

**22nd Annual Report  
2016-2017**

Universal Arts Limited

**BOARD OF DIRECTORS:**

- a) Managing Director : Mr. Manish G. Shah (DIN: 00434171)
- b) Additional Director : Mr. Harshadrai H Shah (DIN: 00540937)
- c) Additional Director : Mr. AtulkumarPopatlalLodliya (DIN: 01858465)
- d) Woman Director : Mrs Ulka Manishkumar Shah (DIN: 00434277)
- e) Woman Director : MrsShilpa G Shah (DIN: 02377431)

**AUDITORS**

- : M/s Ajay Sekhri & Associates  
Chartered Accountants  
Mumbai

**SECRETARIAL AUDITOR**

- : M/s GirishMurarka & Co.  
Company Secretaries  
Mumbai

**REGISTERED OFFICE**

- : Plot No. 45, First Floor,  
GanapatiBhavan, M. G. Road.,  
Goregaon (West),  
Mumbai 400 062.  
CIN - L22300MH1995PLC091082  
Website: [www.universalarts.in](http://www.universalarts.in)  
Email: [universalartslimited@hotmail.com](mailto:universalartslimited@hotmail.com)

**REGISTRAR & TRANSFER AGENT**

- : BIGSHARE Services Private Limited  
Bharat Tin Works Building 1st Floor  
Opp. Vasant Oasis Makwana Road  
Marol, Andheri (E), Mumbai - 400059

**NOTICE**

Notice is hereby given that the **TWENTY SECOND ANNUAL GENERAL MEETING OF UNIVERSAL ARTS LIMITED** will be held at Keshav Gore Smarak Trust Hall, "Smriti", Aarey Road, Goregaon (W), Mumbai - 400062 on Friday, the 29th day of September, 2017 at 11.00am to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company on a Standalone and Consolidated basis for the period ended on 31st March, 2017 including the Balance Sheet as at that date, Statement of Profit & Loss account for the period ended on that date and in the reports of the Auditors and Directors thereon;
2. To appoint a Director in place of Mr. Manish Shah (DIN: 00434171) who retires by rotation at this meeting offers himself and being eligible for re-appointment;
3. To ratify the appointment of M/s Ajay Sekhri & Company, Chartered Accountants, Mumbai, (Firm Registration No. 140181W), as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

"Resolved That pursuant to the provisions of Section 139 and Section 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the resolution passed by the members at the Annual General Meeting held on 30th September, 2016, the Company hereby ratifies the appointment of Ajay Sekhri & Company, Chartered Accountants, Mumbai, (Firm Registration No. 140181W), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General meeting at a remuneration (including re-imbursment of out of pocket expenses), as may be decided by the Board of Directors of the Company in consultation with M/s Ajay Sekhri & Company, Chartered Accountants, Mumbai, Auditors of the Company."

**SPECIAL BUSINESS:**

4. To regularize the appointment of Mr. Atulkumar Popatlal Lodliya (DIN 01858465) as an Independent Director and to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Atulkumar Popatlal Lodliya (DIN 01858465) who was appointed by the Board of Director as Additional Director of the Company with effect from 15th July, 2017 under section 161(1) of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, who is eligible for appointment and in respect of whom the Company has received notice in writing from a Member under section 160 of the Act signifying his intention to propose candidature of Mr. Atulkumar Popatlal Lodliya for the office of Director be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Mr. Atulkumar Popatlal Lodliya (DIN 01858465) who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years upto the fifth consecutive Annual General Meeting to be held and not liable to retire by rotation.

5. To regularize the appointment of Mr. Harshadrai H. Shah (DIN 00540937) as an Independent Director and to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Harshadrai H. Shah (DIN 00540937) who was appointed by the Board of Director as Additional Director of the Company with effect from 15th July, 2017 under section 161(1) of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, who is eligible for appointment and in respect of whom the Company has received notice in writing from a Member under section 160 of the Act signifying his intention to propose candidature of Mr. Harshadrai H. Shah (DIN 00540937) for the office of Director be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Mr. Harshadrai H. Shah (DIN 00540937) who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years upto the fifth consecutive Annual General Meeting to be held and not liable to retire by rotation.

6. To regularize the appointment of Mrs. Shilpa G. Shah (DIN 02377431) as a Non-Executive and Non-Independent Director and to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT Mrs. Shilpa G. Shah (DIN 02377431) who was appointed by the Board of Director as Additional Director of the Company with effect from 9th December, 2016 under section 161(1) of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, who is eligible for appointment and in respect of whom the Company has received notice in writing from a Member under section 160 of the Act signifying his intention to propose candidature of Mrs. Shilpa G.

Shah (DIN 02377431) for the office of Director be and is hereby appointed as Non-Executive and Non-Independent Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Mrs. Shilpa G. Shah (DIN 02377431) who is eligible for appointment as Director, be and is hereby appointed as Non-Executive and Non-Independent Director of the Company liable to retire by rotation.

By Order of the Board of Directors

Manish G. Shah  
Managing Director  
DIN: 00434171

Place: Mumbai

Date: 8th August, 2017

Registered Office:

Plot No. 45, First Floor, GanapatiBhavan,  
M. G. Road, Goregaon West, Mumbai 400 062  
CIN: L22300MH1995PLC091082  
E-MAIL ID: universalartslimited@hotmail.com

#### NOTES

1. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.  
  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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.
2. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in. Attendance slip is separately sent to Shareholders along with this Annual Report.
3. Shareholders are requested to bring their copy of Annual Report at the Meeting.
4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a duly certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
5. In case of joint holders attending the Annual General Meeting, member present or in case both members are present the person whose name is appearing as first holder will be entitled to vote.
6. Pursuant to Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("LODR"), the Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 22, 2017 to Friday, September 29, 2017 (both days inclusive).
7. While members holding shares in physical form may write to the Registrar and Transfer Agents, (M/s BigShare Services Private Limited) for any changes in their addresses and bank mandates, members holding shares in electronic form may inform the same to their Depository Participants.
8. Members who hold their shares in dematerialized form are requested to write their client ID and DP ID number and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
9. 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 PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
10. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.
11. Members may also note that even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. In this regard, the shareholders may also send requests to the Company's designated email id:universalartslimited@hotmail.com

12. The members would be able to cast their votes at the meeting through ballot paper if they have not availed the e-voting facility. If the vote is cast through e-voting facility, then the vote cast through ballot paper at the meeting will not be recognized. However, members who have cast their votes through e-voting prior to the meeting may also attend the meeting.
13. The e-voting period begin on Tuesday, 26th September, 2017 at 9.30 am and end on Thursday, 28th September, 2017 at 5.00 pm. During this period Shareholders of the Company, holding shares in physical form or in dematerialized form, as on cut off date Friday, 22nd September, 2017 may cast their vote electronically. Thereafter the e-voting module shall be disabled by CDSL for voting.
14. M/s GirishMurarka& Co., Practicing Company Secretary (COP - 4576) has been appointed as Scrutinizer for conducting e-voting process in a fair and transparent manner
15. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member /beneficial owner as on the cut-off date i.e. 22nd September, 2017.

By Order of the Board of Directors

Manish G. Shah  
Managing Director  
DIN: 00434171

Place: Mumbai  
Date: 8th August, 2017

Registered Office:  
Plot No. 45, First Floor, GanapatiBhavan,  
M. G. Road, Goregaon West, Mumbai 400 062  
CIN: L22300MH1995PLC091082  
E-MAIL ID: universalartslimited@hotmail.com

**Details of Director Seeking Re-appointment at this Annual General Meeting**

- |  |   |                                |
|--|---|--------------------------------|
| a) Name of Director  | : | Manish Girish Shah             |
| b) Director Identification No.   | : | 00434171                       |
| c) Date of Appointment   | : | 29th March, 2003               |
| d) Qualification   | : | MBA, CWA, MMS, DMTC, AMIE GRAD |
| e) Directorship Held in other Companies  | : | 18 (Eighteen)                  |
| f) Membership / Chairmanship of Audit and Stakeholders' Relationship Committee Across Public Companies | : | 2                              |
| g) No. of Shares Held  | : | NIL                            |

**Explanatory Statement under Section 102(1) of the Companies Act, 2013**

**Item No. 4:**

Mr. AtulkumarPapatlalLodliya is independent Director of the Company pursuant to clause 49 of the Listing Agreement. He joined the Board on 15th July, 2017.

The Board consider that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. AtulkumarPapatlalLodliya as independent Director. Accordingly the Board recommends the resolution in relation to the appointment of Mr. AtulkumarPapatlalLodliya as Independent Director for the approval of the Shareholder of the Company.

Except Mr. AtulkumarPapatlalLodliya being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution No. 4 of this Notice

**Item No. 5:**

Mr. Harshadrai H. Shah (00540937) is independent Director of the Company pursuant to clause 49 of the Listing Agreement. He joined the Board on 15th July, 2017.

The Board consider that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. Harshadrai H. Shah as independent Director. Accordingly the Board recommends the resolution in relation to the appointment of Mr. Harshadrai H. Shah as Independent Director for the approval of the Shareholder of the Company.

Except Mr. Harshadrai H. Shah being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution No. 5 of this Notice

**Item No. 6:**

Mrs. Shilpa G. Shah (DIN 02377431) was appointed as Non-Executive and Non-independent Director at the Board Meeting held on 9th December, 2016 under section 161 of the Companies Act, 2013 as Additional Director.

The Board consider that her continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mrs. Shilpa G. Shah. Accordingly the Board recommends the resolution in relation to the appointment of Mrs. Shilpa G. Shah as Non-Executive and Non-independent Director liable to retire by rotation for the approval of the Shareholder of the Company.

Mr. Manish G. Shah, (DIN 00434171) Managing Director and Mrs. UlkaManishkumarShah,(DIN 00434277) Non-Executive Director are interested in the above appointment along with the Mrs. Shilpa G. Shah

By Order of the Board of Directors

Manish G. Shah  
 Managing Director  
 DIN: 00434171

Place: Mumbai  
 Date:8thAugust, 2017

**Instruction for E-voting:**

Pursuant to Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide E-Voting facility as an alternate for Shareholders of the Company to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the 22nd Annual General Meeting of the Company to be held on Friday, 29th September, 2017. For this purpose, necessary arrangements have been made with the Central Depository Services Limited ("CDSL") to facilitate e-voting. E-Voting is optional to shareholders. The Company has appointed Shri Vishal N Manseta, Practicing Company Secretary as the Scrutiniser for conducting the e-voting process in a fair and transparent manner.

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on 26th September, 2017 @ 9:30 A.M. and ends on 28th September, 2017 @ 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

	<b>Enter your 10 digit alpha-numeric</b>
PAN	issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>● if both the details are not recorded with the depository or company please enter the member id / folio number in the I Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on 26th September, 2017 @ 9:30 A.M. and ends on 28th September, 2017 @ 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**DIRECTORS' REPORT**

To,

**The Members**

**UNIVERSAL ARTS LIMITED**

Your Directors are pleased to present the Twenty Second Annual Report together with the audited financial statements for the year ended on 31st March, 2017.

**Financial Results:**

(₹ in 000)

	<b>Year Ended 31.03.2017</b>	<b>Year Ended 31.03.2016</b>
Total Income	58.61	87.29
Total Expenditure	58.28	144.46
Profit / (Loss) before Interest, Depreciation, Amortization, Exceptional item	0.33	(57.17)
Less : Interest	Nil	Nil
Depreciation	0.24	1.39
Profit / (Loss) before Exceptional item & tax	0.09	(58.56)
Add : Exceptional items	Nil	Nil
Profit / (Loss) Before Tax	0.09	(58.56)
Less: Provisions for Taxation	Nil	Nil
Profit / (Loss) After Tax	0.09	(58.56)

**DIVIDEND:**

In view of the accumulated losses, the Board of Directors of your Company regret their inability to recommend any dividend for the year ended on 31st March, 2017

**RESERVE:**

In view of the accumulated losses, the Board of Directors of your Company do not proposes to carry any amount to reserve.

**OPERATION REVIEW:**

Your Company showed a steep decrease in the Income. Your Company posted Income of ₹ 58.61 lacs as against ₹ 87.29 lacs during the previous year. Though the Company's income was decreased, your Company posted a profit after tax of ₹ 0.09 lacs against loss of ₹ 58.56 lacs during the previous year.

**OUTLOOK:**

With the entry of Big Corporate like UTV, Eros, Dharma Productions, Fox Star Studios, Sony Pictures, Reliance Big Entertainment, Viacom18 Group, the competition has increased and thereby increasing the cost of negative rights, satellite rights, video rights, etc. This would result in requirement of huge amount of capital to survive in this business, With a small capital and negative reserves the going for the Company appears to be tough.

The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides. Proving its resilience to the world, the Indian M&E sector is on the cusp of a strong phase of growth, backed by rising consumer payments and advertising revenues across all sectors. The industry has been largely driven by increasing digitization and higher internet usage over the last decade. Internet has almost become a mainstream media for entertainment for most of the people. In view of all above it appear the right opportunity is yet to come for growth of small capital based company and at the same time the draft of the Optical Disc Law to address the need for regulating piracy at the manufacturing stage is still lying with the ministry for approval.

**SUBSIDIARY AND ASSOCIATE COMPANIES:**

A statement pursuant to Section 129 of the Companies Act, 2013 relating to Company's subsidiary is attached to the balance sheet.

**FIXED DEPOSITS:**

The company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under apply.



**DIRECTORS:**

In the forthcoming Annual General Meeting, Mr. Manish G. Shah (DIN: 00434171) will retire by rotation and being eligible offer himself for re-appointment. A brief resume / particulars relating to him is given separately in the Notice convening this Annual General Meeting

During the year the resignation tendered by Mr. Satish MohinirajShidhaye from Directorship was accepted at the Board Meeting held on 26th September, 2016. And at the Board Meeting duly held on 9th December, 2016 Mrs. Shilpa G. Shah was appointed as Additional Director under section 161 of the Companies Act, 2013 and resignation tendered by Mr. SandeepPoddar was accepted

Further AtulkumarPopatlalLodliya (DIN 01858465) and Mr. Harshadrai H. Shah (DIN 00540937) has been appointed on 15th July, 2017 under section 161 as Additional Directors and they are Independent Director. The Board recommends their regular appointment for five consecutive year not liable to retire by rotation in the forthcoming Annual General Meeting.

