

25th Annual Report
2019-2020

UNIVERSAL ARTS LIMITED

UNIVERSAL ARTS LIMITED

BOARD OF DIRECTORS:

- | | |
|---------------------------------------|---|
| a) Managing Director | : Mr. Manish G. Shah (DIN: 00434171) |
| b) Independent Non-Executive Director | : Mr. Harshadrai H Shah (DIN: 00540937) |
| c) Independent Non-Executive Director | : Mr. Adil Byram Khumbatta (DIN: 00165510) |
| d) Independent Non-Executive Director | : Mr. Radha Mohan Pericherin(DIN 02262238) |
| e) Woman Director | : Mrs Ulka Manishkumar Shah (DIN: 00434277) |
| f) Woman Director | : Mrs Shilpa G Shah (DIN: 02377431) |

AUDITORS

: M/s Gonsalves & Associates
: Chartered Accountants
: Mumbai

SECRETARIAL AUDITOR

: M/s Girish Murarka & Co.
: Company Secretaries
: Mumbai

REGISTERED OFFICE

: Plot No. 45, First Floor,
: Ganapati Bhavan, M. G. Road.,
: Goregaon (West),
: Mumbai 400 062.
: CIN – L22300MH1995PLC091082
: **Website: www.universalarts.in**
: Email: universalartslimited@hotmail.com

REGISTRAR & TRANSFER

: Bigshare Services Private Limited
1st Floor, Bharat Tin Works Bldg., Opp. Vasant
Oasis. Makwana Road, Marol, Andheri (East),
Mumbai 400 059
Tele : 022-62638200, Fax : 02262638299
Email : info@bigshareonline.com

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the members of **UNIVERSAL ARTS LIMITED** will be held on Tuesday, the 29th September, 2020 at 4.00 p.m. through Video Conference (“VC”)/Other Audio Visual Means (“OAVM”) without physical presence of the shareholders at a common venue, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements, including consolidated, of the Company for the financial year ended 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Smt. Shilpa G. Shah** (DIN:02377341), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.

**By Order of the Board
For UNIVERSAL ARTS LIMITED**

**Date : 5th September, 2020
Regd. Off:
Plot No. 45, First Floor,
Ganapati Bhavan, M. G. Road,
Goregaon (West),
Mumbai 400 062**

**Manish G. Shah
Managing Director
(DIN – 00434171)**

Details of Director seeking Appointment / reappointment in Annual General Meeting fixed for 29th September 2020

| | |
|--|--|
| Name of Director | Smt. Shilpa G. Shah (DIN: 02377431) |
| Date of Birth | 05/08/1941 |
| Date of Appointment | 15/01/1999 |
| Expertise in specific functional areas | Admin and Management |
| Directorship in other Indian Public Limited Companies as on 31.03.2020 | 6 |
| Chairman/Member of the Committees of the Board of other Indian Public Limited Companies as on 31.03.2020 | 1 |
| No. of Shares held in the Company | NIL |
| Disclosure in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | NIL |

NOTES FOR MEMBERS' ATTENTION

Notes:

1) In view of COVID-19 pandemic and restriction on the movements, apart from social distancing, the MINISTRY OF CORPORATE AFFAIRS ("MCA") has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars" and SEBI vide its Circular dated 12th May, 2020 permitted holding of the Annual General Meeting of Companies through Video Conference (VC) or Other Audio Visual Means (OAVM) without requiring the physical presence of Shareholders at a Common Venue.

2) In compliance with the applicable provisions of the Companies Act, 2013 read with the MCA Circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 25th Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") (hereinafter referred to as "AGM" or "e-AGM"). The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the "AGM" or "e-AGM".

3) e-AGM: The Company has appointed Central Depository Securities Limited (CDSL) to provide Video Conferencing facility for the e-AGM.

4) PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND

THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE E-AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.

5) Institutional Shareholders / Corporate Shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., authorising its representative to attend the e-AGM on its behalf and to vote through remote e voting or during the e-AGM. The said Board Resolution/Authorisation shall be sent to the Scrutinizer through registered e-mail address to girishmurarka@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com

6) The Members can join the e-AGM through Video Conferencing 15 minutes before and after the scheduled time of the commencement of the e-AGM by following the procedure mentioned in the Notice. As per the MCA Circular, the facility of participation at the e-AGM through VC will be available to the members on a first-Come First-served basis.

7) The Members attending the AGM through Video Conferencing shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

8) In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the e-AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice calling the AGM and the Annual Report 2019-20 will also be available on the Company's website www.universalarts.in websites of the Stock Exchanges i.e. www.bseindia.com and on the website of Central Depository Securities Limited (CDSL) at <https://www.evotingindia.com>.

9) Since the AGM will be held through VC, the Route Map is not annexed to this Notice.

10) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company mentioning their name, demat account number/folio number, email id, mobile number on or before 21st September, 2020 through email on universalartslimited@hotmail.com The same will be replied by the Company suitably.

11) The Register of Members and Transfer Books of the Company will be closed from Tuesday the 22nd September, 2020 to Monday, the 28th day of September, 2020 (both days inclusive).

12) Members are requested to write/intimate to Company's Registrar and Share Transfer Agent, changes in their registered addresses, profile details, if any, for sending future communication(s), any query in connection with claim of the unclaimed and unpaid dividends, etc.

13) Documents referred to in the Notice shall be available for inspection by the Members through e-mail. The Members are requested to send an e-mail to universalartslimited@hotmail.com for the same.

14) As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 01st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, Members holding shares in physical form are requested to convert their holdings to dematerialised form. Members can contact the Company or Company's Registrar and Share Transfer Agent for assistance in this regard.

15) The Members who hold shares in physical mode and have not registered their e-mail address may register their email ids with the Company / Registrar and Transfer Agent (Bigshare Services Private Limited) to enable the Company to send Notices of General Meeting/Postal Ballot, Annual Report and other shareholders communication by electronic mode.

Members are requested to support this Green Initiative by registering/updating their e-mail addresses, with the Depository Participant (in case of Shares held in dematerialised form) or with Registrar and Share Transfer Agents. (in case of Shares held in physical form).

16) Instructions for voting through e-voting and joining the e-AGM as follows:

INSTRUCTIONS FOR REMOTE E-VOTING

- Pursuant to Section 108 of the Companies Act, 2013 Rule 20 of the Companies (Management and Administration), rules, 2014, as substituted by the Companies (Management and Administration), Amendment, Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 the Members are provided with the facility to cast their vote electronically on the resolution proposed to be passed at the AGM through the e-voting services provided by (CDSL). The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
- The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, 22nd September, 2020, (being the cut off date), are entitled to vote on the Resolutions set forth in this Notice.
- The facility for voting through electronic voting system shall made be available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM. The Members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- The voting period will commence at 9.00 a.m. on Saturday, 26th September, 2020 and will close at 5.00 pm on Monday, 28th September, 2020.

PROCEDURE FOR REMOTE E-VOTING:

1. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
 - (i) Now, select the "UNIVERSAL ARTS LIMITED" from the drop down menu and click on "SUBMIT"

- (ii) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iii) Next enter the Image Verification as displayed and Click on Login.
- (iv) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (v) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|------------------------------|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the Sequence number which is mentioned in address Label affixed on Annual Report, in the PAN Field. <input type="checkbox"/> 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 sequence number 1 then enter RA00000001 in the PAN Field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field. |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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 on 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.

- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <UNIVERSAL ARTS LIMITED> on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print out of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
 - Institutional shareholders (i.e. other than Individuals, HUF and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) 1. In case a Member receives physical copy of the Notice of the AGM (for Members whose e-mail addresses are not registered with the Company / Depositories): i. Initial password is provided in the enclosed attendance slip: EVEN (E-voting Event Number) + USER ID and PASSWORD

2. Please follow all steps for e-voting for shareholders holding shares in physical mode to cast vote, as given above.
- (B) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system or poll paper.
- (C) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@cdsl.co.in. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.cdsl.com.
- (D) The Board of Directors has appointed M/s. Girish Murarka & Co., Practicing Company Secretary (Membership No.4576) as the Scrutinizer to scrutinize the remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (E) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- (F) The Chairman or authorized representative shall declare the results of the electronic voting after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company in the annual reports section.

