

27TH ANNUAL REPORT – 2025-26

BABA ARTS LIMITED

(CIN: L72200MH1999PLC119177)

BABA ARTS LIMITED
CIN L72200MH1999PLC119177

BOARD & COMMITTEES

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
(AS ON 31ST MARCH, 2026 AND UP TO 9TH OCTOBER, 2026)

Mr. Nikhil G. Tanwani
Chairman & Managing Director

Mrs. Malavika A. Acharya
Non-Executive Non-Independent Director
Member- Audit Committee
Member- Nomination & Remuneration Committee
Member- Stakeholders' Relationship Committee

Mr. Hemraj G. Chheda
Non-Executive Independent Director
Chairman – Audit Committee Member
Chairman – Nomination & Remuneration Committee
Member- Stakeholders' Relationship Committee

Mr. Hasmukh N. Shah (Upto 15th January, 2026)
Non-Executive Independent Director
Member- Stakeholders' Relationship Committee
Member- Audit Committee
Member- Nomination & Remuneration Committee

Mr. Shekhar S. Menon
Non-Executive Independent Director
Chairman- Stakeholders' Relationship Committee
Member- Nomination & Remuneration Committee
Member- Audit Committee

Chief Financial Officer (CFO)
Mr. Ajay D. Acharya
Company Secretary & Compliance Officer
Mr. Naishadh H. Mankad

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (WITH EFFECT FROM 9TH OCTOBER, 2026)

Ms. Vidya Pische
Managing Director

Mr. Chadresh Dutt Upadhyay
Non-Executive Independent Director
Chairperson- Nomination & Remuneration Committee
Member- Stakeholders' Relationship Committee
Member-Audit Committee

Ms. Neeru Saini
Non-Executive Independent Director
Chairperson-Audit Committee
Member- Nomination & Remuneration Committee
Member- Stakeholders' Relationship Committee

Mr. Eknath Bade
Non-Executive Non-Independent Director
Chairperson- Stakeholders' Relationship Committee
Member- Nomination & Remuneration Committee
Member-Audit Committee

Mr. Hardeep Darshan Singh Sangha
Non Independent Executive Director

Mr. Naishadh H. Mankad
Company Secretary & Compliance Officer

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

Registrar & Transfer Agent
MUFG Intime India Private Limited
C-101, Embassy 247, 1st Floor, LBS Marg,
Gandhi Nagar, Vikhroli (West),
Mumbai-400083
Tel: (022) 4918 6000
Fax: +91 22 4918 6060
Email: investor.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com

HDFC Bank, Indralok Branch
Lokhandwala, Andheri(W), Mumbai-400053

Registered Office & Studio
Baba Arts Limited
B1 & B4, Baba House,
86, M.V.Road, Andheri East, Mumbai 400093
Email: babaartslimited@yahoo.com/investors@babaartslimited.com
Contact : 022-49794623 Website: www.babaartslimited.com
CIN L72200MH1999PLC119177 / ISIN: INE893A01036

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

NOTICE OF THE 27TH ANNUAL GENERAL MEETING

(TO BE HELD THROUGH VIDEO CONFERENCING / OTHER AUDIO-VISUAL MEANS)

NOTICE is hereby given that the **27th (Twenty-Seventh) Annual General Meeting** ("27th AGM" or "Meeting") of the Members of **BABA ARTS LIMITED** ("the Company") will be held on **Tuesday, the 3rd November, 2026 at 11.30 a.m. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), within the time extended up to 15th November, 2026 by the Registrar of Companies, Mumbai under the second proviso to Section 96(1) of the Companies Act, 2013, and in accordance with General Circular No. 03/2025 dated 22nd September, 2025 read with the earlier circulars issued by the Ministry of Corporate Affairs in this behalf and the applicable circulars issued by the Securities and Exchange Board of India (collectively, "the said Circulars"), to transact the following business:

The deemed venue of the 27th AGM shall be the Registered Office of the Company at B-1 & B-4, Baba House, 86, M. V. Road, Andheri (East), Mumbai 400093.

ORDINARY BUSINESS

ITEM NO. 1 – ADOPTION OF AUDITED FINANCIAL STATEMENTS

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2026, comprising the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, together with the Notes and Schedules forming part thereof, and the Reports of the Board of Directors and the Statutory Auditors thereon; and, in this connection, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2026, comprising the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, together with the Notes forming part thereof, and the Reports of the Board of Directors and the Statutory Auditors thereon, as laid before this Meeting and initialled by the Chairman for the purpose of identification, be and are hereby received, considered and adopted."

SPECIAL BUSINESS

ITEM NO. 2 – APPOINTMENT OF MS. VIDYA PISHE (DIN: 11881924) AS A DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Articles of Association of the Company, and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms.

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Vidya Pishe (DIN: 11881924), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 9th October, 2026 and who holds office up to the date of this Annual General Meeting under Section 161(1) of the Act, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM NO. 3 – APPOINTMENT OF MS. VIDYA PISHE (DIN: 11881924) AS MANAGING DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Act read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 17(1C) of the Listing Regulations and Article 89 of the Articles of Association of the Company, and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent and approval of the Members be and is hereby accorded to the appointment of Ms. Vidya Pishe (DIN: 11881924) as the Managing Director of the Company for a period of 5 (five) years with effect from 9th October, 2026 up to 8th October, 2031, liable to retire by rotation, on the remuneration and upon the terms and conditions set out in the Explanatory Statement annexed to this Notice, with liberty to the Board of Directors (which expression shall be deemed to include the Nomination and Remuneration Committee) to alter, vary and revise the terms and conditions of the said appointment and/or remuneration from time to time, in such manner as may be agreed to between the Board of Directors and Ms. Vidya Pishe, within the limits prescribed under Schedule V to the Act."

"**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of the tenure of Ms. Vidya Pishe as Managing Director, the remuneration approved herein shall be paid to her as minimum remuneration for a period not exceeding three years from 9th October, 2026, subject to the limits and conditions specified in Section II of Part II of Schedule V to the Act."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to execute and file all such agreements, forms and documents as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO. 4 – APPOINTMENT OF MR. EKNATH RAMKRUSHNA BADE (DIN: 11523239) AS A DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1C) of the Listing Regulations, and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Eknath Ramkrushna Bade (DIN: 11523239), who was appointed as an Non Executive Additional Director of the Company by the Board of Directors with effect from 6th October, 2026 and who holds office up to the date of this Annual General Meeting pursuant to Section 161(1) of the Act, , be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation."

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ITEM NO. 5 – APPOINTMENT OF MR. HARDEEP DARSHAN SINGH SANGHA (DIN: 11752789) AS A DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1C) of the Listing Regulations, and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Hardeep Darshan Singh Sangha (DIN: 11752789), who was appointed as an Executive Additional Director of the Company by the Board of Directors with effect from 6th October, 2026 and who holds office up to the date of this Annual General Meeting pursuant to Section 161(1) of the Act, be and is hereby appointed as a Executive Director of the Company, liable to retire by rotation."

ITEM NO. 6 – APPOINTMENT OF MS. NEERU SAINI (DIN: 03617003) AS AN INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereto and the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulations 16(1)(b), 17(1C) and 25 of the Listing Regulations, and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Neeru Saini (DIN: 03617003), who was appointed as an Additional Director in the category of Independent Director with effect from 9th October, 2026, who has submitted a declaration that she meets the criteria of independence prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a first term of 5 (five) consecutive years commencing from 9th October, 2026 up to 8th October, 2031."

"**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby severally authorised to file e-Form DIR-12 with the Registrar of Companies, Mumbai, and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO. 7 – APPOINTMENT OF MR. CHANDRESH DUTT UPADHYAY (DIN: 01140078) AS AN INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereto and the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulations 16(1)(b), 17(1C) and 25 of the Listing Regulations, and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Chandresh Dutt Upadhyay (DIN: 01140078), who was appointed as an Additional Director in the category of Independent Director with effect from 9th October, 2026, who has submitted a declaration that he meets the criteria of independence prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, who is eligible for appointment and be and is hereby appointed as an Independent Director of

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the Company, not liable to retire by rotation, to hold office for a first term of 5 (five) consecutive years commencing from 9th October, 2026 up to 8th October, 2031."

"**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby severally authorised to file e-Form DIR-12 with the Registrar of Companies, Mumbai, and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO. 8 – APPOINTMENT OF THE SECRETARIAL AUDITOR FOR A FIRST TERM OF FIVE CONSECUTIVE YEARS

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Regulation 24A of the Listing Regulations, Section 204 and other applicable provisions, if any, of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and on the recommendation of the Audit Committee and the Board of Directors, M/s. G. R. Gupta & Associates, Company Secretaries in Whole-Time Practice (Certificate of Practice No. 8554), holders of a valid Peer Review Certificate No. 6200/2024 issued by the Peer Review Board of the Institute of Company Secretaries of India, be and are hereby appointed as the Secretarial Auditor of the Company for a first term of 5 (five) consecutive years, to hold office from the conclusion of this 27th Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company, to conduct the secretarial audit of the Company for the financial years 2026-27 to 2030-31, at a remuneration as may be decided by the board of directors of the Company, plus applicable taxes and reimbursement of out-of-pocket expenses for the financial year 2026-27, and thereafter at such remuneration as may be mutually agreed upon between the Board of Directors and the Secretarial Auditor."

"**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

For Baba Arts Limited

Naishadh H. Mankad

Company Secretary & Compliance Officer

CSI Membership No.: A2996

Place: Mumbai

Date: 9th October, 2026

Registered Office: B-1 & B-4, Baba House, 86, M. V. Road, Andheri (East), Mumbai 400093 | CIN: L72200MH1999PLC119177

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NOTES

1. In accordance with General Circular No. 03/2025 dated 22nd September, 2025 read with the earlier circulars issued by the Ministry of Corporate Affairs ("MCA") in this behalf, and the applicable circulars issued by the Securities and Exchange Board of India ("SEBI") (collectively, "the said Circulars"), the 27th AGM is being convened through VC / OAVM without the physical presence of the Members at a common venue. The deemed venue of the 27th AGM shall be the Registered Office of the Company at B-1 & B-4, Baba House, 86, M. V. Road, Andheri (East), Mumbai 400093.
2. The Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts concerning the items of Special Business under Item Nos. 2 to 8 of this Notice, is annexed hereto. The details of the Directors seeking appointment at this Meeting, as required under Regulation 36(3) of the Listing Regulations and Paragraph 1.2.5 of Secretarial Standard-2 on General Meetings ("SS-2"), are set out in Annexure A to this Notice.
3. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at a general meeting is entitled to appoint a proxy to attend and vote on his/her behalf, and such proxy need not be a Member of the Company. However, since the 27th AGM is being held through VC / OAVM in terms of the said Circulars and physical attendance of Members at a common venue is not required, the facility for appointment of proxies by the Members will **not** be available for the 27th AGM and, accordingly, the Proxy Form (Form MGT-11), the Attendance Slip and the route map are not annexed to this Notice. Body corporates are, however, entitled to appoint their Authorised Representatives under Section 113 of the Companies Act, 2013 to attend the 27th AGM through VC / OAVM and to vote on their behalf, subject to a certified copy of the relevant Board resolution / authorisation being sent to the Scrutinizer by e-mail.
4. The **cut-off date** for the purpose of determining the Members entitled to cast their votes by remote e-voting and by e-voting (Insta Poll) at the 27th AGM is **Tuesday, the 27th October, 2026**. Only those Members whose names appear in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote. A person who is not a Member as on the cut-off date should treat this Notice as being for information purposes only.
5. **REMOTE E-VOTING:** Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the Listing Regulations and Secretarial Standard-2 on General Meetings, the Company is providing to its Members the facility to cast their votes electronically on all the resolutions set out in this Notice through the e-voting services provided by MUFG Intime India Private Limited (formerly Link Intime India Private Limited) ("Intime"). The remote e-voting period shall commence on **Friday, the 30th October, 2026 at 9.00 a.m. (IST)** and shall end on **Monday, the 2nd November, 2026 at 5.00 p.m. (IST)**. The remote e-voting module shall be disabled by Intime for voting thereafter. Members who have cast their votes by remote e-voting prior to the 27th AGM may also attend the Meeting through VC / OAVM, but shall not be entitled to cast their votes again.

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6. **PROCEDURE FOR REMOTE E-VOTING AND FOR JOINING THE 27TH AGM THROUGH VC / OAVM:** The detailed instructions for remote e-voting and for joining the 27th AGM through VC / OAVM are set out in **Annexure B** to this Notice. For any technical assistance in relation to remote e-voting, Members may contact the Intime helpdesk at enotices@in.mpms.mufg.com or on Tel.: 022-4918 6000.
7. Members who have not registered their e-mail addresses are requested to register the same with their respective Depository Participants (in respect of shares held in dematerialised form) or with the Company's Registrar and Share Transfer Agent, MUFG Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 (in respect of shares held in physical form).
8. **JOINING THE 27TH AGM THROUGH VC / OAVM:** Members may join the 27th AGM through VC / OAVM by following the procedure set out in **Annexure B** to this Notice. The link to join the Meeting will be made available to the Members registered with the Company / Depositories. The facility for joining the Meeting through VC / OAVM shall be kept open 15 (fifteen) minutes before the scheduled time of commencement of the Meeting and shall remain available throughout the proceedings. Large shareholders (i.e. Members holding 2% or more of the shares), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee, the Auditors and the Scrutinizer are encouraged to attend the 27th AGM through VC / OAVM. Members attending the 27th AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. **E-VOTING AT THE MEETING (INSTA POLL):** In accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company shall provide the Insta Poll facility during the 27th AGM to enable Members attending the Meeting through VC / OAVM, and who have not cast their votes by remote e-voting, to cast their votes at the Meeting.
10. **M/s. G. R. Gupta & Associates, Company Secretaries in Whole-Time Practice (Certificate of Practice No. 8554),** has been appointed as the **Scrutinizer** to scrutinise the remote e-voting process and the e-voting (Insta Poll) at the 27th AGM in a fair and transparent manner.
11. The Scrutinizer shall, immediately after the conclusion of voting at the 27th AGM, first count the votes cast at the Meeting through Insta Poll and 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 shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of and against each resolution, if any, to the Chairman or the Managing Director or, failing them, to the Company Secretary and Compliance Officer, not later than two working days from the conclusion of the 27th AGM. The results shall be declared forthwith upon receipt of the Scrutinizer's Report.
12. The results declared, along with the Scrutinizer's Report, shall be placed on the website of the Company at www.babaartslimited.com and on the website of the e-voting service provider at www.evoting.mufgintime.in, and shall simultaneously be communicated to **BSE Limited**, where the

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equity shares of the Company are listed, within the time prescribed under Regulation 44(3) of the Listing Regulations.