**KEY MANAGERIAL PERSONNEL:**

Mr. Manish G. Shah, Managing Director and Mrs. Ulka Shah, Non-Executive Director and Mrs. Shilpa G. Shah Non-Executive Director. are the Key Managerial Personnel of the Company as on 31st March 2017

**INDEPENDENT DIRECTORS' MEETING:**

Pursuant to Part VII of Schedule IV of the Companies Act, 2013 and provisions of Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors had separate meeting without attendance of Non-Independent Directors during the year and have reviewed the performance of Non-Independent Directors and the Board of Directors as a whole. The Independent Directors assessed the quality, quantity and timeliness of information between the Company and the management and the Board

**ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEE AND INDIVIDUAL DIRECTOR**

As per Rule 8(4) of the Companies (Accounts) Rules, 2014, the Board has also made the formal evaluation of its own performance as well as the evaluation of working of Audit Committee and Nomination & Remuneration Committee. The Board has also evaluated performance of Independent Directors.

**DECLARATION OF INDEPENDENCE**

The Company has received Declarations of Independence as stipulated under Section 149(7) of the Companies Act, 2013 from each of the Independent Directors confirming that he/she is not disqualified from appointing/continuing as an Independent Director.

**CORPORATE SOCIAL RESPONSIBILITY**

The provisions of section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility are not applicable to the Company.

**BOARD MEETINGS**

During the year under review, Sixmeetings of the Board of Directors of the Company were held i.e on 25.05.2016, 08.08.2016, 26.09.2016, 10.11.2016, 09.12.2016 and 13.02.2017.

The Audit Committee Meeting was held on 25th May, 2016 and 8th August, 2016. Since thereafter no quorum for Audit Committee, the Audit Committee could not be held, however the Board was since then in the process of appointing Independent Director.

The intervening gap between the Board Meeting was within the period prescribed under the provisions of the Companies Act, 2013.

**MANAGEMENT'S DISCUSSION AND ANALYSIS:**

A detailed review of operations, performance and future outlook of the Company is covered under a Separate Annexure forms part to this report.

**ANNUAL RETURN:**

The Extract of Annual Return is annexed to the Directors' Report.

**WHISTLE BLOWER POLICY:**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical conduct. The Company has a Whistle Blower policy under which employees are free to report violations of the applicable laws and regulations and the code of conduct. The Whistle Blower Policy is available on the website of the Company at [www.universal-arts.in](http://www.universal-arts.in)

**NOMINATION AND REMUNERATION COMMITTEE:**

The Board of Directors of the Company has constituted on 15th July, 2017 Nomination and Remuneration Committee consisting of the following Members:

- a) Mr. Harshadrai H. Shah
- b) Mr. AnilkumarPopatlalLakhotiya
- c) Ms. Ulka Shah

The Board of Directors of the Company has approved the Nomination and Remuneration Policy which inter-alia contain the appointment criteria, qualifications, positive attributes and independence of Directors, removal, retirement and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company.

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

To the best of their knowledge and belief and according to the information and explanation obtained from them, your Directors make the following statements in terms of section 134(3) (c) of the Companies Act, 2013

- a) In the preparation of annual account, the applicable accounting standard have been followed along with proper explanation relating to material departures.
- b) Accounting Policies are listed in Notes to the financial statement have been selected and applied consistently. Reasonable and prudent judgment as well as estimates have been made so far as to give a true and fair view of the state of affairs of the Company as on 31st March, 2017 and of the Profit of the Company for that period.
- c) Proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Companies Act, 2013 so as to safeguard the assets of the Company and to detect and prevent fraud and other irregularities.
- d) The Annual Accounts have been prepared on a going concern basis
- e) Internal financial controls system is in place and the same has been followed by the Company. Further such Internal Financial controls are adequate and were operating effectively.
- f) Proper system to ensure Compliance with the provisions of all applicable law and such systems were adequate and operating effectively.

### **PERSONNEL:**

There were no employees covered u/s 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014

### **ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:**

The Company is not engaged in the manufacturing activity; as such particulars relating to conservation of energy and technology absorption are not applicable. However, in the editing facilities, offices etc adequate measures are being taken to conserve energy as far as possible.

As far as foreign exchange earnings and outgo is concerned, the Company has neither earned nor used any foreign exchange during the period under review.

### **AUDITORS:**

In the AGM on September 30, 2016 M/s Ajay Sekhri & Company, Chartered Accountants, Mumbai, (Firm Registration No. 140181W) have been appointed as Statutory Auditors of the Company to hold office for a period of 5 years from conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting for the financial year ending on 31st March, 2021 subject to ratification of their appointment at every Annual General Meeting. It is now proposed to ratify the appointment of M/s Ajay Sekhri & Company, Chartered Accountants, Mumbai as Statutory Auditor of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Auditor have given their consent in writing and have furnished a certificate to the effect that their re-appointment, if made, would be in accordance with the provisions of Section 139(1) of the Act and that they meet with the criteria prescribed under section 141 of the Act. The Directors recommend their re-appointment at the ensuing Annual General Meeting

### **AUDITORS' REPORT:**

The Comments in the Auditors Report are self-explanatory and suitably explained in the Notes to the Accounts.

### **SECRETARIAL AUDIT:**

Pursuant to section 204 of the Companies Act, 2013 the Secretarial Auditor Mr. Girish Murarka & Co., Practicing Company Secretary, has issued Secretarial Audit Report for the year ending on 31st March, 2017 is annexed to Directors' Report.

### **PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:**

The Details of Investment made and loan advanced by the Company have been given in note no. 6, and 7 to the Financial Statement.

The Company has not given any guarantee pursuant to the provisions of section 186 of Companies Act, 2013

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has an internal control system commensurate with the size, scale and complexity of its operations. The Internal Audit Department monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with the operating system, accounting policies and procedures of the Company. These are routinely tested and certified by Statutory as well as Internal Auditors. The Significant audit observations and the follow up action are reported to the Audit Committee.

### **RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transaction made by the Company with Promoter, Director, Key Managerial Personnel or other designated person which have a potential conflict with the interest of the Company at large.

**CORPORATE GOVERNANCE:**

Corporate Governance provisions under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 specified in regulations from 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and para C,D,E of Schedule V are not applicable to the Company as neither the paid up equity share capital of the Company exceed Rs. 10.00 Cr nor net worth of the Company exceed Rs. 25.00 Cr as on 31st March, 2017

**PREVENTION OF INSIDER TRADING:**

The Company has adopted a code of conduct for Prevention of Insider Trading with a view to regulate trading in securities by Directors and designated employees of the Company. The Code of conduct require pre-disclosure for dealing in the Company's Shares and prohibit the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when trading windows is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed the compliance of the Code

**HUMAN RESOURCES DEVELOPMENT:**

Many initiatives have been taken to support business through organizational efficiently, process change support and various employee engagement program which has helped the Organization to achieve higher productivity level. A significant efforts has also been undertaken to develop leadership as well as technical / functional capacities in order to meet future talent requirement.

The Company's HR process such as hiring and on-boarding, fair transparent on line performance evaluation and talent management process, state-of-the-art workmen development process and market assigned policies have been seen as benchmark practice in the Industry. The Employees are encouraged to express their views and are empowered to work independently. The Employees are given the opportunity to learn through various small project which make them look at initiatives from different perspectives and thus provide them with the platform to become result oriented. The Management of the Company enjoy cordial relation with its employees at all levels. The Board of Directors wish to place its highest appreciation for the contribution made by all the employees in achieving growth of the Company.

**GENERAL BODY MEETINGS:**

Date & Time	Venue	Special Resolution
30th day of September, 2014 at 11.00 a.m.	Keshav Gore Smarak Trust Hall Smriti, Aarey Road, Goregaon (W) Mumbai - 400 062	NO
30th day of September, 2015 at 11.00 a.m.	Keshav Gore Smarak Trust Hall Smriti, Aarey Road, Goregaon (W) Mumbai - 400 062	NO
30th day of September, 2016 at 11.00 a.m.	Keshav Gore Smarak Trust Hall Smriti, Aarey Road, Goregaon (W) Mumbai - 400 062	YES

**DISCLOSURES:**

The related party transactions are reported in the notes to the Accounts of this Annual Report.

**MEANS OF COMMUNICATION:**

Quarterly results have been communicated to Bombay Stock Exchange limited where the shares of the Company's is listed and the same has been published in Two Newspaper-Free Press Journal (in English) and Nav Shakti (in Marathi) in terms of the requirement of Listing Agreement .annual Reports are dispatched to all the shareholders.

**SHAREHOLDER INFORMATION :**

1. Year ended : 1st April, 2016 to 31st March, 2017.
2. Dividend Payment Date : NIL
3. Venue : Keshav Gore Smarak Trust Hall, "Smriti", Aarey Road, Goregaon (West), Mumbai - 400062
4. Stock Exchanges : BSE Limited
5. Dematerialization of Shares : As per the directive of the Stock Exchange, the Company's Shares are dematerialized.
6. Registered Office : Plot No. 45, GanpatiBhavan, 1st Floor, M.G. Road, Goregaon (W), Mumbai - 400062
7. Share Transfer Agent : BigShare Services Private Limited  
: Bharat Tin Works Building 1st Floor  
: Opp. Vasant Oasis Makwana Road  
: Marol, Andheri (E), Mumbai - 400059
8. Demat Arrangement : NSDL and CDSL
9. ISIN : INE464801018
10. BSE Stock Code : 532378

**ENHANCING SHAREHOLDERS VALUE:**

Your Company believes that its members are among its most important stakeholders. Accordingly your Company's operations are committed to the pursuit of achieving high level of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive assets and resource base and nurturing overall corporate reputation

**CASH FLOW STATEMENT:**

In conformity with the clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended 31st March, 2017 annexed hereto.

**COST AUDIT**

The provisions of Cost Audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable to the Company.

**OTHER DISCLOSURES**

- Your Company has not issued: -
- Any shares with differential rights;
- Any sweat equity shares
- There are no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
- There were no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this report.
- There was no revision in the financial statements.
- Your Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by the Bankers, Shareholders, Registrar & Share Transfer Agents, the Artists and Technicians associated with the Company's program, media and channels whose continued support has been a source of strength to the Company. Your Directors also place on record their appreciation for the dedicated and sincere services rendered by the employees of the Company.

For and on behalf of the Board

Sd/-  
**Manish G. Shah**  
CHAIRMAN  
DIN: 00434171

Place: Mumbai  
Date: 08.08.2017

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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**
**GLOBAL ECONOMY OVERVIEW**

The global economy is in the midst of a decade-long slow growth environment characterized by an imminent productivity growth crisis. The looming labour shortage in mature economies and skill deficiencies in emerging markets will add further challenges to global economic prospect. Global financial markets continue to face elevated levels of uncertainty notwithstanding the resilience to the outcomes of Brexit referendum and the US election.

Goldman Sachs expects global growth for 2017 to be 3.5%. The US has led this improvement by growing at 2-3% growth. Fiscal easing is also likely under the Trump administration, Europe's growth forecast is 1.5% which is consistent with the gradual labour market improvement, Japan's growth rate is in the range of 1% due to weakness in the demographics and decline in the working age population. China is expected to grow by 6.5%; however, long-term concerns remain due to the continued rapid debt growth, which has a potential to cause financial weakness. Growth is projected to pick up from 2017 onwards, almost entirely on account of developments in emerging market and developing economies. This reflects primarily two factors: the gradual normalization of macroeconomic conditions in several countries experiencing deep recessions and the increasing weight of the fast-growing countries in this group, in the world economy.

**INDIAN ECONOMY OVERVIEW**

India's economy is slowly gaining momentum, with an expected GDP growth of 7.3% and 7.5% in 2016 and 2017, respectively. Despite some delays in domestic policy reforms and enduring fragilities in the banking system, investment demand is supported by the monetary easing cycle, rising FDI, and government efforts towards infrastructure investments and public-private partnerships. Economic activity is beginning to firm up after demonetization shocked the economy, resulting in massive cash shortages and economic disruptions through the economy at the end of last year; growth is expected to have slowed to a multi-year low in Q3 FY 2016. The manufacturing PMI crossed into expansionary territory in January 2017 and imports rebounded. Despite the backdrop of more moderate growth, the government stuck to a market-friendly budget for FY 2017. The budget pursued growth-supportive policies while targeting a narrower deficit of 3.2% of GDP, and was met with a positive market reaction.

**MEDIA AND ENTERTAINMENT INDUSTRY**

The year 2016 was a mixed bag for the Indian Media and Entertainment (M&E) industry with digital ecosystem penetrating further and opening up new avenues of consumption and revenue.

On the back of advertising growth of 11.2%, the Indian M&E industry grew at 9.1 percent in 2016. Primarily due to a lacklustre year for subscription revenues and a speed bump in advertisement revenue growth, television witnessed slower growth in 2016 at 8.5%. Due to increased marketing spends by telecom operators on the launch of 4G services and strong performance of FTA channels, the growth was steady. Films growth was only 3%, thus masking a decline in core revenue streams of domestic theatricals and satellite (C&S) rights. But this decline will be offset through expansion of overseas markets, increase in the depth in regional content and rise in acquisitions of digital content by Over-the-Top (OTT) platforms.

GST, which was implemented on July 1 by the central government, is likely to streamline the multiple incidences of taxes currently being levied by both the central and state governments. While the introduction of GST is likely to have varied levels of impact across the various media segments on an overall basis, the M&E industry is expected to be a net beneficiary. This is primarily due to the availability of input credits across the board and inclusion of entertainment tax within the ambit of GST.

In conclusion, while strong economic fundamentals will continue to drive growth, the Indian M&E industry is on the cusp of rapid transformation with digital media taking centre stage across all sub-sectors. Digital media, which was earlier viewed as just an additional distribution platform and touch point, is rapidly emerging as a core revenue engine.

**TRADITIONAL MEDIA**

There has been a paradigm shift in the overall operations of the television sector due to the on-going cable digitisation; however, constant delays in set-top-box supply, seeding and challenges pertaining to addressability, gross billing, per subscriber billing, and roll out of packaging remain a major concern for stakeholders. It is now expected that digitisation will largely be completed in the calendar year 2017 with related benefits flowing through gradually, although at a slow pace based on historical indicators.

Due to demonetization, advertising revenues were impacted across television, print and radio. Estimates indicate that annual advertising growth rates for television, print and radio were adversely impacted by about 1.5 to 2.5%. However, the impact of demonetisation was short-lived: since January 2017 there has been an upswing in consumption and advertising demand, although spend levels continue to remain lower as compared to the same period in the previous year. As customers are moving towards e-payment options, demonetisation will have a positive impact for companies in the long run. It will reduce cash collection overheads and bring down bad debts. In the next six-to-eight months, major DTH operators are envisaging e-payments contributing majorly to their recharges/collections.