**By Order of the Board
For UNIVERSAL ARTS LIMITED**

**Date : 5th September, 2020
Regd. Off:
Plot No. 45, First Floor,
Ganapati Bhavan, M. G. Road,
Goregaon (West),
Mumbai 400 062**

**Manish G. Shah
Managing Director
(DIN – 00434171)**

DIRECTORS' REPORT

To,
The Members
UNIVERSAL ARTS LIMITED

Your Directors are pleased to present the Twenty Fifth Annual Report together with the audited financial statements for the year ended on 31st March, 2020.

Financial Results:

| Particulars | Standalone | | Rupees in Lac Consolidated | |
|--|------------------------------|------------------------------|-------------------------------|------------------------------|
| | Financial Year 2019-20 | Financial Year 2018-19 | Financial Year 2019-20 | Financial Year 2018-19 |
| Revenue from Operations | 547.59 | 22.00 | 547.96 | 23.58 |
| Other Income | 17.55 | 45.66 | 21.19 | 45.66 |
| Total Income | 565.14 | 67.66 | 569.15 | 69.24 |
| Expenditure | 562.90 | 70.14 | 567.04 | 74.20 |
| Profit /(Loss) before tax | 2.24 | (2.48) | 2.11 | (4.96) |
| Share in Profit /(Loss) of Associates | Nil | Nil | Nil | Nil |
| Tax Expenses | 43,150 | Nil | 43,150 | Nil |
| MAT Credit | (43,150) | Nil | (43,150) | Nil |
| Excess/(Short) Tax provisions | Nil | Nil | Nil | Nil |
| Profit / (Loss) after Tax | 2.24 | (2.48) | 2.11 | (4.96) |
| Other Comprehensive Income/(Loss) | Nil | Nil | Nil | Nil |
| Total Comprehensive Income/(Loss) for the year | 2.24 | (2.48) | 2.11 | (4.96) |

COVID -19 IMPACT

The outbreak of Coronavirus (COVID-19) pandemic globally and in India has resulted in slow down of economic activities. The Company has evaluated the impact of this pandemic on its business operations during the year ended March 31, 2020. The pandemic has not materially impacted revenues of the Company for the year ended March 31, 2020

The extent to which the pandemic will impact Company's results will depend on future developments, which are highly uncertain, including, among things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of global health pandemic may be different from that estimated as at the approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions,

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, 2020

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 increase in the Income. Your Company posted Total Income of Rs. 565.14 lacs as against Rs 67.66 lacs during the previous year. During the year under review, the Company's income was increased, your Company posted s Profit after tax of Rs 2.24 lacs against loss of Rs 2.48 lacs during the previous year in the Standalone Audited Statement of Accounts

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.

OUTLOOK:

The theme of our annual report titled 'Changing Gears' is with the outlook to grow exponentially from here and increase our domestic and global presence. We have been successfully expanding our content library in diversified categories like regional, devotion, kids, comedy etc. In our quest to grow rapidly in the next few years, we will expand our boundaries to create premium experiences for the consumers. The Media & Entertainment industry has seen influx of new broadcasters and advent of digital media platforms post internet boom and cable digitization which has led to a large addressable base consuming entertainment content. We believe that we are one of the largest beneficiaries of this new digital phase of the industry. Our focus will always be to innovate our product offerings and continue to partner with newer players. The industry is expected to grow at a fast pace and we are once again ready to outpace the industry by 'Changing Gears'. The company's operations involve the distribution and monetization of our 3,700+ strong content library across Traditional Media, which includes Television (Satellite, Terrestrial and Cable Television), & other traditional media and Digital Media, which includes Mobile, Internet, OTT etc.

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 and there is no Associate Companies.

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, Mrs. Shilpa G. Shah (DIN: 02377431) will retire by rotation and being eligible offer herself for re-appointment. A brief resume / particulars relating to her is given separately in the Notice convening this 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 2019

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

CEO / CFO CERTIFICATION:

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The CEO / CFO certificate for the financial year 2019-20 has been submitted to the Board and the copy thereof is contained in the Annual Report.

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 the Company held Five(5) meetings of the Board of Directors as per Section 173 of Companies Act, 2013 on 18th May 2019, 14th August 2019, 30th August 2019, 14th November 2019 and 14th February, 2020

The frequency of board meetings and quorum at such meetings were in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and compliances of Secretarial Standards-1 (SS1) on Meeting of the Board of Directors issued by ICSI. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013, the Listing Regulations and SS-1.

BOARD COMMITTEE – AUDIT COMMITTEE

The Audit Committee is constituted pursuant to the provisions of of Section 177 of the Companies Act, 2013. Members of the Audit Committee possess financial / accounting expertise / exposure. Further, all the recommendations made by the Audit Committee were duly accepted by the Board of Directors..

The Composition of Audit Committee as on 31.03.2020 are as under :

| Sr. No. | Name of the Director | Position | Category |
|----------------|-----------------------------|-----------------|----------------------|
| 1 | Mr. P. R. Mohan | Chairman | Independent Director |
| 2 | Mr. Adil Khumbatta | Member | Independent Director |
| 3 | Mr. Manish G. Shah | Member | Executive Director |

Four meetings of the Audit Committee were held during the financial year 2019-20 on 18th May 2019, 14th August 2019, , 14th November 2019 and 14th February 2020. The accounts and financial positions were perused by the Audit Committee and thereafter placed before the Board for their consideration.

BOARD COMMITTEE – NOMINATION AND REMUNERATION

The Nomination and Remuneration Committee is constituted pursuant to the provisions of of Section 178 of the Companies Act, 2013. Members of the Nomination and Remuneration Committee possess sound expertise / knowledge / exposure.

The Composition of Nomination and Remuneration Committee as on 31.03.2020 are as under:

| Sr. No. | Name of the Director | Position | Category |
|----------------|-----------------------------|-----------------|------------------------|
| 1 | Mr. P. R. Mohan | Member | Independent Director |
| 2 | Mr. Adil Khumbatta | Member | Independent Director |
| 3 | Mr. Manish G. Shah | Chairman | Non-Executive Director |

Two meetings of the Nomination and Remuneration Committee were held during the financial year 2019-20 on 30th August 2019 and 14th February 2020

ANNUAL RETURN:

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

RISK MANAGEMENT

The Company operates in conditions where economic environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects.

The various elements of risk which the Directors think, that may threaten the existence of the Company are:

- a) Financial Risk: Financial risk generally arises due to instability and losses in the financial market caused by movements in stock prices, currencies, interest rates and more.
- b) Liquidity Risk: It is the risk that the Company will be unable to meet its financial commitment to a Bank/Financial Institution in any location, any currency at any point in time. The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss.
- c) Credit Risk: The risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation.

- d) Time Risk: To compensate for non-receipt of expected inflow of funds.

In line with Listing Regulations and as per the requirement of Section 134(3) (n) of the Companies Act, 2013 read with the rules made there under, as amended, Board has a framework for Risk Management to oversee the mitigation of such risks.

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.universalarts.in

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, 2020 and of the Profits 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:

M/s Gonsalves & Associates Chartered Accountants,(Firm Registration Number: 105839) the Statutory Auditor of the Company were appointed in the 24th Annual General Meeting of the company held on 30th September, 2019 from conclusion of the said meeting until the conclusion of 29th Annual General Meeting (subject to ratification of their appointment by the members at every Annual General Meeting) at such remuneration fixed by the Board of Directors.

The Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 have since been amended vide notification dated 7th May, 2018 of Ministry of Corporate Affairs and the requirement of ratification of appointment of Statutory Auditors by the Members at every Annual General Meeting has been done away with. Accordingly, no ratification of Appointment of M/s Gonsalves & Associates.,

Chartered Accountants, as the Statutory Auditors of the Company by the members is being sought in the ensuing Annual General Meeting.

During the year, the Statutory Auditors have confirmed that they satisfy the Independence Criteria required under the Companies Act, 2013 and Code of Ethics issued by the Institute of Chartered Accountants of India

AUDITORS REPORT

The observation of the Auditors in their report read with relevant notes on the accounts, as annexed are self-explanatory and do not call for any further explanation under section 134(3)(f)(i) of the Companies Act, 2013.

CEO / CFO CERTIFICATION:

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The CEO / CFO certificate for the financial year 2019-20 has been submitted to the Board and the copy thereof is contained in the Annual Report.

SECRETARIAL AUDIT:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed M/s Girish Murarka & Co., Company Secretaries in Practice having membership No. 7036 to undertake Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2019-20 as issued by him in the prescribed Form MR-3 is annexed to this Report as Annexure IV.

