2) Previous reporting period

Particulars	Reserves and Surplus			Other Comprehensive income	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Balance as on 1st April, 2020	507.00	110.00	516.82	(2.09)	1,131.73
Profit for the year	-	-	280.36	0.68	281.04
Balance as on 31st March, 2021	507.00	110.00	797.18	(1.41)	1,412.77

	Particulars	Nature and Purpose
i.	Capital Redemption Reserve	Amount equal to nominal value of the shares purchased by the Company out of its Free Reserves and Securities Premium. It is utilised in accordance with provisions of Section 69 of the Companies Act, 2013.
ii.	General Reserve	Amount transferred from retained earnings for appropriation purpose. It is a free reserve.
iii.	Retained Earnings	Accumulated balance of Total Comprehensive Income earned during the respective years.
iv.	Remeasurements of Defined Benefit Plans	Gains / (Losses) arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive Income as per Ind As-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.

Note: There is no change in equity due to prior period errors.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Arunkumar K. Shah & Co.
Chartered Accountants
Firm Reg. No.: 126935W

For and on behalf of Board of directors

Gordhan P. Tanwani
Chairman & Managing Director
[DIN : 00040942]

Arunkumar K. Shah
Proprietor
Membership No. 034606

Santosh A. Shah
[Director]
[DIN : 01259840]

Sanjiv L. Hinduja
[Director]
[DIN : 00040858]

Malavika A. Achrya
[Director]
[DIN : 07007469]

Nikhil G. Tanwani
[Director]
[DIN : 01995127]

Naishadh H. Mankad
Company Secretary

Ajay D. Acharya
Chief Financial Officer

Place: Mumbai
Date: 12th May, 2022

Place : Mumbai
Date : 12th May, 2022

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Note 1: Corporate Information

Baba Arts Limited ('the Company') is promoted by Shri Gordhan P. Tanwani and is principally in the business of Cinematic and Television Content Production and Distribution, Trading in Intellectual Property Rights of Films and Post Production Activities. The equity shares of the Company are listed on BSE Ltd., Mumbai.

The Registered Office of the Company is situated at 3A, Valecha Chambers, New Link Road, Andheri (West), Mumbai -400053.

The Board of Directors of the Company approved the financial statements for the year ended March 31, 2022 and authorized for issue on 12th May, 2022.

Note 2: Basis of Preparation

- (a) These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions from the Act. The Company has consistently applied accounting policies to all periods.
- (b) Historical Cost Convention: The financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities that are stated at fair value.
- (c) All amounts disclosed in the financial statements and notes have been rounded off upto two decimal digits to the nearest Rupees in Lakhs as per the requirement of Schedule III of the Act, unless otherwise stated.
- (d) **Significant accounting judgements, estimates and assumptions**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

Critical accounting estimates

Useful lives and residual values of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Income taxes

The Company's tax jurisdiction is India and significant judgements are involved in determining the provisions for income taxes including amounts to be recovered or paid for uncertain tax position. Management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note No: 3 (viii)

Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the management.

Fair valuation

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are from observable markets where possible, but where this is not



feasible, a degree of judgement is required in establishing fair values. Changes in assumptions could affect the reported value of fair value of financial instruments

Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

Note 3: Significant Accounting Policies

(i) Revenue Recognition

The Company derives revenue primarily from Cinematic and Television Content Production and Distribution, Trading in Intellectual Property Rights of Films and Post Production activities. The Company identifies and evaluates each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue generated from internet/ web series produced for the broadcasters is recognized over the period of the contract.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Interest income is recognized using the effective interest method.

Dividend income is recognized when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(ii) Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

(iii) Foreign Currency Loans/Transactions

(a) Functional and presentation currency:

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency.

(b) Transactions and balances

Transactions in Foreign currency are recorded at the rate prevailing on the date of when the amount is received or remitted. Foreign currency denominated monetary assets and liabilities are converted into rupee at the exchange rate prevailing on the balance sheet date; gains/ losses are reflected in the statement of profit and loss. Non-Monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-Monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

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(iv) Employee Benefits

(a) Short Term Employee Benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(b) Long Term Employee Benefits

The liability towards gratuity is not funded. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per the requirement of IND AS 19- Employee Benefits. The liability recognized in the balance sheet is the present value of the defined benefit obligations on the balance sheet date, together with adjustments for unrecognized past service costs. Gains and losses through re-measurements of net defined benefit liability/(asset) are recognized in other comprehensive income. The effects of any plan amendments are recognized in the Statement of Profit & Loss.

(v) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment loss, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress.

Subsequent expenditure relating to property, plant & equipment is capitalized only when it is probable that future economic benefit associated with this will flow to the company and the cost of item can be measured reliably. Repairs and maintenance cost are recognized in statement of profit & loss when incurred. The cost and related accumulated depreciation are eliminated from financial statement upon sale or retirement of the asset and resultant gains and losses are recognized in the statement of profit & loss. Assets to be disposed off are reported at lower of carrying value or fair value less cost to sell.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on evaluation. The estimated useful lives of property, plant & equipment is taken as prescribed under Schedule II of the Companies Act, 2013.

Asset Details	Useful Life
Office Premises	30 Years
Plant and Machinery (incl. Computers)	1 to 15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Motor Car	8 Years

The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Cost excludes GST Input Tax Credit, Cenvat Credit, Sales Tax and Service Tax Credit, Custom Duty entitlement and such other levies / taxes. Depreciation on such assets is claimed on 'reduced' cost.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

(vi) Impairment

(a) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance.



The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(b) Non-Financial assets

Tangible and Intangible Assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

(vii) Inventories

(a) Consumables:

Consumables are valued at lower of cost and market value.

(b) Intellectual Property Rights (Copy Rights):

IPR of films are valued at lower of cost or net realizable value as certified by the Management.

(c) Under Production Films / Television Serials:

Cost of films are valued at actual cost incurred/ accrued which includes amount paid, bills settled and advance paid for which the bills are awaited.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

In case of films which are released during the year, the realization from the sale of rights are reduced from the cost of production and the balance cost if any, is carried forward till the time the negative rights of the films are not exploited. The excess or deficit of the cost of production after exploitation of "negative" rights will be treated as profit or loss in the profit & loss a/c as the case may be.

Inventory of Television Serials is valued at actual cost. The cost of content is amortized in the ratio of current revenue to expected total revenue. At the end of each accounting period, balance unamortized cost is compared with the net expected revenue. If net expected revenue is less than the unamortized cost, the same is written down to net expected revenue.