The long-term forecast for advertising growth in the television industry remains robust at 14.4% CAGR over 2016-21, due to strong economic fundamentals and India remaining a mass market consumption story. On the subscription growth front, the intent behind TRAI's tariff and interconnect guidelines could help alleviate some of the issues, combined with the inevitable though delayed completion of digitisation, leading to a projected 14.8% CAGR over 2016-21.

BARC (Urban and Rural) data was available across the entire 52 weeks for the first time in 2016. As a measurement tool for viewership BARC introduced the metric of '000 Impressions in January 2016. The coverage of rural viewership by BARC opened up whole new marketing opportunities for broadcasters and advertisers in 2016. Ratings pushed FTA GEC channels of the top broadcasters, along with DD National, in the top 10 category. This has led to ad rates for these channels increasing by about 50-70 percent during the year. The FTA channel launches were broad based, covering Hindi movies, news (Hindi and regional), music and even kids at the end of the year. A YoY

comparison shows a rise in TV impressions and average time spent in rural India by 30% and 26% respectively. This is higher than the overall growth in TV impressions of 24% and in average time spent of 21%.

### **DIGITAL MEDIA**

Good broadband speeds are essential for consumers to enjoy a rich internet experience. The average broadband speed in India is 4.1 mbps (3Q-2016), which has marked a 62% increase YoY. The broadband (4 mbps) adoption (IPv4) in India is at 30%, representing a 116% YoY change. At the same time, the adoption of IPv6 internet protocol is improving in India, which creates the necessary infrastructure to connect more devices, supports higher speeds, increases security of communication and reduces latency. As of 2016, IPv6 adoption in India was at 16.4%. How fast the telcos are able to transition to this new protocol will determine the rate of adoption of new-age technology, such as Internet of Things (IoT), in India.

The number of wireless internet users in the country is likely to cross 389 million in 2016 and reach 969 million in 2021. The number of 4G connections is expected to grow five-fold from 2016 to 2021 at a CAGR of 38%. 3G connections are expected to surpass 2G connections by 2019. Further, 3G and 4G connections are expected to represent 80% of the overall connections by 2021, up from 25% in 2016.

The rising penetration of mobile internet and smartphones has given rise to an alternative means of media consumption in a country where most households still own a single television set. The number of internet-enabled mobile phones crossed 300 million in 2016 and is expected to touch 700 million in 2021. The penetration of mobile devices in India is growing steadily and mobile remains the primary device to meet the digital needs of Indian consumers. A digital customer's appetite for rich content requiring higher bandwidth, such as video, continues to grow. This indicates that the rate of growth of 4G networks will be multi-fold as compared to the growth in wired connections and Wi-Fi access. Mobile video traffic is expected to grow 11.5 times during 2016-21 at a CAGR of 63%, and the number of videocapable devices and connections is expected to grow 2.2 times between 2016 and 2021, crossing the 800 million-mark.

### **Digital advertisement**

Digital advertising was marginally impacted by demonetisation, but continued its growth trajectory with 28% growth in 2016 and reached a 15% share in overall advertising revenues. With the rapid increase in internet penetration, advertisers' interest is following the ongoing shift in consumption trends towards digital media. The launch of Reliance Jio proved to be an added impetus, rapidly bringing down data costs. Digital advertising is expected to grow at a robust CAGR of almost 31% between 2016 and 2021, making this the fastest-growing segment in the M&E industry. The Digital Advertising industry will also contribute more than 27% to the total advertising spends. Mobile advertising spends are expected to grow from INR 16.9 billion in 2016 to INR 132 billion in 2021 at 50.9% CAGR.

With the help of improved network, better access to internet and smart mobile devices, digital platforms are expected to drive more media consumption.

### **Internet users (in millions)**

The Government of India, through its 'Digital India' umbrella, continues to invest and drive several digital initiatives to improve the digital infrastructure and digital ecosystem of the country.

About 1,12,871 km of optical fibre cable has already been laid under the BharatNet initiative for better connectivity. Mumbai is expected to get 1,200 Wi-Fi hotspots for free internet usage and Google is working with Railtel to provide free Wi-Fi at over 400 railways stations in the next few years. Bharat Sanchar Nigam Limited (BSNL) has also built over 2,500 free Wi-Fi hotspots across the country. The government's initiative to connect the remote parts of the country has boarded 8,621 villages already, and plans to on-board over 55,000 villages by 2019.

Today, video content dominates mobile internet usage and the same trend is likely to continue going forward. Mobile internet video traffic will be 75% of all internet traffic in 2021, up from 49% in 2016. Online video is an integral part of the daily lives of 85% of mobile data consumers in India, who watch these videos at least once a week, whereas 39% of connected consumers watch online videos every day. Urban consumers have been early adopters of video content, especially those in the age group of 15-34 - this group constitutes roughly 70-75% of India's total internet base. With on-demand accessibility, aggressively-priced high-speed 4G data services and a latent demand for differentiated content, OTT Video on Demand (VoD) services have seen an upsurge in the last year. Also online video audience in India is estimated to be around 160 million in 2016, projected to increase to around 450 million by 2020.

### **OUTLOOK**

The overarching theme of our annual report titled 'Built to Thrive' is a sharper focus on our strategy. Content has always been at the heart of our strategy, but we see a lot more focus on monetisation of our built-up library. It is important to achieve these objectives while also optimising costs. Keeping a firm eye on return of investment and profitability has improved investments in the marketplace.

The industry has witnessed significant growth on the back of diversified content ideas, wider releases and aggressive promotions by production houses. Factors such as rapid urbanisation, increasing sophistication in production and marketing of films, and viewers' appetite to embrace varied content are expected to catalyse future growth. With the advent of digitisation, there is an increase in demand for content as well as an increase in the number of offerings by channels in niche genres. Regional channels are attractive for advertisers due to the lower cost incurred on connecting with the right audience. Regionalization has caught the eye of most established broadcasters, and newer and niche channels continue to be launched catering to specific interests of viewers.

Our operations involving the distribution of films across Television (Satellite, Terrestrial and Cable Television), New Media (Mobile, Internet, OTT etc.), Home Entertainment and other media, along with monetisation of our extensive film library gives us diversified revenue streams and a de-risked business model, which has proved advantageous.

**CAUTIONARY STATEMENT**

The projections, estimated data and graphs used in this report have been taken from documents available on the internet/ websites; we don't confirm their correctness. Further, some of the statements (expressed or implied) or inference drawn from statements in Management Discussion and Analysis Report or elsewhere in this Annual Report may be 'forward looking statements' and made for the limited context of the respective subject/ topic. These may be categorized as such within the applicable laws and regulations. As these are based on certain subjective factors, assumptions and expectations of future events hence may differ materially from actual results. The company assumes no responsibility to publicly amend, modify or revise any forward-looking statement. Readers are cautioned that the Company is in no way responsible for any loss/adverse result caused to the readers attributable to these statements. The risks outlined here are not exhaustive. Readers are requested to exercise their own judgment in assessing the risk associated with the company. To avoid duplication and repetition, certain heads of information required to be disclosed in the Management Discussion and Analysis have been included in the Board's Report.

**CERTIFICATION BY CEO AND CFO OF UNIVERSALARTS LIMITED**

We, Manish Shah, Managing Director and Mrs. Ulka M. Shah, Director of UNIVERSALARTS LIMITED (the Company) to the best of our knowledge and belief certify that:

1. We have reviewed the financial statement and Cash Flow Statement both on standalone and consolidated basis for the year ended on 31.03.2017 and to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material facts or contain any statement that might be misleading.
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standard, applicable laws and regulations.
2. We are to be best of their knowledge and belief, no transaction entered into by the Company during year ended 31st March, 2017 which are fraudulent, illegal of violating of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps have been taken or proposed to take to rectify these deficiencies.
4. During the year :
  - a) There has not be any significant changes in the internal controls over financial reporting
  - b) There have not been any significant change in accounting policies and
  - c) There have been no issuance of significant fraud of which we are aware that involve management or other employee having a significant role to the Company's internal control system over reporting period

Place :Mumbai,  
Dated : 15th May, 2017

Sd/-  
**Manish G. Shah**  
Managing Director  
( DIN 00434171)

Sd/-  
**Ulka M. Shah**  
Director  
(DIN 00434277)

**DECLARATION - COMPLIANCE WITH THE CODE OF CONDUCT**

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, I, undersigned, hereby declare that the Board Members and senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, for the year ended on 31st March, 2017

For UNIVERSALARTS LIMITED

Sd/-  
**Manish G. Shah**  
Managing Director  
DIN 00434171

Place : Mumbai  
Date : 15th May, 2017

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2016  
Pursuant to section 92 of the Act and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014

**I. Registration Details**

1. CIN : L22300MH1995PLC091082
2. Registration Date : 27th July, 1995
3. Name of the Company : Universal Arts Limited
4. Category / Sub-Category of the Company : Company Limited by Shares / Indian  
Non-Government Company
5. Address of the Registered office and contact details : Plot No. 45, First Floor, GanapatiBhavan, M. G. Road.  
Goregaon West, Mumbai 400 062. Phone:022-28748995,28749001  
Email: universalartslimited@hotmail.com  
Website:www.universalarts.in
6. Whether listed company : Yes
7. Name, address and Contact details of Registrar and Transfer Agent, if any. : BIGSHARE Services Pvt. Ltd.  
E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka  
Andheri East, Mumbai 400 072.  
Tele: 022 - 2847 0652 022 - 40430200  
Email: info@bigshareonline.com

**II. Principle Business Activities of the Company**

Sr. No.	Name and Description of Main Products / services	NIC Code of the Product/services	% of the total turnover
	Entertainment Industry	99733201	100%

**III. Particulars of Holding, Subsidiary and Associate Companies**

Sr No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	BamaInfotech Private Limited Plot No. 45, First Floor, GanapatiBhavan, M.G. Road, Goregaon West, Mumbai 400 062	U30007 MH2000PTC 123495	Subsidiary	100	2 (87) (ii)

**IV. Shareholding Pattern ( Equity Share Capital Breakup as percentage of Total Equity**

- a) Category wise Shareholding Refer Annexure 1
- b) Shareholding of Promoter Refer Annexure 2
- c) Change in Promoter Holding Refer Annexure 3
- d) Shareholding Pattern of Top Ten Shareholder Other than Director, Promoter and holder of GDRs And ADRs Refer Annexure 4
- e) Shareholding of Directors and Key Managerial Personnel Refer Annexure 5



## IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## A) Category-wise Share Holding (Annexure 1)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st-April -2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt./ State Govt (s)	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
(i) Group Companies	0	0	0	0	0	0	0	0	0
(ii) Trusts	0	0	0	0	0	0	0	0	0
(iii) Directors Relatives	0	100	100	0.00	0	100	100	0.00	0.00
Sub-total (A)1	0	100	100	0.00	0	100	100	0.00	0.00
(2) Foreign									
a) Bodies Corporate	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
c) Institutions	0	0	0	0	0	0	0	0	0
d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e) Any Other (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total share-holding of Promoter (A) = (A)(1)+(A)(2)	0	100	100	0.00	0	100	100	0.00	0.00
B. Public Shareholding									
1. Institutions									
a) Central/State Governments	0	0	0	0	0	0	0	0	0%
b) Mutual Funds	0	0	0	0	0	0	0	0	0%
c) Banks / FI	0	0	0	0	0	0	0	0	0%
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0%
f) Insurance Companies	0	0	0	0	0	0	0	0	0%
g) FIs	0	0	0	0	0	0	0	0	0%
h) Foreign Venture Capital Funds Investor	0	0	0	0	0	0	0	0	0%
i) Others (specify)	0	0	0	0	0	0	0	0	0%
Sub-total (B)(1)	0	0	0	0	0	0	0	0	0%

Universal Arts Limited

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st-April -2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp,	486477	803300*	1289777	12.93	468911	803300*	1272211	12.76	(0.17)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	2385676	54501	2440177	24.47	3137494	54201	3191695	32.01	7.54
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	2833558	0	2833558	28.42	2071968	-	2071969	20.78	(7.63)
c) Others (specify)	813633	3300	816933	8.19	793005	3300	796305	7.98	0.20
Trusts	0	0	0	0	200	0	200	0.00	0.00
Non Resident Indians	2580255	0	2580255	25.90	2630321	0	2630321	26.38	.48
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	9100	0	9100	0.09%	7100	0	7100	0.07%	0.02
Foreign Bodies - DR	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	9108699	861101	9969800	100	9108999	860801	9969800	100	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	9108699	861101	9969800	100	9108999	860801	9969800	100	0
C. Shares held by Custodian	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	9108699	861201*	9969900	100	9108999	860901*	9969900	100	0

\* 8,30,900 equity shares were forfeited in July 2001, of which 8,00,000 shares were reissued but listing is pending and balance 30,000 shares are forfeited.

**B) Shareholding of Promoters- (Annexure 2)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2016)			Shareholding at the end of the year (March 31, 2017)			% 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)	TABASSUM V GOVIL.	100	0.0011	0.00	100	0.0011	0.00	0%

**C) Change in Promoters' Shareholding (Annexure 3)**

Sl. No	Particulars	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
1)	At the beginning of the year	100	0.00	100	0.00
2)	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/equity etc.)	NIL	NIL	NIL	NIL
3)	At the end of the year	100	0.00	100	0.00

**D) Change in Shareholding Pattern of top ten Shareholders: (Annexure 4)**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Equity Capital	No. of shares	% of Equity
MAYUR MANGALDAS KOTHARI \$	471119	5.14%	471119	5.14%
K S MEENAKSHI SUNDARAM \$	325000	3.54%	325000	3.54%
VIPUL JAYRAJ \$	292778	3.19%	292778	3.19%
PISTA BAI \$	243248	2.65%	292717	3.19
ANIL GURMUKH BHAGWANI \$	268753	2.93%	268753	2.93%
SARLA ASHOK SARAOGI \$	237256	2.59%	237256	2.59%
POONAM VIPUL KAPADIA \$	185953	2.03%	197560	2.15%
MANISH GARODIA \$	185073	2.02%	185073	2.02%
ATUL MARWAH \$	174037	1.89%	174037	1.90%
JONQUIL CINEVISION LIMITED \$	173829	1.90%	173829	1.90%

Note:

- The shares of the Company are substantially held in dematerialised form and are traded on a daily basis and hence date wise increase/decrease in shareholding is not indicated.
- \$ denotes common top 10 shareholders as on April 1, 2016 and March 31, 2017.