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:

The Details of Investment made and loan advanced by the Company have been given in note no. 4, and 8 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.

DISCLOSURE OF SECRETARIAL STANDARD BY DIRECTORS

The company complies with all applicable standards issued by the institute of Company Secretaries of India. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

CODE OF CONDUCT

Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the Company's website www.universalarts.in. All Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for Board Members and Senior Management during the financial year 2019-20.

The declaration in this regard has been made by the Management Director which forms the part of this report as an annexure.

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, 2020

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 |
|---|---|---------------------------|
| 29 th day of September, 2017 at 11.00 a.m. | Plot No. 45, Ganapati Bhavan, M. G. Road, Goregaon West, Mumbai 400 062 | No |
| 28 th day of September, 2018 at 12.00 noon | Plot No. 45, Ganapati Bhavan, M. G. Road, Goregaon West, Mumbai 400 062 | No |
| 30 th September, 2019 11.30 am | Plot No. 45, Ganapati Bhavan, M. G. Road, Goregaon West, Mumbai 400 062 | No |

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 (AGM) : 1stApril, 2019 to 31st March, 2020
- 2 Dividend Payment Date : NIL
3. Venue : Plot No. 45, Ganapati Bhavan, M. G. Road,
: Goregaon (West), Mumbai – 400062(Deemed) as the meeting
is
hold through Video Conference (VC) or other Audio
Visual
Means (OAVM)
- 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, Ganpati Bhavan, 1st Floor,
: M.G. Road, Goregaon (W), Mumbai - 400062
8. Share Transfer Agent : BigShare Services Private Limited
: Bharat Tin Works Building 1st Floor
: Opp. Vasant Oasis, Makwana Road,
: Marol, Andheri (E), Mumbai - 400059
- 9.ISIN : NE464801018
- 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, 2020 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
Universal Arts Limited**

**Place : Mumbai
Date : 05.09.2020**

**Manish G. Shah
CHAIRMAN & MANAGING DIRECTOR
DIN: 00434171**

CERTIFICATION BY MANAGING DIRECTOR OF UNIVERSAL ARTS LIMITED

We, Manish Shah, Managing Director of UNIVERSAL ARTS 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 31.03.2020 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, 2020 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

**For and on behalf of the Board
Universal Arts Limited**

**Place : Mumbai
Date : 05.09.2020**

**Manish G. Shah
CHAIRMAN & MANAGING DIRECTOR
DIN: 00434171**

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, 2020

**For and on behalf of the Board
Universal Arts Limited**

**Place : Mumbai
Date : 05.09.2020**

**Manish G. Shah
CHAIRMAN & MANAGING DIRECTOR
DIN: 00434171**

MANAGEMENT DISCUSSION & ANALYSIS

1. INDIAN MACRO ECONOMY AND ENVIRONMENT

India remains one of the fastest growing economies in the world and has been relatively less affected by the global turmoil given a strong domestic market. However, no country will remain completely immune to external factors in the global economy which has strong interlinks in modern times given globalisation. India will not be an exception and the Indian economy is in a period of unprecedented ambition and opportunity but bridled with challenges in its development. The economic growth in India is projected to be between 7.2% and 7.5% for the fiscal year 2019-20, with progress being buttressed by dynamic reforms in the macroeconomic, fiscal, tax and business environments. The Government of India has taken various initiatives to strengthen Annual Report 2018-19 41 Corporate Overview Statutory Reports Financial Statements the economic base and make it one of the strongest economies in the world. A sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructural developments from the Government could possibly be the contributing factors in providing further impetus to Indian economic growth. By 2030, India is expected to be the third largest economy in the world and aspires to become a high-middle level income country. India is projected to be the fifth largest by 2020 and India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 with sharp movements in the Direct Tax, GST, Foreign Direct Investment (FDI), ease of doing business and regulated monetary policy. As long-term GDP growth has become more stable, diversified, and resilient, there will be a greater focus on consumption and sectors that are dependent on discretionary spending. Private final consumption is estimated to grow as the economy is now set to be driven by rural demand due to rising income levels, changing lifestyle, habits, taste, increasing literacy level and increasing expectations of rural consumers. The consumption habits of the rural consumer are also gradually mirroring those of their urban counterparts. As incomes rise, the shape of the country's income pyramid is also changing dramatically, and as large portion of the population is moving from desperate poverty to sustainable life their needs and spending patterns will also change. Just like many other countries, India is significantly moving away from traditional means of content consumption and adapting to a more convenient, one-to-one interactions enabled by mobile phones. Mobile phones have increasingly become the primary source to access information, video-viewing, gaming and shopping. Backed with a promising shift, the opportunities for India's future for digital growth is significant as it continues to embrace the digital economy. India is one of the largest and fastest-growing markets for digital customers after China. According to industry reports, in 2018, India had 1.2 billion mobile phone subscribers and downloaded more than 12 billion apps. There were 560 million internet subscribers, where 8.3 gigabits of mobile data were consumed every month. The public and private sectors are playing a vital role in increasing digital consumption growth. While the Government has enrolled more than 1.2 billion Indians in its biometric digital identity programme –Aadhaar that has brought more than 10 million businesses onto a common digital platform through good and services tax, telecom service providers aim to provide internet enabled services to millions of consumers at lesser and affordable prices as 2013 onwards, the prices on data dropped by 95%. By 2023, India will have an increased number of internet users by 40%, that will result in approximately 800 million users with doubled smartphone users between 650 million and 700 million. There would be a proliferation of digital applications in most sectors of the Indian economy. All of these changes and developments augurs well for our business.

2. Media and Entertainment Sector Overview

The Global Media and Entertainment market expected to grow to around \$2.35 trillion by 2022 as against \$2 trillion in 2018. The sector is witnessing resurgence as convergence is taking place within the media segment itself, as providers and distributors link up with one another in

unprecedented and unexpected ways. The distinctions among varieties of media are collapsing and Companies that once offered only technology and distribution are moving into content and vice versa. The Media & Entertainment industry is in the business of providing creative content through the adoption of latest technology coupled with consumer demands. By its inherent nature, the industry is largely dependent on factors such as markets, cultures, languages, and consumer segments. Technological advancements and change in individuals outlook towards life have greatly affected content production, demand and consumption as it has evolved over the years. It's a period where consumers not only demand what they like but also, they select the format they wish to view it. There is a growing dependency on digital media in 42 Balaji Telefilms Limited Winning Indian Hearts Everywhere! many developed and developing countries. In today's fast-moving generation, the media and entertainment companies are increasing working hard to reach customers through their content. While television and radio play its part as traditional mediums, having an innovative technology backed digital platform is what most companies vouch for. With the launch of digital platforms, viewers get access to consume their information on their personal schedules. The year ahead looks promising as there are possibly exciting changes that are going to lead the M&E industry with new trends coupled with innovative technologies that create better opportunities for the growth of global Media & Entertainment industry. Video streaming, cord-cutting, personalized content and advertising and data privacy are expected to shape the world along with the launch of fifth-generation wireless technology that will be providing a host of new opportunities across Media & Entertainment industry.

3. Indian Media and Entertainment Sector Overview

According to IBEF reports, Indian media and entertainment (M&E) industry grew at a CAGR of 10.90 % from the previous year; and is expected to grow at a CAGR of 13.10% to touch Rs.2,660.20 billion (US\$ 39.68 billion) by FY23 from Rs.1,436.00 billion (US\$ 22.28 billion) in FY18. India's media consumption was higher than the US and China with the growth rate of CAGR of 9% during 2012-18, and India's advertising revenue is projected to reach Rs 1,232.70 billion (US\$ 18.39 billion) in FY23 from Rs 608.30 billion (US\$ 9.44 billion) in FY18. Similarly EY's estimate that the sector grew 13% to reach INR1.67 trillion and is expected to grow to INR2.35 trillion by 2021 (US\$33.6 billion). Indian M&E is going to witness a strong growth as technological disruptions are creating new opportunities for the sector. The rise of a billion screens in India provides a great opportunity for growth. With the help of technological advancements, the emergence of many platforms, marketing strategies and distribution, Indian M&E will reach the masses.