The Company is engaged in business of production of films wherein the expected Operating Cycle for production is in the range of 18 to 24 months. Accordingly, Inventory (under production films) / Advances / Assets / Liabilities relating to film production are classified as Current Assets / Liabilities.

(viii) Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current Income Taxes

Income tax expense is the aggregate amount of Current tax. Current tax is the amount of Income Tax determined to be payable in respect of the taxable income for an accounting period or computed on the basis of the provisions of Section 115JB of Income Tax Act, 1961 by way of minimum alternate tax (MAT) at the prescribed percentage on the adjusted book profits of a year, when Income Tax liability under the normal method of tax payable basis works out either a lower amount or nil amount compared to the tax liability u/s 115 JB.

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Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction.

Deferred Income Taxes

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The Company recognizes interest levied and penalties related to income tax assessments in interest expenses.

(ix) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets

(a) Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- 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 Statement of Profit and Loss or Other Comprehensive Income.

(b) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

(c) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.



(d) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

(e) De-recognition of financial assets:

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

- (f) Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset

(g) Cash and cash equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial liabilities

(a) Classification as debt or equity:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(b) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(c) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(d) Derecognition:

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

(e) Trade Payables & Other Current Liabilities

For trade payables and other payables maturing within one year from the balance sheet date, carrying amounts approximate fair value due to short maturity of these instruments.

(f) Security Deposit

Under the previous GAAP, interest free Security Deposit (that are refundable in cash) are recorded at their transaction value. Under the Ind AS all financial assets are required to be recognized at fair value. Accordingly, the Company has fair valued these Security Deposits under Ind AS. Difference between the fair value and the transaction value of Security Deposit has been recognized as deferred rent income. Deferred rent is recognized as income over period of deposit with corresponding recognition of interest expenses on the outstanding amount.

(x) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(xi) Earnings per Share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xii) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(xiii) Provisions and Contingent Assets and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized but are disclosed where an inflow of economic benefits is probable. The estimation of financial effect in respect of contingent liabilities and contingent assets wherever not practicable, is not disclosed and such fact is accordingly stated.

(xiv) Goods and Services Tax

Goods and Services Tax (GST) liability is accounted on accrual basis. The Company is accounting liability for GST arising under reverse charge mechanism for various services availed by the company, at the time of booking of relevant expenditure. Credit for input GST is claimed as per appropriate laws, rules and regulations.

(xv) Leases

As a lessee

The company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.



The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate.

Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- 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.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognize right-of-use assets and lease liabilities for short term leases of real estate properties and other assets that have a lease term of 12 months or less. The company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognized over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

(xvi) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the managing director and chief financial officer which assesses the financial performance and position of the Company, and makes strategic decisions.

(xvii) Recent Indian Accounting Standards (IND AS)

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 1, 2022, as below:

a. 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.

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These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its Financial Statements.

b. 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. The Company does not expect the amendments to have any impact in its recognition of its property, plant, and equipment in its Financial Statements.

c. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify 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. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its Financial Statements.

d. 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. The Company does not expect the amendment to have any significant impact in its Financial Statements.

e. 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 does not expect the amendment to have any significant impact in its Financial Statements.



Notes to Financial Statement for the Year ended 31st March, 2022

Note No. 4 : Property, Plant & Equipment

(All amount in Rupees Lakhs, unless otherwise stated)

Particulars	Building	Plant & Machinery	Furniture	Vehicle	Equipment	Total
Gross Block						
Balance as at 01.04.20	157.29	3.92	1.24	5.60	5.59	173.64
Additions during the year	-	4.50	-	-	0.74	5.24
Disposals during the year	-	-	-	-	-	-
Balance as at 31.03.21	157.29	8.42	1.24	5.60	6.33	178.88
Balance as at 01.04.21	157.29	8.42	1.24	5.60	6.33	178.88
Additions during the year	-	1.46	-	-	0.30	1.76
Disposals during the year	-	-	-	-	-	-
Balance as at 31.03.22	157.29	9.88	1.24	5.60	6.63	180.64
Accumulated Depreciation						
Balance as at 01.04.20	13.18	3.11	1.17	4.81	2.63	24.90
Depreciation charged during the year	3.30	0.60	-	-	0.63	4.53
Disposals during the year	-	-	-	-	-	-
Balance as at 31.03.21	16.48	3.71	1.17	4.81	3.26	29.43
Balance as at 01.04.21	16.48	3.71	1.17	4.81	3.26	29.43
Depreciation charged during the year	3.30	1.71	-	-	0.88	5.88
Disposals during the year	-	-	-	-	-	-
Balance as at 31.03.22	19.78	5.42	1.17	4.81	4.14	35.32
Net Block						
Balance as at 31.03.21	140.81	4.71	0.07	0.79	3.07	149.45
Balance as at 31.03.22	137.51	4.46	0.07	0.79	2.49	145.32

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(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Note 5 : Loans				
Unsecured - Considered Good				
others	-	-	425.00	645.00
Total	-	-	425.00	645.00

Note: The Company has not granted any loan to Promoters, Directors, KMP and Related Parties

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Note 6 : Other Financial Assets				
Rent equalisation reserve	-	0.08	-	0.24
Security deposit	0.37	0.37	-	-
Interest accrued on fixed deposit	-	-	11.25	11.14
Interest accrued on loans	-	-	9.79	6.34
Total	0.37	0.45	21.04	17.72

Particulars	31st March, 2022	31st March, 2021
Note 7 : Taxes		
Current income tax	113.00	34.76
Deffered tax	0.46	6.78
Income tax expense recognised in profit and loss	113.46	41.54
Income tax expense recognised in other comprehensive income :		
Remeasurements of defined benefit plan actuarial gains/ (losses)	(0.28)	(0.26)
Total	(0.28)	(0.26)

Reconciliation between the provision of income tax of the company and amount computed by applying the Indian statutory income tax rate to profit before taxes is as follows

Particulars	31st March, 2022	31st March, 2021
Profit before tax	412.06	321.90
Enacted income tax rate in india	0.28	0.28
Computed expected tax expense	114.64	89.55
Effect of:		
Adjustments in respect of current income tax of previous years	-	0.19
Reversal of provisions	-	(29.36)
Expenses (net) that are not deductible in determing taxable profit	-	0.62
Changes in tax rate	-	0.67
Brought forward losses	-	(24.20)
Others	-	4.06
	-	(48.02)
Income tax expenses recognised in the statement of profit and loss	114.64	41.53
Effective Tax Rate	27.82	12.90