- 13.** All the documents referred to in this Notice and in the Explanatory Statement annexed hereto, including the letter of resignation of the outgoing Secretarial Auditor, the written consent and eligibility certificate of M/s. G. R. Gupta & Associates, the declarations of independence received from the Independent Directors, the notices received from Members under Section 160(1) of the Act, the draft letters of appointment of the Independent Directors and the terms and conditions of appointment of the Managing Director and the Whole-Time Director, shall be available for inspection by the Members in electronic mode from the date of circulation of this Notice up to the date of the 27th AGM. Members desirous of inspecting any such document may send a request by e-mail to investors@babaartslimited.com or babaartslimited@yahoo.com.
- 14.** The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act shall be available for inspection by the Members in electronic mode during the continuance of the 27th AGM upon a request being sent to investors@babaartslimited.com.
- 15.** The Annual Report of the Company for the financial year 2025-26, comprising the Audited Financial Statements, the Board's Report, the Corporate Governance Report, the Management Discussion and Analysis Report and other statutory documents, together with this Notice, is being sent only by electronic mode to all the Members whose e-mail addresses are registered with the Company / Depositories, in terms of the said Circulars. Members who have not registered their e-mail addresses are requested to do so as stated in Note 7 above. The Annual Report is also available on the website of the Company at **www.babaartslimited.com** and on the website of BSE Limited at **www.bseindia.com**. In terms of Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where the complete Annual Report is available, is being sent to those Members whose e-mail addresses are not registered with the Company / Depositories.
- 16.** Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and the subsequent circulars issued in this behalf, the Company and its Registrar and Share Transfer Agent are not permitted to process any service request from Members holding shares in physical form unless the relevant folios are KYC-compliant. Members holding shares in physical form are accordingly urged to complete the registration / updation of PAN, address, bank account details, specimen signature, nomination and e-mail address with the Company's Registrar and Share Transfer Agent at the earliest, as service requests in respect of folios which are not KYC-compliant shall remain frozen.
- 17.** Pursuant to Section 152(6) of the Act, the Directors proposed to be appointed under Item Nos. 2, 4 and 5 of this Notice shall, upon their appointment at this Annual General Meeting, be liable to retire by rotation at subsequent Annual General Meetings; the Independent Directors proposed to be appointed under Item Nos. 6 and 7 are not liable to retire by rotation. As the entire Board of the Company has been reconstituted with effect from 9th October, 2026 through the appointment of Additional

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Directors, no Director is liable to retire by rotation at this 27th AGM and, accordingly, no item relating to the re-appointment of a Director retiring by rotation forms part of the Ordinary Business.

- 18.** Members whose shares have been transferred to the Investor Education and Protection Fund ("IEPF") may claim the same from the IEPF Authority by making an online application in Form IEPF-5, in accordance with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
- 19.** Members who have any query or grievance in connection with the 27th AGM, or who require any assistance, may write to the Company Secretary and Compliance Officer at investors@babaartslimited.com or babaartslimited@yahoo.com.

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EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(5) of the Listing Regulations]

The following Explanatory Statement, pursuant to Section 102(1) of the Act, sets out all the material facts relating to the items of Special Business under Item Nos. 2 to 10 of the accompanying Notice. The details required under Regulation 36(3) of the Listing Regulations and SS-2 in respect of the Directors seeking appointment are set out in Annexure A, and the disclosures required under Regulation 36(5) of the Listing Regulations in respect of the Secretarial Auditor are set out under Item Nos. 9 and 10 below.

ITEM NOS. 2 AND 3 – APPOINTMENT OF MS. VIDYA PISHE (DIN: 11881924) AS A DIRECTOR AND AS MANAGING DIRECTOR

Consequent upon the change in control of the Company in favour of Skybridge Interactive LLP pursuant to the Share Purchase Agreement dated 25th February, 2026 and the open offer made under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and the resignation of Mr. Nikhil G. Tanwani as Managing Director and Director of the Company with effect from 9th October, 2026, the Board of Directors, at its Meeting held on 9th October, 2026, appointed Ms. Vidya Pishé (DIN: 11881924) as an Additional Director in capacity of Managing Director of the Company on the recommendation of the Nomination and Remuneration Committee and, at the same Meeting, on the recommendation of the reconstituted Nomination and Remuneration Committee, appointed her as the Managing Director of the Company for a period of 5 (five) years with effect from 9th October, 2026 up to 8th October, 2031, liable to retire by rotation, subject to the approval of the Members.

Ms. Vidya Pishé holds office as an Additional Director only up to the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013, and her appointment as a Director requires the approval of the Members. Her appointment as Managing Director requires the approval of the Members by way of an Ordinary Resolution under Sections 196 and 197 of the Act read with Schedule V thereto. Further, in terms of Regulation 17(1C) of the Listing Regulations, the approval of the Members is required to be obtained at the next general meeting or within three months from the date of appointment, whichever is earlier.

Information in accordance with Schedule V of Companies Act, 2013:

I. GENERAL INFORMATION:

Nature of Industry	Film and television content production and distribution, trading of film intellectual property rights, digital media content and post-production activities
Date or expected date of commencement of commercial production	N.A. Since the Company has already commenced its business activities
In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects	N.A.

BABA ARTS LIMITED

CIN: L72200MH1999PLC119177

B1 & B4, Baba House, 86, M.V. Road, Andheri (East), Mumbai 400093

Tel: 022-49794623

Website: www.babaartslimited.com

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

Financial Performance:

(INR in Lakhs)

Particulars	March 31 2026	March 31 2025	March 31 2024
Total Income	1594.52	688.53	1146.18
Depreciation	6.39	6.00	6.00
Total Expenses	1510.87	494.46	975.51
Net Profit	65.30	143.84	197.42
Paid-up Capital	525.00	525.00	525.00
Reserves & Surplus	2215.17	2150.82	2010.80

Foreign Investments or collaborations, if any- There is no direct foreign investment in the Company. There is no foreign collaboration in the Company.

II. INFORMATION ABOUT THE DIRECTOR:

Background details	Ms. Vidya Pishe is a professional with experience in business management, administration and strategic functions. She possesses skills in organisational management, business development, planning and stakeholder coordination. Her experience and professional capabilities are expected to contribute to the overall growth and strategic development of the Company.
Past remuneration	Not applicable
Job profile and his suitability	As Managing Director of the Company, Ms. Vidya Pishe shall be entrusted with the overall management and affairs of the Company, subject to the supervision and control of the Board of Directors.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Taking into account the size of the Company, industry benchmark in general, profile, position, responsibilities, capabilities and the involvement of Ms. Vidya Pishe in the Company, the proposed remuneration is reasonable and in line with the remuneration levels in the Industry, across the Country and befits his position.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	None

The terms and conditions of appointment and the remuneration of Ms. Vidya Pishe as Managing Director, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, are as under:

Particulars	Details
Designation	Managing Director
Period of appointment	5 (five) years, from 9th October, 2026 up to 8th October, 2031
Liable to retire by rotation	Yes

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Key Managerial Personnel	Yes – under Sections 2(51) and 203 of the Act
Basic salary	Rs. 40,000/- per month
House rent allowance / perquisites	Rs. 20,000/- per month
Other allowances and benefits	Rs. 20,000/- per month
Total remuneration (per annum)	Rs. 9,60,000/- per annum
Minimum remuneration	In the event of absence or inadequacy of profits in any financial year during the currency of the tenure, the above remuneration shall be paid as minimum remuneration for a period not exceeding three years from 9th October, 2026, subject to the limits and conditions prescribed under Section II of Part II of Schedule V to the Act.
Notice period	Thirty Days
Sitting fees	Not entitled to any sitting fees for attending meetings of the Board or its Committees.
Powers and duties	Subject to the superintendence, control and direction of the Board of Directors, she shall exercise substantial powers of management of the affairs of the Company, subject to the provisions of Section 179 of the Act and the Articles of Association of the Company.

The above remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013 and the Rules made thereunder, and the Company is not required to obtain the approval of the Central Government in respect thereof. The Nomination and Remuneration Committee has confirmed that the proposed remuneration is commensurate with the responsibilities to be discharged by Ms. Vidya Pishe. Ms. Vidya Pishe satisfies the conditions set out in Part I of Schedule V to the Act and is not disqualified from being appointed as a Director in terms of Section 164 of the Act. She has furnished her consent to act as Director in Form DIR-2, her disclosure of interest in Form MBP-1 and her declaration of non-disqualification in Form DIR-8. The statement containing the information required under clause (iv) of the second proviso to Section II of Part II of Schedule V to the Act is set out after the Explanatory Statement for Item Nos. 5 and 6.

A brief profile of Ms. Vidya Pishe, as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings, is set out in **Annexure A** to this Notice.

The Board of Directors recommends the Ordinary Resolutions set out at Item Nos. 2 and 3 of the accompanying Notice for the approval of the Members.

Except Ms. Vidya Pishe herself and her relatives, to the extent of her appointment and remuneration, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 2 and 3.

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ITEM NO. 4 – APPOINTMENT OF MR. EKNATH BADE (DIN: 11523239) AS A DIRECTOR

Mr. Eknath Bade (DIN: 11523239) was appointed as an Non Executive Additional Director (Non-Executive) of the Company by the Board of Directors at its Meeting held on 9th October, 2026, on the recommendation of the Nomination and Remuneration Committee, pursuant to Section 161(1) of the Act, and holds office only up to the date of this Annual General Meeting. As a Non-Executive Director, he will be entitled only to sitting fees for attending meetings of the Board and its Committees.

Mr. Eknath Bade is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has furnished his consent to act as Director in Form DIR-2, his disclosure of interest in Form MBP-1 and his declaration of non-disqualification in Form DIR-8. In terms of Regulation 17(1C) of the Listing Regulations, the approval of the Members is required to be obtained at the next general meeting or within three months from the date of his appointment by the Board, whichever is earlier. His brief profile is set out in **Annexure A** to this Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

Except Mr. Eknath Bade himself and his relatives, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

ITEM NOS. 5 – APPOINTMENT OF MR. HARDEEP DARSHAN SINGH SANGHA (DIN: 11752789) AS A DIRECTOR

Mr. Hardeep Singh Sangha (DIN: 11752789) was appointed as an Executive Additional Director of the Company by the Board of Directors at its Meeting held on 9th October, 2026, on the recommendation of the Nomination and Remuneration Committee, pursuant to Section 161(1) of the Act, and holds office only up to the date of this Annual General Meeting.

Mr. Hardeep Darshan Singh Sangha is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has furnished his consent to act as Director in Form DIR-2, his disclosure of interest in Form MBP-1 and his declaration of non-disqualification in Form DIR-8. In terms of Regulation 17(1C) of the Listing Regulations, the approval of the Members is required to be obtained at the next general meeting or within three months from the date of his appointment by the Board, whichever is earlier. His brief profile is set out in **Annexure A** to this Notice

The Board of Directors recommends the Ordinary Resolutions set out at **Item Nos. 5** of the accompanying Notice for the approval of the Members.

Except Mr. Hardeep Darshan Singh Sangha himself and his relatives, to the extent of his appointment and remuneration, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 and 6.

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ITEM NO. 6 – APPOINTMENT OF MS. NEERU SAINI (DIN: 03617003) AS AN INDEPENDENT DIRECTOR

Ms. Neeru Saini (DIN: 03617003) was appointed as an Additional Director of the Company in the category of Independent Director by the Board of Directors at its Meeting held on 9th October, 2026, on the recommendation of the Nomination and Remuneration Committee, to hold office for a first term of 5 (five) consecutive years from 9th October, 2026 up to 8th October, 2031, not liable to retire by rotation, subject to the approval of the Members by way of a Special Resolution. She holds office as an Additional Director only up to the date of this Annual General Meeting.

Ms. Neeru Saini has submitted a declaration confirming that she meets the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations, and that she is not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact her ability to discharge her duties with an objective independent judgement and without any external influence. She has registered her name in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs ("IICA") pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has furnished her consent in Form DIR-2 and her declaration in Form DIR-8.

In the opinion of the Board, Ms. Neeru Saini fulfils the conditions specified in the Companies Act, 2013, the Rules made thereunder and the Listing Regulations for appointment as an Independent Director, is independent of the management of the Company, and possesses the requisite integrity, expertise and experience (including the proficiency) for such appointment. In terms of Regulation 17(1C) of the Listing Regulations, the approval of the Members is required to be obtained at the next general meeting or within three months from the date of her appointment by the Board, whichever is earlier. Pursuant to Regulation 25(2A) of the Listing Regulations, the appointment of an Independent Director requires the approval of the Members by way of a Special Resolution.

The Nomination and Remuneration Committee, after evaluating the balance of skills, knowledge and experience on the Board, has prepared a description of the role and capabilities required of an Independent Director. In terms of Regulation 36(3) of the Listing Regulations, the skills and capabilities required for the role, and the manner in which Ms. Neeru Saini meets such requirements, are given in the enclosed annexure A.

Her brief profile is set out in **Annexure A** to this Notice. The terms and conditions of her appointment are available on the website of the Company at www.babaartslimited.com.

The Board of Directors recommends the Special Resolution set out at Item No. 7 of the accompanying Notice for the approval of the Members.