4. Indian Television Industry

In 2018, Indian television segment grew at 12% and reached INR740 billion. The growth took place due to the contribution of 14% from the advertising revenues and 11% from the subscription revenues. TV advertising grew on the regional properties and the number of private satellite channels increased to 885, of which 43% were classified as news channels. FMCG continues to be one of the largest drivers for ad spend and accounted for nearly 50% of the ad spend. Subscription revenues were driven by digitization efforts in DASIII and IV markets along with increase in ARPUs. There were 197 viewing households and TV penetration increased to 66% in 2018 from 64% in 2016. Nearly 88%. of these television homes were digitized. Greater penetration of LED / LCD / plasma television sets was observed and HD viewership increased by 57% all resulting in higher ARPUs. Improved electricity supply in many parts of the country is one of the major contributors to increased TV viewing in urban and rural India. For example In 2018, Bengal had an 11% reduction in power cuts, due to which TV viewing increased to 58%. TV remains the primary choice of entertainment for the majority of viewers. Total time spent increased to 3 hours 46 minutes per day and 77% of time spent on television was on escapism (GEC and film channels). Over the years, television content has changed and became more

interactive that led to the increased viewership in India. Hindi television content remained the king and continues to rule; nevertheless, viewership in South India relatively spent more time on TV viewing than the viewers in Hindi Speaking Markets. Going forward the television segment is going to have an average growth rate at 9% in the next three years, which will lead to INR955 billion by 2021. TV will continue to grow and remain the most effective medium to reach maximum audiences.

5. INDIAN FILM INDUSTRY

India is releasing more than a thousand films each year, and this has resulted in making India the largest movie producer in the world. Indian movies are known for its drama and colour, and this very feature of Indian cinema has made it greater in the global market. Rapid urbanization has resulted in increased demand for modern cinema screens featuring the best quality infrastructure and latest audio-visual systems which gave rise to more than 2000 multiplexes across the country and has proven to be the leading film market in the globe with 2.2 billion tickets sold in 2016 alone. In the year 2018, the film segment grew by 12.2% and reached INR174.5 billion even during the weak global economy. With growth driven at 59% by digital/ OTT rights, the home video segment continued to witness a decline. Number of films released across India declined from 1,807 in 2017 to 1,776 in 2018. Despite a decline in the number of movies released, 2018 was quite a successful year for the Indian film industry as the Hindi theatrical segments reached INR1 billion club almost every month. There was a total of 13 Hindi films that entered the INR100 crore club in 2018, the highest in the history. With Net box office collection of INR35.2 billion, 2018 was recorded with the highest collections ever for Hindi theatricals at the box office. Indian film segments every year witnesses a massive demand from overseas theatrical markets. In 2018, there were over 120- 125 Indian movies that had been released in 25 global territories among which USA, UK, Gulf, Australia, Canada and Pakistan were the key theatrical markets. China proved to be the largest International markets for Indian cinema content. Broadcast rights market continued to grow as movies contributed 24% of television viewership and Rights grew from INR19 billion in 2017 to INR21.2 billion in 2018. Digital rights redefined the green lighting process and they grew from INR8.5 billion to INR13.5 billion as online platforms invested heavily in exclusive film rights and premium windowing 2018 saw the rise of the digital-only film market.

GIRISH MURARKA & CO.

Company Secretaries

Ground Floor, Wing "A", Flat No. 001, Bharateeya Kala Mandal C/2, Co-op. Hsg. Soc. Ltd.
Om Nagar, Andheri (East), Mumbai 400 099

Phone (O) : 2839 2294

Email : girishmurarka@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2020

(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, 2020 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.
(The Company is yet to file Form INC-22A pursuant to Rules 25A of Companies (Incorporation) Rules, 2014 and thereby the Status of the Company is "Active Non-Compliant)
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder. **(Not Applicable to the Company during the audit period)**
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. **(Not Applicable to the Company during the audit period)**
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)**

Continued on ...2...

- 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 with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. *The Company is yet to appoint Key Managerial Personnel like CFO and Company Secretary in compliance of section 203 of the Companies Act, 2013*
- b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting
- 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
- d) The Company is in the process to appoint Whole Time Company Secretary in compliance of the requirement of Company Secretary as well as SEBI(LODR), 2015
- e) *The existing Independent – Non Executive Directors Mr. P. R. Mohan Mr. Harshdrai H. Shsh and Mr. Adil Khumbatta has not yet comply with the provisions of Independent Directors Registration. However the Management has assured us that the aforesaid compliance will be complied with on or before 30th September, 2020*

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

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

**Place: Mumbai
Date : 06.09.2020
UDIN – A007036B000671788**

**Girish Murarka
CP-4576**

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.

GIRISH MURARKA & CO.

Company Secretaries

*Ground Floor, Wing "A", Flat No. 001, Bharateeya Kala Mandal C/2, Co-op. Hsg. Soc. Ltd.
Om Nagar, Andheri (East), Mumbai 400 099*

Phone (O) : 2839 2294

Email : girishmurarka@gmail.com

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**

**Place: Mumbai
Date : 06.09.2020
UDIN – A007036B000671788**

**Girish Murarka
CP-4576**

ANNEXURE – I

List of documents verified:

1. Memorandum & Articles of Association of the Company
2. Annual Report for the financial year ended March 31, 2018 and March 31, 2019
3. Minutes of meeting of Board of Directors, Audit Committee, Nomination & Remuneration Committee along with attendance register held during the financial year under report
4. Minutes of General Body Meeting held during the financial year under report
5. Statutory Registers
6. Agenda papers provided to all the Directors / Members for the Board Meeting and Committee Meeting
7. Declaration received from Directors of the Company pursuant to the provisions of section 184 of the Companies Act, 2013
8. E-forms filed by the Company, from time to time, under the applicable provisions of the Companies Act, 1956/ 2013 and attachments thereof during the financial year under report.



GONSALVES & ASSOCIATES

CHARTERED ACCOUNTANTS

Regd.1989

Glenn R. Gonsalves B.Com., LLB., FCA, DISA

Office No.2, First Floor, Radha Building, Telli Gully, Andheri (E), Mumbai - 400069

Tel. : 7208095792 / 9372477715 * Mobile : 9920317933

E-mail : glen.office@gmail.com, Website: www.casgdgna.com



MSME No.- MH18D0135001

INDEPENDENT AUDITORS' REPORT

To the Members of

UNIVERSAL ARTS LIMITED (Formerly known as Goldmines Media Limited)

CIN:-L22300MH1995PLC091082

Report on the Ind AS Financial Statements

- 1) We have audited the accompanying standalone Ind AS financial statements of **UNIVERSAL ARTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31' 2020, 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS 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 standalone Ind AS 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 standalone Ind AS 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



standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 2020, 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 standalone Ind AS 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, Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) on the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, 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.

For Gonsalves & Associates
Chartered Accountants



Glen R Gonsalves : Proprietor
Membership No. : 043150
Firm Reg. No. : 103293W

Place : Mumbai
Date : 29/06/2020

UDIN : 20043150AAAADR4993

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, 2020.

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 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) Based on the records of Company examined by us, there are no statutory dues mentioned in sub clause vii (b) on account of any dispute except VAT and CST liability for the year 2005-06 which are outstanding as appeal is ongoing, company has made part payment against the assessment orders.
- 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 Gonsalves & Associates
Chartered Accountants



Glen R Gonsalves : Proprietor
Membership No. : 043150
Firm Reg. No. : 103293W

Place : Mumbai
Date : 29/06/2020

UDIN : 20043150AAAADR4993

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, 2020.