(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Deferred Tax Asset/(Liabilities) as on 31st March, 2022

Particulars	Opening balance	Recognised in Profit & loss	Recognised in OCI	Others	Closing balance
Relating to:					
Property Plant Equipment	21.70	1.27	-	-	22.97
Employee benefit expenses	(4.73)	(0.59)	0.28	-	(5.05)
MAT Credit Entitlement	(38.04)	-	-	38.04	-
Others	(0.30)	(0.21)	-	-	(0.51)
Closing Balance	(21.37)	0.46	0.28	38.05	17.41

Deferred Tax Asset/(Liabilities) as on 31st March, 2021

Particulars	Opening balance	Recognised in Profit & loss	Recognised in OCI	Others	Closing balance
Relating to:					
Property Plant Equipment	13.51	8.19	-	-	21.70
Employee benefit expenses	(4.01)	(0.98)	0.26	-	(4.73)
MAT Credit Entitlement	(36.19)	(1.85)	-	-	(38.04)
Others	0.14	(0.44)	-	-	(0.30)
Closing Balance	(26.56)	4.92	0.26	-	(21.37)

Particulars	31st March, 2022	31st March, 2021
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Note 8 :Income Tax Assets (Net)

Advance Income Tax (Net of Provisions)	80.72	7.71
Advance Income Tax Current Year (Net of Provisions)	104.49	73.01
Total	185.21	80.72

Note 9 : Other Assets

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured, Considered Good				
Advances to suppliers	-	-	138.95	127.27
Indirect taxes receivable	-	-	101.06	107.67
Prepaid expenses	-	-	0.24	0.32
Unsecured, Considered Doubtful				
Advances to suppliers	-	-	0.21	0.21
Less: Provision for doubtful advances	-	-	(0.21)	(0.21)
Total	-	-	240.25	235.26

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(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Particulars	31st March, 2022	31st March, 2021
Note 10 : Inventories		
Under production film/web series	116.29	53.13
Film rights / TV serial rights / Songs rights	152.42	214.00
Total	268.71	267.13

Particulars	31st March, 2022	31st March, 2021
Note 11 : Trade Receivables		
Unsecured, Considered Good		
Trade receivables	215.41	12.26
Credit Impaired		
Trade receivables	1.37	1.37
Allowance for doubtful receivables	(1.37)	(1.37)
	-	-
Total	215.41	12.26

Note: There are no transaction with strike off companies

Trade Receivables ageing schedule

As at 31st March 2022 (Outstanding for following periods from due date of payment)

Trade Payables ageing schedule	Less than 6 Months	6 months - 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
i) Undisputed Trade receivables - considered good	215.26	0.15	-	-	-	215.41
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	1.37	-	-	1.37
iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	215.26	0.15	1.37	-	-	216.78
Allowance for doubtful receivables			(1.37)			(1.37)
	215.26	0.15	-	-	-	215.41

Trade Receivables ageing schedule

As at 31st March 2021 (Outstanding for following periods from due date of payment)

Trade Payables ageing schedule	Less than 6 Months	6 months - 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
i) Undisputed Trade receivables - considered good	12.25	0.01	-	-	-	12.26
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	1.37	-	-	1.37
iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	12.25	0.01	1.37	-	-	13.63
Allowance for doubtful receivables			(1.37)			(1.37)
	12.25	0.01	-	-	-	12.26



(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Particulars	31st March, 2022	31st March, 2021
Note 12 : Cash and Cash Equivalent		
Balances with Banks (of the nature of cash and cash equivalents)		
- In Current account	375.36	46.36
Cash on hand	0.01	0.06
Total	375.37	46.42

Particulars	31st March, 2022	31st March, 2021
Note 13 : Bank Balances other than Cash and Cash Equivalents		
Deposits with original maturity of more than 3 months but less than 12 Months (Earmarked against borrowings from banks Rs. Nil)	499.00	499.00
Total	499.00	499.00

Note 14 :Share Capital

Particulars	Number		Amount	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Authorised Share Capital				
- Equity Share Capital	30,00,00,000	30,00,00,000	3,000.00	3,000.00
Issued, Subscribed and Fully Paid Up Equity Share Capital				
Equity shares of Re. 1/- each	5,25,00,000	5,25,00,000	525.00	525.00

Notes:

- 1) 5,16,00,000 equity shares of Re. 1/- each fully paid issued by way of Bonus Shares by utilisation of Securities Premium and Reserves.
- 2) 1,29,00,000 equity shares of Rs. 4/- each were subdivided into 5,16,00,000 equity shares of Re. 1/- each pursuant to the special resolution passed at the AGM held on 29th September, 2009.
- 3) 28,49,530 equity shares issued on conversion of Optionally Fully Convertible Warrants.
- 4) 2,58,00,000 equity shares of Re. 1/- each were bought back at price of Rs. 3.00/- per share and extinguished on 29th July, 2016.
- 5) 1,73,81,700 equity shares of Re. 1/- each were bought back at price of Rs. 3.00/- per share and extinguished on 08th November, 2017.
- 6) 75,18,300 equity shares of Re. 1/- each were bought back at price of Rs. 4.50/- per share and extinguished on 11th March, 2019.

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(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	No. of Shares	No. of Shares
Balance at the beginning of the year	5,25,00,000	5,25,00,000
Issued during the year	-	-
Balance at the end of the year	5,25,00,000	5,25,00,000

(b) Terms of Equity Shares :

The company has only one class of equity shares of Re. 1/- each with same rights, preference and restrictions attached to it. In the event of liquidation equity shareholders shall get the surplus amount available after payment of preferential amounts.