Except Ms. Neeru Saini herself and her relatives, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

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ITEM NO. 7 – APPOINTMENT OF MR. CHANDRESH DUTT UPADHYAY (DIN: 01140078) AS AN INDEPENDENT DIRECTOR

Mr. Chandresh Dutt Upadhyay (DIN: 01140078) was appointed as an Additional Director of the Company in the category of Independent Director by the Board of Directors at its Meeting held on 9th October, 2026, on the recommendation of the Nomination and Remuneration Committee, to hold office for a first term of 5 (five) consecutive years from 9th October, 2026 up to 8th October, 2031, not liable to retire by rotation, subject to the approval of the Members by way of a Special Resolution.

Mr. Chandresh Dutt Upadhyay has submitted a declaration confirming that he meets the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations, and that he is not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence. He has registered his name in the Independent Directors' Databank maintained by the IICA pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has furnished his consent in Form DIR-2 and his declaration in Form DIR-8.

In the opinion of the Board, Mr. Chandresh Dutt Upadhyay fulfils the conditions specified in the Companies Act, 2013, the Rules made thereunder and the Listing Regulations for appointment as an Independent Director, is independent of the management of the Company, and possesses the requisite integrity, expertise and experience (including the proficiency) for such appointment. In terms of Regulation 17(1C) of the Listing Regulations, the approval of the Members is required to be obtained at the next general meeting or within three months from the date of his appointment by the Board, whichever is earlier. Pursuant to Regulation 25(2A) of the Listing Regulations, the appointment of an Independent Director requires the approval of the Members by way of a Special Resolution.

The Nomination and Remuneration Committee, after evaluating the balance of skills, knowledge and experience on the Board, has prepared a description of the role and capabilities required of an Independent Director. In terms of Regulation 36(3) of the Listing Regulations, the skills and capabilities required for the role, and the manner in which Mr. Chandresh Dutt Upadhyay meets such requirements, are given in the enclosed annexure A.

His brief profile is set out in **Annexure A** to this Notice. The terms and conditions of his appointment are available on the website of the Company at www.babaartslimited.com.

The Board of Directors recommends the Special Resolution set out at Item No. 8 of the accompanying Notice for the approval of the Members.

Except Mr. Chandresh Dutt Upadhyay himself and his relatives, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

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ITEM NO. 8

APPOINTMENT OF SECRETARIAL AUDITORS FOR A TERM OF FIVE CONSECUTIVE YEARS

M/s. Dholakia & Associates LLP, Company Secretaries, the Secretarial Auditor of the Company, tendered their resignation with effect from 9th October, 2026, resulting in a casual vacancy in the office of Secretarial Auditor. The Board of Directors, at its Meeting held on 9th October, 2026, on the recommendation of the Audit Committee, appointed M/s. G. R. Gupta & Associates, Company Secretaries in Whole-Time Practice, to fill the said casual vacancy, to hold office from the conclusion of the said Board Meeting until the conclusion of this 27th Annual General Meeting. The Members are requested to approve, ratify and confirm the said appointment.

Upon the conclusion of the 27th Annual General Meeting, the office of Secretarial Auditors will fall vacant. Pursuant to Regulation 24A of the Listing Regulations, as substituted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 notified on 12th December, 2024 and effective from 1st April, 2025, a listed entity is required to appoint, with the approval of its shareholders in the Annual General Meeting, an individual Secretarial Auditor for one term of five consecutive years, or a Secretarial Audit firm for not more than two terms of five consecutive years each. Any association of the individual or the firm as Secretarial Auditor of the listed entity prior to 31st March, 2025 is not to be reckoned for the purpose of computing such tenure.

M/s. G. R. Gupta & Associates, Company Secretaries in Whole-Time Practice (Certificate of Practice No. 8554), hold a valid Peer Review Certificate (No. 6200/2024) issued by the Peer Review Board of the Institute of Company Secretaries of India and satisfy the eligibility and qualification criteria prescribed under Regulation 24A(1A) and (1B) of the Listing Regulations. They have furnished their written consent to the appointment and have confirmed that they are not disqualified from being appointed as Secretarial Auditors of the Company. The Board of Directors, on the recommendation of the Audit Committee, recommends their appointment as Secretarial Auditors for a first term of five consecutive years commencing from the financial year 2026-27 until the conclusion of the 32nd Annual General Meeting.

Disclosure under Regulation 36(5) of the Listing Regulations:

Particulars	Details
Proposed fees payable	The annual professional fee payable to the Secretarial Auditor shall be as mutually agreed between the Board of Directors of the Company and the Secretarial Auditor.
Terms of appointment	Secretarial Auditors for a first term of five consecutive years from the financial year 2026-27 until the conclusion of the 32nd AGM.
Material change in fee payable, and basis of change	There is no material change in the proposed fee payable to the Secretarial Auditor as compared with the fee payable to the outgoing Secretarial Auditor.

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Basis of recommendation, including the credentials of the proposed auditors	The Audit Committee and the Board of Directors, after considering the qualifications, experience, expertise and credentials of the proposed Secretarial Auditor, have recommended the appointment of M/s. G. R. Gupta & Associates. Credentials: M/s. G. R. Gupta & Associates is a firm of Practising Company Secretaries having experience in undertaking secretarial audits and advising listed entities on corporate, securities and regulatory compliances.
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The Board of Directors recommends the Ordinary Resolutions set out at Item No. 8 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8

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

Naishadh H. Mankad
Company Secretary & Compliance Officer
ICSI Membership No.: A2996

Place: Mumbai

Date: 9th October, 2026

Registered Office: B-1 & B-4, Baba House, 86, M. V. Road, Andheri (East), Mumbai 400093 | CIN: L72200MH1999PLC119177

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ANNEXURE A

BRIEF PROFILE OF THE DIRECTORS SEEKING APPOINTMENT AT THE 27TH ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India]

Particulars	Ms. Vidya Pishe (Item Nos. 2 and 3) Managing Director	Mr. Eknath Bade (Item No. 3) Non-Executive Director	Mr. Hardeep Darshan Singh Sangha (Executive Director) (Item Nos. 5)	Ms. Neeru Saini (Item No. 6) Independent Director	Mr. Chandresh Dutt Upadhyay (Item No. 7) Independent Director
DIN	11881924	11523239	11752789	03617003	01140078
Date of birth / Age	11-09-1973/52 years	01-06-1982 / 44years	30-10-1989/ 37years	15-08-1985 /41 years	_____/31years
Nationality	Indian	Indian	Indian	Indian	Indian
Date of first appointment on the Board	9 th October, 2026	9 th October, 2026	9 th October, 2026	9 th October, 2026	9 th October, 2026
Qualifications	Graduate	Graduate	Graduate	Company Secretary and LL.B	B.Com and MBA
Experience and area of expertise	Strategic marketing, operational management, and scaling enterprises	Extensive hands-on experience across the business landscape, with deep understanding of market dynamics, scaling enterprises, and navigating complex competitive environments.	Experience in studying of market trends, audience psychology, and content monetization.	Company Law Compliances and Legal Matters.	Management and Finance

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Particulars	Ms. Vidya Pishe (Item Nos. 2 and 3) Managing Director	Mr. Eknath Bade (Item No. 3) Non-Executive Director	Mr. Hardeep Darshan Singh Sangha (Executive Director) (Item Nos. 5)	Ms. Neeru Saini (Item No. 6) Independent Director	Mr. Chandresh Dutt Upadhyay (Item No. 7) Independent Director
Directorships held in other listed entities (as on the date of this Notice)	None	Yes Managing Director of ARIS International Limited	None	None	1
Memberships / Chairmanships of Committees of other listed entities	None	1 (One)	None	None	None
Listed entities from which the Director has resigned in the past three years	None	None	None	None	None
No. of equity shares held in the Company	Nil	Nil	Nil	Nil	Nil
Relationship with other Directors / KMP of the Company	None	None	None	None	None
No. of Board meetings attended during FY 2025-26	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

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Particulars	Ms. Vidya Pishe (Item Nos. 2 and 3) Managing Director	Mr. Eknath Bade (Item No. 3) Non-Executive Director	Mr. Hardeep Darshan Singh Sangha (Executive Director) (Item Nos. 5)	Ms. Neeru Saini (Item No. 6) Independent Director	Mr. Chandresh Dutt Upadhyay (Item No. 7) Independent Director
Terms and conditions of appointment / re-appointment	Managing Director for 5 years from 9 th October, 2026 to 8 th October, 2031. Remuneration as set out in the Explanatory Statement to Item Nos. 2 and 3. Liable to retire by rotation.	Non -Executive Director, liable to retire by rotation. No remuneration other than sitting fees.	Executive Director of the Company, liable to retire by rotation.	Independent Director, not liable to retire by rotation, for a first term of 5 consecutive years from 9 th October, 2026 to 8 th October, 2031. No remuneration other than sitting fees.	Independent Director, not liable to retire by rotation, for a first term of 5 consecutive years from 9 th October, 2026 to 8 th October, 2031. No remuneration other than sitting fees.
Skills and capabilities required for the role and the manner in which the proposed person meets them (Independent Directors)	Dynamic business leader with extensive expertise in strategic marketing, operational management, and scaling enterprises	He is an Arts Graduate with extensive hands-on experience across the business landscape, Mr. Bade has cultivated a deep understanding of market dynamics, scaling enterprises, and navigating complex competitive environments.	Understanding of market trends, audience psychology, and content monetization. His leadership approach bridges creative storytelling with strategic execution, driving sustainable growth for media enterprises.	The proposed Independent Director, being a qualified Company Secretary, possesses requisite expertise in corporate laws, securities laws, SEBI regulations, corporate governance and regulatory compliances.	The proposed Independent Director, possesses requisite expertise in finance, business management, corporate strategy, administration and commercial matters, with an understanding of corporate governance

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Particulars	Ms. Vidya Pishe (Item Nos. 2 and 3) Managing Director	Mr. Eknath Bade (Item No. 3) Non-Executive Director	Mr. Hardeep Darshan Singh Sangha (Executive Director) (Item Nos. 5)	Ms. Neeru Saini (Item No. 6) Independent Director	Mr. Chandresh Dutt Upadhyay (Item No. 7) Independent Director
Remuneration last drawn / sitting fees (if any)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Note: The above information has been furnished on the basis of the disclosures made by the respective Directors. None of the above Directors is related to any other Director or Key Managerial Personnel of the Company.

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ANNEXURE B

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND FOR JOINING THE 27TH ANNUAL GENERAL MEETING THROUGH VC / OAVM

The remote e-voting period commences on Friday, the 30th October, 2026 at 9.00 a.m. (IST) and ends on Monday, the 2nd November, 2026 at 5.00 p.m. (IST). The remote e-voting module shall be disabled by MUFG Intime India Private Limited for voting thereafter. The Members whose names appear in the Register of Members / Register of Beneficial Owners as on the record date (cut-off date), i.e. Friday, the 23rd October, 2026, may cast their votes electronically. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, the 23rd October, 2026.

In terms of SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July, 2023, individual shareholders holding securities in demat mode are permitted to vote through their demat accounts maintained with the Depositories and the Depository Participants.

Shareholders are advised to update their mobile number and e-mail address correctly in their demat accounts in order to access the e-voting facility.

A. LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

I. Individual shareholders holding securities in demat mode with NSDL

Method 1 – NSDL OTP-based login

- Visit the URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- Enter your 8-character DP ID, 8-digit Client ID, PAN and verification code, and generate the OTP.
- Enter the OTP received on your registered e-mail address / mobile number and click on "Login".
- Upon successful authentication, you will be redirected to the NSDL depository website, where you will be able to see e-Voting services under "Value Added Services". Click on "Access to e-Voting" under e-Voting services.
- Click on "MUFG InTime" or on the e-voting link displayed alongside the Company's name, and you will be redirected to the InstaVote website for casting your vote during the remote e-voting period.

Method 2 – NSDL IDeAS facility

Shareholders registered for the IDeAS facility:

- Visit the URL: <https://eservices.nsdl.com> and click on the "Beneficial Owner" icon under the "IDeAS Login" section. Enter your IDeAS User ID, password and verification code, and click on "Log-in".
- Upon successful authentication, you will be able to see e-Voting services under the "Value Added Services" section. Click on "Access to e-Voting" under e-Voting services.
- Click on "MUFG InTime" or on the e-voting link displayed alongside the Company's name, and you will be redirected to the InstaVote website for casting your vote during the remote e-voting period.

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Shareholders not registered for the IDeAS facility:

- a) To register, visit the URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal", or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Enter your 8-character DP ID, 8-digit Client ID, mobile number and verification code, and click on "Submit".
- c) Enter the last four digits of your bank account number and generate the OTP.
- d) Upon successful registration, you will be provided with a Login ID and password.
- e) Thereafter, follow the steps set out in points (a) to (c) above.

Method 3 – NSDL e-voting website

- a) Visit the URL: <https://www.evoting.nsdl.com>
- b) Click on the "Login" tab available under the "Shareholder/Member" section.
- c) Enter your User ID (i.e. your 16-digit demat account number held with NSDL), password / OTP and the verification code displayed on the screen, and click on "Login".
- d) Upon successful authentication, you will be redirected to the NSDL depository website, where you will be able to see e-Voting services under "Value Added Services". Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or on the e-voting link displayed alongside the Company's name, and you will be redirected to the InstaVote website for casting your vote during the remote e-voting period.

II. Individual shareholders holding securities in demat mode with CDSL

Method 1 – CDSL e-voting page

- a) Visit the URL: <https://www.cdslindia.com>
- b) Go to the "e-voting" tab.
- c) Enter your 16-digit demat account number (BO ID) and PAN, and click on "Submit".
- d) The system will authenticate the user by sending an OTP to the mobile number and e-mail address recorded in the demat account.
- e) Upon successful authentication, the e-voting option will be displayed, containing the links of the e-voting service providers, i.e. MUFG InTime. Click on "MUFG InTime" or on the e-voting link displayed alongside the Company's name, and you will be redirected to the InstaVote website for casting your vote during the remote e-voting period.

Method 2 – CDSL Easi / Easiest facility

Shareholders registered for the Easi / Easiest facility:

- a) Visit the URL: <https://web.cdslindia.com/myeasitoken/Home/Login>, or visit www.cdslindia.com, click on "Login" and select "My Easi New (Token)".
- b) Enter your existing username and password and click on "Login".