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, 2020 in conjunction with our audit of the standalone Ind AS 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 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, 2020, 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 Gonsalves & Associates
Chartered Accountants



Glen R Gonsalves : Proprietor
Membership No. : 043150
Firm Reg. No. : 103293W

Place : Mumbai
Date : 29/06/2020

UDIN : 20043150AAAADR4993

UNIVERSAL ARTS LIMITED
(Formerly Known as Goldmines Media Limited)
CIN:- L22300MH1995PLC091082
Balance Sheet as on 31st March' 2020.

| Particulars | Note No | AS ON 31-03-2020 (Rs.) | AS ON 31-03-2019 (Rs.) |
|----------------------------------|---------|---------------------------|---------------------------|
| 1. ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| a. Property, Plant and Equipment | 2 | 527,653 | 540,261 |
| b. Financial Assets | | | |
| i. Investments | 3 | 9,100,000 | 9,100,000 |
| ii. Loans and advances | 4 | 8,968,357 | 5,713,005 |
| 2. CURRENT ASSETS | | | |
| a. Inventories | 12 | 8,177,500 | 9,500,000 |
| b. Financial Assets | | | |
| i. Trade receivables | 5 | 1,199,800 | 6,954,000 |
| ii. Cash and cash equivalents | 6 | 50,972,162 | 48,136,284 |
| iii. Loans and advances | 7 | 4,341,244 | 6,320,080 |
| iv. Other Current Assets | 8 | 908,797 | 1,199,949 |
| TOTAL | | 84,195,512 | 87,463,579 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| a. Equity Share Capital | 9 | 99,872,030 | 99,872,030 |
| b. Other Equity | | (19,864,852) | (20,089,142) |
| 1. CURRENT LIABILITIES | | | |
| a. Other Current Liabilities | 10 | 4,188,334 | 7,680,691 |
| TOTAL | | 84,195,512 | 87,463,579 |

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 GONSALVES & ASSOCIATES
CHARTERED ACCOUNTANTS

GLEN RICHARD
GONSALVES

GLEN R. GONSALVES
PROPRIETOR
MEMBERSHIP NO. 043150
FIRM NO. 103293W
UDIN:20043150AAAADR4993
PLACE: MUMBAI
DATE : 29/06/2020



For and on Behalf of The Board of
Directors

MANISH
GIRISH SHAH

MANISH SHAH
MANAGING DIRECTOR
DIN:-00434171

ULKA
MANISH
SHAH

ULKA SHAH
DIRECTOR
DIN:-00434277

PLACE: MUMBAI
DATE : 29/06/2020

UNIVERSAL ARTS LIMITED
(Formerly Known as Goldmines Media Limited)
CIN:- L22300MH1995PLC091082

Statement of Profit and Loss for the period ended on 31st March' 2020.

| Particulars | Note No | AS ON 31-03-2020 (Rs.) | AS ON 31-03-2019 (Rs.) |
|--|---------|---------------------------|---------------------------|
| I. Revenue from operations | | | |
| Sales | | 54,758,750 | 2,200,000 |
| II. Other Income | 11 | 1,754,972 | 4,566,497 |
| III. Total Revenue (I +II) | | 56,513,722 | 6,766,497 |
| IV. Expenses: | | | |
| a)Purchase of Stock-in-Trade | | 47,777,500 | 11,100,000 |
| b)Changes in Inventories | 12 | 1,322,500 | (9,500,000) |
| b)Employee Benefit expenses | 13 | 4,126,876 | 3,423,052 |
| c)Depreciation and amortization expense | 2 | 12,608 | 12,608 |
| d)Other expenses | 14 | 3,049,949 | 1,978,390 |
| IV. Total Expenses | | 56,289,433 | 7,014,050 |
| V. Profit before tax (III-IV) | | 224,289 | (247,552) |
| VI. Tax expense: | | | |
| Current tax | | 43,150 | - |
| MAT Credit | | (43,150) | - |
| VII. Profit/(Loss) for the period (V-VI) | | 224,289 | (247,552) |
| VIII. Earning per equity share: | | | |
| (1) Basic | | 0.02 | N.A. |
| (2) Diluted | | 0.02 | N.A. |

Summary of Significant Accounting policies

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 GONSALVES & ASSOCIATES
CHARTERED ACCOUNTANTS

GLEN RICHARD
GONSALVES

Chartered Accountant
FCA No. 43150
Member of Institute of Cost Accountants of India
Member of Institute of Financial Accountants of India
Member of Institute of Tax Accountants of India
Member of Institute of Management Accountants of India
Member of Institute of Public Accountants of India
Member of Institute of Tax Practitioners of India
Member of Institute of Chartered Accountants of India
Member of Institute of Cost Accountants of India
Member of Institute of Financial Accountants of India
Member of Institute of Management Accountants of India
Member of Institute of Public Accountants of India
Member of Institute of Tax Practitioners of India
Member of Institute of Chartered Accountants of India



GLEN R. GONSALVES

PROPRIETOR

MEMBERSHIP NO. 043150

FIRM NO. 103293W

UDIN:20043150AAAADR4993

PLACE: MUMBAI

DATE : 29/06/2020

For and on Behalf of The Board of

Directors

MANISH
GIRISH
SHAH

ULKA
MANIS
H SHAH

MANISH SHAH

MANAGING DIRECTOR

DIN:-00434171

ULKA SHAH

DIRECTOR

DIN:-00434277

PLACE: MUMBAI

DATE : 29/06/2020

UNIVERSAL ARTS LIMITED
(Formerly Known as Goldmines Media Limited)
CIN:- L22300MH1995PLC091082

Notes forming part of the Financial Statements for the period ended 31st March' 2020.

| PARTICULARS | 31-03-2020. (Rs.) | 31-03-2019. (Rs.) |
|---|----------------------|----------------------|
| Note 3 : 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 |
| TOTAL | 9,100,000 | 9,100,000 |
| NOTE 4:- LOANS AND ADVANCES | | |
| i. Security Deposits | | |
| Reliance Energy Limited | 51,260 | 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 2012-2013 | 45,443 | 45,443 |
| T.D.S. - A Y 2018-2019 | - | 47,910 |
| MAT Credit - A Y 2017-2018 | 1,671 | 1,671 |
| MAT Credit - A Y 2020-2021 | 43,150 | - |
| VAT / CST Part Payment against pending disputes | | |
| - CST 2005-06 | 326,410 | 200,000 |
| - VAT 2005-06 | 412,561 | 200,000 |
| iii. Loans to Non Related Parties | | |
| A.R. Commercial Pvt Ltd | 2,702,500 | 2,500,000 |
| Siddhartha Super Spinning Mills Ltd | 2,582,110 | - |
| Manish Resins & Polymers Pvt Ltd | 2,635,720 | 2,500,000 |
| TOTAL | 8,968,357 | 5,713,005 |
| Note 5 : TRADE RECEIVABLES | | |
| Trade Receivables outstanding for more than six months from the date they became due for payment : | | |
| | 10,000 | 10,000 |
| Other Trade receivable | | |
| Unsecured considered good | 1,189,800 | 6,944,000 |
| TOTAL | 1,199,800 | 6,954,000 |
| Note 6 : CASH AND CASH EQUIVALENTS | | |
| A) Balances with Banks | | |
| Cash at Bank (in current A/c) | 136,907 | 304,234 |
| Other Bank Balances: FDR | 50,600,000 | 47,500,000 |
| B) Cash in hand | | |
| | 235,255 | 332,050 |
| TOTAL | 50,972,162 | 48,136,284 |
| Note 7 : 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. Advance for Films | | |
| Advance for Films | 600,000 | 2,550,000 |
| Sub Total | 600,000 | 2,550,000 |
| c. Balance with Government Authorities | | |
| TDS A Y 2019-20 | - | 60,080 |
| TDS A Y 2020-21 | 74,394 | - |
| Less: Provision for Income Tax | (43,150) | - |
| Sub Total | 31,244 | 60,080 |
| TOTAL | 4,341,244 | 6,320,080 |



UNIVERSAL ARTS LIMITED
(Formerly Known as Goldmines Media Limited)
CIN:- L22300MH1995PLC091082

Notes forming part of the Financial Statements for the period ended 31st March' 2020.