(c) Disclosure of share holding of Promoters

Shares held by promoters at the end of the year

Promoter Name	No. of shares as on 31st March, 2022	No. of shares as on 31st March, 2021	% of total shares as on 31st March, 2022	% of total shares as on 31st March, 2021	% Change during the year ended 31st March, 2021	% Change during the year ended 31st March, 2022
1. Shri Gordhan P. Tanwani	2,66,00,000	3,92,00,000	50.67	74.67	(24.00)	-
2. Shri Rahul G. Tanwani	1,26,00,000	-	24.00	-	24.00	-
3. Shri Pravin J. Karia	8,000	8,000	0.02	0.02	-	-
Total	3,92,08,000	3,92,08,000	74.68	74.68	-	-

(d) Details of shareholders holding more than 5% shares in the company

Particulars	%		Shares	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
1. Shri Gordhan P. Tanwani	50.67	74.67	2,66,00,000	3,92,00,000
2. Shri Rahul G. Tanwani	24.00	-	1,26,00,000	-

Particulars	31st March, 2022	31st March, 2021
Note 15 : Other Equity		
Capital Redemption Reserve		
Balance as per previous financial statements	507.00	507.00
Closing Balance	507.00	507.00
General Reserve		
Balance as per previous financial statements	110.00	110.00
Closing Balance	110.00	110.00
Retained Earnings		
Balance as per previous financial statements	797.18	516.82
Profit for the year	297.55	280.36
Closing Balance	1,094.73	797.18
Other Comprehensive Income		
Balance as per previous financial statements	(1.41)	(2.09)
Re-measurement gains/(losses) on defined benefit plans	0.72	0.68
Closing Balance	(0.69)	(1.41)
Total	1,711.03	1,412.77



(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Note 16 : Other Financial Liabilities

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Security deposit	-	5.44	5.80	-
Deferred rent income	-	0.18	0.18	0.33
Rent equalisation reserve	-	-	0.24	-
Total	-	5.62	6.22	0.33

Note 17 : Provisions

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Employee Benefit Obligation				
Provision for gratuity (refer note: 26)	9.91	9.21	8.22	7.78
Total	9.91	9.21	8.22	7.78

Note 18: Other Liabilities

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Statutory remittances (Contributions to PF, ESIC, Withholding Taxes, GST etc.)	-	-	5.02	2.92
Provision for other expenses	-	-	4.18	2.84
Total	-	-	9.20	5.76

Particulars	31st March, 2022	31st March, 2021
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Note 19 : Trade Payables

Total outstanding due of micro and small enterprises	-	-
Total outstanding due of creditors other than micro and small enterprises	88.70	8.30
Total	88.70	8.30

Note: There are no transaction with strike off companies

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(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Particulars as at 31st March 2022 (Outstanding for following periods from due date of payments)

Trade Payables ageing schedule	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Dues to Micro, Small and Medium Enterprises					-
Others	88.70	-	-	-	88.70
Disputed MSME	-	-	-	-	-
Disputed others		-	-	-	-
	88.70	-	-	-	88.70

Particulars as at 31st March 2021 (Outstanding for following periods from due date of payments)

Trade Payables ageing schedule	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Dues to Micro, Small and Medium Enterprises	-	-	-	-	-
Others	8.30	-	-	-	8.30
Disputed MSME	-	-	-	-	-
Disputed others	-	-	-	-	-
	8.30	-	-	-	8.30

Particulars	31st March, 2022	31st March, 2021
Note 20 : Income Tax Liabilities		
Provision for Income Tax (Net of Advance Tax)	-	-
Provision for Current Year Income Tax (Net of Advance Tax)	-	-
	<hr/>	<hr/>
Total	-	-
	<hr/>	<hr/>



(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Particulars	31st March, 2022	31st March, 2021
Note 21 : Revenue From Operations		
Sale of service	1,801.80	1,332.12
Sale of products	-	-
Total	1,801.80	1,332.12

Sale of services

Income from Post production activity	6.46	7.39
Income from sale / royalty / commission on rights	1,795.34	1,324.73
Total	1,801.80	1,332.12

Particulars	31st March, 2022	31st March, 2021
Note 22 : Other Income		
Interest income	77.54	75.23
Rent income	12.63	12.96
Miscellaneous income	0.21	-
Cessation of liability	-	31.51
Total	90.38	119.70

Interest Income

Interest received on Fixed Deposit	27.14	16.84
Notional Interest Income - Security Deposit	0.33	0.33
Interest received on income tax refund	-	0.53
Interest on Loans and Advances	50.07	57.53
Total	77.54	75.23

Particulars	31st March, 2022	31st March, 2021
Note 23 : Cost of production of films / web series		
Opening stock	-	-
Add : Purchases	75.09	51.96
Less : Closing stock	-	-
Cost of production of films / web series	75.09	51.96

Particulars	31st March, 2022	31st March, 2021
Note 24 : Purchases of stock-in-trade		
Purchases during the year	1,274.50	1,155.00
Total	1,274.50	1,155.00

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(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Particulars	31st March, 2022	31st March, 2021
Note 25 : Changes in inventories of finished goods, stock in trade and work in progress		
Opening stock		
Owned films / song rights	214.00	-
Trading film rights	-	-
Underproduction film / web series	53.13	1.16
Total	267.13	1.16
Less : Closing Stock		
Owned films / song rights	11.92	-
Trading film rights	140.50	214.00
Underproduction film / web series	116.29	53.13
Total	268.71	267.13
Changes in inventories	(1.59)	(265.96)

Particulars	31st March, 2022	31st March, 2021
Note 26 : Employee Benefits Expense		
Salaries and wages	32.24	26.85
Contribution to provident and other funds	2.56	2.83
Staff welfare expenses	3.46	2.29
Total	38.26	31.97

Particulars	31st March, 2022	31st March, 2021
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Amount recognized in respect of gratuity cost (defined benefit plan) is as follows:

Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the IND AS 19 the details of which are as follows:

a) Gratuity

Changes in present value of defined benefit obligations

Opening of defined benefit liability/ (asset)	17.00	15.43
Current service cost	1.25	1.71
Past service cost	-	-
Interest cost	0.88	0.80
Benefits paid	-	-
Re-measurement (gain) / loss (through OCI)	(0.99)	(0.94)

Net liability	18.14	17.00
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Amounts in balance sheet		
Liability	18.14	17.00
Assets	NIL	NIL

Net liability	18.14	17.00
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(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Particulars	31st March, 2022	31st March, 2021
Expenses to be recognised in the statement of profit & loss		
Current service cost	1.25	1.71
Interest on defined benefit obligation	0.88	0.80
Expected return on plan assets	-	-
Net actuarial losses/(gains) recognised in year	-	-
Total included in "Employee benefit expense"	2.13	2.51
Actual return on plan assets	-	-
Remeasurement of the net defined benefit liability/(asset):		
Remeasurements- due to financial assumptions	(0.34)	0.07
Remeasurements- due to experience adjustments	(0.65)	(1.01)
Total remeasurement in other comprehensive income	(0.99)	(0.94)
Principal actuarial assumptions (expressed as weighted averages)		
Discount rate (p.a.)	0.07	0.07
Expected rate of return on assets (p.a.)	N.A	N.A
Salary escalation rate (p.a.)	0.08	0.08

Historical information:

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Present value of defined benefit obligation	18.14	17.00	15.43	10.90	8.80
Fair value of plan assets	NIL	NIL	NIL	NIL	NIL
Liability recognised	18.14	17.00	15.43	10.90	8.80

Particulars	31st March, 2022	31st March, 2021
Maturity profile of defined benefit obligation:		
Within 1 year	8.22	7.79
1-2 years	4.04	-
2-3 years	-	3.63
3-4 years	-	-
4-5 years	-	-
5-10 years	-	-
More than 10 years	31.54	30.42
Total	43.80	41.84

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(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Sensitivity Analysis:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Defined benefit obligation(DBO) on increase in 50 bps	17.50	18.83	16.35	17.71
Impact of increase in 50 bps on DBO	(0.03)	0.04	(0.04)	0.04
Defined benefit obligation(DBO) on decrease in 50 bps	18.84	17.51	17.73	16.36
Impact of decrease in 50 bps on DBO	0.04	(0.03)	0.04	(0.04).