BABA ARTS LIMITED

CIN: L72200MH1999PLC119177

B1 & B4, Baba House, 86, M.V. Road, Andheri (East), Mumbai 400093

Tel: 022-49794623

Website: www.babaartslimited.com

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

- c) Upon successful authentication, the e-voting option will be displayed, containing the links of the e-voting service providers, i.e. MUFG InTime. Click on "MUFG InTime" or on the e-voting link displayed alongside the Company's name, and you will be redirected to the InstaVote website for casting your vote during the remote e-voting period.

Shareholders not registered for the Easi / Easiest facility:

- a) To register, visit the URL: <https://web.cdslindia.com/myeasitoken/Home/EasiRegistration> or <https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration>
- b) Proceed to update the required fields for registration.
- c) Upon successful registration, the username and password will be sent to the registered e-mail address. Thereafter, follow the steps set out in points (a) to (c) above.

III. Individual shareholders holding securities in demat mode logging in through their Depository Participant

- a) Log in to the website of your Depository Participant.
- b) Upon successful login, navigate to the "e-voting" option.
- c) Click on the "e-voting" option; you will be redirected to the NSDL / CDSL depository website upon successful authentication, where the e-voting feature can be accessed.
- d) Upon successful authentication, click on "MUFG InTime" or on the e-voting link displayed alongside the Company's name, and you will be redirected to the InstaVote website for casting your vote during the remote e-voting period.

B. LOGIN METHOD FOR SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE AND FOR NON-INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

Shareholders holding shares in physical mode and non-individual shareholders holding securities in demat mode as on the cut-off date may register and vote on InstaVote as under:

Step 1 – Login / Sign-up on InstaVote

- a) Visit the URL: <https://instavote.linkintime.co.in> and click on "Login" under the "SHAREHOLDER" tab.
- b) Enter your User ID.
- c) Enter your existing password.
- d) Enter the image verification (CAPTCHA) code.
- e) Click on "Submit". The home page of e-voting will open; thereafter follow the process set out under "Steps to cast vote for Resolutions".

Step 2 – Steps to cast vote for resolutions through InstaVote

- a) Upon successful authentication and redirection to the InstaVote inbox page, you will be able to see the "Notification for e-voting".
- b) Select the "View" icon; the e-voting page will appear.

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- c) Refer to the description of the resolution and cast your vote by selecting the desired option, "Favour" or "Against". If you wish to view the entire resolution, click on the "View Resolution" file link.
- d) After selecting the desired option, click on "Submit".
- e) A confirmation box will be displayed. To confirm your vote, click on "Yes"; to change your vote, click on "No" and modify your vote accordingly.

Note: Shareholders may click on the "Vote as per Proxy Advisor's Recommendation" option to view the proxy advisor's recommendations for each resolution before casting their vote. Shareholders may modify their vote before final submission. Once a vote is cast on a resolution, the shareholder shall not be permitted to modify or change it subsequently.

C. GUIDELINES FOR INSTITUTIONAL SHAREHOLDERS (CUSTODIAN / CORPORATE BODY / MUTUAL FUND)

Step 1 – Registration

- a) Visit the URL: <https://instavote.linkintime.co.in>
- b) Click on "Sign Up" under "Custodian / Corporate Body / Mutual Fund".
- c) Fill in the entity details and submit the form.
- d) A declaration form and an organisation ID will be generated and sent to the e-mail address of the primary contact person furnished at the time of sign-up. The said form is required to be signed by the Authorised Signatory, Director or Company Secretary of the entity, stamped, and sent to insta.vote@linkintime.co.in.
- e) Thereafter, the login credentials (User ID, Organisation ID and password) will be sent to the e-mail address of the primary contact person.

Step 2 – Investor mapping

- a) Visit the URL: <https://instavote.linkintime.co.in> and log in with your InstaVote login credentials.
- b) Click on the "Investor Mapping" tab under the Menu section.
- c) Map the investor with the following details: (i) Investor ID – for an NSDL demat account, the 8-character DP ID followed by the 8-digit Client ID (e.g. IN00000012345678), and for a CDSL demat account, the 16-digit Beneficiary ID; (ii) Investor's name, as recorded with the Depository Participant; (iii) Investor's PAN (10 digits); and (iv) Power of Attorney – attach the board resolution or power of attorney. The file name of the board resolution / power of attorney shall be the DP ID and Client ID or the 16-digit Beneficiary ID. Custodians and mutual funds shall also upload specimen signatures.
- d) Click on the "Submit" button. The investor will then be mapped with the Custodian / Corporate Body / Mutual Fund entity, and the same may be viewed under the "Report" section.

Step 3 – Steps to cast vote for resolutions through InstaVote

A corporate shareholder may vote by either of the following two methods during the remote e-voting period:

BABA ARTS LIMITED

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Method 1 – Votes entry

- Visit the URL: <https://instavote.linkintime.co.in> and log in with your InstaVote login credentials.
- Click on the "Votes Entry" tab under the Menu section.
- Enter the "Event No." in respect of which you wish to cast your vote. The Event No. may be viewed on the home page of InstaVote under "On-going Events".
- Enter the 16-digit demat account number.
- Refer to the description of the resolution and cast your vote by selecting the desired option, "Favour" or "Against", and click on "Submit".
- A confirmation box will be displayed. To confirm your vote, click on "Yes"; to change your vote, click on "No" and modify your vote accordingly. Once a vote is cast on a resolution, it cannot be modified or changed subsequently.

Method 2 – Votes upload

- Visit the URL: <https://instavote.linkintime.co.in> and log in with your InstaVote login credentials.
- Upon successful login, the "Notification for e-voting" will be displayed.
- Select the "View" icon against the Company's name / event number; the e-voting page will appear.
- Download the sample vote file from the "Download Sample Vote File" tab.
- Cast your vote by selecting the desired option, "Favour" or "Against", in the sample vote file, and upload the same under the "Upload Vote File" option.
- Click on "Submit"; the message "Data uploaded successfully" will be displayed. Once a vote is cast on a resolution, it cannot be modified or changed subsequently.

Note: Non-individual / body corporate shareholders shall send a scanned copy of the board resolution or power of attorney authorising their representative to vote, to the Scrutinizer at his/her registered e-mail address, with a copy marked to the Registrar and Share Transfer Agent at enotices@in.mpms.muvg.com and to the Company at investors@babaartslimited.com.

D. HELPDESK

Login type	Helpdesk details
Shareholders holding securities in physical mode / non-individual shareholders holding securities in demat mode	MUFG Intime India Private Limited – E-mail: enotices@in.mpms.muvg.com ; Tel.: 022-4918 6000
Individual shareholders holding securities in demat mode with NSDL	E-mail: evoting@nsdl.co.in ; Tel.: 022-4886 7000

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Website: www.babaartslimited.com

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

Individual shareholders holding securities in demat mode with CDSL	E-mail: helpdesk.evoting@cdslindia.com ; Toll Free: 1800 22 55 33
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E. FORGOT PASSWORD

Shareholders holding securities in physical mode and non-individual shareholders holding securities in demat mode: In the event that such a shareholder has forgotten the User ID (Login ID) or the password, or both, the "Forgot Password" option available at <https://instavote.linkintime.co.in> may be used, as under:

- Click on "Login" under the "SHAREHOLDER" tab.
- Click on "Forgot password?".
- Enter the User ID, select the mode and enter the image verification (CAPTCHA) code.
- Click on "Submit".

In the event that a Custodian / Corporate Body / Mutual Fund has forgotten the User ID (Login ID) or the password, or both, the "Forgot Password" option available at <https://instavote.linkintime.co.in> may be used, as under:

- Click on "Login" under the "Custodian / Corporate Body / Mutual Fund" tab.
- Click on "Forgot password?".
- Enter the User ID and Organisation ID, and enter the image verification (CAPTCHA) code.
- Click on "Submit".

Where the shareholder has a valid e-mail address, the password will be sent to his / her registered e-mail address. The shareholder may set a password of his / her choice by furnishing information relating to the security question and answer, PAN, date of birth / date of incorporation and such other particulars as may be required. The password shall contain a minimum of eight characters, including at least one special character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual shareholders holding securities in demat mode with NSDL / CDSL who have forgotten their password: Such shareholders are advised to use the "Forgot User ID" and "Forgot Password" options available on the website of the respective Depository / Depository Participant referred to above.

F. GENERAL INSTRUCTIONS FOR SHAREHOLDERS

- Shareholders are strongly advised not to share their password with any other person and to take utmost care to keep the password confidential.
- In the case of shareholders holding shares in physical form, the details may be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders may log in any number of times until they have voted on the resolution(s) for a particular "Event".

Baba Arts Limited

DIRECTORS' REPORT

To,
The Members,
Baba Arts Limited

Your Company's Board of Directors ("**the Board**") is pleased to present the **Twenty-Seventh Annual Report** of Baba Arts Limited ("**the Company**"), together with the Audited Financial Statements of the Company, for the financial year ended 31st March, 2026.

In compliance with the applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof for the time being in force ("**the Act**"), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing Regulations**"), this Report covers the financial results of the Company and the other developments during the financial year ended 31st March, 2026 and up to the date of the meeting of the Board held on **Friday, the 9th October, 2026**, at which this Report was approved.

1. FINANCIAL RESULTS

The financial performance of the Company for the financial year ended 31st March, 2026 is summarised below:

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2026 (As per Ind AS)	Year ended 31st March, 2025 (As per Ind AS)
Revenue from Operations	1,494.75	558.88
Other Income	99.77	129.65
Total Income	1,594.52	688.53
Total Expenditure	1,510.88	494.46
Profit Before Tax	83.64	194.07
Less: Tax Expenses		
Current Tax	19.65	49.79
Short / (Excess) Provision of Tax of Earlier Years	(1.29)	(0.28)
Deferred Tax	(0.02)	0.72
Net Profit / (Loss) for the Year	65.30	143.84
Other Comprehensive Income / (Expense)	(0.96)	(3.83)
Total Comprehensive Income for the Year	64.34	140.01

2. DIVIDEND

With a view to strengthening the reserves of the Company, your Directors consider it prudent to plough back the profits and, accordingly, do not recommend any dividend for the financial year 2025-26.

Baba Arts Limited

3. REVIEW OF OPERATIONS

During the year under review, the Revenue from Operations was Rs. 1,494.75 Lakhs, as compared to Rs. 558.88 Lakhs in the previous year. The Profit Before Tax for the year was Rs. 83.64 Lakhs, as against Rs. 194.07 Lakhs in the previous year.

After providing for current tax of Rs. 19.65 Lakhs (previous year: Rs. 49.79 Lakhs), a write-back of excess provision for tax of earlier years of Rs. 1.29 Lakhs (previous year: Rs. 0.28 Lakhs) and a deferred tax credit of Rs. 0.02 Lakhs (previous year: deferred tax charge of Rs. 0.72 Lakhs), the Net Profit After Tax for the year was Rs. 65.30 Lakhs, as against Rs. 143.84 Lakhs in the previous year.

The Other Comprehensive Expense for the year was Rs. 0.96 Lakhs (previous year: Other Comprehensive Expense of Rs. 3.83 Lakhs), and the Total Comprehensive Income for the year was Rs. 64.34 Lakhs, as compared to Rs. 140.01 Lakhs in the previous year.

4. TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to the reserves for the year under review. The entire profit for the year has been retained in the Statement of Profit and Loss.

5. CHANGE IN MANAGEMENT AND CONTROL OF THE COMPANY PURSUANT TO THE SHARE PURCHASE AGREEMENT, THE OPEN OFFER AND THE AMENDMENT CUM IMPLEMENTATION AGREEMENT

The erstwhile sole Promoter of the Company, Mr. Gordhan P. Tanwani ("**the Seller**"), entered into a Share Purchase Agreement dated 25th February, 2026 ("**the SPA**") with Skybridge Interactive LLP ("**the Acquirer**") for the sale of 3,92,00,000 equity shares of Re. 1/- each, aggregating 74.67% of the paid-up equity share capital of the Company, together with the transfer of the control and management of the Company to the Acquirer.

The execution of the SPA triggered the obligation to make an open offer under Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**the SAST Regulations**"). Accordingly, the Acquirer made an Open Offer to the public shareholders of the Company for the acquisition of up to 1,32,92,000 equity shares, constituting 25.32% of the voting share capital of the Company, at an offer price of Rs. 6/- (Rupees Six only) per equity share. The Letter of Offer was issued after incorporating the comments of the Securities and Exchange Board of India, and the tendering period of the Open Offer opened on 9th June, 2026 and closed on 22nd June, 2026, in the course of which the Acquirer acquired 600 equity shares, constituting 0.001% of the paid-up equity share capital, from the public shareholders. The Committee of Independent Directors of the Company furnished its reasoned recommendation on the Open Offer to the shareholders in terms of Regulation 26(7) of the SAST Regulations.

The completion of the transaction under the SPA was deferred for some time, as the parties thereto were unable to agree upon the arrangement in respect of the contingent liability relating to the demand of service tax which is the subject matter of the appeal of the Company pending before the Customs, Excise and Service Tax Appellate Tribunal, Mumbai ("**CESTAT**"). The said matter has since been resolved, and the Seller, the Acquirer and the Company have entered into an Amendment cum Implementation Agreement dated 5th October, 2026 ("**the Implementation Agreement**"), which replaces the escrow mechanism originally contemplated under the SPA.

The transaction under the SPA is being completed in two tranches. On Tuesday, the 6th October, 2026, the Seller transferred the first tranche of 3,27,00,000 equity shares, constituting 62.29% of the paid-up equity share capital of the Company, to the Acquirer against payment of the consideration therefor. The

Baba Arts Limited

Acquirer has consequently acquired control over the Company and has become its Promoter, and holds, together with the 600 equity shares acquired under the Open Offer, 3,27,00,600 equity shares, constituting 62.29% of the paid-up equity share capital of the Company. The balance 65,00,000 equity shares, constituting 12.38% of the paid-up equity share capital, continue to be held by the Seller and are to be transferred to the Acquirer as the final tranche after the designated bank account referred to in the Implementation Agreement has been opened and the sum of Rs. 430.00 Lakhs has been deposited therein, whereupon the Acquirer will hold 3,92,00,600 equity shares, constituting 74.67% of the paid-up equity share capital of the Company.