**E) Shareholding of Directors and Key Managerial Personnel: (Annexure 5)**

S/N Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the year (2016-17)	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (April 01, 2015)	NIL			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
At the end of the year (March 31, 2016)				

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

	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		Nil		
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:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		-	-	-	-	
1.	Gross salary (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	}				
			NIL			
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - As % of profit - others, specify...					
5.	Others, please specify					
	Total (A)					
	Ceiling as per the Act	The ceiling is ₹ 42 Lacs as per Section II of Schedule				

**B. REMUNERATION TO OTHER DIRECTORS**

(₹ in 000)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Sitting Fees	Commission	Others	
1.	Independent Directors				
	Mr. Harshadrai H Shah	NIL	NIL	NIL	NIL
	Mr. AtulkumarPopatlalLodliya	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL
2.	Other Non-Executive Directors	Not Applicable			
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)	NIL	NIL	NIL	NIL

Overall Ceiling as per the Act

No remuneration was paid.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
1	Gross salary	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL
2	Stock Option	NIL
3	Sweat Equity	NIL
4	Commission	NIL
-	as % of profit	NIL
	others, specify...	NIL
5	Others, please specify	NIL
	<b>Total</b>	<b>NIL</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Not Applicable**

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

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2017

(Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,  
The Members  
**UNIVERSAL ARTS LIMITED**

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practice by UNIVERSAL ARTS LIMITED (hereinafter referred to as "the Company"). The Secretarial Audit was conducted in the manner that provided us a reasonable basis for evaluating the Corporate conduct / Statutory Compliance and expressing my opinion thereon.

Based on our verification of Company's books, paper, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ending on 31st March, 2017 complied with the statutory provisions listed hereunder and also that Company has proper Board Process and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. The Companies Act, 2013 and rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent receipt of funds on non-repatriation basis.
5. The following regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Take overs) Regulation, 2011:
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015.
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the audit period)
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 (Not Applicable to the Company during the audit period)
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulation 2008 (Not Applicable to the Company during the audit period)
  - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act, and dealing with client.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the audit period)**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the audit period)**

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

- a) Secretarial Standard Issued by the Institute of Company Secretaries of India.
- b) The Listing Agreement entered into by the Company with BSE
- c) The Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

I/We further report that

- a) The Board of Directors of the Company is duly constituted without proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The following changes took place in the constitution of Board during the period under audit and further upto the date of this report
  1. Mr. Sandeep Poddar, Independent Director, has resigned from the Board with effect from 9th December, 2016
  2. Mr. Satish Shidhaye, Independent Director, has resigned from the Board with effect from 26th September, 2016 on completion of period.

3. Mrs. Shilpa G. Shah is appointed as Additional Director Non-Executive and Non-Independent Director with effect from date of this report i.e. 9th December, 2016

- b) The Board of Director is in the process of appointing Independent Directors for the proper constitution of Audit Committee and appointment of Key Managerial Personnel like CFO and Company Secretary in compliance of the relevant provisions of the Companies Act, 2013
- c) All resolutions / decisions at the Board and Committee Meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or the Committee

I/We further report that there is adequate system and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I/We further report that Company was irregular / delay in compliance of the Regulation contained in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

I/ We further report the listed capital of the Company is 91,69,900 fully paid equity shares where as the Issued, Subscribed and Paid up capital of the Company is 99,69,900 fully paid equity shares and the amount of ₹ 1,73,030/- paid on 30,900 shares were forfeited and added to Share Capital Account.

For **GIRISH MURARKA & CO.**  
Company Secretaries

Place: Mumbai  
Date : 15th May, 2017

**Girish Murarka**  
CP-457

**This report is to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.**

**Annexure "A" to Secretarial Audit Report**

To,

**The Members**  
**UNIVERSAL ARTS LIMITED**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. Our examination was limited to the verification of procedure on test basis
3. We have followed the audit practice and process as were appropriate to obtain reasonable assurance about the correctness of the content of the Secretarial Records. The Verification was done on test basis to ensure the correctness of facts as reflected in the secretarial records.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company
5. Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events.
6. 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.

For **GIRISH MURARKA & CO.**  
Company Secretaries

**Girish Murarka**  
CP-4576

Place: Mumbai  
Date : 15th May, 2017

**INDEPENDENT AUDITORS' REPORT**

To the Members of  
**UNIVERSAL ARTS LIMITED** (Formerly known as Goldmines Media Limited)  
CIN:-L22300MH1995PLC091082

**Report on the Financial Statements**

- 1) We have audited the accompanying financial statements of **UNIVERSAL ARTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

- 2) The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

- 3) Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement
- 4) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.
- 5) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

- 6) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2017, its profit and Cash Flow for the year ended on that date;

**Report On Other Legal and Regulatory Requirements**

- 7) As required by the Companies (Auditor's Report) Order, 2016 ("the 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 on the matters Specified in paragraphs 3 and 4 of the Order.
- 8) As required by section 143(3) of the Act, we further report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
  - e) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act



- f) with respect to adequacy of the internal controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For **Ajay Sekhri and Company**  
Chartered Accountants  
Firm Reg. No. : 140181W

Sd/-

**Ajay Sekhri**  
Partner  
Membership No. : 032103

Place : Mumbai  
Date : 15/05/2017

**Annexure A referred to in paragraph 7 Our Report of even date to the members of UNIVERSAL ARTS LIMITED on the accounts of the company for the year ended 31st March, 2017.**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:-

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;  
(c) The title deeds of immovable properties are held in name of Company.
- ii. The Company's inventory consists of intangible rights of movies & proper records of the same have been maintained by the management. Further physical verification of said intangible rights is not possible.
- iii. The company has granted loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Company has granted loan to Midastouch Holdings Pvt. Ltd. and Rotocap Real Estate Developers Ltd. in which directors of the Company are directors. Company has not stipulated the schedule of repayment of principal and interest and there are no regular receipts of principal and interest.
- iv. According to the information and explanations given to us and based on the records of Company examined by us, we report that Company has not given any loan, made any investments, given guarantees, and securities to specified persons under Companies Act hence provisions of section 185 and 186 of the Companies Act are not applicable to Company.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. Cost accounts and records to be made and maintained as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to Company.
- vii. a) According to the information and explanations given to us and based on the records of Company examined by us, Company is regular in depositing the undisputed statutory dues, Income-tax, Sales-tax, and other material statutory dues, as applicable, with the appropriate authorities in India;  
(b) According to the information and explanations given to us and based on the records of Company examined by us, there are no statutory dues mentioned in sub clause vii(b), which have not been deposited on account of any disputes except a sum of ₹ 54,51,225/- representing MVAT liability and ₹ 33,57,763/- representing CST liability both pertaining to AY 2005-06.
- viii. According to the records of the Company examined by us and as per the information and explanations given to us, we are of the opinion that, the Company has not defaulted in repayment of principal amount and interest of the loans taken from banks or debenture holders. The Company has not availed of any loans from any financial institution or banks and has not issued debentures.
- ix. Based upon the audit procedures performed and the information and explanations given to us, Company has not raised any money by way of initial public offer or further public offer including debt instruments and term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. According to the information and explanations given to us and based on the records of Company examined by us, no fraud by Company or any fraud on Company by its officers or employees has been noticed during the year.
- xi. According to the information and explanations given to us, Company has not paid or made any provisions for managerial remuneration during the year.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, this clause is not applicable to Company
- xiii. According to the information and explanations given to us and based on the records of Company examined by us all transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on the records of Company examined by us Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanations given to us and based on the records of Company examined by us Company has not entered into any non- cash transactions with directors or persons connected with them.
- xvi. According to the information and explanations given to us, it has been observed that the Company is not a NBFC and therefore, the Company is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Ajay Sekhri and Company**  
**Chartered Accountants**

Firm Reg. No. : 140181W

Sd/-

**Ajay Sekhri**

Partner

Membership No. : 032103

Place : Mumbai

Date : 15/05/2017

**Annexure B referred to in paragraph 8 Our Report of even date to the members of UNIVERSAL ARTS LIMITED on the accounts of the Company for the year ended 31st March, 2017.**

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

We have audited the internal financial controls over financial reporting of **UNIVERSAL ARTS LIMITED** ("Company") as of March 31, 2017 in conjunction with our audit of the financial statements of Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

Company's management is responsible for establishing and maintaining internal financial controls in accordance with Rule 8 (5) (viii) of the Companies (Accounts) Rule, 2014 and 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial 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 judgment, 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 adverse audit opinion on Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of 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 Company are being made only in accordance with authorizations of management and directors of Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, 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, 2017, based on the internal control over financial reporting criteria established by 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 Ajay Sekhri and Company**

**Chartered Accountants**

Firm Reg. No. : 140181W

Sd/-

**Ajay Sekhri**

Partner

Membership No. : 032103

Place : Mumbai

Date : 15/05/2017

BALANCE SHEET AS AT 31st MARCH, 2017

	Note No.	As on 31-03-2017 (₹ in 000)	As on 31-03-2016 (₹ in 000)
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a. Share Capital	2	99,872,030	99,872,030
b. Reserves and Surplus	3	(18,660,058)	(18,668,827)
<b>2. CURRENT LIABILITIES</b>			
a. Other Current Liabilities	4	1,350,474	5,158,619
<b>TOTAL</b>		<b>82,562,445</b>	<b>86,361,822</b>
<b>B. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a. Fixed Assets	5		
i. Tangible Assets		565,957	590,254
ii. Intangible Assets		—	—
b. Non Current investments	6	9,100,000	9,100,000
c. Long term loans and advances	7	663,425	686,600
<b>2. CURRENT ASSETS</b>			
a. Trade receivables	8	5,524,500	7,014,000
b. Cash and cash equivalents	9	60,411,947	62,488,992
c. Short-term loans and advances	10	6,296,615	6,481,976
<b>TOTAL</b>		<b>82,562,445</b>	<b>86,361,822</b>

**Summary of Significant Accounting policies**

1

1

The notes referred to above are an integral part of the Financial Statements  
As per our separate Audit Report of Even Date Attached

**FOR AJAY SEKHRI AND COMPANY  
CHARTERED ACCOUNTANTS**

Sd/-  
AJAY SEKHRI  
PARTNER  
MEMBERSHIP NO. 032103  
FIRM NO. 140181W

PLACE: MUMBAI  
DATE: 15/05/2017

**For and on Behalf of The Board of  
Directors**

Sd/-  
MANISH SHAH  
MANAGING DIRECTOR  
DIN:-00434171

Sd/-  
ULKA SHAH  
DIRECTOR  
DIN:00434277

PLACE: MUMBAI  
DATE: 15/05/2017

## Statement of Profit and Loss for the period ended on 31st March' 2017.

Particulars	Note No.	As On 31-03-2017 (₹ In 000)	As On 31-03-2016 (₹ In 000)
<b>I. Revenue from operations</b>			
Sales		1,771,250	6,630,000
Liasoning Charges		2,000,000	
<b>II. Other Income</b>			
	11	4,090,177	99,590
<b>III. Total Revenue (I +II)</b>			
		5,861,427	8,729,590
<b>Expenses:</b>			
Purchase of Stock-in-Trade		1,200,000	5,600,000
Employee Benefit expenses	12	2,551,796	2,327,900
Depreciation and amortization expense	5	24,297	139,432
Other expenses	13	2,076,566	6,517,768
<b>IV. Total Expenses</b>			
		5,852,659	14,585,100
<b>V. Profit before tax (III-IV)</b>			
		8,768	(5,855,510)
VI. Tax expense:			
Current tax		1,671	—
MAT Credit		(1,671)	—
VII. Profit/(Loss) for the period (V-VI)			
		8,768	(5,855,510)
VIII. Earning per equity share:			
(1) Basic		0.00	N.A.
(2) Diluted		0.00	N.A.
<b>Summary of Significant Accounting policies</b>			
		1	1

As per our separate Audit Report of Even Date Attached

The notes referred to above are an integral part of the Financial Statements

**FOR AJAY SEKHRI AND COMPANY  
CHARTERED ACCOUNTANTS**Sd/-  
AJAY SEKHRI  
PARTNER  
MEMBERSHIP NO. 032103  
FIRM NO. 140181WPLACE: MUMBAI  
DATE: 15/05/2017**For and on Behalf of The Board of  
Directors**Sd/-  
MANISH SHAH  
MANAGING DIRECTOR  
DIN:-00434171  
Sd/-  
ULKA SHAH  
DIRECTOR  
DIN:00434277PLACE: MUMBAI  
DATE: 15/05/2017

Universal Arts Limited

Cash Flow as on 31st, March 2017

(₹ In 000)

	As at 31-03-2017	As at 31-03-2016
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before Tax	9	(5,856)
Adjustment for		
Gain on Sale of Investments	—	—
Depreciation	24	139
Preliminary and issue expenses written off	—	—
Operating profit before working capital charges	<u>33</u>	<u>(5,716)</u>
Ajustment for (Increase)/Decrease in current Assets		
Loans & Advances	209	(172)
Trade and other receivable	1,490	18,158
Inventories	—	—
Increase/(Decrease) in current liabilities		
Trade payables	<u>(3,808)</u>	<u>4,776</u>
<b>Net cash used in operating activities (A)</b>	<u>(2,077)</u>	<u>17,047</u>
Less :- Taxes Paid	—	—
	<u>(2,077)</u>	<u>17,047</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/(Purchase) of Fixed Assets	—	4,490
Sale/(Purchase) of Investment	—	—
<b>Net cash used in investing activities (B)</b>	<u>—</u>	<u>4,490</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Unsecured Loans	—	—
<b>Net cash used in financing activities (C)</b>	<u>—</u>	<u>—</u>
<b>NET INFLOW ( OUTFLOW ) [A+B+C]</b>	<u>(2,077)</u>	<u>21,536</u>
<b>Net Cash used in financing activities</b>	<u>385</u>	<u>69</u>
<b>D NET INCREASES IN CASH &amp; CASH EQUIVALENTS</b>		
Cash & Cash equivalents opening balance	62,489	40,953
Cash & Cash equivalents closing balance	<u>60,412</u>	<u>62,489</u>
	<u>(2,077)</u>	<u>21,536</u>

As per our attached report of even date

**FOR AJAY SEKHRI AND COMPANY  
CHARTERED ACCOUNTANTS**

Sd/-  
AJAY SEKHRI  
PARTNER  
MEMBERSHIP NO. 032103  
FIRM NO. 140181W

PLACE: MUMBAI  
DATE: 15/05/2017

**For and on Behalf of The Board of  
Directors**

Sd/-  
MANISH SHAH  
MANAGING DIRECTOR  
DIN:-00434171

Sd/-  
ULKA SHAH  
DIRECTOR  
DIN:00434277

PLACE: MUMBAI  
DATE: 15/05/2017

**Corporate Information.**

**UNIVERSAL ARTS LIMITED** (Formerly Known as Goldmines Media Limited) is a company in which public are substantially interested incorporated under the Companies Act, 1956

Company is engaged in the business of Trading of Film Rights.