Particulars	31st March, 2022	31st March, 2021
Note 27 : Finance Cost		
Other interest	0.13	0.18
Other borrowing cost	-	-
Unwinding of discount relating to long term liabilities	0.36	0.34
Bank charges	0.10	0.08
Total	0.59	0.60

Particulars	31st March, 2022	31st March, 2021
Note 4 : Depreciation And Amortisation Expense		
Depreciation on property, plant and equipment	5.89	4.53
Total	5.89	4.53

Particulars	31st March, 2022	31st March, 2021
Note 28 : Other Expense		
Operating Expenses		
Electricity expenses	3.06	2.82
Professional & technical fees	7.53	37.29
Accomadation charges	-	0.42
Negative cleaning charges	-	0.46
Studio Expenses	0.93	3.10
Sub-Total (A)	11.52	44.09
Selling and Distribution Expenses		
Advertisement expenses	0.99	0.85
Commission expenses	25.00	47.84
Provision for doubtful debts/advances	-	(104.64)
Bad debts written off	-	105.54
Other selling expenses	14.23	-
Sub- Total (B)	40.22	49.59



(All amount in Rupees Lakhs, unless otherwise stated)

Notes to Financial Statement for the Year ended 31st March, 2022

Particulars	31st March, 2022	31st March, 2021
Administrative Expenses		
Communication expenses	0.52	0.66
Directors' sitting fee	3.60	1.80
Insurance charges	0.39	0.40
Legal, profession & consultancy charges	12.30	36.40
Office expenses	0.82	0.96
Postage & telegram expenses	0.02	0.01
Printing & stationary	0.60	0.44
Rates & taxes	0.02	0.10
Municipal taxes	5.13	5.13
Repairs & maintenance to building	2.95	4.48
Repairs & maintenance to others	2.04	0.77
Listing fee	3.00	3.00
Other expenses	2.97	2.69
Travelling & conveyance expenses	0.15	0.26
Trade mark registration fees	1.08	-
Payment to Auditors- Audit fees	0.80	0.85
Other matters	0.25	0.20
Sub-Total (C)	36.64	58.15
Total (A+B+C)	88.38	151.83

Particulars	31st March, 2022	31st March, 2021
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Note 29 : Earning per share

The following reflects the profit and share data used in the basic and diluted EPS computations:

Profit after tax for the year	297.55	280.36
Nominal value of equity shares (Rs. per share)	1.00	1.00
Weighted average number of equity shares outstanding at the end of the year	5,25,00,000	5,25,00,000
EPS - Basic and Diluted (Rs. per share)	0.567	0.534

OTHER NOTES TO ACCOUNTS

30. Contingent Liability –

A. Maharashtra Value Added Tax:

- i) Demand of Rs. 18,84,486/- towards MVAT for the year 2010-11 raised by Jt. Commissioner of Sales Tax, Mumbai towards alleged excess Set Off Claimed by the Company.

The Company has filed an appeal against the said order before the Sales Tax Appellate Tribunal, Mumbai and is confident that the said demand will be withdrawn as such the Company does not expect any liability on this account. In the meantime the Company has deposited full amount of Rs.18,84,486/- Sales Tax Department.

- ii) Demand of Rs. 2,853/- (including interest of Rs. 1,853/-) towards MVAT for the year 2013-14 raised by the Dy. Commissioner of Sales Tax, Mumbai on account of disallowance of input tax credit of Rs. 23,21,351/-. As per VAT return for the year 2013-14 filed by the Company there was a refund of Rs. 23,22,304/-, however due to disallowance of input tax credit of Rs. 23,21,351/- by the Dy. Commissioner of Sales Tax an amount of Rs. 1,000/- is determined as payable and with interest of Rs. 1853/- the total demand is of Rs. 2,853/-. The Company has filed an appeal before the Commissioner of Sales Tax, Mumbai against the said order of Dy. Commissioner of Sales Tax and the Company is confident that the demand of Rs. 2,853/- will be withdrawn and there will be no liability towards the same. In the meantime after the date of these financial statements the Company has paid full amount of Rs. 2,853/- to the Sales Tax Department.

B. Service Tax

The Company had received show cause cum demand notice in respect of FY 2011-12 to 2014-15 for an amount of Rs. 7,64,70,058/- plus appropriate interest and penalty from Dy. Commissioner of Service Tax, Mumbai VI. The Company had replied to the said show cause cum demand notice and contested the said demand before the Commissioner of Service Tax, Mumbai VI. The Commissioner of Service Tax Mumbai VI has confirmed the said demand vide his order dated 28/02/2018 issued on 14/03/2018 and the Company has filed an appeal before CESTAT, Mumbai against the said order of the Commissioner of Service Tax and is confident that the said demand will be withdrawn as such the Company does not expect any liability on this account.

Note: Considering the nature of disputes and dependency on decisions pending with various forums, it is not practicable for the Company to estimate the timing of cash outflows at this stage with respect to the above contingent liabilities.

31. Remuneration to Directors:

Remuneration paid during the year ended 31st March, 2022 to Chairman & Managing Director Rs. Nil (P.Y. Nil).

Sitting Fees paid to Non-Executive/ Non-Independent Directors and Independent Directors – (Rs. in Lakhs)

Remuneration	2021-22 Rs.	2020-21 Rs.
Sitting Fees	3.60	1.80

32. Earnings and Expenditure in Foreign Currency

Earning in Foreign Currency - Rs. 87.50 Lakhs (P.Y. – Rs. Nil)

Expenditure in Foreign Currency - Rs. Nil (P.Y. – Rs. Nil)

33. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the Current Assets, Loans & Advances in the ordinary course of the business will not be less than the value stated in the Balance Sheet and provision for all known liabilities are adequate and not in excess of the amount reasonably required to be provided.