Upon the transfer of the final tranche, the Seller and the other members of the erstwhile Promoter Group, namely, Mr. Rahul G. Tanwani and Mr. Pravin J. Karia, are to be reclassified from the 'Promoter and Promoter Group' category to the 'Public' category in accordance with Regulation 31A of the Listing Regulations, for which the Company will make the requisite application to BSE Limited. Until such reclassification, the Seller will continue to be disclosed in the 'Promoter and Promoter Group' category, together with the Acquirer, in the shareholding pattern filed under Regulation 31 of the Listing Regulations.

At the meeting of the Board held on **Friday, the 9th October, 2026**, the nominees of the Acquirer were appointed on the Board, the erstwhile Directors and the Chief Financial Officer tendered their resignations, a new Chairperson of the Board was elected, and the Committees of the Board were reconstituted, as more particularly set out in paragraphs 10 and 15 of this Report. At the same meeting, the Board, as reconstituted, noted, took on record and ratified the Implementation Agreement, and approved the execution of the Power of Attorney and the opening of the designated bank account referred to above. Mr. Naishadh H. Mankad continues to hold office as the Company Secretary and Compliance Officer of the Company.

The future business direction of the Company will be determined by the Board, as reconstituted, which is in the process of reviewing the business of the Company, as more particularly stated in the Management Discussion and Analysis Report appended as **Annexure I** to this Report. The requisite disclosures and intimations in respect of the aforesaid transaction have been made to BSE Limited under Regulations 30 and 30A of the Listing Regulations and under the SAST Regulations from time to time.

6. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

Save and except:

- (a) the transfer, on 6th October, 2026, of the first tranche of 3,27,00,000 equity shares of the Company by the Seller to the Acquirer, the consequent change in the management and control of the Company and the arrangements under the Implementation Agreement, as detailed in paragraph 5 above;
- (b) the deposit of Rs. 270.00 Lakhs made by the Company on 19th September, 2026, under protest and without prejudice to its rights and contentions in the appeal pending before CESTAT, towards the demand of service tax referred to in paragraph 5 above; and
- (c) the fact that the Company has not carried on any business activity in any of its reportable segments during the current financial year up to the date of this Report, as more particularly stated in the Management Discussion and Analysis Report,

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

Baba Arts Limited

7. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business of the Company. The future business of the Company is under review by the Board, as reconstituted, as stated in paragraph 5 above, and any change in the nature of the business of the Company will be undertaken in compliance with the applicable provisions of the Act and the Listing Regulations.

8. REGISTERED OFFICE

The Registered Office of the Company is situated at B-1 & B-4, Baba House, 86, M. V. Road, Andheri (East), Mumbai – 400 093, being an address within the local limits of the city of Mumbai, with effect from 17th April, 2024, and there has been no change therein up to the date of this Report.

9. 27TH ANNUAL GENERAL MEETING

Pursuant to Section 96(1) of the Act, the 27th Annual General Meeting of the Company was required to be held on or before 30th September, 2026. As the completion of the change in the management and control of the Company was delayed, the Company applied to the Registrar of Companies, Mumbai, under the second proviso to Section 96(1) of the Act for an extension of time, and the Registrar of Companies has extended the time for holding the 27th Annual General Meeting up to 15th November, 2026.

The 27th Annual General Meeting of the Company will accordingly be held on Tuesday, the 3rd November, 2026 at 11.30 a.m. (IST) through Video Conferencing / Other Audio-Visual Means, in accordance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India in this behalf.

10. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

10.1 Directors

Mr. Hasmukh Shah (DIN: 00150891), Independent Director, resigned from the Board with effect from 15th January, 2026. Mr. Hasmukh Shah has confirmed that there were no material reasons for his resignation other than those disclosed to the Stock Exchange. Your Board places on record its sincere appreciation for the valuable services rendered by him during his tenure as an Independent Director of the Company.

Consequent upon the change in the management and control of the Company, as detailed in paragraph 5 above, the following changes took place in the composition of the Board at its meeting held on **9th October, 2026**:

- (a) Mr. Eknath Ramsrushna Bade (DIN: 11523239), Mr. Hardeep Darshan Singh Sangha (DIN: 11752789) and Ms. Vidya Pishe (DIN: 11881924) were appointed as Additional Directors, and Ms. Neeru Saini (DIN: 03617003) and Mr. Chandresh Dutt Upadhyay (DIN: 01140078) were appointed as Additional Directors in the category of Independent Directors, of the Company with effect from 9th October, 2026, on the recommendation of the Nomination and Remuneration Committee;
- (b) upon the appointment of the said Additional Directors, Mr. Nikhil G. Tanwani (DIN: 01995127) vacated the Chair, and [Ms. Neeru Saini (DIN: 03617003) / Mr. Chandresh Dutt Upadhyay (DIN: 01140078)], Independent Director, was elected as the Chairperson of the Board;
- (c) Mr. Nikhil G. Tanwani resigned as the Managing Director and as a Director of the Company with effect from 9th October, 2026; and

Baba Arts Limited

- (d) Mrs. Malavika A. Acharya (DIN: 07007469) resigned as a Director, and Mr. Hemraj Chheda (DIN: 00113766) and Mr. Shekhar Mennon (DIN: 02262964) resigned as Independent Directors, of the Company with effect from 9th October, 2026. Mr. Hemraj Chheda and Mr. Shekhar Mennon have confirmed that there were no material reasons for their resignation other than those stated in their letters of resignation, which have been disclosed to BSE Limited.

Your Board places on record its sincere appreciation for the valuable services rendered by Mr. Nikhil G. Tanwani, Mrs. Malavika A. Acharya, Mr. Hemraj Chheda and Mr. Shekhar Mennon during their respective association with the Company.

Ms. Vidya Pishe (DIN: 11881924), Additional Director, was appointed by the Board as the Managing Director of the Company for a period of 5 (five) years from **9th October, 2026 up to 8th October, 2031**, liable to retire by rotation, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members. Her appointment as a Director and as the Managing Director of the Company, and the remuneration payable to her, are proposed for the approval of the Members at the ensuing 27th Annual General Meeting.

Mr. Hardeep Darshan Singh Sangha (DIN: 11752789), Additional Director, was appointed by the Board as a Executive Director of the Company, liable to retire by rotation, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members. His appointment as a Director is proposed for the approval of the Members at the ensuing 27th Annual General Meeting.

Mr. Eknath Ramkrushna Bade (DIN: 11523239) holds office as an Additional Director in the category of Non-Executive, Non-Independent Director up to the date of the ensuing 27th Annual General Meeting. Your Board has recommended his appointment as a Non-Executive Director of the Company, liable to retire by rotation, for the approval of the Members at the ensuing 27th Annual General Meeting.

Ms. Neeru Saini (DIN: 03617003) and **Mr. Chandresh Dutt Upadhyay (DIN: 01140078)** hold office as Additional Directors in the category of Non-Executive, Independent Directors up to the date of the ensuing 27th Annual General Meeting. Your Board, on the recommendation of the Nomination and Remuneration Committee, has recommended their appointment as Independent Directors of the Company for a first term of 5 (five) consecutive years from **9th October, 2026 up to 8th October, 2031**, not liable to retire by rotation, for the approval of the Members by way of Special Resolutions at the ensuing 27th Annual General Meeting, in terms of Section 149(10) of the Act and Regulations 17(1C) and 25(2A) of the Listing Regulations.

Since the entire Board of the Company has been reconstituted through the appointment of Additional Directors, no Director is liable to retire by rotation at the ensuing 27th Annual General Meeting. The particulars of the Directors seeking appointment, as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings, are given in the Notice convening the 27th Annual General Meeting.

10.2 Key Managerial Personnel

Consequent upon the change in the management and control of the Company, Mr. Nikhil G. Tanwani ceased to be the Managing Director, and Mr. Ajay D. Acharya resigned as the Chief Financial Officer, of the Company with effect from **9th October, 2026**. Your Board places on record its appreciation of the services rendered by Mr. Ajay D. Acharya.

With effect from **9th October, 2026**, **Ms. Vidya Pishe** was appointed as the Managing Director, of the Company. **Mr. Naishadh H. Mankad** continues to hold office as the Company Secretary and Compliance Officer of the Company. Accordingly, as on the date of this Report, Ms. Vidya Pishe, and

Baba Arts Limited

Mr. Naishadh H. Mankad are the Key Managerial Personnel of the Company in terms of Sections 2(51) and 203 of the Act.

11. DECLARATIONS BY INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Act, the Company has received declarations from the Independent Directors who held office during the year under review, and from Ms. Neeru Saini and Mr. Chandresh Dutt Upadhyay, who were appointed as Independent Directors with effect from 9th October, 2026, confirming that they meet the criteria of independence prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and that they are independent of the management.

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

In the opinion of the Board, the Independent Directors of the Company, including the Independent Directors appointed with effect from 9th October, 2026, possess the requisite integrity, expertise and experience (including proficiency) in the fields of law, accounts and finance, and governance, and hold the highest standards of integrity.

The Independent Directors of the Company have confirmed that they have registered themselves on the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs ("IICA") in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and that they have either passed, or are exempt from undertaking, the online proficiency self-assessment test conducted by the IICA within the prescribed time.

12. FAMILIARISATION PROGRAMME

The Company has put in place an induction and familiarisation programme for all its Directors, including the Independent Directors, so as to acquaint them with the nature of the industry in which the Company operates. The Directors are periodically apprised of changes effected in corporate laws, the Listing Regulations, taxation laws and other statutes applicable to the Company, with regard to their roles, rights and responsibilities as Directors of the Company. The details of the familiarisation programme for Independent Directors, in terms of Regulation 46(2)(i) of the Listing Regulations, are available on the website of the Company at <https://babaartslimited.com/wp-content/uploads/2025/06/5.Familiarisation-Programme-2025.pdf>. A familiarisation programme for the Independent Directors appointed with effect from 9th October, 2026 will be conducted in terms of Regulation 25(7) of the Listing Regulations, and the details thereof will be placed on the website of the Company.

13. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD

Pursuant to Regulation 17 of the Listing Regulations read with Section 134(3)(p) of the Act and the Companies (Accounts) Rules, 2014, an annual evaluation of the performance of the Board, its Committees and the individual Directors was carried out during the year under review. To facilitate the evaluation process, the Nomination & Remuneration Committee has laid down the criteria for evaluating the performance of the Executive, Non-Executive and Independent Directors through a board effectiveness survey. The survey questionnaire is designed with the objective of reviewing the functioning and effectiveness of the Board. Each Board member (other than the Director being evaluated) is requested to evaluate the effectiveness of the members of the Board on the basis of the flow of information, the decision-making of the Directors, relationships with stakeholders, the performance of

Baba Arts Limited

the Company, the strategy of the Company, and the effectiveness of the Board as a whole and of its various Committees, on a scale of one to five.

The evaluation of the Independent Directors is carried out on the basis of their role in governance, control and guidance, and more particularly their performance in the following areas:

- their contribution towards monitoring the Company's corporate governance practices;
- their participation in formulating business strategies; and
- their participation in the meetings of the Board and its Committees, and the discharge generally of their obligations and fiduciary responsibilities as Directors of the Company.

14. **NUMBER OF MEETINGS OF THE BOARD**

The Board met 5 (five) times during the financial year under review, the details of which are given in the Corporate Governance Report forming part of this Annual Report. The intervening gap between two consecutive meetings was within the limits prescribed under the Act and the Listing Regulations.

15. **COMMITTEES OF THE BOARD**

As at 31st March, 2026, the Board had 3 (three) Committees, namely, the Audit Committee, the Nomination & Remuneration Committee and the Stakeholders' Relationship Committee.

Pursuant to the change in the management and control of the Company, as detailed in paragraph 5 above, the Board, at its meeting held on **9th October, 2026**, reconstituted all the 3 (three) Committees as follows:

- Audit Committee:** Ms. Neeru Saini (Independent Director), Mr. Chandresh Dutt Upadhyay (Independent Director) and Mr. Balakrishna Krishna Reddy (Non-Executive Director), with Ms. Neeru Saini as its Chairperson;
- Nomination and Remuneration Committee:** Ms. Neeru Saini (Independent Director), Mr. Chandresh Dutt Upadhyay (Independent Director) and Mr. Balakrishna Krishna Reddy (Non-Executive Director), with Mr. Chandresh Dutt Upadhyay as its Chairperson; and
- Stakeholders' Relationship Committee:** Ms. Neeru Saini (Independent Director), Mr. Chandresh Dutt Upadhyay (Independent Director) and Mr. Hardeep Darshan Singh Sangha (Whole-Time Director), with Mr. Balakrishna Krishna Reddy (Non-Executive Director) as its Chairperson.

A detailed note on the composition of the Board and of its Committees, the number of meetings held and the attendance of the Directors at such meetings is provided in the Corporate Governance Report, which forms part of this Annual Report. During the year under review, all the recommendations of the Audit Committee were accepted by the Board.

16. **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company's Policy on the Appointment of Directors and Remuneration is available on the website of the Company at <https://babaartslimited.com/wp-content/uploads/2026/02/13.-Nomination-and-Remuneration-Policy-NHM.pdf>.

The Policy on Remuneration and the other matters provided for in Section 178(3) of the Act have been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

17. **RISK MANAGEMENT POLICY**

The Board periodically assesses the risks in the internal and external business environment and takes the necessary steps to mitigate such risks. The Company has an adequate risk management plan in place,

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which is reviewed by the Board at regular intervals. In the opinion of the Board, there is no element of risk which may threaten the existence of the Company.

18. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

The Company's Whistle Blower Policy is available on the website of the Company at <https://babaartslimited.com/wp-content/uploads/2026/02/6.Whistle-Blower-Policy.pdf>.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are as follows:

(A) Conservation of Energy

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

(B) Technology Absorption

Sr. No.	Particulars	Details
(i)	The efforts made towards technology absorption	The Company does not have any imported technology.
(ii)	The benefits derived, such as product improvement, cost reduction, product development or import substitution	Not applicable.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): (a) the details of technology imported; (b) the year of import; (c) whether the technology has been fully absorbed; and (d) if not fully absorbed, the areas where absorption has not taken place, and the reasons therefor	Not applicable.

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Sr. No.	Particulars	Details
(iv)	The expenditure incurred on Research and Development	Nil

(C) Foreign Exchange Earnings and Outgo

The foreign exchange earnings during the year under review were Rs. 0.71 Lakhs (previous year: Rs. 1.51 Lakhs), and the foreign exchange outgo during the year under review was Nil (previous year: Nil).

Export Efforts: During the year under review, the Company was engaged in providing post-production services to the entertainment industry through its post-production studio, and in creating content for television and digital media, in which there is limited scope for exports. The Company has, however, earned export income by way of its share of advertisement revenue through the monetisation of content on various digital channels such as YouTube, Facebook and others.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There were no significant or material orders passed by any regulator, court or tribunal impacting the going concern status of the Company or its operations in future.

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

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

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

22. MAINTENANCE OF COST RECORDS

The maintenance of cost records, as specified by the Central Government under Section 148(1) of the Act, is not applicable to the Company.

23. AUDITORS

23.1 Statutory Auditors

M/s. M M Nissim & Co LLP, Chartered Accountants (ICAI Firm Registration No. 107122W/W100672), were appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years at the 23rd Annual General Meeting held on 20th September, 2022, to hold office up to the conclusion of the 28th Annual General Meeting of the Company.

M/s. M M Nissim & Co LLP continue to hold office as the Statutory Auditors of the Company, and there has been no change in the Statutory Auditors of the Company consequent upon the change in its management and control.

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There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report on the financial statements of the Company for the financial year ended 31st March, 2026. Pursuant to Section 143(12) of the Act, the Statutory Auditors have not reported any incident of fraud to the Audit Committee or to the Board during the year under review.

23.2 Internal Auditors

Pursuant to Section 138 of the Act read with Rule 13 of the Companies (Accounts) Rules, 2014, the Board, at its meeting held on 9th October, 2026, on the recommendation of the Audit Committee, has appointed M/s. Jitendra Chandulal Mehta & Co., Chartered Accountants, as the Internal Auditors of the Company for the financial year 2026-27.

The Audit Committee, in consultation with the Internal Auditors, formulates the scope, functioning, periodicity and methodology for conducting the internal audit.

23.3 Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, the Company, with the approval of the Board, appointed M/s. Dholakia & Associates LLP, Company Secretaries in Whole-Time Practice, to undertake the Secretarial Audit of the Company for the financial year 2025-26. The Secretarial Audit Report in Form MR-3 is appended as **Annexure II** to this Report. There is no qualification, reservation or adverse remark in the Secretarial Audit Report.

Consequent upon the change in the management and control of the Company, M/s. Dholakia & Associates LLP tendered their resignation as the Secretarial Auditors of the Company with effect from **9th October, 2026**. The Board, at its meeting held on 9th October, 2026, on the recommendation of the Audit Committee, appointed M/s. G. R. Gupta & Associates, Company Secretaries in Whole-Time Practice (Certificate of Practice No. 8554; Peer Review Certificate No. 6200/2024), as the Secretarial Auditors of the Company to fill the resulting casual vacancy, to hold office until the conclusion of the ensuing 27th Annual General Meeting. Pursuant to Regulation 24A of the Listing Regulations read with Section 204 of the Act, the Board has further recommended their appointment as the Secretarial Auditors of the Company for a first term of 5 (five) consecutive years, from the conclusion of the 27th Annual General Meeting until the conclusion of the 32nd Annual General Meeting, to conduct the secretarial audit for the financial years 2026-27 to 2030-31, for the approval of the Members at the ensuing 27th Annual General Meeting.

Annual Secretarial Compliance Report: The Company has obtained the Annual Secretarial Compliance Report for the financial year ended 31st March, 2026, duly signed by Mr. Nrupang B. Dholakia (ICSI Membership No. 10032), Managing Partner of M/s. Dholakia & Associates LLP, Company Secretaries in Whole-Time Practice, in compliance with Regulation 24A of the Listing Regulations, and the same has been submitted to BSE Limited.

24. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company for the financial year ended 31st March, 2026 is placed on the website of the Company at <https://babaartslimited.com>

25. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, your Company has given a loan covered under Section 186 of the Act, the particulars of which are as under:

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Particulars	Details
Name of the party	Avance Ventures Private Limited
Corporate Identity Number (CIN)	U62099MH2023PTC401309
Type of person (individual / entity)	Entity (body corporate)
Nature of transaction	Loan given
Rate of interest	12% per annum
Purpose of the loan	For the business purposes of the borrower
Amount (Rs. in Lakhs)	400.00
Date of passing of the Board resolution	21st May, 2025
Whether the threshold of 60% of paid-up share capital, free reserves and securities premium account, or 100% of free reserves and securities premium account, has been exceeded	No
Whether the transaction falls within the purview of the proviso to Section 186(3), and whether the Company was required to pass a Special Resolution	No
SRN of Form MGT-14	Not applicable

The Company has not given any guarantee, provided any security or made any investment covered under Section 186 of the Act during the year under review.

26. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

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

All related party transactions are placed before the Audit Committee, and also before the Board, for approval at every quarterly meeting. The particulars of contracts or arrangements with related parties, as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are given in Form AOC-2, which is appended as **Annexure III** to this Report.

Your Company has formulated a Policy on Related Party Transactions, which is available on the website of the Company at <https://babaartslimited.com/wp-content/uploads/7.-POLICY-ON-RELATED-PARTY-TRANSACTIONS-NHM.pdf>.

27. **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Act relating to Corporate Social Responsibility are not applicable to the Company.

28. **CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A separate report on Corporate Governance, together with a certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V to the Listing Regulations, forms part of this Annual Report.

A certificate of the Managing Director and the Chief Financial Officer in terms of Regulation 17(8) of the Listing Regulations, in the format specified in Part B of Schedule II thereto, inter alia confirming the

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correctness of the financial statements and the cash flow statement, the adequacy of the internal control measures and the reporting of matters to the Audit Committee, is also annexed to the Corporate Governance Report.

The Management Discussion and Analysis Report, as required under Regulation 34(2)(e) of the Listing Regulations, is appended as **Annexure I** to this Report.

29. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The provisions relating to the constitution of an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable to the Company, as the Company has fewer than 10 (ten) employees. The Company is, nevertheless, committed to providing a safe and secure working environment to all its employees.

During the year under review: (a) no complaint of sexual harassment was received; (b) no complaint was pending for disposal at the beginning or at the end of the year; and (c) no case was pending for more than ninety days.

30. APPLICATIONS MADE OR PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

No application was made by or against the Company, and no proceeding is pending against the Company, under the Insolvency and Bankruptcy Code, 2016.

31. DETAILS OF THE DIFFERENCE BETWEEN THE VALUATION AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION WHILE TAKING LOANS FROM BANKS OR FINANCIAL INSTITUTIONS

During the year under review, the Company has not undertaken any one-time settlement with any bank or financial institution. Accordingly, the disclosure required under Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014 is not applicable.

32. DEPOSITS

Your Company has neither invited nor accepted any deposits from the public under Sections 73 to 76 of the Act. Accordingly, the disclosures required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014 are not applicable to your Company.

33. INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, there was no amount of unpaid or unclaimed dividend, or of shares in respect thereof, which was required to be transferred by the Company to the Investor Education and Protection Fund established under Section 125 of the Act.

34. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure IV** to this Report.

35. SHARE CAPITAL

The Company has only one class of shares, namely, equity shares having a face value of Re. 1/- each. During the year under review:

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- (a) the Company has not issued any equity shares with differential rights as to dividend, voting or otherwise;
- (b) the Company has not issued any sweat equity shares; and
- (c) the Company has not issued any shares under any employee stock option scheme.

36. RECONCILIATION OF SHARE CAPITAL AUDIT

As required under Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the directions issued by the Securities and Exchange Board of India, the Reconciliation of Share Capital Audit was conducted on a quarterly basis during the year under review by M/s. Dholakia & Associates LLP, Company Secretaries in Whole-Time Practice, and the audit reports were duly submitted to BSE Limited, where the equity shares of the Company are listed.

37. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Reporting, as required under Regulation 34(2)(f) of the Listing Regulations, is applicable to the top one thousand listed entities by market capitalisation and is, accordingly, not applicable to your Company for the financial year ended 31st March, 2026.

38. GREEN INITIATIVES

Pursuant to Sections 101 and 136 of the Act, the Company is sending the Annual Report through electronic mode (e-mail) to all shareholders who have registered their e-mail addresses with the Company or with the Depositories, and has initiated steps to reduce the consumption of paper. In terms of Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where the complete Annual Report is available is being sent to those shareholders whose e-mail addresses are not registered with the Company or with the Depositories.

The Annual Report is also available on the website of the Company at <https://babaartslimited.com>.

39. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture or associate company. Accordingly, the statement in Form AOC-1 pursuant to Section 129(3) of the Act is not applicable.

40. SECRETARIAL STANDARDS

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

41. STATEMENT OF COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

Your Company did not employ 10 (ten) or more employees during the year under review and, as such, the provisions of the Maternity Benefit Act, 1961 are not applicable to the Company. Your Company is, nevertheless, committed to complying with the statutory requirements concerning maternity leave, medical benefits and the other entitlements of its women employees under the Maternity Benefit Act, 1961, as and when applicable.

The details of the total number of employees as at 31st March, 2026 are as follows:

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Details of Employees	Number
Female	Nil
Male	5
Transgender	Nil
Total	5

42. DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") under the historical cost convention on an accrual basis, except for certain financial instruments which are measured at fair value, and in accordance with the provisions of the Act and the guidelines issued by the Securities and Exchange Board of India. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. The accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted, or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

In accordance with Section 134(5) of the Act, your Board of Directors confirms that:

- (a) in the preparation of the annual accounts, the applicable accounting standards, read with the requirements set out under Schedule III to the Act, have been followed and there are no material departures therefrom;
- (b) such accounting policies have been selected and applied consistently, and judgements and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the profit of the Company for the year ended on that date;
- (c) proper and sufficient care has been taken for the 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 fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) internal financial controls to be followed by the Company have been laid down, and such internal financial controls are adequate and were operating effectively; and
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws, and such systems are adequate and operating effectively.

43. ANNEXURES TO THIS REPORT

The following Annexures form an integral part of this Report:

Annexure	Particulars
I	Management Discussion and Analysis Report
II	Secretarial Audit Report in Form MR-3 for the financial year 2025-26
III	Form AOC-2 – Particulars of contracts or arrangements with related parties
IV	Particulars of employees under Section 197(12) of the Act read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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44. ACKNOWLEDGEMENT

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

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

By Order of the Board of Directors

Chandresh Dutt Upadhyay	Ms. Vidya Pise
Chairperson	Managing Director
DIN: 01140078	DIN: 11881924

Place: Mumbai

Date: 9th October, 2026

ANNEXURE I TO THE BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

[Pursuant to Regulation 34(2)(e) read with Part B of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Industry Structure and Development

Indian Economy

India's GDP had shown a robust growth at 7.7% in the Financial Year 2025-26 over the previous financial year. The fiscal ended with a bang in the last quarter with GDP logging a growth of 7.8%. In spite of a strong momentum, there remained some vulnerabilities like capital outflows and depreciation of currency, which intensified further on account of the Middle East conflict. During the Financial Year 2026-27, India's growth outlook will be exposed to external factors like capital outflows, currency depreciation and inflationary pressures. As per the report of Deloitte, the economic growth is expected to remain modest in the first half of this fiscal and pick up in the second half on expectation of gradual easing of global geopolitical uncertainties. India's GDP is expected to grow in the range of 6.5% to 6.8% during this period.

Industry Scenario

According to the recent report on the Indian Media and Entertainment Industry published by FICCI and EY, the Indian Media and Entertainment (M&E) sector grew by 9% in 2025, from INR 2.50 trillion to INR 2.78 trillion. Digital Media emerged as the largest segment, crossing the INR 1 trillion mark during the year. Digital subscription revenue increased by 60% to INR 163 billion, paid video subscriptions grew to 216 million and paid music subscriptions expanded by 37% to 14.40 million. FICCI-EY has projected that India's Media and Entertainment sector will grow to INR 3.30 trillion by 2028, with Digital Media, Live Entertainment and Filmed Entertainment expected to be the growth drivers.

The Company, however, operates at the smaller end of this industry and its participation in the growth of the sector is necessarily a function of the scale of content investment it is in a position to commit. As explained under paragraph 2 below, the Company did not commit to any fresh content investment while the change in the management and control of the Company was under implementation. With the completion of the said change, the future business direction of the Company, including the extent of its participation in the media and entertainment sector, will be determined by the Board of Directors as reconstituted.

2. Outlook for the Company

(i) Position of Business during the Current Financial Year

During the quarter ended 30th June, 2026, being the first quarter of the Financial Year 2026-27, the Company did not carry on any business activity in any of its reportable segments, namely, Digital Media, Film and Television Serial Production and Trading in Intellectual Property Rights. The only income earned by the Company during the said quarter was interest income on deposits and licence fee in respect of the office premises owned by the Company and given on leave and licence basis. The same position has continued during the period from 1st July, 2026 up to the date of this Report.

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This position was a consequence of the change in the management and control of the Company which was then under implementation, as more particularly described in paragraph (ii) below. Acquisition of content rights, commissioning of production and monetisation arrangements in the media and entertainment business are, by their nature, commitments that extend over several years and involve the deployment of substantial funds. The Board of Directors as then constituted, which was expected to demit office upon completion of the transfer of control, took a conscious and considered view that it would not be in the interest of the Company to bind it to fresh long-term business commitments at a stage when the identity of the persons who would thereafter control the Company and determine its business direction was about to change. The management of the Company accordingly confined itself, during the interregnum, to the discharge of its statutory and fiduciary obligations, the preservation of the assets of the Company and the conduct of its ordinary course activities.