**Note 1:- SIGNIFICANT ACCOUNTING POLICIES****1. Basis of preparation of Financial Statements**

- a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 2013 and the RBI guidelines/regulations to the extent applicable.
- b) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles.
- c) The preparation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period .The Difference between the actual and estimate are recognized in the period in which results are known/materialized.

**2. Fixed Assets and Depreciation**

- a) Fixed assets are stated at cost less accumulated depreciation.
- b) As per the amended Companies Act, 2013 company has charged depreciation on fixed assets on the basis of useful life of assets and as per Schedule II of the said Act. Further as per guidance note issued by ICAI, depreciation rate is calculated for existing assets considering its residual value and remaining useful life and depreciation on such assets is charged on written down value method.

**3. Foreign Exchange Transaction**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Outstanding balances are valued at the rate prevailing on the Balance Sheet date.

**4. Investments**

The Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

**5. Inventories**

The inventories and films include raw stock (Tapes and cassettes etc.) TV programmers/ Episodes of TV serials under production and are valued at cost or net realizable value, whichever is lower.

**6. Revenue Recognition.**

- i) In the case of movies telecasted on Doordarshan, the revenue is recognized in the year in which Doordarshan sanctions the payment.
- ii) In case of sale of other rights, the Company recognizes the income when all the following criteria are met:
  - A license agreement is signed by both the parties;
  - The licensee is able to freely exploit the rights granted;
  - Effective date of grant of rights to the licensee has commenced as per the agreement or complete payment with respect to the rights has been received, whichever is earlier;
  - The Enterprise has no remaining performance obligations;
  - The arrangement is fixed and determinable;
  - Collection of the fee is reasonably assured;
  - All the essential deliverables to the licensee as per the agreement are completed.

Other streams of income

In all other cases, revenue is recognized when the Company has the undisputable right to receive the income.

**7. Purchase of Movie rights.**

The Enterprise recognizes purchase of movie rights when all the below mentioned criteria are met:

- A license agreement is signed by both the parties;
- The Enterprise is able to freely exploit the rights granted;

- Effective date of grant of rights to the Enterprise has commenced as per the agreement or complete payment for the same has been made, whichever is earlier;
- The Seller has no remaining performance obligations;
- The arrangement is fixed and determinable;
- All essential deliverables to the Enterprise as per the agreement are completed.

**8. Employees Retirement and other benefits**

The Company does not fulfill the criteria of minimum number of Employee employed and therefore no provision is required to be made for Gratuity and provident fund.

**9. Contingent Liabilities**

Contingent liabilities are not provided for and are disclosed by way of notes, if any.

**10. Provisions for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Company has not provided deferred tax in the books.

**11. Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

PARTICULARS	31-03-2017 (₹)	31-03-2016 (₹)
<b>Note 2 : SHARE CAPITAL</b>		
<b>A) Authorised, Issued, Subscribed and paid up Share Capital and par value per share</b>		
<b>Authorised Share Capital</b>		
1,10,00,000 Equity Shares of ₹10/- each	110,000,000	110,000,000
<b>TOTAL</b>	<b>110,000,000</b>	<b>110,000,000</b>
<b>Issued and Subscribed Share Capital</b>		
1,00,00,800 Equity Shares of ₹10/- each	100,008,000	100,008,000
<b>TOTAL</b>	<b>100,008,000</b>	<b>100,008,000</b>
<b>Paid Up Capital</b>		
99,69,900 Equity Share of Rs.10/- each fully paid up	99,699,000	99,699,000
Add: Forfeited shares (Amount Originally paid on 30900 Shares)	173,030	173,030
<b>TOTAL</b>	<b>99,872,030</b>	<b>99,872,030</b>
<b>Paid Up Capital</b>		
99,69,900 Equity Share of Rs.10/- each fully paid up	99,699,000	99,699,000
Add: Forfeited shares (Amount Originally paid on 30900 Shares)	173,030	173,030
<b>TOTAL</b>	<b>99,872,030</b>	<b>99,872,030</b>
<b>B) Shares in the Company held by each shareholder holding more than 5% shares</b>		
Name of the Shareholder	No. of shares held in the company	No. of shares held in the company
No shareholders hold more than 5% shares of the company	-	-
<b>Note 3: RESERVES &amp; SURPLUS</b>		
Capital Reserve	4,325,720	4,325,720
Profit & Loss Account		
Balance as per previous Balance sheet	(22,994,547)	(17,139,036)
Add/(Less) : During the year	8,768	(5,855,510)
Less:- Balance of Assets whose useful life as per Schedule II is over	-	-
Closing Balance	(22,985,778)	(22,994,547)



**Note 5 : Fixed Assets**

Reconciliation of gross amounts and net carrying amounts at the beginning and at the end of the year

(₹ In 000)

Fixed Assets	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK			
	As on 31-03-2016	Additional Adjustment during the year	Deductions during the year	As on 31-03-2017	As on 31-03-2016	Provided during the year	Deductions during the year	As on 31-03-2017	As on 31-03-2016	Reserved during the year	Provided during the year	As on 31-03-2017	As on 31-03-2016	As on 31-03-2017
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)=(1) -(5)-(9)	(14)=(4) -(8)-(12)
1 Building	750,000	-	-	750,000	171,915	12,608	-	184,523	-	-	-	-	578,085	565,477
2 Plant and Machinery	2,057,400	-	-	2,057,400	2,045,231	11,688	-	2,056,919	-	-	-	-	12,169	481
<b>TOTAL</b>	<b>2,807,400</b>	<b>-</b>	<b>-</b>	<b>2,807,400</b>	<b>3,254,503</b>	<b>24,297</b>	<b>-</b>	<b>2,241,443</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>590,254</b>	<b>565,957</b>

## Universal Arts Limited

### Note 3: RESERVES & SURPLUS

Capital Reserve	4,325,720	4,325,720
Profit & Loss Account		
Balance as per previous Balance sheet	(22,994,547)	(17,139,036)
Add/(Less) : During the year	8,768	(5,855,510)
Less:- Balance of Assets whose useful life as per Schedule II is over	-	-
Closing Balance	(22,985,778)	(22,994,547)
<b>TOTAL</b>	<b>(18,660,058)</b>	<b>(18,668,827)</b>

### Note 4 : OTHER CURRENT LIABILITIES

Trade Payables	950,000	4,500,000
Outstanding Expenses	400,474	658,619
<b>TOTAL</b>	<b>1,350,474</b>	<b>5,158,619</b>

### Note 6 : NON CURRENT INVESTMENT

Non Trade Investments		
i. Investments in equity Instruments		
Unquoted		
Bama Infotech Pvt. Ltd. of Rs. 10/- each qty 10000- (Subsidiary)	100,000	100,000
ii. Investments in convertible debentures		
Bama Infotech Pvt. Ltd. of Rs. 1000/- each 9000 (9000)- (Subsidiary)	9,000,000	9,000,000
<b>TOTAL</b>	<b>9,100,000</b>	<b>9,100,000</b>

### NOTE 7:- LONG TERM LOANS AND ADVANCES

i. Security Deposits		
Reliance Energy Limited	50,450	50,450
ii. Balances with Government authorities		
T.D.S. - A.Y.2005-2006	103,616	103,616
T.D.S. - A.Y.2008-2009	63,916	63,916
T.D.S. - A.Y.2010-2011	23,175	
T.D.S. - A Y 2012-2013	45,443	45,443
VAT / CST Part Payment against pending disputes		
- CST 2005-06	200,000	200,000
- VAT 2005-06	200,000	200,000
<b>TOTAL</b>	<b>663,425</b>	<b>686,600</b>

### Note 8 : TRADE RECEIVABLES

Trade Receivables outstanding for more than six months from the date they became due for payment :	-	72,000
Other Trade receivable		
Unsecured considered good	5,524,500	6,942,000
<b>TOTAL</b>	<b>5,524,500</b>	<b>7,014,000</b>

### Note 9 : CASH AND CASH EQUIVALENTS

A) Balances with Banks		
Cash at Bank (in current A/c )	664,841	62,333,058
Other Bank Balances: FDR	59,500,000	-
B) Cash in hand	247,106	155,934
<b>TOTAL</b>	<b>60,411,947</b>	<b>62,488,992</b>

**Note 10 : SHORT TERM LOANS AND ADVANCES**

a. Loans and advances due by private companies in which director is a director/member		
Unsecured considered good	3,710,000	3,710,000
Sub Total	3,710,000	3,710,000
b. Loans and Advances to others		
Unsecured considered good	45,000	51,500
Sub Total	45,000	51,500
c. Advance for Films		
Advance for Films	2,500,000	2,500,000
Sub Total	2,500,000	2,500,000
d. Balance with Government Authorities		
TDS A Y 2016-17		220,476
TDS A Y 2017-18	39,944	
MAT Credit A Y 2017-18	1,671	
Sub Total	41,615	220,476
<b>TOTAL</b>	<b>6,296,615</b>	<b>6,481,976</b>

**Note 11 : OTHER INCOME**

Interest Income	90,177	99,590
Compensation Received	4,000,000	-
<b>TOTAL</b>	<b>4,090,177</b>	<b>99,590</b>

**Note 12 : EMPLOYEE BENEFIT EXPENSES**

Salaries and wages, bonus, gratuity and allowances;		
Salary, Bonus & Exgratia	2,421,099	2,216,058
Staff Welfare Expenses		
Staff Welfare Expenses	130,697	111,842
<b>TOTAL</b>	<b>2,551,796</b>	<b>2,327,900</b>

**Note 13 : Other EXPENSES**

Direct Expenses	-	51,790
Advertising Expenses	69,086	61,662
Audit Fees	32,200	31,920
AGM Expenses	32,836	25,014
Annual Charges	62,817	63,897
Books and Periodicals	30,106	29,935
Business Promotion expenses	112,454	109,856
Electricity charges	229,030	194,090
Conveyance Expenses	213,263	221,407
Interest Paid	43,050	
Listing fees	229,000	227,453
Miscellaneous expenses	88,422	110,919
Office expenses	131,055	126,007
Penalty	31,420	
Postage & Telegram	117,452	116,500
Printing & Stationery	163,783	185,215
Professional Fees	69,676	117,806
Profession Tax	2,500	2,500
Registrar fees	71,427	61,751
Repairs & Maintenance	119,712	114,989
Rent, Rates & Taxes	40,200	27,600
Telephone, Telex & Courier	133,220	128,421
Bank Charges	978	1,020
Swachh Bharat Cess	-	517
Sundry Balance Written Off	-	4,489,999
VAT	42,880	
Website Development Charges	10,000	17,500
<b>TOTAL</b>	<b>2,076,566</b>	<b>6,517,768</b>

**Note 14: Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016:-**

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	150,000	135,489	285,489
Add:- Permitted receipts - Withdrawal from Bank	-	300,000	300,000
Less:- Permitted payments	-	227,478	227,478
Less:- Amount deposited in Banks	150,000	-	150,000
Closing cash in hand as on 30.12.2016	-	208,011	208,011

**Note 15 :-**

There are no dues to parties registered under Micro, Small and Medium Enterprises Development Act 2006 as on 31.03.2017.

**Note 16 :-**

Company has not recognised Deferred Tax in the books because of future uncertainty in setting off the losses.

**Note 17 :-**

Contingent Liabilities is Rs. Nil (P.Y. ₹ Nil)

**Note 18 :-**

The balance confirmations in respect of debtors, creditors, advances, loans and deposits as at 31st March 2017 have been called for and are subject to confirmation & reconciliation as the necessary communication in this respect is not received from them. The management has scrutinized the accounts and the balances appearing in the Balance Sheet are correct.

**Note 19 :-**

Segment Reporting: In the opinion of the management the company is mainly engaged in the sale of Film, TV serial, Film. All other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

**Note 20 :- Related Party Disclosure**

Transaction with Related Parties during year

Company in which director of the Company is Director	Nature of transaction	Amount as on 31/03/2017	Amount as on 31/03/2016
Goldmines Telefilms Private Limited.	Sale of Film	1,400,000	6,500,000
Compensation received	4,000,000	-	
Advance for Film	63,200,000	67,650,000	
Advance for Film received back	(63,200,000)	(67,650,000)	
Rotocap Real Estate Developers Private Limited.	Advance for Film	2,500,000	2,500,000
Midastouch Holdings Private Limited.	Loan Given	3,710,000	3,710,000

As per our separate Audit Report of Even Date Attached  
FOR AJAY SEKHRI AND COMPANY

FOR and on Behalf of The Board of Directors

CHARTERED ACCOUNTANTS

Sd/-

Sd/-

Sd/-

AJAY SEKHRI  
PARTNER MANAGING DIRECTOR  
MEMBERSHIP NO. 032103  
FIRM NO. 140181W

MANISH SHAH  
DIRECTOR  
DIN:-00434171

ULKA SHAH  
DIN:- 00434277

PLACE: MUMBAI  
DATE : 15/05/2017

PLACE: MUMBAI  
DATE : 15/05/2017

**INDEPENDENT AUDITORS' REPORT**

To the Members of

**BAMA INFOTECH PRIVATE LIMITED**

**CIN No. U30007MH2000PTC123495**

**Report on the Financial Statements**

- 1) We have audited the accompanying financial statements of **BAMA INFOTECH PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

- 2) The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

- 3) Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement
- 4) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements
- 5) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

- 6) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2017, its profit and Cash Flow for the year ended on that date;

**Report On Other Legal and Regulatory Requirements**

- 7) As required by the Companies (Auditor's Report) Order, 2016 ("the 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 on the matters Specified in paragraphs 3 and 4 of the Order.
- 8) As required by section 143(3) of the Act, we further report that:
- we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - the Balance Sheet, Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
  - in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
  - on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act

- f) with respect to adequacy of the internal controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30thDecember, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For Ajay Sekhri and Company  
Chartered Accountants  
Firm Reg. No. : 140181W