34. The Company continues to consider possible effects that may result from the global pandemic COVID -19 in preparation of these financials including recoverability of carrying amount of all its assets. In developing the assumptions relating to the future uncertainties in the economic conditions due to COVID-19 it has at the date of approval of these results, considered relevant internal and external sources of information. Based on such information and its judgements, estimates and assumptions the Company expects that the carrying amount of all its assets are recoverable. The Company will continue to closely monitor any material changes to future economic conditions and its impact on the Company. The actual impact of COVID-19 may be different from that estimated as on the date of approval of these financial results.



35. Related Party Disclosure as per IND AS 24

A. List of related parties.

(a) Key Management Personnel (KMP)

(i) Shri Gordhan P. Tanwani	Chairman & Managing Director
(ii) Smt. Malavika A. Acharya	Non-Executive Non-Independent Director
(iii) Shri Santosh A Shah	Non-Executive Independent Director
(iv) Shri Sanjiv L Hinduja	Non-Executive Independent Director
(v) Shri Nikhil G. Tanwani (w.e.f.20 th January, 2022)	Non-Executive Non-Independent Director [Additional Director]
(vi) Ms. Juhi V. Pania (w.e.f. 15 th June, 2021)	Non-Executive Independent Director
(vii) Shri Ajay D. Acharya	Chief Financial Officer
(viii) Shri Naishadh H. Mankad	Company Secretary & Compliance Officer

B. Relatives of Key Management Personnel

(i) Smt. Jyoti G. Tanwani	Wife of Shri Gordhan P. Tanwani & Mother of Shri Nikhil G. Tanwani
(ii) Shri Nikhil G. Tanwani	Son of Shri Gordhan P. Tanwani & Brother of Rahul G. Tanwani
(iii) Shri Rahul G. Tanwani	Son of Shri Gordhan P. Tanwani & Brother of Nikhil G. Tanwani
(iv) Shri Raju P. Tanwani	Brother of Shri Gordhan P. Tanwani

C. Other Related Parties (Companies/ Enterprises in which director or their relatives have significant influence)

- (i) Bhagwati Media Private Limited
- (ii) Graceland New Media LLP
- (iii) Bhagwati Holdings Private Limited
- (iv) M/s Baba Developers
- (v) M/s.Om Enterprises
- (v) M/s. Baba Digital LLP
- (vi) M/s. Larry's Impex LLP
- (vii) M/s. Baba Films
- (viii) M/s. G.R.Pet Preform
- (ix) M/s Threads & Homes
- (x) M/s. Nikhil Plast
- (xi) M/s. Super Plast

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A. Details of transaction during the period with related parties

(Rs. in Lakhs)

Nature of Transaction	KMP	Other Related Parties	Total
Remuneration paid			
(a)(vii)	13.00 (11.00)	-	13.00 (11.00)
(a)(viii)	9.75 (8.25)	-	9.75 (8.25)
Sitting Fee			
(a) (ii)	1.20 (0.60)		1.20 (0.60)
(a) (iii)	0.60 (0.60)	-	0.60 (0.60)
(a) (vi)	0.90 (0.60)	-	0.90 (0.60)
(a) (vi)	0.90 (-)	-	0.90 (-)
Rent Income			
(c)(iv)		12.63 (12.96)	12.63 (12.95)
Purchase-TV Serial Rights			
(c)(ii)		388.00 (-)	388.00 (-)
Share of Advertising Income-IPR			
(c)(ii)		43.67 (-)	43.67 (-)

B. Closing Balances.

(Rs. in Lakhs)

Nature of Transaction	KMP	Other Related Parties	Total
Other Financial Liabilities (Non- Current)			
(c) (vi)	-	- (5.62)	- (5.62)
Other Financial Liabilities (Current)			
(c) (vi)		6.22 (0.33)	6.22 (0.33)
Other Current Liabilities			
(a)(vii)	0.89 (0.89)		0.89 (0.89)
(a)(viii)	0.68 (0.68)		0.68 (0.68)
Other Financial Assets:			
Non -Current:			
(c) (vi)		- (0.08)	- (0.08)
Current:			
(c) (vi)		- (0.24)	- (0.24)
Trade Receivables			
(c)(ii)		13.64 (-)	13.64 (-)

Figures in brackets are as at March 31, 2021
Above amounts are excluding GST wherever applicable.



36. Disclosure as per Regulation 34 (3) and 53 (f) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- a) Loans and Advances to Subsidiary Companies: Rs. Nil
- b) Loans and Advances to Associate Companies: Rs. Nil
- c) Loans and Advances to Associate Companies/ firms in which Directors are Interested (excluding Subsidiary and Associate Companies): Rs. Nil.

37. Details of Loan given, Investments made, Guarantees given and Securities provided during the year covered under Section 186 (4) of the Companies Act, 2013.

- (i) Loan given during the year: (Rs. in Lakhs)

	For the year 2021-22	For the year 2020-21
Loan given during the year	Nil	125.00

Details of Loan, Guarantee and Investments made during the Financial Year 2021-22

Name of Entity	Relation	Amount in Lakhs	Particulars of Loan Guarantee and Investments	Purpose for which the loans, guarantee and Investments are proposed to be utilized
Sypress Constructions LLP	—	NIL (50.00)	N.A. Loan Given	N.A. Business Purpose
Tejpal Shah HUF	—	NIL (75.00)	N.A. Loan Given	N.A. Business Purpose

- (ii) Investments made Rs. NIL (Previous Year Rs. NIL)

- (iii) Guarantees given and Securities provided by the Companies in respect of Loan Rs. NIL (Previous Year Rs. NIL)

38. Leases

A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The Company does not have any contract where the Company is a lessee of any asset.

Company as a Lessor

The Company has entered in to operating lease in respect of part of its Studio cum Office premises. The lease has a term of 5 years. The lease includes a clause for upward revision of rental charge from existing rental charge. Future minimum rental receivable under cancellable operating lease as at 31st March, 2022 is as follow:

(Rs. in Lakhs)

Particulars	For the year 2021-22	For the year 2020-21
Within one year	7.15	13.20
After one year but not more than five years	Nil	7.15
More than five years	Nil	Nil

39. Financial Instruments and Risk Factors

A. Fair Value Measurement

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 in the principal or, in its absence, in the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. fair value of the consideration given or received.

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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.