(ii) Completion of the Share Purchase Agreement and Change in the Management and Control of the Company

Members are aware that Mr. Gordhan P. Tanwani, the Promoter of the Company, had entered into a Share Purchase Agreement dated 25th February, 2026 ("the SPA") with Skybridge Interactive LLP ("the Acquirer") for the sale of 3,92,00,000 equity shares of Re. 1/- each of the Company held by him, representing 74.67% of the paid-up equity share capital of the Company, together with the transfer of the management and control of the Company to the Acquirer. Pursuant to the SPA, the Acquirer made an Open Offer to the public shareholders of the Company under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, for the acquisition of up to 1,32,92,000 equity shares representing 25.32% of the paid-up equity share capital of the Company at a price of Rs. 6/- per equity share. The tendering period of the Open Offer was from 9th June, 2026 to 22nd June, 2026, during which 600 equity shares were tendered.

The completion of the transaction contemplated under the SPA, namely, the transfer of the shares held by the Promoter and of the management and control of the Company to the Acquirer, was deferred from time to time, as the parties to the SPA were, for some time, unable to arrive at a mutually acceptable arrangement on certain matters, including, in particular, the arrangement in respect of the contingent liability relating to the service tax demand which is the subject matter of an appeal pending before the Customs, Excise and Service Tax Appellate Tribunal, Mumbai ("CESTAT"). The said matters have since been resolved, and the parties have entered into an Amendment cum Implementation Agreement dated 5th October, 2026 ("the Implementation Agreement") setting out, inter alia, the terms on which the transaction is to be completed and the arrangements in respect of the said contingent liability.

Under the arrangements so agreed, (a) the Company has, during the current financial year, deposited a sum of Rs. 270.00 Lakhs under protest with the service tax authorities, in addition to the mandatory pre-deposit of Rs. 57.35 Lakhs made at the time of filing the appeal; (b) a sum of Rs. 430.00 Lakhs is to be deposited in a designated bank account to be opened by the Company, which is to be operated jointly by a representative of the Company and the outgoing Promoter or his nominee, and to be applied only towards the liability, if any, finally determined in the said matter; (c) the outgoing Promoter and his nominee shall pursue the said appeal, and any further proceedings arising therefrom, on behalf of the Company and at their own cost, under an authority granted by the Company; and (d) the ultimate liability

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or refund, as the case may be, upon final determination of the matter shall be dealt with as per the said agreement.

The transaction contemplated under the SPA is being completed in two tranches. On 6th October, 2026, the Promoter transferred 3,27,00,000 equity shares, representing 62.29% of the paid-up equity share capital of the Company, to the Acquirer against payment of the consideration therefor. The Acquirer has consequently acquired control over the Company and has become its Promoter, and holds, together with the 600 equity shares acquired under the Open Offer, 3,27,00,600 equity shares representing 62.29% of the paid-up equity share capital of the Company. The balance 65,00,000 equity shares, representing 12.38% of the paid-up equity share capital of the Company, continue to be held by the outgoing Promoter and are to be transferred to the Acquirer only after the designated bank account referred to above has been opened and the sum of Rs. 430.00 Lakhs has been deposited therein. Upon completion of such transfer, the Acquirer will hold 3,92,00,600 equity shares representing 74.67% of the paid-up equity share capital of the Company. Upon such completion, the outgoing Promoter and the members of the erstwhile Promoter Group are to be reclassified as public shareholders in accordance with Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), for which the Company will make the requisite application to BSE Limited.

At the meeting of the Board of Directors held on 9th October, 2026, the persons nominated by the Acquirer were appointed as Directors of the Company, including as Managing Director, as Whole-time Director and Chief Financial Officer, and as Independent Directors, and all the Directors of the Company as constituted prior thereto, and its Chief Financial Officer, ceased to hold office. The Company Secretary and Compliance Officer continues in office. The particulars of the changes in the Directors and Key Managerial Personnel of the Company are set out in the Board's Report. The Company has made the requisite disclosures of the transfer of the first tranche of shares and of the changes in its management to BSE Limited under Regulation 30 of the Listing Regulations on 9th October, 2026.

(iii) Future Outlook

With the completion of the change in the management and control of the Company, the future business direction of the Company will be determined by the Board of Directors as reconstituted, which is in the process of reviewing the business of the Company. Such review will encompass the feasibility of resuming activities in the existing business segments of the Company, namely, Digital Media, Film and Television Serial Production and Trading in Intellectual Property Rights, as well as the possibility of the Company undertaking any new line of business, having regard to the plans of the new management, the conditions prevailing in the relevant industry, the funds required for the purpose and the risk and return associated with individual opportunities.

Any decision to undertake a line of business not covered by the objects clause of the Memorandum of Association of the Company will be subject to the alteration of the said clause with the approval of the Members by special resolution under Section 13 of the Companies Act, 2013, and to the disclosures required under the Listing Regulations. Pending such review, the Company will continue to earn licence fee income from its office premises at Andheri (West) and interest income on its deposits.

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As no revenue from operations has been earned during the current financial year up to the date of this Report, the financial results of the Company for the Financial Year 2026-27 are expected to be materially different from, and not comparable with, those of the year under review. The Board is not, at this stage, in a position to project the revenue or profitability of the Company for the current financial year, or the nature of, or the timelines for, the business activities that may be undertaken, and has deliberately refrained from making any such projection.

(iv) Going Concern

Notwithstanding the absence of operations during the current financial year up to the date of this Report, the Company has no borrowings, has a positive net worth, holds unencumbered immovable property which yields regular licence fee income, and carries adequate liquid resources to meet its liabilities as they fall due. The deposit of Rs. 270.00 Lakhs made under protest during the current financial year in respect of the service tax demand which is the subject matter of the appeal pending before CESTAT, referred to in paragraph (ii) above, has been made out of the internal resources of the Company, without prejudice to its rights and contentions in the said appeal, and does not affect its ability to meet its liabilities as they fall due.

The change in the management and control of the Company does not, by itself, have any adverse effect on the financial position of the Company, and the arrangements agreed under the Implementation Agreement provide for the sharing of the ultimate service tax liability, if any, with the outgoing Promoter. The Board of Directors is of the opinion that the Company continues to be a going concern, and the financial statements for the year under review have been prepared on a going concern basis. There is no intention on the part of the Board of Directors to liquidate the Company or to cease or curtail its operations.

3. Opportunities, Threats and Challenges

A. Opportunities

(a) Debt-free balance sheet and asset base: The Company has no borrowings, does not avail of any working capital facility and funds its activities entirely out of its own resources. The Company also owns unencumbered office premises at Andheri (West), Mumbai, which yield regular licence fee income. A balance sheet free of leverage, together with a steady stream of licence fee and interest income, affords the Company the flexibility to deploy its resources into such opportunities as the Board may identify, without the burden of finance costs.

(b) New management and clarity of direction: The new Promoter and the reconstituted Board are expected to bring fresh perspective, relationships and resources to the Company, which may enable it to identify and pursue business opportunities, whether in its existing segments or otherwise, with greater clarity of direction.

(c) Growth in demand for content: The media and entertainment industry in India continues to witness a structural shift in content consumption towards digital and over-the-top platforms, and growing demand for original, regional-language and library content across theatrical, television and digital windows. This demand presents opportunities for the acquisition, production, licensing and monetisation of content rights, which are areas in which the Company has operated in the past.

B. Threats and Challenges

(a) Discontinuity of business: The Company did not carry on any business activity in any of its reportable segments during the first quarter of the Financial Year 2026-27, and up to the date of this Report, on account of the change in management which was then under implementation. The determination of the future business of the Company by the reconstituted Board, and the commencement of such business, whether in the existing segments or in any new line, will involve considerable lead time. Until then, the Company will not earn revenue from operations, and its income will remain confined to licence fee and interest income, which may not be sufficient to sustain profitability at the levels achieved in the year under review.

(b) Industry and competitive risks: The media and entertainment business is characterised by high content costs, uncertainty of audience response and commercial outcome, intense competition, consolidation among broadcasters and digital platforms leading to greater bargaining power of content buyers, and rapidly changing technology and consumption patterns. Piracy and infringement of intellectual property rights continue to erode the value of content. These factors may affect the viability and returns of any business that the Company may undertake.

(c) Macro-economic and regulatory factors: Capital outflows, depreciation of the currency and inflationary pressures, together with changes in the tax regime applicable to the media and entertainment sector and in the regulatory framework governing digital content, may affect the operations of the Company.

(d) Transition risk: The change in the management and control of the Company involves a change in the composition of the Board of Directors and of the Key Managerial Personnel, and may involve a change in the business strategy of the Company. Any new line of business that may be undertaken would expose the Company to risks with which it has not hitherto been associated, and in respect of which the Company would not be able to draw upon the experience of its erstwhile management.

Baba Arts Limited

C. Meeting the Challenges

During the period of transition, the Board of Directors as then constituted adopted the course of preserving the assets and financial position of the Company, avoiding fresh long-term commitments and ensuring continued compliance with all applicable statutory requirements. Upon completion of the change in management, the records, assets and affairs of the Company are being handed over in an orderly manner to the reconstituted Board, and the continuance in office of the Company Secretary and Compliance Officer provides continuity in the compliance function. The reconstituted Board intends to evaluate each business opportunity on its individual merits, to deploy the resources of the Company prudently and to protect its income-yielding assets.

4. Risks and Concerns

The principal risks and concerns identified by the Board of Directors, and the manner in which they are sought to be addressed, are as follows:

(a) Business continuity risk: The future business of the Company is under review by the reconstituted Board, and revenue from operations will be earned only upon the commencement of such business. The Company has no borrowings and has adequate liquid resources, and is therefore able to meet its obligations in the meantime.

(b) Litigation and contingent liabilities: A demand of service tax aggregating to Rs. 764.70 Lakhs, together with an equal penalty under Section 78 of the Finance Act, 1994 and applicable interest, for the period from Financial Year 2011-12 to Financial Year 2014-15, has been raised against the Company in respect of the temporary transfer of copyright in cinematograph films. The Company has filed an appeal against the said demand before the Hon'ble Customs, Excise and Service Tax Appellate Tribunal, Mumbai, which is pending, and has made the mandatory pre-deposit of Rs. 57.35 Lakhs. During the current financial year, the Company has, without prejudice to its rights and contentions in the appeal, deposited a further sum of Rs. 270.00 Lakhs under protest with the service tax authorities. In terms of the Implementation Agreement referred to in paragraph 2(ii) above, the said appeal and any further proceedings will be pursued on behalf of the Company by the outgoing Promoter and his nominee at their own cost, and the ultimate liability, if any, will be dealt with as per the said agreement. Further, the Hon'ble Maharashtra Sales Tax Tribunal has dismissed the appeal of the Company relating to the disallowance of input tax credit of Rs. 23.23 Lakhs under the Maharashtra Value Added Tax Act, 2002 for the Financial Year 2013-14, against which the Company has filed an appeal before the Hon'ble High Court of Judicature at Bombay. The Company has been advised that it has a good case on merits in both matters, and no provision has been considered necessary in respect thereof. Reference is invited to the Notes to the Financial Statements for the disclosure of contingent liabilities.

Baba Arts Limited

(c) Concentration of non-operating income: Pending the resumption of business, a significant part of the income of the Company is derived from licence fee in respect of its office premises, which are given to a single licensee. The termination or non-renewal of the leave and licence arrangement upon expiry of the lock-in period would affect the income of the Company until the premises are re-licensed. The premises are located at a prime commercial location, and the Board expects that they can be re-licensed without undue difficulty, should the need arise.

(d) Credit and interest rate risk on surplus funds: The surplus funds of the Company are placed in deposits and inter-corporate loans. The income from such funds is subject to fluctuation in interest rates, and loans are subject to the risk of default by the borrower. The Board reviews the deployment of surplus funds and the creditworthiness of borrowers, and loans are granted within the limits and in the manner prescribed under Section 186 of the Companies Act, 2013.

(e) Compliance risk: The Company is subject to an extensive framework of compliance under the Companies Act, 2013 and the Regulations framed by the Securities and Exchange Board of India. Compliance is monitored by the Company Secretary and Compliance Officer and is reviewed by the Board of Directors and by the Secretarial Auditor.

(f) Dependence on Key Managerial Personnel: The affairs of the Company are managed by a small complement of personnel. Consequent upon the change in management, the Directors and the Chief Financial Officer associated with the erstwhile management have ceased to hold office, which carries a risk of loss of institutional knowledge. This risk is sought to be mitigated through an orderly handover of records, the continuance in office of the Company Secretary and Compliance Officer, and the arrangement under which the outgoing Promoter will continue to pursue the pending service tax proceedings. The reconstituted Board will review the adequacy of personnel having regard to the business that the Company may undertake.

5. Segment-wise Performance

The Company operates in a single business, namely, Entertainment, within which it has reported the following segments during the year under review. The segment-wise revenue and profit / (loss) for the year under review, as compared with the previous year, is set out below:

Reportable Segment	2025-26 (Rs. in Lakhs)	2024-25 (Rs. in Lakhs)	Segment Result (Rs. in Lakhs)
Digital Media	1292.22	374.34	120.10
Film and Television Serial Production	Nil	Nil	[33.95]
Trading in Intellectual Property Rights	202.53	184.54	[88.98]
Total Revenue from Operations	1494.75	558.88	[2.83]

Baba Arts Limited

As stated in paragraph 2 above, the Company did not carry on any activity in any of the above segments during the first quarter of the Financial Year 2026-27, or thereafter up to the date of this Report. The segment information for the current financial year will therefore be materially different, and the reportable segments of the Company may undergo a change depending upon the business that the reconstituted Board may decide to undertake.