Sd/-

Ajay Sekhri - Partner  
Membership No. : 032103

Place : Mumbai  
Date : 15/05/2017

**Annexure A referred to in paragraph 7 Our Report of even date to the members of BAMA INFOTECH PRIVATE LIMITED on the accounts of the company for the year ended 31st March, 2017.**

- i. The Company does not have any fixed assets. Consequently, the provisions of Clause (i) (a), (b) and (c) of the order are not applicable to the Company.
- ii. The Company's inventory consists of intangible rights of movies & proper records of the same have been maintained by the management. Further physical verification of said intangible rights is not possible.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. According to the information and explanations given to us and based on the records of Company examined by us, we report that Company has not given any fresh loan, made any investments, given guarantees, and securities to specified persons under Companies Act and that loan given are old loans and hence provisions of section 185 and 186 of the Companies Act are not applicable to Company.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. Cost accounts and records to be made and maintained as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to Company.
- vii. a) According to the information and explanations given to us and based on the records of Company examined by us, Company is regular in depositing the undisputed statutory dues, Income-tax, Sales-tax, and other material statutory dues, as applicable, with the appropriate authorities in India;  
(b) According to the information and explanations given to us and based on the records of Company examined by us, there are no statutory dues mentioned in sub clause vii(b), which have not been deposited on account of any disputes.
- viii. According to the records of Company examined by us and as per the information and explanations given to us, Company has not availed of any loans from any financial institution or banks and has not issued debentures.
- ix. Based upon the audit procedures performed and the information and explanations given to us, Company has not raised any money by way of initial public offer or further public offer including debt instruments and term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. According to the information and explanations given to us and based on the records of Company examined by us, no fraud by Company or any fraud on Company by its officers or employees has been noticed during the year.
- xi. According to the information and explanations given to us, Company has not paid or made any provisions for managerial remuneration during the year.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, this clause is not applicable to Company
- xiii. According to the information and explanations given to us and based on the records of Company examined by us all transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on the records of Company examined by us Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanations given to us and based on the records of Company examined by us Company has not entered into any non- cash transactions with directors or persons connected with them.
- xvi. According to the information and explanations given to us, it has been observed that the Company is not a NBFC and therefore, the Company is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ajay Sekhri and Company  
Chartered Accountants  
Firm Reg. No. : 140181W

Sd/-

Ajay Sekhri - Partner  
Membership No : 032103

Place : Mumbai  
Date : 15/05/2017

**Annexure B referred to in Paragraph 8 Our Report of even date to the members of BAMA INFOTECH PRIVATE LIMITED on the accounts of the company for the year ended 31st March, 2017.**

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

We have audited the internal financial controls over financial reporting of **BAMA INFOTECH PRIVATE LIMITED** ("Company") as of March 31, 2017 in conjunction with our audit of the financial statements of Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

Company's management is responsible for establishing and maintaining internal financial controls in accordance with Rule 8 (5) (viii) of the Companies (Accounts) Rule, 2014 and 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial 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 judgment, 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 adverse audit opinion on Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of 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 Company are being made only in accordance with authorizations of management and directors of Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of Company's assets that could have a material effect on the financial statements.



**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, 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, 2017, based on the internal control over financial reporting criteria established by 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 Ajay Sekhri and Company  
Chartered Accountants  
Firm Reg. No. : 140181W

Sd/-

Ajay Sekhri - Partner  
Membership No : 032103

Place : Mumbai  
Date : 15/05/2017

Universal Arts Limited

BALANCE SHEET AS AT 31st MARCH, 2017

	Note No.	As on 31-03-2017 (₹ in 000)	As on 31-03-2016 (₹ in 000)
<b>I. EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	2	100,000	100,000
Reserves and Surplus	3	(8,245,293)	(8,266,811)
		<u>(8,145,293)</u>	<u>(8,166,811)</u>
<b>NON CURRENT LIABILITIES</b>			
Long-term borrowings	4	9,000,000	9,000,000
		<u>9,000,000</u>	<u>9,000,000</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	5	226,350	376,350
Other Current Liabilities	6	22,425	48,452
		248,775	424,802
<b>TOTAL</b>		<b><u>1,103,482</u></b>	<b><u>1,257,991</u></b>
<b>II. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Non- Current investments	7	171,621	171,621
Long Term Loans and advances	8	31,816	18,699
		203,437	190,320
<b>CURRENT ASSETS</b>			
Inventories		35,000	35,000
Trade receivables	9	440,156	440,156
Cash and cash equivalents	10	404,511	519,456
Short term loans and advances	11	20,378	73,059
		900,045	1,067,671
<b>TOTAL</b>		<b><u>1,103,482</u></b>	<b><u>1,257,991</u></b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

1

Note :- The notes referred to above are an integral part of the Balance Sheet  
As per our separate Audit Report of Even Date Attached

**For AJAY SEKHRI AND COMPANY**

Chartered Accountants  
Firm Reg. No. 140181W

Sd/-

Ajay Sekhri - Partner  
MEMBERSHIP NO. : 032103

PLACE: MUMBAI  
DATE: 15/05/2017

**FOR BAMA INFOTECH PRIVATE LIMITED**

Sd/-

Manish Shah  
Director  
DIN:-434171

PLACE: MUMBAI  
DATE: 15/05/2017

Sd/-

Ulka Shah  
Director  
DIN:-434277

## Statement of Profit and Loss for the period ended on 31st March' 2017.

Particulars	Note No.	As On 31-03-2017 (₹ In 000)	As On 31-03-2016 (₹ In 000)
<b>REVENUE FROM OPERATION</b>			
Sales		300,000	850,000
Other Income	12	5,624	475,000
<b>TOTAL REVENUE</b>		<b>305,624</b>	<b>1,325,000</b>
<b>EXPENSES</b>			
Purchase		-	731,850
Direct Expenses		15,000	28,760
Employee Benefit expenses	13	127,488	80,917
Other expenses	14	131,996	96,931
<b>TOTAL EXPENSES</b>		<b>274,484</b>	<b>938,458</b>
<b>PROFIT BEFORE TAX</b>		<b>31,141</b>	<b>386,542</b>
Tax expense:			
(1) Current tax		9,622	119,441
(2) Deferred tax		-	-
<b>PROFIT AFTER TAX</b>		<b>21,518</b>	<b>267,100</b>
<b>EARNING PER EQUITY SHARE</b>			
(1) Basic		2.15	26.71
(2) Diluted		2.15	26.71

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS 1**

Note :- The notes referred to above are an integral part of the financial Statement

**For AJAY SEKHRI AND COMPANY**

Chartered Accountants  
Firm Reg. No. 140181W

Sd/-

Ajay Sekhri - Partner  
MEMBERSHIP NO. : 032103

PLACE: MUMBAI  
DATE: 15/05/2017

**FOR BAMA INFOTECH PRIVATE LIMITED**

Sd/-

Manish Shah  
Director  
DIN:-434171

PLACE: MUMBAI  
DATE: 15/05/2017

Sd/-

Ulka Shah  
Director  
DIN:-434277

Universal Arts Limited

Cash flow statement for the year ended 31st, March 2017.

(₹ In 000)

Particulars	As at 31-03-2017	As at 31-03-2016
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before Tax	31	387
Adjustment for Depreciation	-	-
	31	387
Operating profit before working capital charges		
Ajustment for (Increase)/Decrease in current Assets		
Loans & Advances	40	(73)
Trade and other receivable	-	-
Inventories	-	-
Increase/(Decrease) in current liabilities		
Trade payables	(150)	61
Other Current Liabilities	(26)	21
Income Taxes paid	(10)	(119)
	(115)	276
Net cash used in operating activities (A)		
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/(Purchase) of Fixed Assets	-	-
Sale/(Purchase) of Investment	-	-
Net cash used in investing activities (B)	-	-
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Unsecured Loans	-	-
Net cash used in financing activities (C)	-	-
NET INFLOW ( OUTFLOW ) [A+B+C]	(115)	276
<b>D NET INCREASES IN CASH &amp; CASH EQUIVALENTS</b>		
Cash & Cash equivalents opening balance	519	243
Cash & Cash equivalents closing balance	405	519
	(115)	276

As per our report of even date

**For AJAY SEKHRI AND COMPANY**

Chartered Accountants  
Firm Reg. No. 140181W

Sd/-

Ajay Sekhri - Partner  
MEMBERSHIP NO. : 032103

PLACE: MUMBAI  
DATE: 15/05/2017

**FOR BAMA INFOTECH PRIVATE LIMITED**

Sd/-

Manish Shah  
Director  
DIN:-434171

PLACE: MUMBAI  
DATE: 15/05/2017

Sd/-

Ulka Shah  
Director  
DIN:-434277

**Note 1 :- Notes forming part of the Financial Statements for the year ended 31-03-2017.****Corporate Information**

Bama Infotech Private Limited is a Company incorporated on 05/01/2000 under the Companies Act 1956 and is a 100% subsidiary of Listed Company Universal Arts Limited. The Company is in the business of investment in shares and dealing in doordarshan rights of films. The registered office of the Company is located in Mumbai.

**Summary of Significant Accounting Policies as at 31st March 2017****Basis of Preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 2013 and the RBI guidelines/regulations to the extent applicable.

**Investments.**

Investments have been valued at Cost and are physically verified by the management.

Investments have been valued at cost and no provision has been made in the accounts for the depreciation in value of investments because the same are held on long term basis and the management is of the opinion that the said depreciation is of temporary in nature.

**Revenue Recognition**

- a) In the case of movies telecasted on Doordarshan, the revenue is recognized in the year in which Doordarshan sanctions the payment.  
b) In all other cases, revenue is recognized when the Company has the undisputable right to receive the income."

**Taxation**

Income-tax expenses comprise of current tax and deferred tax charge or credit. The deferred tax charge or credit is recognized using current tax rates. Deferred tax assets are recognized only if there is sufficient evidence that future taxable income will be available.

Particulars	As at 31-03-2017 (₹)	As at 31-03-2016 (₹)
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**Note 2 : SHARE CAPITAL**

A) Authorised, Issued, Subscribed and paid up Share Capital and par value per share

**Authorised Share Capital**

10,000 Equity Shares of Rs. 10/- each	100,000	100,000
<b>TOTAL</b>	<b>100,000</b>	<b>100,000</b>

Issued, subscribed and Paid up Share Capital  
10,000 Equity Shares of Rs. 10/- each fully paid up

	100,000	100,000
<b>TOTAL</b>	<b>100,000</b>	<b>100,000</b>

**B) Shares in the Company held by each shareholder holding more than 5% shares**

Name of the Shareholder	No. of shares held in the company	No. of shares held in the company
Universal Arts Limited	10,000	10,000
<b>TOTAL</b>	<b>10,000</b>	<b>10,000</b>

**Note 3: RESERVES & SURPLUS**

Profit & Loss Account

Balance as per previous Balance sheet	(8,266,811)	(8,533,912)
Add/(Less) : During the year	21,518	267,100
Closing Balance	(8,245,293)	(8,266,811)
<b>TOTAL</b>	<b>(8,245,293)</b>	<b>(8,266,811)</b>

## Universal Arts Limited

Name of the Shareholder	No. of shares held in the company	No. of shares held in the company
<b>Note 4 : LONG TERM BORROWINGS</b>		
Bonds and Debentures		
9000 Zero % Fully Convertible Debentures of Rs 1000 Each	9,000,000	9,000,000
<b>TOTAL</b>	<b>9,000,000</b>	<b>9,000,000</b>
<b>Note 5 : TRADE PAYABLE</b>		
Sundry Creditors	226,350	376,350
<b>TOTAL</b>	<b>226,350</b>	<b>376,350</b>
<b>Note 6 : OTHER CURRENT LIABILITIES</b>		
Audit Fees Payable	22,425	20,602
Outstanding Expenses	-	10,000
TDS Payable	-	17,850
<b>TOTAL</b>	<b>22,425</b>	<b>48,452</b>
<b>Note 7 : NON CURRENT INVESTMENT</b>		
Long Term Investment		
Trade		
Equity Shares (Quoted and fully paid-up)		
Cadila Healthcare Limited	82,500	82,500
330 equity shares of Rs. 10/- each fully paid up		
Arms Paper Limited	7,200	7,200
1200 equity shares of Rs. 10/- each fully paid up		
Cyberwave Infrastructure Limited	8,250	8,250
825 equity shares of Rs. 10/- each fully paid up		
GDR Media Limited	323	323
10 equity shares of Rs. 10/- each fully paid up		
Kirlosker Multimedia	190	190
100 equity shares of Rs. 10/- each fully paid up		
Krisn Informations Technologies Limited	71,890	71,890
7189 equity shares of Rs. 10/- each fully paid up		
Virgo Golbal Media Limited	305	305
100 equity shares of Rs. 10/- each fully paid up		
Sibar Software Limited	400	400
200 equity shares of Rs. 10/- each fully paid up		
Top Telemedia Limited. (FV Rs. 10/-)	85	85
10 equity shares of Rs. 10/- each fully paid up		
Top Media Limited	140	140
100 equity shares of Rs. 10/- each fully paid up		
Vision Cinemas Limited	338	338
50 equity shares of Rs. 10/- each fully paid up		
(Market Value as on 31-03-2017 Rs 1,48,460/-)		
(Market Value for previous years Rs. 6,64,849/-)		
<b>TOTAL</b>	<b>171,621</b>	<b>171,621</b>