| PARTICULARS | 31-03-2020. (Rs.) | 31-03-2019. (Rs.) |
|---|--|--|
| Note 8 : OTHER CURRENT ASSETS | | |
| Interest on Loan Receivable | - | 529,089 |
| Interest on FD Receivable | 90,774 | 15,811 |
| CGST Carry Forward | 409,011 | 327,525 |
| SGST Carry Forward | 409,011 | 327,524 |
| TOTAL | 908,797 | 1,199,949 |
| Note 9 : EQUITY | | |
| Equity Share Capital | | |
| Authorised Share Capital | | |
| 1,10,00,000 Equity Shares of Rs.10/- each | 110,000,000 | 110,000,000 |
| Issued and Subscribed Share Capital | | |
| 1,10,00,000 Equity Shares of Rs.10/- each | 110,000,000 | 110,000,000 |
| 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 |
| TOTAL | 99,872,030 | 99,872,030 |
| * 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 |
| No shareholders hold more than 5% shares of the company | - | - |
| TOTAL | - | - |
| Note 10 : OTHER CURRENT LIABILITIES | | |
| Trade Payables | 3,818,432 | 7,194,000 |
| Outstanding Expenses | 369,902 | 486,691 |
| TOTAL | 4,188,334 | 7,680,691 |
| Note 11 : OTHER INCOME | | |
| Interest Income | 754,972 | 566,497 |
| Compensation Received | 1,000,000 | 4,000,000 |
| TOTAL | 1,754,972 | 4,566,497 |
| Note 12 : Changes in Inventories | | |
| Opening Stock | 9,500,000 | - |
| Less: Closing Stock | (8,177,500) | (9,500,000) |
| TOTAL | 1,322,500 | (9,500,000) |
| Note 13 : EMPLOYEE BENEFIT EXPENSES | | |
| <u>Salaries and wages, bonus, gratuity and allowances:</u> | | |
| Salary, Bonus & Exgratia | 3,980,861 | 3,284,779 |
| <u>Staff Welfare Expenses</u> | | |
| Staff Welfare Expenses | 146,015 | 138,273 |
| TOTAL | 4,126,876 | 3,423,052 |
| Note 14 : Other EXPENSES | | |
| Advertising Expenses | 57,143 | 61,748 |
| Audit Fees | 40,000 | 33,040 |
| AGM Expenses | 43,886 | 29,500 |
| Annual Charges | 60,069 | 58,727 |
| Books and Periodicals | 36,863 | 36,375 |
| Business Promotion expenses | 419,966 | 117,947 |
| Electricity charges | 4,548 | 24,400 |
| Conveyance Expenses | 215,338 | 219,836 |
| Commission Paid | 659,000 | - |
| Interest on late payment of Statutory Dues | 27,905 | 18,888 |
| Late Filing Fees | 9,230 | - |
| Listing fees | 300,000 | 250,000 |
| Miscellaneous expenses | 128,205 | 138,114 |
| Office expenses | 141,019 | 137,972 |
| Postage & Telegram | 149,771 | 146,792 |
| Printing & Stationery | 243,413 | 181,095 |
| Professional Fees | 111,500 | 98,000 |
| Profession Tax | 2,500 | 2,500 |
| Property Tax | - | 28,986 |
| Registrar fees | 59,800 | 56,207 |
| Repairs & Maintenance | 136,608 | 130,049 |
| Filing Fees | 9,760 | - |
| Rent, Rates & Taxes | 37,662 | 51,900 |
| Telephone, Telex & Courier | 155,763 | 145,122 |
| Bank Charges | - | 1,192 |
| Website Development Charges | - | 10,000 |
| TOTAL | 3,049,949 | 1,978,390 |



UNIVERSAL ARTS LIMITED
(Formerly Known as Goldmines Media Limited)
CIN:- L22300MH1995PLC091082

Notes forming part of the Financial Statements for the period ended 31st March 2020.

Note 15 :-

There are no dues to parties registered under Micro, Small and Medium Enterprises Development Act 2006 as on 31.03.2020

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 2020 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 31/03/2020 | Amount as on 31/03/2019 |
|--|--------------------------------|-------------------------|-------------------------|
| Goldmines Telefilms Private Limited. | Compensation received | 1,000,000 | 4,000,000 |
| Relax Appliances Pvt Limited. | Purchase of Film | - | 1,680,000 |
| Jonquil Cinevision Limited. | Purchase of Film | - | 5,264,000 |
| Midastouch Dyes & Intermediaries Limited. | Sale of Film | - | 2,200,000 |
| Midastouch Dyes & Intermediaries Limited. | Purchase of Film | 3,077,500 | - |
| Goldmines Telefilms Private Limited. | Advance for Film | 40,000,000 | 54,300,000 |
| Goldmines Telefilms Private Limited. | Advance for Film received back | (40,000,000) | (54,300,000) |
| Goldmines Telefilms Private Limited. | Sale of Films | 54,750,000 | - |
| Rotocap Real Estate Developers Private Limited. | Advance for Film | - | 2,500,000 |
| Reeyan Cinevision Limited. | Advance for Film | - | 50,000 |
| Reeyan Cinevision Limited. | Advance for Film received back | 50,000 | - |
| Midastouch Holdings Private Limited. | Loan Given | - | 3,710,000 |

As per our separate Audit Report of Even Date Attached

**FOR GONSALVES & ASSOCIATES
CHARTERED ACCOUNTANTS**

GLEN RICHARD
GONSALVES

GLEN R. GONSALVES
PROPRIETOR
MEMBERSHIP NO. 043150
FIRM NO. 103293W
UDIN:20043150AAAADR4993
PLACE: MUMBAI
DATE : 29/06/2020



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

MANISH
GIRISH SHAH

MANISH SHAH
MANAGING DIRECTOR
DIN:-00434171

PLACE: MUMBAI
DATE : 29/06/2020

ULKA
MANISH
SHAH

ULKA SHAH
DIRECTOR
DIN:-00434277

NOTE 2 :PROPERTY, PLANT AND EQUIPMENT

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

| Sr No. | Description | Gross Carrying Amount | | | Accumulated Depreciation | | | Accumulated Impairment | | | Net Carrying Amount | | | | |
|--------|------------------------|-----------------------|---------------------------------------|----------------------------|--------------------------|------------------|--------------------------|----------------------------|------------------|------------------|--------------------------|--------------------------|------------------|------------------|-------------------|
| | | As on 31-03-2019 | Additional adjustment during the year | Deductions during the year | As on 31-03-2020 | As on 31-03-2019 | Provided during the year | Deductions during the year | As on 31-03-2020 | As on 31-03-2019 | Reversed during the year | Provided during the year | As on 31-03-2020 | As on 31-03-2019 | As on 31-03-2020 |
| | | (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 | 209,740 | 12,608 | - | 222,348 | - | - | - | - | 540,260 | 527,652 |
| 2 | Plant and Machinery | 2,057,400 | - | - | 2,057,400 | 2,057,400 | - | - | 2,057,400 | - | - | - | - | (0) | (0) |
| 3 | Patent & Content Right | 1,475,230 | - | - | 1,475,230 | 1,475,230 | - | - | 1,475,230 | - | - | - | - | - | - |
| | TOTAL | 4,282,630 | - | - | 4,282,630 | 3,742,370 | 12,608 | - | 3,754,978 | - | - | - | - | 540,261 | 527,653 |



UNIVERSAL ARTS LIMITED
(Formerly known as GOLDMINES MEDIA LIMITED)

Schedule of Fixed Assets as per Income Tax Act, 1961

| | RATE OF DEPR. | W.D.V. as on 01/04/2019 | Additions | | Deductions | Depreciation | | | W.D.V. as on 3/31/2020 |
|-------------------------------|------------------|-------------------------------|----------------------|---------------------|------------|---------------------|--------------------|---------------|------------------------------|
| | | | before 30/09/2019 | after 30/09/2019 | | before 9/30/2019 | after 9/30/2019 | Total | |
| Tangible Assets | | | | | | | | | |
| Building | 10% | 290,565 | - | - | - | 29,057 | - | 29,057 | 261,509 |
| Edit Machine | 15% | 48,403 | - | - | - | 7,260 | - | 7,260 | 41,142 |
| Hi Band | 15% | 10,116 | - | - | - | 1,517 | - | 1,517 | 8,599 |
| Tv ,Monito,Rvcr & Accessories | 15% | 11,947 | - | - | - | 1,792 | - | 1,792 | 10,155 |
| Air conditioner | 15% | 8,240 | - | - | - | 1,236 | - | 1,236 | 7,004 |
| Mobile Phone | 15% | 3,251 | - | - | - | 488 | - | 488 | 2,764 |
| Computers | 40% | 0 | - | - | - | 0 | - | 0 | 0 |
| Office Equipment | 15% | 7,805 | - | - | - | 1,171 | - | 1,171 | 6,634 |
| Furnitures | 10% | 92,783 | - | - | - | 9,278 | - | 9,278 | 83,505 |
| Intangible Assets | | | | | | | | | |
| Portal & Content Right | 25% | 7,630 | - | - | - | 1,907 | - | 1,907 | 5,722 |
| | | 480,741 | - | - | - | 53,707 | - | 53,707 | 427,034 |





GONSALVES & ASSOCIATES

CHARTERED ACCOUNTANTS

Regd.1989

Glenn R. Gonsalves B.Com., LLB., FCA, DISA

Office No.2,First Floor,Radha Building, Telli Gully, Andheri (E), Mumbai - 400069

Tel. : 7208095792 / 9372477715 * Mobile : 9920317933

E-mail : glen.office@gmail.com, Website: www.casgdgna.com



MSME No.- MH18D0135001

INDEPENDENT AUDITORS' REPORT

To

The Members of

Universal Arts Limited (Formerly known as Goldmine Media Limited)

{CIN: - L22300MH1995PLC091082}

REPORT ON THE CONSOLIDATED 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, 2020, 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.. 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.