(Rs. in Lakhs)

Particulars	Carrying Amount			Total	Fair Value
	FVPTL	FVOCI	Amortised Cost		
Financial Assets					
Trade Receivables	—	—	215.41 (12.26)	215.41 (12.26)	215.41 (12.26)
Cash & Cash Equivalent	—	—	375.37 (46.42)	375.37 (46.42)	375.37 (46.42)
Bank Balances other than above	—	—	499.00 (499.00)	499.00 (499.00)	499.00 (499.00)
Loans	—	—	425.00 (645.00)	425.00 (645.00)	425.00 (645.00)
Other Financial Assets	—	—	21.42 (18.18)	21.42 (18.18)	21.42 (18.18)
Financial Liabilities					
Other Financial Liabilities	—	—	6.23 (5.94)	6.23 (5.94)	6.23 (5.94)
Trade Payable	—	—	88.70 (8.30)	88.70 (8.30)	88.70 (8.30)

Previous Year figures are given in brackets.

The carrying value of trade receivables, cash and cash equivalents, other bank balances, current 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 non-current financial assets is not materially different than its carrying value.

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). The categories used are as follows:

Level – 1: Hierarchy includes financial instruments measured using quoted price. Mutual funds are valued at the closing NAV.

Level – 2: The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximize the use of observable market data and rely as little as possible on entity – specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level – 2.

Level – 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level – 3.

There are no financial assets except for Investment in shares which are fair valued. The Investment in equity shares which fall under level 3 are at Nil (Nil) value as on March 31st 2022 and March 31st 2021.

B. Financial Risk Management

The Company's business activities expose it to various risks viz: market risk, credit risk, liquidity risk. The Board of Directors of the Company has approved a risk management policy to address and mitigate the risks associated with the business of the Company. The Board of Directors of the Company regularly monitors and reviews the risks and takes actions to respond to and mitigate the risks.



Various sources of risks and their management in the financial statements is given below:

Credit Risks

Credit risk arises on account of credit exposure to customers, loans given to parties, security deposits given, deposits with banks and financial institution. The credit risk is assessed and managed on an ongoing basis. The Company uses its internal market intelligence while dealing with the customers and parties to whom loans are given. The Company manages the credit risk based on internal rating system. The Company has dealings only with nationalized and high rated private banks and financial institutions for its banking transactions and placement of deposits.

Default of a financial asset occurs when the counterparty fails to make contractual payment within 365 days of due date of payment. This definition of default is determined by considering the business environment in which the entity operates, ongoing business relationship with the counterpart and other macro – economic factors.

Liquidity Risk Management

Liquidity risk management involves management of the Company's short-, medium- and long-term fund requirement efficiently by maintaining sufficient cash and cash equivalent and availability of funding through adequate amount of committed credit facilities to meet the obligations when due. The management of the Company manages the liquidity risk by maintaining adequate surplus cash in short term deposits. The management regularly monitors the forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows.

Liquidity Position As on 31st March, 2022

(Rs. in Lakhs)

Particulars	< 1 Year	1-5 Years	>5 Years	Total
Loans	425.00 (645.00)	-	-	425.00 (645.00)
Trade Receivables	215.41 (12.26)	-	-	215.41 (12.26)
Cash and Cash Equivalents	375.37 (46.42)	-	-	375.37 (46.42)
Other Bank Balances	499.00 (499.00)	-	-	499.00 (499.00)
Other Financial Assets	21.05 (17.72)	0.37 (0.45)	-	21.42 (18.17)
Total Financial Assets	1535.83 (1220.40)	0.37 (0.45)	-	1536.20 (1220.85)
Trade Payables	88.70 (8.30)	- (-)	-	88.70 (8.30)
Other Financial Liability	6.22 (0.33)	- (5.62)	-	6.22 (5.95)
Total Financial Liability	94.92 (8.63)	- (5.62)	-	94.92 (14.25)

Previous Year figures are given in brackets.

Market Risk

Market risk can arise on account of fluctuation in future market prices which will impact the fair value or future cash flows of financial instruments. The fluctuation in market price can be in the form of Currency Risk, Interest Rate Risk or other price risk such as Equity Price Risk. The Company is not exposed to Currency Risk as it does not have any foreign exchange exposure. Similarly the Company does not have any equity price risk as it does not have any material investment in equity shares nor does the Company trade in any investment. The Company manages Interest Rate Risk on its loan exposures by controlling the exposure within acceptable parameters and at the same time getting optimum returns on its surplus funds.

Foreign Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where transaction references more than one currency or where assets/liabilities are denominated in currency other than functional currency of the entity. Considering the countries and economic development in which Company operates, its operations are subject to risks arising from fluctuations in exchange rate in those countries. The Company primarily is working in the local environment hence it is not exposed to major foreign currency risks.

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40. Capital Management

The objectives of capital management are:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for the other stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company does not have any exposure towards debt. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

41. Segment Information

The Company's Managing Director is the Chief Operating Decision Maker (CODM). Based on his examination of Company's performance from a product and geographical perspective he has identified following three business segments of the Company:

- Trading in IPR of Films
- Production & Distribution of Films & TV Serials
- Post Production Services

The CODM uses a measure of profit & loss before tax to assess the performance of the operating segments. He also reviews the information about the segment revenue and assets on quarterly basis. (Refer annexure 1)

Geographical Revenue is allocated based on location of customer (Rs. in Lakhs)

Country	31 st March 2022	31 st March 2021
Singapore	87.50	Nil
India	1714.30	1332.12
Total	1801.80	1332.12

All non-current assets of the Company are located in India.

Information of major customers

Revenue from one customer individually accounted for more than 10% of the total revenue for the year ended 31st March 2022 (31st March 2021: Nil)

Annexure 1:

(Rs. in Lakhs)

Particulars	Trading in IPR of Films		Production & Distribution of Films & TV Serials		Post Production Services		Total	
	As at 31st March		As at 31st March		As at 31st March		As at 31st March	
	2022	2021	2022	2021	2022	2021	2022	2021
Gross Revenue (including operating and other revenue)								
External Revenue	1795.34	1324.73	—	—	6.46	7.39	1801.80	1332.12
Intersegment Revenue								
Total Gross Revenue	1795.34	1324.73	—	—	6.46	7.39	1801.80	1332.12
Result								
Segment Profit/(Loss)	388.56	265.09	(0.29)	(0.03)	(67.00)	(62.27)	321.28	202.79
Less:								
Interest Expense							(0.59)	(0.59)
Add:								
Interest/Other Income							90.38	119.70
Profit Before Taxation							411.06	321.90
Tax Expenses							(113.52)	(41.53)
Profit for the Year							297.55	280.36
Other Information								
Segment Assets	358.15	227.61	268.49	179.45	141.76	149.04	768.39	556.10
Unallocable Assets							1607.30	1418.68
Total Assets							2375.70	1974.78
Segment Liabilities	87.01	7.59	10.75	0.67	24.49	23.13	122.25	31.39
Unallocable Liabilities							17.41	5.62
Total Liabilities							139.66	37.01
Capital Expenditure							1.76	5.24
Depreciation	1.10	0.28	—	—	4.78	4.26	5.88	4.53