Name of the Shareholder	No. of shares held in the company	No. of shares held in the company
<b>Note 8 : LONG TERM LOANS AND ADVANCES</b>		
Balance with Government Authorities		
TDS AY 2014-15	729	729
TDS AY 2015-16	19,044	17,970
TDS AY 2016-17	12,043	-
<b>TOTAL</b>	<b>31,816</b>	<b>18,699</b>
<b>Note 9 : TRADE RECEIVABLES</b>		
A) Trade Receivables considered good outstanding for more than six months from the date they became due for payment :	440,156	440,156
<b>TOTAL</b>	<b>440,156</b>	<b>440,156</b>
<b>Note 10 : CASH AND CASH EQUIVALENTS</b>		
A) Balances with Banks		
Cash at Bank (in current A/c )	141,690	187,405
B) Cash in hand	262,822	332,051
<b>TOTAL</b>	<b>404,511</b>	<b>519,456</b>
<b>Note 11 : SHORT TERM LOANS AND ADVANCES</b>		
Balance with Government Authorities		
TDS AY 2016-17	-	73,059
TDS AY 2017-18	20,378	-
<b>TOTAL</b>	<b>20,378</b>	<b>73,059</b>
<b>Note 12 : OTHER INCOME</b>		
Commission Income	-	160,000
Sundry Balance Write off	-	315,000
Dividend	900	-
Interest on IT Refund	4,724	-
<b>TOTAL</b>	<b>5,624</b>	<b>475,000</b>
<b>Note 13 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages, bonus, gratuity and allowances;		
Salary, Bonus & Exgratia	119,000	75,500
Staff Welfare Expenses		
Staff Welfare Expenses	8,488	5,417
<b>TOTAL</b>	<b>127,488</b>	<b>80,917</b>
<b>Note 14 : OTHER EXPENSES</b>		
Account Writing Charges	20,000	20,000
Bank Charges	230	169
Rates and Taxes other than taxes on income	1,800	1,040
Payment to statutory auditors		
As Audit Fees	11,500	11,450
Conveyance	7,174	5,395
Books and periodicals	7,248	6,673
Business Promotion	14,648	-
Demat Charges	1,725	1,718
Miscellaneous Expenses	6,805	5,544
Professional Fees	40,000	25,000
Postage and telegram	8,441	6,866
Printing and stationery	5,801	4,340
Telephone, telex and fax charges	6,624	5,662
Swach Bharat Cess	-	3,075
<b>TOTAL</b>	<b>131,996</b>	<b>96,931</b>
<b>Note 15 : REGULATION OF MSME ACT, 2006</b>		

There are no dues to parties registered under micro, Small and Medium Enterprises Development Act, 2006

**Note 16 : RELATED PARTY DISCLOSURE**

**Transaction with Related party**

<b>Particulars</b>	<b>Amount</b>	<b>Amount</b>
Goldmine Telefilms Pvt Ltd- Purchase of Film	-	731,850
Goldmine Telefilms Pvt Ltd- Commission Income	-	160,000
Goldmine Telefilms Pvt Ltd- Advance for films received	340,000	-
Goldmine Telefilms Pvt Ltd- Advance for films paid back	(340,000)	-

**Note 17: Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016:-**

<b>Particulars</b>	<b>SBNs</b>	<b>Other denomination notes</b>
<b>Closing cash in hand as on 08.11.2016</b>	150,000	163,869
Add:- Permitted receipts	-	250,000
Less:- Permitted payments	-	(42,392)
Less:- Amount deposited in Banks	(150,000)	-
<b>Closing cash in hand as on 30.12.2016</b>	-	371,477

**Note 18 : MISCELLANEOUS**

1. Previous year's figures have been regrouped, recast and rearranged wherever necessary.
2. There were no earnings in foreign currency or expenditure in foreign currency in respect of acquisition of Fixed Assets, stores or raw material.

As per our separate Audit Report of Even Date Attached

**For AJAY SEKHRI AND COMPANY**

Chartered Accountants  
Firm Reg. No. 140181W

Sd/-

Ajay Sekhri - Partner  
MEMBERSHIP NO. : 032103

PLACE: MUMBAI  
DATE: 15/05/2017

**FOR BAMA INFOTECH PRIVATE LIMITED**

Sd/-

Manish Shah  
Director  
DIN:-434171

PLACE: MUMBAI  
DATE: 15/05/2017

Sd/-

Ulka Shah  
Director  
DIN:-434277



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**INDEPENDENT AUDITORS' REPORT**

To

The Members of  
**Universal Arts Limited** (Formerly known as Goldmine Media Limited)  
 {CIN: - L22300MH1995PLC091082}

**REPORT ON FINANCIAL STATEMENTS**

We have audited the accompanying consolidated financial statements of **UNIVERSAL ARTS LIMITED** (Formerly known as Goldmine Media Limited) ("the Company") and its subsidiary **BAMA INFOTECH PRIVATE LIMITED** ("Subsidiary Company") (collectively referred to as "the Company" or "the Group"), which comprise the consolidated balance sheet as at March 31st, 2017, and the consolidated statement of Profit and Loss and the consolidated Cash Flow for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

**MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS.**

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. The Board of Directors of the Company is responsible for 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**AUDITOR'S RESPONSIBILITY.**

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Company as at 31st March 2017, their consolidated Profit and their consolidated Cash flow for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

- 1) As required by section 143(3) of the Act, we further report that to the extent applicable 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 of the aforesaid consolidated financial statements;
  - b) in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
  - c) the consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) in our opinion, the aforesaid consolidated financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014

- e) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2017, from being appointed as a director of that Company in terms of Section 164(2) of the Act
- f) with respect to adequacy of the internal controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". and
- g) we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Holding Company and subsidiary companies incorporated in India does not have any pending litigations which would impact the consolidated financial position of the Group
  - ii. The Holding Company and subsidiary companies incorporated in India did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.
  - iv. The Holding Company and subsidiary companies have provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Group and as produced to us by the Management.

For **Ajay Sekhri and Company**

Chartered Accountants  
Firm No. 140181W

Sd/-

**Ajay Sekhri-Partner**  
Membership No 032103

Place: Mumbai

Date: 15/05/2017

**Annexure A referred to in paragraph 1 Our Report of even date to the members of UNIVERSAL ARTS LIMITED on the accounts of the company for the year ended 31st March, 2017.**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of **UNIVERSAL ARTS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary company which are Companies incorporated in India, as of that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding Company, its subsidiary Company, which are Companies incorporated in India are responsible for establishing and maintaining internal financial controls in accordance with Rule 8 (5) (viii) of the Companies (Accounts) Rule, 2014 and 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial 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 judgment, 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 adverse audit opinion on Company's internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of 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 Company are being made only in accordance with authorizations of management and directors of Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of Company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In our opinion, the Holding Company, its subsidiary Company, which are Companies incorporated in India, have, 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, 2017, based on the internal control over financial reporting criteria established by 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.

**OTHER MATTERS**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Ajay Sekhri And Comapny  
Chartered Accountants  
Firm Reg. No. 140181W

Sd/-

Ajay Sekhri - Partner  
Membership No. : 032103

Place : Mumbai  
Date : 15/05/2017

# Universal Arts Limited

Consolidated Balance Sheet as on 31st, March 2017

Particulars	Note No.	As on 31-03-2017 (₹)	As on 31-03-2016 (₹)
<b>A.EQUITY AND LIABILITIES</b>			
<b>1.SHAREHOLDERS' FUNDS</b>			
a.Share Capital	2	99,872,030	99,872,030
b.Reserves and Surplus	3	(26,905,351)	(26,935,638)
<b>2. CURRENT LIABILITIES</b>			
a.Trade Payables	4	1,176,350	4,876,350
c.Other Current Liabilities	5	422,899	707,071
<b>TOTAL</b>		<b>74,565,928</b>	<b>78,519,813</b>
<b>II.ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a. Fixed Assets	6		
i. Tangible Assets		565,957	590,254
ii. Intangible Assets		-	-
b. Non Current investments	7	171,621	171,621
c. Long term loans and advances	8	695,241	705,299
<b>2. CURRENT ASSETS</b>			
a. Inventories		35,000	35,000
b. Trade receivables	9	5,964,656	7,454,156
c. Cash and cash equivalents	10	60,816,459	63,008,448
d. Short-term loans and advances	11	6,316,993	6,555,035
<b>TOTAL</b>		<b>74,565,928</b>	<b>78,519,813</b>

## Summary of Significant Accounting policies

1

The notes referred to above are an integral part of the Financial Statement  
As per our separate Audit Report of Even Date Attached

### FOR AJAY SEKHRI AND COMPANY CHARTERED ACCOUNTANTS

Sd/-  
AJAY SEKHRI  
PARTNER  
MEMBERSHIP NO. 032103  
FIRM NO. 140181W

PLACE: MUMBAI  
DATE: 15/05/2017

### For and on Behalf of The Board of Directors

Sd/-  
MANISH SHAH  
MANAGING DIRECTOR

Sd/-  
ULKA SHAH  
DIRECTOR

PLACE: MUMBAI  
DATE: 15/05/2017

Consolidated Statement of Profit and Loss for the period ended on 31st March 2017.

Particulars	Note No.	As on 31-03-2017 (₹)	As on 31-03-2016 (₹)
<b>I. Revenue from operations</b>			
Sales		2,071,250	7,480,000
Liasoning Charges		-	2,000,000
<b>II. Other Income</b>	<b>12</b>	<b>4,095,801</b>	<b>574,590</b>
<b>III. Total Revenue (I +II)</b>		<b>6,167,051</b>	<b>10,054,590</b>
<b>Expenses:</b>			
Purchase of Stock-in-Trade		1,200,000	6,331,850
Employee Benefit expenses	13	2,679,284	2,408,817
Depreciation and amortization expense	5	24,297	139,432
Other expenses	14	2,223,562	6,643,459
<b>IV.Total expenses</b>		<b>6,127,142</b>	<b>15,523,558</b>
<b>Profit Before Taxes</b>		<b>39,909</b>	<b>(5,468,968)</b>
Tax expense:			
(1) Current tax		9,622	119,441
(2) Deferred tax		-	-
		9,622	119,441
<b>Profit After Taxes</b>		<b>30,287</b>	<b>(5,588,409)</b>
Earnings Per Share			
(1) Basic		0.00	N.A.
(2) Diluted		0.00	N.A.
<b>Summary of Significant Accounting policies</b>		<b>1</b>	

The notes referred to above are an integral part of the Financial Statement  
As per our separate Audit Report of Even Date Attached

**FOR AJAY SEKHRI AND COMPANY**  
**CHARTERED ACCOUNTANTS**

Sd/-  
AJAY SEKHRI  
PARTNER  
MEMBERSHIP NO. 032103  
FIRM NO. 140181W

PLACE: MUMBAI  
DATE: 15/05/2017

**For and on Behalf of The Board of**  
**Directors**

Sd/-  
MANISH SHAH  
MANAGING DIRECTOR

Sd/-  
ULKA SHAH  
DIRECTOR

PLACE: MUMBAI  
DATE: 15/05/2017

**Notes forming part of the Consolidated Financial Statements for the period ended on 31/03/2017**

**NOTE 1:-SIGNIFICANT ACCOUNTING POLICIES**

**PRINCIPLES OF CONSOLIDATION:**

The accompanying consolidated financial statements include the accounts of Universal Arts Ltd. (Formerly known as Goldmines Media Ltd.) and its following subsidiary:-

**Name of the Company % of holding**

Bama Infotech Pvt. Ltd.	100
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The financial statement of the parent company and its subsidiaries have been consolidated on a line by line basis by adding together the book value of the items of assets, liabilities, income and expenses after fully eliminating inter group balances and inter group transactions.

**SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of preparation of Financial Statements**

- a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 2013 and the RBI guidelines/regulations to the extent applicable.
- b) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- c) The preparation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. The Difference between the actual and estimate are recognized in the period in which results are known/materialized.

**2. Fixed Assets and Depreciation**

- a) Fixed assets stated at cost less accumulated depreciation.
- b) As per the amended Companies Act, 2013 company has charged depreciation on fixed assets on the basis of useful life of assets and as per Schedule II of the said Act. Further as per guidance note issued by ICAI, depreciation rate is calculated for existing assets considering its residual value and remaining useful life and depreciation on such assets is charged on written down value method.

**3. Foreign Exchange Transaction**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Outstanding balances are valued at the rate prevailing on the Balance Sheet date.

**4. Investments**

The Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

**5. Inventories**

The inventories include Raw stock (Taps and cassettes etc.) TV programmers/ Episodes of TV serials under production are valued at cost or net realizable value, whichever is lower. The inventories of film have been valued at cost.

**6. Revenue Recognition.**

- i) In the case of movies telecasted on Doordarshan, the revenue is recognized in the year in which Doordarshan sanctions the payment.
- ii) In case of sale of other rights, the Company recognizes the income when all the following criteria are met:
  - A license agreement is signed by both the parties;
  - The licensee is able to freely exploit the rights granted;
  - Effective date of grant of rights to the licensee has commenced as per the agreement or complete payment with respect to the rights has been received, whichever is earlier;
  - The Enterprise has no remaining performance obligations;
  - The arrangement is fixed and determinable;
  - Collection of the fee is reasonably assured;
  - All the essential deliverables to the licensee as per the agreement are completed.

Other streams of income

In all other cases, revenue is recognized when the Company has the undisputable right to receive the income.

#### 7. Purchase of Movie rights.

The Enterprise recognizes purchase of movie rights when the all the below mentioned criteria are met:

- A license agreement is signed by both the parties;
- The Enterprise is able to freely exploit the rights granted;
- Effective date of grant of rights to the Enterprise has commenced as per the agreement or complete payment for the same has been made, whichever is earlier;
- The Seller has no remaining performance obligations;
- The arrangement is fixed and determinable;
- All essential deliverables to the Enterprise as per the agreement are completed.

#### 8. Employees Retirement and other benefits

The company does not fulfill the criteria of minimum number of Employee employed and therefore no provision is required to be made for Gratuity and provident fund.

#### 9. Provisions for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Company has not provided deferred tax in the books.