AUDITORS' 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 Ind AS and other accounting principles generally accepted in India of the consolidated state of affairs of the Company as at 31st March 2020, 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, Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) on the basis of written representations received from the directors as on March 31, 2020, 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, 2020, 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.

For Gonsalves & Associates
Chartered Accountants



Glen R Gonsalves : Proprietor
Membership No. : 043150
Firm Reg. No. : 103293W
Place : Mumbai
Date : 29/06/2020
UDIN : 20043150AAAADS6907

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, 2020.

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, 2020, 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 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, 2020, 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 Gonsalves & Associates
Chartered Accountants



Glen R Gonsalves : Proprietor
Membership No. : 043150
Firm Reg. No. : 103293W
Place : Mumbai
Date : 29/06/2020
UDIN : 20043150AAAADS6907

UNIVERSAL ARTS LIMITED
CIN: - L22300MH1995PLC091082
(Formerly Known as Goldmines Media Limited)

Consolidated Balance Sheet as on 31st, March 2020

| Particulars | Note No | AS ON 31-03-2020 (Rs.) | AS ON 31-03-2019 (Rs.) |
|----------------------------------|---------|------------------------------|------------------------------|
| 1. ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| a. Property, Plant and Equipment | 2 | 527,652 | 540,261 |
| b. Financial Assets | | | |
| i. Investments | 3 | 171,621 | 171,621 |
| ii. Loans and advances | 4 | 8,999,444 | 5,901,593 |
| 2. CURRENT ASSETS | | | |
| a. Inventories | | 8,212,500 | 9,535,000 |
| b. Financial Assets | | | |
| i. Trade receivables | 5 | 1,677,456 | 7,394,156 |
| ii. Cash and cash equivalents | 6 | 51,160,429 | 48,401,656 |
| iii. Loans and advances | 7 | 4,358,744 | 6,335,830 |
| iv. Other Current Assets | 8 | 908,797 | 1,199,949 |
| TOTAL | | 76,016,643 | 79,480,065 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| a. Equity Share Capital | 9 | 99,872,030 | 99,872,030 |
| b. Other Equity | | (28,473,196) | (28,684,381) |
| 1. CURRENT LIABILITIES | | | |
| a. Trade Payables | 10 | 4,228,432 | 7,761,500 |
| b. Other Current Liabilities | 11 | 389,377 | 530,916 |
| TOTAL | | 76,016,643 | 79,480,065 |

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 GONSALVES & ASSOCIATES
CHARTERED ACCOUNTANTS

GLEN RICHARD
GONSALVES

GLEN R. GONSALVES
PROPRIETOR
MEMBERSHIP NO. 043150
FIRM NO. 103293W



UDIN:20043150AAAADS6907
PLACE: MUMBAI
DATE : 29/06/2020

For and on Behalf of The Board of Directors

MANISH
GIRISH SHAH

MANISH SHAH
MANAGING DIRECTOR
DIN:-00434171

ULKA
MANISH
SHAH

ULKA SHAH
DIRECTOR
DIN:-00434277

PLACE: MUMBAI
DATE : 29/06/2020

UNIVERSAL ARTS LIMITED
(Formerly Known as Goldmines Media Limited)
CIN: - L22300MH1995PLC091082

Consolidated Statement of Profit and Loss for the period ended on 31st March 2020.

| Particulars | Note No | AS ON 31-03-2020 (Rs.) | AS ON 31-03-2019 (Rs.) |
|--|---------|---------------------------|---------------------------|
| I. Revenue from operations | | | |
| Sales | | 54,796,250 | 2,357,500 |
| II. Other Income | 12 | 2,119,072 | 4,566,497 |
| III. Total Revenue (I +II) | | 56,915,322 | 6,923,997 |
| IV. Expenses: | | | |
| a) Purchase of Stock-in-Trade | | 47,777,500 | 11,100,000 |
| b) Changes in Inventories | 13 | 1,322,500 | (9,500,000) |
| b) Employee Benefit expenses | 14 | 4,342,566 | 3,637,216 |
| c) Depreciation and amortization expense | 2 | 12,608 | 12,608 |
| d) Other expenses | 15 | 3,248,964 | 2,169,985 |
| IV.Total expenses | | 56,704,138 | 7,419,809 |
| v. Profit Before Taxes (III - IV) | | 211,184 | (495,811) |
| VI. Tax expense: | | | |
| (1) Current tax | | 43,150 | - |
| (2) MAT Credit | | (43,150) | - |
| | | - | - |
| VII. Profit After Taxes (V - VI) | | 211,184 | (495,811) |
| VIII Earnings Per Share | | | |
| (1) Basic | | N.A. | N.A. |
| (2) Diluted | | N.A. | N.A. |

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 GONSALVES & ASSOCIATES
CHARTERED ACCOUNTANTS

GLEN RICHARD
GONSALVES

GLEN R. GONSALVES
PROPRIETOR

MEMBERSHIP NO. 043150
FIRM NO. 103293W



UDIN:20043150AAAADS6907

PLACE: MUMBAI

DATE : 29/06/2020

For and on Behalf of The Board of

Directors

MANISH
GIRISH SHAH

MANISH SHAH
MANAGING DIRECTOR

DIN:-00434171

ULKA
MANISH
SHAH

ULKA SHAH
DIRECTOR

DIN:-00434277

PLACE: MUMBAI

DATE : 29/06/2020

UNIVERSAL ARTS LIMITED
CIN: - L22300MH1995PLC091082
(Formerly Known as Goldmines Media Limited)

Notes forming part of the Financial Statements for the period ended on 31st March' 2020.

| UNIVERSAL ARTS LIMITED | 31-03-2020. (Rs.) | 31-03-2019. (Rs.) |
|---|----------------------|----------------------|
| Note 3 : INVESTMENT | | |
| INVESTMENTS (Non-trade, Long term at cost) In Equity Shares (Quoted & fully paid up) | 171,621 | 171,621 |
| TOTAL | 171,621 | 171,621 |
| NOTE 4:- LOANS AND ADVANCES | | |
| i. Security Deposits | | |
| Reliance Energy Limited | 51,260 | 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 2012-2013 | 45,443 | 45,443 |
| T.D.S. - A.Y.2015-2016 | 19,044 | 19,044 |
| T.D.S. - A.Y.2016-2017 | 12,043 | 12,043 |
| T.D.S. - A.Y.2017-2018 | - | - |
| T.D.S. - A.Y.2018-2019 | - | 205,410 |
| MAT Credit - A.Y.2017-2018 | 1,671 | 1,671 |
| MAT Credit - A.Y.2020-2021 | 43,150 | - |
| <i>VAT / CST Part Payment against pending disputes</i> | - | - |
| - CST 2005-06 | 326,410 | 200,000 |
| - VAT 2006-06 | 412,561 | 200,000 |
| iii. Loans to Non Related Parties | | |
| - A.R. Commercial Pvt Ltd | 2,702,500 | 2,500,000 |
| - Siddhartha Super Spinning Mills Ltd | 2,582,110 | - |
| - Manish Resins & Polymers Pvt Ltd | 2,635,720 | 2,500,000 |
| TOTAL | 8,999,444 | 5,901,593 |
| Note 5 : TRADE RECEIVABLES | | |
| Trade Receivables outstanding for more than six months from the date they became due for payment : | | |
| Unsecured considered good | 487,656 | 450,156 |
| Other Trade receivable | | |
| Unsecured considered good | 1,189,800 | 6,944,000 |
| TOTAL | 1,677,456 | 7,394,156 |
| Note 6 : CASH AND CASH EQUIVALENTS | | |
| A) Balances with Banks | | |
| Cash at Bank (in current A/c) | 199,351 | 398,863 |
| Other Bank Balances: FDR | 50,600,000 | 47,500,000 |
| B) Cash in hand | | |
| | 361,079 | 502,794 |
| TOTAL | 51,160,429 | 48,401,656 |
| Note 7 : 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 | - | - |
| Sub Total | - | - |



UNIVERSAL ARTS LIMITED
CIN: - L22300MH1995PLC091082
(Formerly Known as Goldmines Media Limited)

Notes forming part of the Financial Statements for the period ended on 31st March' 2020.