42. Additional regulatory information as required under Schedule III to the Companies Act, 2013.

(Rs. in Lakhs)

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance	Reasons change in ratio by 25%
Current ratio	Current Assets	Current Liability	18.2	77.71	-76.58%	Due to increase in turnover and corresponding expenses
Debt- equity ratio	Total Debt	Shareholders' Equity	-	-	-	
Debt service coverage ratio	Earnings available for debt service	Debt service	-	-	-	
Return on equity ratio	Net Profit after taxes	Average Shareholders' Equity	19.05%	22.04%	-13.55%	
Trade receivable turnover ratio	Revenue	Average Trade Receivable	15.83	180.06	-91.21%	Revenue growth impact and High collection period allowed to customers
Trade payable turnover ratio	Purchases of services and other expenses	Average Trade payables	27.83	58.37	-52.32%	Increased credit period
Net capital turnover ratio	Revenue	Working Capital	0.93	0.78	19.03%	
Net profit ratio	Net Profit	Revenue	0.17	0.21	-21.53%	
Return on capital employed	Earning before interest and taxes	Capital Employed*	18.27%	16.83%	8.56%	
Return on investment	Income generated from investments	Time weighted average investments	-	-	-	

*Capital employed = Tangible net worth +/- deferred tax

43. The Company has not received any disclosure from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid or payable under this act are not stated in these financials.

44. The Code on Social Security, 2020 ('Code') relating to employee 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. 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.

45. Corporate Social Responsibility (CSR)

The Company does not meet the applicability threshold limit as prescribed under Section 135 of the Companies Act, 2013 and as such the Company was not required to spend any amount towards CSR.

46. Other Statutory Information

- The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company did not have any transactions with Companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- The Company has not traded or invested in crypto currency or virtual currency during the respective financial years/period.

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- The has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - 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 like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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)
 - Provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries,
- 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 Income Tax Act, 1961 (such as, search or survey or any other relevant pro Income Tax Act, 1961).
- The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- The Company does not have any scheme of arrangements which have been approved by the Competent Authority in terms of Section 230 to 237 of the Act.
- The Company does not have any subsidiary and therefore provision regarding the number of layers prescribed under Section 2 (87) of the Act read with the Companies(Restriction on number of layers) Rules, 2017 is not applicable to the Company.

47. Previous year's figures have been regrouped/ rearranged wherever considered necessary.

48. The Notes referred to above form an integral part of Balance Sheet and Profit & Loss Account.

As per our Report on even date

For Arunkumar K. Shah & Co.

Chartered Accountants

Firm Registration No 126935W

For and on behalf of the Board

Gordhan P. Tanwani

Chairman & Managing Director

[DIN 00040942]

Arunkumar K. Shah

Proprietor

Membership No. 034606

Sanjiv L. Hinduja

Director

[DIN 00040858]

Santosh A. Shah

Director

[DIN 01259840]

Malavika A. Acharya

Director

[DIN 07007469]

Nikhil G. Tanwani

Director

[DIN 01995127]

Naishadh H. Mankad

Company Secretary

Ajay D. Acharya

Chief Financial Officer

Place: Mumbai

Date : 12th May, 2022

FORM -MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L72200MH1999PLC119177
 Name of the Company : BABA ARTS LIMITED
 Registered Company : 3A, Valecha Chambers, New Link Road, Andheri (W), Mumbai-400053
 Name of the member(s) :
 Registered address :
 Email Id :
 Folio No./Client Id :
 DP ID :

I/We, being the member(s) holding _____ equity shares of the above named company hereby appoint

1. Name :
 Address :
 Email Id :
 Signature : or failing him
2. Name :
 Address :
 Email Id :
 Signature : or failing him
3. Name :
 Address :
 Email Id :
 Signature :

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Tuesday the 20th September, 2022 at 11.30 a.m at Juhu Vile Parle Gymkhana Club, Orchid Hall, Second Floor, Opp: Juhu Bus Depot, Juhu, Mumbai 400049 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
	Ordinary Business		
1.	Consider and adopt the financial statements and the reports of the Board of Directors and Auditors thereon for the financial year ended on 31 st March, 2022.		
2.	Appointment of Smt. Malavika A.Acharya, a Director retiring by rotation		
3.	Appointment of M/s. M M Nissim & Co. LLP, Chartered Accountants as Statutory Auditors of the Company		
4.	Appointment of Shri Nikhil G. Tanwani as Director of the Company		
5.	Appointment of Shri Nikhil G. Tanwani as Whole Time Director of the Company for a period of five years from 1 st June, 2022 to 31 st May, 2027.		
6.	Approval of Related Party Transactions		

Signed this _____ day of _____, 2022

Affix
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BABA ARTS LIMITED

(CIN : L72200MH1999PLC119177)

Regd. Address: 3A,Valecha Chambers, New Link Road, Andheri(West),Mumbai-400053 Tel No.022 2673 3131 Fax :022 2673 3375
 Email :babaartslimited@yahoo.com, investors@babaartslimited.com Website :www.babaartslimited.com

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

(Twenty Third Annual General Meeting - 20th September, 2022)

I hereby record my presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the company held at Juhu Vile Parle Gymkhana Club, Orchid Hall, Second Floor, Opp. Juhu Bus Depot, Juhu, Mumbai – 400049 on Tuesday, 20th September, 2022 at 11.30 a.m.

Full name of Member (IN BLOCK LETTERS).....

Reg. Folio No./ Demat ID.....

No. of shares held.....

Full name of Proxy (IN BLOCK LETTERS).....

.....

Member's / Proxy Signature

If undelivered, please return to :

BABA ARTS LIMITED

(CIN : L72200MH1999PLC119177)

3A, Valecha Chambers,
New Link Road, Andheri (West),
Mumbai - 400 053.

Tel No. : (022) 2673 3131 Fax : (022) 2673 3375

Email : babaartslimited@yahoo.com, investors@babaartslimited.com

Website : www.babaartslimited.com