#### 10. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

<b>UNIVERSAL ARTS LIMITED</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Note 2 : SHARE CAPITAL</b>		
Authorised, Issued, Subscribed and paid up Share Capital and par value per share		
Authorised Share Capital		
1,10,00,000 Equity Share of Rs.10/- Each	110,000,000	110,000,000
<b>TOTAL</b>	<b>110,000,000</b>	<b>110,000,000</b>
Issued and Subscribed Share Capital		
1,00,00,800 Equity Share of Rs.10/- Each	100,008,000	100,008,000
<b>TOTAL</b>	<b>100,008,000</b>	<b>100,008,000</b>
Paid Up Capital		
99,69,900 Equity Share of Rs.10/- each fully paid up	99,699,000	99,699,000
Add: Forfeited shares (Amount Originally paid on 30900 Shares)	173,030	173,030
<b>TOTAL</b>	<b>99,872,030</b>	<b>99,872,030</b>
<b>Note 3: RESERVES &amp; SURPLUS</b>		
Capital Reserve	4,325,720	4,325,720
Profit & Loss Account		
Balance as per previous Balance sheet	(31,261,358)	(25,672,948)
Add/(Less) : During the year	30,287	(5,588,410)
Less : Balance of Assets whose useful life as per Schedule II is over	-	-
Closing Balance	(31,231,071)	(31,261,358)
<b>TOTAL</b>	<b>(26,905,351)</b>	<b>(26,935,638)</b>

**Note 5 : Fixed Assets**

Reconciliation of gross amounts and net carrying amounts at the beginning and at the end of the year

**TANGIBLE**

Fixed Assets	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK			
	As on 31-03-2016	Additional Adjustment during the year	Deductions during the year	As on 31-03-2017	As on 31-03-2016	Provided during the year	Deductions during the year	As on 31-03-2017	As on 31-03-2016	Reserved during the year	Provided during the year	As on 31-03-2017	As on 31-03-2016	As on 31-03-2017
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)=(1) -(5)-(9)	(14)=(4) -(8)-(12)
1 Building	750,000	-	-	750,000	171,915	12,608	-	184,523	-	-	-	-	578,085	565,477
2 Plant and Machinery	2,057,400	-	-	2,057,400	2,045,231	11,688	-	2,056,919	-	-	-	-	12,169	481
<b>TOTAL</b>	<b>2,807,400</b>	<b>-</b>	<b>-</b>	<b>2,807,400</b>	<b>3,254,503</b>	<b>24,297</b>	<b>-</b>	<b>2,241,443</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>590,254</b>	<b>565,957</b>



UNIVERSAL ARTS LIMITED	31-03-2016 (Rs.)	31-03-2015. (Rs.)
<b>Note 4: TRADE PAYABLE</b>		
Sundry Creditors	1,176,350	4,876,350
<b>TOTAL</b>	<b>1,176,350</b>	<b>4,876,350</b>
<b>Note 6 : OTHER CURRENT LIABILITIES</b>		
Outstanding Expenses	422,899	707,071
<b>TOTAL</b>	<b>422,899</b>	<b>707,071</b>
<b>Note 7 : NON CURRENT INVESTMENT</b>		
INVESTMENTS (Non-trade, Long term at cost)		
In Equity Shares (Quoted & fully paid up)	171,621	171,621
<b>TOTAL</b>	<b>171,621</b>	<b>171,621</b>
<b>NOTE 8:- LONG TERM LOANS AND ADVANCES</b>		
i. Security Deposits		
Reliance Energy Limited	50,450	50,450
ii. Balances with Government Authorities		
T.D.S. - A.Y.2005-2006	103,616	103,616
T.D.S. - A.Y.2008-2009	63,916	63,916
T.D.S. - A.Y.2010-2011	-	23,175
T D S A Y 2012-2013	45,443	45,443
T.D.S. - A.Y.2013-2014	-	-
T.D.S. - A.Y.2014-2015	729	729
T.D.S. - A.Y.2015-2016	19,044	17,970
T.D.S. - A.Y.2016-2017		
VAT / CST Part Payment against pending disputes	-	-
- CST 2005-06	200,000	200,000
- VAT 2006-06	200,000	200,000
<b>TOTAL</b>	<b>683,198</b>	<b>705,299</b>
<b>Note 9 : TRADE RECEIVABLES</b>		
Trade Receivables outstanding for more than six months from the date they became due for payment :		
Unsecured considered good	440,156	512,156
Other Trade receivable		
Unsecured considered good	5,524,500	6,942,000
<b>TOTAL</b>	<b>5,964,656</b>	<b>7,454,156</b>
<b>Note 10 : CASH AND CASH EQUIVALENTS</b>		
<b>A) Balances with Banks</b>		
Cash at Bank (in current A/c )	806,531	62,520,463
Other Bank Balances: FDR	59,500,000	-
<b>B) Cash in hand</b>	509,928	487,985
<b>TOTAL</b>	<b>60,816,459</b>	<b>63,008,448</b>
<b>Note 11 : SHORT TERM LOANS AND ADVANCES</b>		
a. Loans and advances due by private companies in which director is a director/member		
Unsecured Considered Good	3,710,000	3,710,000
<b>Sub Total</b>	<b>3,710,000</b>	<b>3,710,000</b>

Universal Arts Limited

<b>UNIVERSAL ARTS LIMITED</b>	<b>31-03-2017</b>	<b>31-03-2017</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>b. Loans and Advances to others</b>		
Unsecured Considered Good	45,000	51,500
<b>Sub Total</b>	<b>45,000</b>	<b>51,500</b>
<b>c. Advance for Films</b>		
Advance for Films	2,500,000	2,500,000
<b>Sub Total</b>	<b>2,500,000</b>	<b>2,500,000</b>
<b>d. Balance with Government Authorities</b>		
TDS AY 2016-17	-	293,535
TDS AY 2017-18	60,322	
MAT Credit AY 2017-18	1,671	
<b>Sub Total</b>	<b>61,993</b>	<b>293,535</b>
<b>TOTAL</b>	<b>6,316,993</b>	<b>6,555,035</b>
<b>Note 12 : OTHER INCOME</b>		
Interest Income	94,901	99,590
Dividend	900	
Compensation Received	4,000,000	
Commission Income	-	160,000
Sundry Balance Write off	-	315,000
<b>TOTAL</b>	<b>4,095,801</b>	<b>574,590</b>
<b>Note 14 : OTHER EXPENSES</b>		
Direct Expenses	15,000	80,550
Account Writing Charges	20,000	20,000
Advertising Expenses	69,086	61,662
Audit Fees	43,700	43,370
AGM Expenses	32,836	25,014
Annual Charges	62,817	63,897
Books and Periodicals	37,354	36,608
Business Promotion expenses	127,102	109,856
Electricity charges	229,030	194,090
Conveyance Expenses	220,437	226,802
Demat Charges	1,725	1,718
Interest Paid		
Listing fees	229,000	227,453
Miscellaneous expenses	95,227	116,463
Office expenses	131,055	126,007
Penalty		
Postage & Telegram	125,893	123,366
Printing & Stationery	169,584	189,555
Professional Fees	109,676	142,806
Profession Tax	2,500	2,500
Registrar fees	71,427	61,751
Repairs & Maintenance	119,712	114,989
Rent, Rates & Taxes	42,000	28,640
Telephone, Telex & Courier	139,844	134,083
Sundry Balance w/off	-	4,489,999
Swach Bharat Cess	-	3,592
VAT		
Website Development Charges	10,000	17,500
Bank Charges	1,207	1,189
<b>TOTAL</b>	<b>2,106,212</b>	<b>6,643,459</b>

**Note 15 :-**

There are no dues to parties registered under Micro, Small and Medium Enterprises Development Act 2006 as on 31.03.2017.

**Note 16 :-**

Company has not recognised Deferred Tax in the books because of future uncertainty in setting off the losses

**Note 17 :-**

Contingent Liabilities is Rs. Nil (P.Y. Rs. Nil)

**Note 18 :-**

The balance confirmations in respect of debtors, creditors, advances, loans and deposits as at 31st March 2017 have been called for and are subject to confirmation & reconciliation as the necessary communication in this respect is not received from them. The management has scrutinized the accounts and the balances appearing in the Balance Sheet are correct.

**Note 19 :-**

Segment Reporting: In the opinion of the management the company is mainly engaged in the sale of Film, TV serial, Film. All other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

**Note 20 :- Related Party Disclosure**

Company in which director of the Company is Director	Nature of transaction	Amount	
Goldmines Telefilms Pvt. Ltd.	Sale of Film	1,400,000	
Goldmines Telefilms Pvt. Ltd.	Compensation Received	4,000,000	
Goldmines Telefilms Pvt. Ltd.	Advance for Film	63,200,000	
Goldmines Telefilms Pvt. Ltd.	Advance for Film received back	(63,200,000)	
Company in which director of the Company is Director	Nature of transaction	Amount as on 31/03/2017	Amount as on 31/03/2016
Rotocap Real Estate Developers Private Limited.	Advance for Film	2,500,000	2,500,000
Midastouch Holdings Private Limited.	Loan Given	3,710,000	3,710,000

As per our separate Audit Report of Even Date Attached

**FOR AJAY SEKHRI AND COMPANY  
CHARTERED ACCOUNTANTS**

Sd/-  
AJAY SEKHRI  
PARTNER  
MEMBERSHIP NO. 032103  
FIRM NO. 140181W

PLACE: MUMBAI  
DATE: 15/05/2017

**For and on Behalf of The Board of  
Directors**

Sd/-  
MANISH SHAH  
MANAGING DIRECTOR

Sd/-  
ULKA SHAH  
DIRECTOR

PLACE: MUMBAI  
DATE: 15/05/2017

## Universal Arts Limited

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Statement pursuant to first proviso to sub-section(3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rule 2014 in the prescribed Form AOC-1 relating to subsidiary companies:

a) Name	:	BAMA INFOTECH PRIVATE LIMITED
b) Country	:	India
c) Reporting Currency	:	INR
d) Exchange Rate	:	1.00
e) Share Capital	:	1,00,000
(including advances towards capital)		
f) Reserves & Surplus	:	(8,245,293)
g) Total Assets	:	11,03,482
h) Total Liabilities	:	11,03,482
i) Turnover	:	3,00,000
j) Profit / (Loss) before Tax	:	31,141
k) Tax Expenses / credit	:	9,622
l) Profit / (Loss) After Tax	:	21,518
m) Proposed Dividend	:	Nil
n) Investment	:	Nil
(except in case of Investment in the Subsidiary Companies)		
o) % of Holding	:	100%

By Order of the Board of Directors

Sd/-

Manish G. Shah  
Managing Director

Place: Mumbai

Date : August 08, 2017

**UNIVERSAL ARTS LIMITED**

Registered Office: Plot No. 45, First Floor, GanapatiBhavan, M. G. Road, Goregaon West, Mumbai 400 062  
CIN :L22300MH1995PLC091082 website: www.universalarts.in, Tel. No. 022 27849001

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id\* : \_\_\_\_\_

Folio No. \_\_\_\_\_

Client ID\* : \_\_\_\_\_

No. of Shares held \_\_\_\_\_

(\*Applicable for investors holding shares in electronic form)

I/We hereby record my/our presence at the 22nd Annual General Meeting of the Company held on Friday, 29th September, 2017 at 11 A.M at Keshav Gore Smarak Trust Hall, "Smriti", Aarey Road, Goregaon (W), Mumbai - 400062.

Name of the Shareholder: \_\_\_\_\_

And Joint Shareholder(s): \_\_\_\_\_

(In Block Letters) \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Name of the Proxy: \_\_\_\_\_

(to be filled only when a proxy attends the meeting)

Signature of Proxy

Signature of Shareholder/ Joint holder

Note:

Please fill the attendance slip and hand it over to the Registration counter at the venue.

**UNIVERSAL ARTS LIMITED**

CIN: L22300MH1995PLC091082

Registered Office: Plot No. 45, GanpatiBhavan 1st Floor, M.G. Road, Goregaon (W), Mumbai - 400062 Website: www.universal-arts.in  
 Email: universalartslimited@hotmail.com  
 Tel: +91 22 28749001

**FORM NO. MGT 12**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the  
 Companies (Management and Administration) Rules, 2014]

**BALLOT PAPER**

Name (s) of Member (s) (in BLOCK/ CAPITALLETTERS)		
Name (s) of the Joint holder(s), if any		
Postal Address		
Registered Folio No./ Client ID No.*		
No. of Equity shares held		

\*Applicable in case shares are held in electronic form

Particulars	Type of Resolution (For)*	I/We assent to the resolution (Against)*	I/ We dissent to the resolution
<b>Ordinary Business</b>			
1. To receive, consider and adopt the Audited Financial Statements of the Company on a Standalone and Consolidated basis for the period ended on 31st March, 2017 including the Balance Sheet as at that date, Statement of Profit & Loss account for the period ended on that date and in the reports of the Auditors and Directors thereon;	Ordinary		
2. To appoint a Director in place of Mr. Manish Shah (DIN: 00434171) who retires by rotation at this meeting offers himself and being eligible for re-appointment;	Ordinary		
3. To ratify the appointment of M/s Ajay Sekhri & Company, Chartered Accountants, Mumbai, (Firm Registration No. 140181W) from the conclusion of this Annual General Meeting till the Conclusion of next Annual General Meeting	Ordinary		
<b>Special Business</b>			
4. To regularise the appointment of Mr. Atulkumar Popatlal Lodliya (DIN 01858465) as an Independent Director.	Ordinary		
5. To regularise the appointment of Mr. Harshadrai H. Shah (DIN 00540937) as an Independent Director	Ordinary		
6. To regularise the appointment of Mrs. Shilpa G Shah (DIN 02377431) as Non-Executive and Non-Independent Director	Ordinary		

\*Please put a tick mark (✓) in appropriate column against the resolution(s) indicated above. In case the shareholder/ proxy wishes his/ her vote to be used differently, he/ she should indicate the number of shares under the columns 'For' and/or 'Against'.

Place:

Date:

-----  
 Signature of Shareholder/ Proxy

**UNIVERSAL ARTS LIMITED**

CIN : L22300MH1995PLC091082

Registered Office: Plot No. 45, First Floor, Ganapati Bhavan, M. G. Road.Goregaon (West), Mumbai 400 062.

Form No. 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]

Name of the Company	:	UNIVERSALARTSLIMITED
CIN	:	L22300MH1995PLC091082
Registered Office	:	Plot No. 45, First Floor, GanapatiBhavan, M. G. Road.Goregaon (West), Mumbai 400 062.

Name of the Member(s) :
Registered Address:
E-mail Id :
Folio No./Client ID :
DPID :

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name		
Address		
E-mail ID Or Failing him	Signature	
2. Name		
Address		
E-mail ID Or Failing him	Signature	
3. Name		
Address		
E-mail ID	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on the September 30, 2017 At 12 Noon at Keshav Gore Smarak Trust Hall, "Smriti", Aarey Road, Goregaon (W), Mumbai - 400062 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolutions
1	To receive, consider and adopt the Audited Financial Statements of the Company on a Standalone and Consolidated basis for the period ended on 31st March, 2016 including the Balance Sheet as at that date, Statement of Profit & Loss account for the period ended on that date and in the reports of the Auditors and Directors thereon;
2	To appoint a Director in place of Mr.Sandeep Poddar (DIN: 01587867) who retires by rotation at this meeting offers himself and being eligible for re-appointment;
3	To appoint M/s. Ajay Sekhri & Co. (Firm Regn. No. 140181W) as Statutory Auditors of the Company to hold such office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held for the year ended March 31, 2021, subject to ratification in every Annual General Meeting held during such period and to pass the resolution mentioned in the notice with or without modification.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

Signature of Member

Proxy holder(s) Signature

Note: This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

## **Book-Post**

*If undelivered please return to*

**Universal Arts Limited**

Plot No. 45, Ganpati Bhavan, 1st Floor, M.G. Road  
Goregaon (West), Mumbai 400062