| UNIVERSAL ARTS LIMITED | 31-03-2020. (Rs.) | 31-03-2019. (Rs.) |
|--|----------------------|----------------------|
| c. Advance for Films | | |
| Advance for Films | 600,000 | 2,550,000 |
| Sub Total | 600,000 | 2,500,000 |
| d. Balance with Government Authorities | | |
| TDS A Y 2020-21 | 91,894 | - |
| TDS A Y 2019-20 | | 75,830 |
| Less Provision for Income Tax | (43,150) | - |
| Sub Total | 48,744 | 75,830 |
| TOTAL | 4,358,744 | 6,335,830 |
| Note 8 : OTHER CURRENT ASSETS | | |
| Interest on Loan Receivable | - | 529,089 |
| Interest on FD Receivable | 90,774 | 15,811 |
| CGST Carry Forward | 409,011 | 327,525 |
| SGST Carry Forward | 409,011 | 327,524 |
| TOTAL | 908,797 | 1,199,949 |
| Note 9 : EQUITY | | |
| EQUITY SHARE CAPITAL | | |
| Authorised Share Capital | | |
| 1,10,00,000 Equity Share of Rs.10/- Each | 110,000,000 | 110,000,000 |
| Issued and Subscribed Share Capital | | |
| 1,00,00,800 Equity Share of Rs.10/- Each | 100,008,000 | 100,008,000 |
| 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 |
| TOTAL | 99,872,030 | 99,872,030 |
| Note 10: TRADE PAYABLE | | |
| Sundry Creditors | 4,228,432 | 7,761,500 |
| TOTAL | 4,228,432 | 7,761,500 |
| Note 11 : OTHER CURRENT LIABILITIES | | |
| Outstanding Expenses | 389,377 | 530,916 |
| TOTAL | 389,377 | 530,916 |
| Note 12 : OTHER INCOME | | |
| Interest Income | 754,972 | 566,497 |
| Compensation Received | 1,000,000 | 4,000,000 |
| Commission Income | 350,000 | - |
| Interest on IT Refund | 14,100 | - |
| TOTAL | 2,119,072 | 4,566,497 |



UNIVERSAL ARTS LIMITED
CIN: - L22300MH1995PLC091082
(Formerly Known as Goldmines Media Limited)

Notes forming part of the Financial Statements for the period ended on 31st March' 2020.

| UNIVERSAL ARTS LIMITED | 31-03-2020. (Rs.) | 31-03-2019. (Rs.) |
|---|----------------------|----------------------|
| Note 13 : CHANGES IN INVENTORIES | | |
| Opening Stock | 9,535,000 | 35,000 |
| Less: Closing Stock | (8,212,500) | (9,535,000) |
| TOTAL | 1,322,500 | (9,500,000) |
| Note 14 : EMPLOYEE BENEFIT EXPENSES | | |
| Salaries and wages, bonus, gratuity and allowances; Salary, Bonus & Exgratia | 4,176,861 | 3,480,779 |
| <u>Staff Welfare Expenses</u> Staff Welfare Expenses | 165,705 | 156,437 |
| TOTAL | 4,342,566 | 3,637,216 |
| Note 15 : OTHER EXPENSES | | |
| Account Writing Charges | 20,000 | 20,000 |
| Advertising Expenses | 57,143 | 61,748 |
| Audit Fees | 50,000 | 43,040 |
| AGM Expenses | 43,886 | 29,500 |
| Annual Charges | 60,069 | 58,727 |
| Books and Periodicals | 46,492 | 44,848 |
| Business Promotion expenses | 484,669 | 181,966 |
| Electricity charges | 4,548 | 24,400 |
| Conveyance Expenses | 225,942 | 230,027 |
| Demat Charges | 1,770 | 1,770 |
| Commission Paid | 659,000 | - |
| Interest on late payment of Statutory Dues | 27,905 | 2,232 |
| Late Filing Fees | 9,230 | - |
| Listing fees | 300,000 | 283,326 |
| Filing Fees | - | - |
| Miscellaneous expenses | 138,737 | 131,823 |
| Office expenses | 141,019 | 137,972 |
| Postage & Telegram | 169,396 | 159,050 |
| Printing & Stationery | 258,526 | 189,681 |
| Professional Fees | 131,500 | 131,500 |
| Profession Tax | 2,500 | 2,500 |
| Property Tax | - | 28,986 |
| Registrar fees | 59,800 | 56,207 |
| Repairs & Maintenance | 136,608 | 130,049 |
| Filing Fees | 17,660 | - |
| Rent, Rates & Taxes | 37,662 | 55,800 |
| Telephone, Telex & Courier | 164,787 | 153,408 |
| Bank Charges | 115 | 1,425 |
| Website Development Charges | - | 10,000 |
| TOTAL | 3,248,964 | 2,169,985 |



UNIVERSAL ARTS LIMITED
(Formerly Known as Goldmines Media Limited)
CIN: - L22300MH1995PLC091082

Notes forming part of the Financial Statements for the period ended on 31st March, 2020.

Note 16 :-

There are no dues to parties registered under Micro, Small and Medium Enterprises Development Act 2006 as on 31.03.2019.

Note 17 :-

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

Note 18 :-

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

Note 19 :-

The balance confirmations in respect of debtors, creditors, advances, loans and deposits as at 31st March 2019 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 20 :-

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 21 :- Related Party Disclosure

| Company in which director of the Company is Director | Nature of transaction | Amount as on 31/03/2020 | Amount as on 31/03/2019 |
|--|--------------------------------|-------------------------|-------------------------|
| Goldmines Telefilms Private Limited. | Compensation received | 1,000,000 | 4,000,000 |
| Relax Appliances Pvt Limited. | Purchase of Film | - | 1,680,000 |
| Jonquil Cinevision Limited. | Purchase of Film | - | 5,264,000 |
| Midastouch Dyes & Intermediaries Limited. | Sale of Film | - | 2,200,000 |
| Midastouch Dyes & Intermediaries Limited. | Purchase of Film | 3,077,500 | - |
| Goldmines Telefilms Private Limited. | Advance for Film | 40,000,000 | 54,300,000 |
| Goldmines Telefilms Private Limited. | Advance for Film received back | (40,000,000) | (54,300,000) |
| Goldmines Telefilms Private Limited. | Sale of Films | 54,750,000 | - |
| Rotocap Real Estate Developers Private Limited. | Advance for Film | - | 2,500,000 |
| Reecyan Cinevision Limited. | Advance for Film | - | 50,000 |
| Reecyan Cinevision Limited. | Advance for Film received back | 50,000 | - |
| Midastouch Holdings Private Limited. | Loan Given | - | 3,710,000 |

As per our separate Audit Report of Even Date Attached

**FOR GONSALVES & ASSOCIATES
CHARTERED ACCOUNTANTS**

GLEN RICHARD
GONSALVES

GLEN R. GONSALVES
PROPRIETOR
MEMBERSHIP NO. 043150
FIRM NO. 103293W



UDIN:20043150AAAADS6907
PLACE: MUMBAI
DATE : 29/06/2020

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

MANISH
GRISH SHAH

MANISH SHAH
MANAGING DIRECTOR
DIN:-00434171

ULKA
MANISH
SHAH

ULKA SHAH
DIRECTOR
DIN:-00434277

PLACE: MUMBAI
DATE : 29/06/2020

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

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

| Sr No. | Description | Gross Carrying Amount | | | Accumulated Depreciation | | | Accumulated Impairment | | | Net Carrying Amount | | | | |
|--------|---------------------|-----------------------|--|----------------------------|--------------------------|------------------|--------------------------|----------------------------|------------------|------------------|--------------------------|--------------------------|------------------|------------------|-------------------|
| | | As on 31-03-2019 | Additional adjustments during the year | Deductions during the year | As on 31-03-2020 | As on 31-03-2019 | Provided during the year | Deductions during the year | As on 31-03-2020 | As on 31-03-2019 | Reversed during the year | Provided during the year | As on 31-03-2020 | As on 31-03-2019 | As on 31-03-2020 |
| | | (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 | 209,740 | 12,608 | - | 222,348 | - | - | - | - | 540,260 | 527,652 |
| 2 | Plant and Machinery | 2,057,400 | - | - | 2,057,400 | 2,057,400 | - | - | 2,057,400 | - | - | - | - | (0) | (0) |
| | TOTAL | 2,807,400 | - | - | 2,807,400 | 3,254,503 | 12,608 | - | 2,279,748 | - | - | - | - | 540,260 | 527,652 |