6. Internal Control System and its Adequacy

The Company has an adequate internal control system to ensure operational efficiency and compliance with laws and regulations. The internal control system is reviewed by the Audit Committee from time to time and its suggestions, if any, are implemented. The Company has appointed a firm of Chartered Accountants as Internal Auditor, which submits its report on a quarterly basis. Observations of the Internal Auditor are noted and, wherever necessary, corrective steps are taken. Having regard to the size and the present level of activity of the Company, the Board of Directors is of the opinion that the internal financial controls with reference to the financial statements are adequate and were operating effectively during the year under review. Consequent upon the change in the management and control of the Company, the reconstituted Board and Audit Committee will review the internal control system, and the internal financial controls, having regard to the business that the Company may undertake.

7. Financial Performance with respect to Operational Performance

(i) Sales

Income from sale of rights of films and television shows was Rs. 202.53 Lakhs during the year, as against Rs. 184.54 Lakhs in the previous year.

Income from monetisation and sale of digital media content was Rs. 1292.22 Lakhs, as against Rs. 374.34 Lakhs in the previous year.

(ii) Profit before Tax, Finance Charges, Depreciation and Net Profit

The Company earned a profit before tax of Rs. 83.64 Lakhs, after providing for depreciation of Rs. 6.39 Lakhs (Previous Year Rs. 6.00 Lakhs), as against a profit before tax of Rs. 194.07 Lakhs in the previous year. As the Company has no borrowings, it has not incurred any finance charges on borrowings. After providing for current taxation of Rs. 19.65 Lakhs (Previous Year Rs. 49.79 Lakhs), write back of excess provision for tax of Rs. 1.29 Lakhs (Previous Year Rs. 0.28 Lakh) and recognition of Deferred Tax Asset of Rs. 0.02 Lakh (Previous Year recognition of Deferred Tax Liability of Rs. 0.72 Lakh), the Net Profit of the Company for the year was Rs. 65.30 Lakhs (Previous Year Rs. 143.84 Lakhs).

(iii) Capital Investment

During the year ended 31st March, 2026, the Company made a capital investment of Rs. 32.20 Lakhs (Previous Year Rs. 6.16 Lakhs) out of its own sources.

(iv) Working Capital

The Company does not enjoy any working capital finance from any bank. The Company manages its activities entirely out of its own funds.

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8. Material Developments in Human Resources and Industrial Relations

The Company maintains healthy, cordial and harmonious relations with all its personnel, thereby enhancing the contributory value of its human resources. There were no material developments on the human resources or industrial relations front during the year under review. The number of persons employed by the Company as on 31st March, 2026 was five (5). Subsequent to the close of the year, consequent upon the change in the management and control of the Company, the Chief Financial Officer and certain other employees have ceased to be in the employment of the Company, and Mr. Hardeep Darshan Singh Sangha has been appointed as Whole-time Director and Chief Financial Officer. The Company Secretary and Compliance Officer continues in employment.

9. Return on Net Worth

The Company's return on net worth for the year ended 31st March, 2026 was 2.35%, as compared with 5.23% in the previous year. Although the revenue from operations increased during the year under review, the return on net worth declined on account of the lower margin on trading of intellectual property rights and the increase in overheads, which resulted in a decline in the net profit from Rs. 143.84 Lakhs to Rs. 65.30 Lakhs.

10. Changes in Key Financial Ratios

Details of significant changes, being changes of 25% or more as compared with the immediately previous financial year, in the key financial ratios of the Company, together with the explanations therefor, are as under:

Sr. No.	Particulars	2025-26	2024-25	Details of significant changes (25% or more)
1	Return on Net Worth (%)	2.35%	5.23%	Impact of lower margin on trading of IPR during the current year.
2	Debtors Turnover	18.19	5.40	Impact of increase in income from operations during the current year.
3	Inventory Turnover	4.15	1.01	Impact of increase in income from operations during the current year.
4	Interest Coverage Ratio	N.A.	N.A.	Not applicable as the Company does not have any borrowings.
5	Current Ratio	34.69	10.43	Impact of payment to creditors.
6	Debt Equity Ratio	N.A.	N.A.	Not applicable as the Company has no debts.
7	Operating Profit Margin (%)	5.25	28.19	Impact of lower margin on trading of IPR during the year.
8	Net Profit Margin (%)	4.10	20.89	Impact of lower margin on trading of IPR and increase in overheads during the year.

Baba Arts Limited

11. Material Changes and Commitments after the End of the Financial Year

Save and except (i) the transfer on 5th October, 2026 of 3,27,00,000 equity shares of the Company by the Promoter to the Acquirer under the Share Purchase Agreement dated 25th February, 2026, read with the Implementation Agreement, and the consequent change in the management and control of the Company, the balance 65,00,000 equity shares being transferable in the manner described in paragraph 2(ii) above, (ii) the deposit of Rs. 270.00 Lakhs made by the Company under protest with the service tax authorities, and (iii) the fact that the Company did not carry on any business activity in any of its reportable segments during the current financial year up to the date of this Report, all as more particularly described in paragraph 2 above, there were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report. None of the aforesaid matters is an adjusting event within the meaning of Indian Accounting Standard 10, and none of them requires any adjustment to the financial statements for the year under review.

12. Cautionary Statement

Statements in this Report on Management Discussion and Analysis describing the Company's objectives, estimates, projections and expectations are "forward looking" statements within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events, and the actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting the entertainment industry, changes in Government regulations and tax regimes, economic developments within India and outside the country, and other factors such as litigation and industrial relations.

Members are specifically cautioned that, having regard to the change in the management and control of the Company described in paragraph 2 above, the future line of business, business plans and prospects of the Company are under review by the reconstituted Board of Directors, and that nothing contained in this Report constitutes any statement, representation, assurance or projection as to the business that the Company may hereafter carry on or as to the results that it may hereafter achieve. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement on the basis of any subsequent development, information or event.

By Order of the Board of Directors

Chandresh Dutt Upadhyay	Ms. Vidya Pishhe
Chairperson	Managing Director
DIN: 01140078	DIN: 11881924

Place: Mumbai

Date: 9th October, 2026

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Annexur II
FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To,
The Members,
Baba Arts Limited.
B1 & B4, Baba House,
86, M.V Road,
Chakala MIDC,
Andheri (East), Mumbai- 400093.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Baba Arts Limited (CIN L72200MH1999PLC119177)** (hereinafter called 'the Company') for the financial year ended 31st March, 2026. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

- i. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are

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reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

- iii. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
 - iv. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
 - v. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.
 - vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- B. Based on verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance mechanism in place to the extent and as applicable to the Company in the manner and subject to the reporting made hereinafter:
- C. We have conducted examination of the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:
- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment only. There is no Overseas Direct Investment and External Commercial Borrowings made by the Company;
- V. A. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- V. B. The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and hence are not relevant for the purpose of audit: -
 - a. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - b. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - d. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
- VI. And the Company being in the business of Films and TV Serial Production and trading in Intellectual Property Rights of Films, provisions of Cinematograph Act,

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1952 are applicable to the Company and the same has been complied with during the period under Audit.

D. We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ;

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

E. We further report that--

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013;
 - II. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
 - III. Majority decision is carried through and there was no instance of any director expressing any dissenting views.
- F. We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Baba Arts Limited

G. We further report that during the audit period the following event has taken place-

Skybridge Interactive LLP ("Acquirer") has entered into Share Purchase Agreement with Promoters/Promoter Group on 25th February, 2026 with an intent to acquire 3,92,00,000 equity shares having face value of Re 1/- each representing 74.67% of the equity and voting share Capital of Baba Arts Limited ("Target Company") at a price of Rs.6/- (Rupees Six Only) per equity share subject to such terms and conditions as mentioned in the Share Purchase Agreement subject to Acquirer maintaining its shareholding within the limit prescribed for minimum public shareholding. The acquisition will result in change in control and management in the Target Company.

Pursuant to the above Share Purchase Agreement disclosure by way of Public Announcement on website of BSE Ltd. was made by the Acquirer on 25th February, 2026 and a Detailed Public Statement was published in newspapers on 5th March, 2026 for acquisition of up to 1,32,92,000 (One Crore Thirty-Two Lakh Ninety-Two Thousand) Equity shares representing 25.32% of the Equity and Voting Share Capital of Baba Arts Limited ("Target Company") from the Public Shareholders of the Target Company at an offer price of Rs. 6/- (Rupees Six Only) per equity share, by Acquirer payable in cash pursuant to and in compliance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011 (SEBI (SAST) Regulations, 2011) as amended. The said open offer process is presently under progress at the time of signing this report.

H. We further report that during the audit period none of the following event has taken place-

- I. Public/Rights/Preferential Issue of Shares/Debentures etc.
- II. Redemption/buy-back of securities.
- II. Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.

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IV. Merger/Amalgamation/Reconstruction, etc.

V. Foreign Technical Collaborations.

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

ICSI Unique Code : P2014MH034700

Peer Review Certificate No: 2404/2022

Place: Mumbai

Date: 21st May, 2026

UDIN: F010032H000426954

CS Nrupang B. Dholakia

Managing Partner

FCS-10032 CP No. 12884

Baba Arts Limited

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE III FORM NO. AOC-2

Form for disclosure of particulars or contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

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

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

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board if any:	Amount paid as advances if any
Graceland New Media LLP ("LLP") Mr. Nikhil G. Tanwani, Managing Director of the Company is related to Mr. Gordhan P. Tanwani, Designated Partner of the LLP.	Purchase of TV Serial Rights – Expenses	1 st July, 2025 to 30 th September, 2025	Purchase of IPR of TV Serial "Ramayan" and "Uttar Ramayan" for a total consideration of Rs. 129.80 Lakh.	Approved by the Board of Directors in its meeting held on 21 st May, 2025 and approved by the Shareholders in their 26 th AGM held on 18 th September, 2025.	
Graceland New Media LLP ("LLP") Mr. Nikhil G. Tanwani, Managing Director of the Company is related to Mr.	Share of Advertising Income-IPR Rs. 19,17 Lakhs.	1 st April, 2025 to 30 th September, 2026.	Facebook revenue sharing in the ratio of 90% for the Company and 10% for the LLP.	21 st May, 2025, 12 th August, 2025, 11 th November, 2025 & 11 th February, 2026.	Nil

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Gordhan P. Tanwani, Designated Partner of the LLP.					
Graceland New Media LLP ("LLP") Mr. Nikhil G. Tanwani, Managing Director of the Company is related to Mr. Gordhan P. Tanwani, Designated Partner of the LLP.	Distribution agreement dated 15 th February, 2025 for various Mythological Contents viz: Ramayan, Uttar Ramayan, Shree Krishna, Sai Baba, Mahalakshmi, Vikram Betal, Geeta Maiya, Geeta Saar, Krishna's Mahabharat and lot of 15 Films and lot of 26 Films	From 1 st April, 2025 to 31 st March, 2026.	Revenue sharing 25% for the Company and 75% for the LLP. Total revenue shared (Expense) with the LLP during the year Rs. 652.33 Lakh Interest Free Refundable Deposit paid to the LLP during the year Rs. 500 Lakh. Interest free refundable security deposit of Rs.1000 Lakh refunded by the LLP to the Company.	13 th February, 2025	Nil

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Baba Films Mr. Nikhil G. Tanwani- Managing Director is related to Proprietor of the Firm	Share of Advertising Revenue (Expenses) Rs.285.76Lakhs	1 st April, 2025 to 31 st March, 2026	Sharing of advertisement revenue from digital media in respect of rights of 5 films. Revenue to be shared in the ratio of 25% for the Company and 75% for Baba Films.	Approved by the Board of Directors on 21 st May 2025 and approved by the shareholders in their 26 th AGM on 18 th September, 2025.	Nil
Bhagwati Media Private Limited (BMPL) Mr. Nikhil G. Tanwani, Managing Director & Mr. Ajay D. Acharya, CFO are the Directors of BMPL.	Revenue sharing (Expenses) agreement dated in respect of 7 Films on various channels of Baba Arts Limited ("BAL") Rs.4.26 Lakhs.	1 st April, 2025 to 31 st March, 2026	Revenue sharing in the ratio of 50% for BMPL and 50% for BAL	21 st May, 2025, 12 th August, 2025, 11 th November, 2025 & 11 th February, 2026.	Nil

By Order of the Board of Directors

Chandresh Dutt Upadhyay
Chairperson

Ms. Vidya Pishe
Managing Director

DIN: 01140078

DIN: 11881924

Place: Mumbai

Date: 9th October, 2026

ANNEXURE IV

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

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;	The Company has paid remuneration of Rs. 50,000 per month to Mr. Nikhil G. Tanwani, as Whole Time Director. The ratio of his remuneration to the median remuneration of the employees of the Company for the year was 0.96
(ii) the percentage increase in remuneration of each director, Chief Financial Officer(CFO), Chief Executive Officer(CEO), Company Secretary (CS) or Manager, if any, in the financial year;	During the Financial Year 2025-26 the Company has not granted any increase in remuneration to CFO & CS:
(iii) the percentage increase in the median remuneration of employees in the financial year;	The percentage increase in median remuneration of employees in the financial year 2025-26 was 8.33%
(iv) the number of permanent employees on the rolls of Company;	Five (5) As on 31/03/2026. (Including Managing Director)
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average increase in salary of employees other than the managerial personnel in the last financial year was 9.07% as compared to average increase of Nil granted to managerial personnel.
(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

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Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014: Particulars of Top 10 employees in terms of remuneration drawn:

Name	Age	Designation	Total Remuneration (in Rs.)	Qualification	Exp. in Years	Date of Joining	Last Employment
Nikhil G. Tanwani	39	Managing Director	6,00,000	B.A. Honours in Business & International Finance	11	20.01.2022	Bhagwati Media Private Limited.
Ajay D. Acharya	67	Chief Financial Officer (CFO)	19,50,000	B.Com	32	16.09.2016	Bhagwati Media Private Limited.
Naishadh H. Mankad	73	Company Secretary (CS)	13,00,000	ACS	51	01.10.2003	Gandhi Special Tubes Limited
Rajendra Wadekar	35	Accountant	6,44,000	B.Com	11	01.06.2023	M/s Larry's Impex LLP
Rakesh Singh	44	Office Assistant	3,44,000	S.S.C.	24	01.04.2006	M/s. A P Sales Corporation

Notes:

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

Baba Arts Limited

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

By Order of the Board of Directors

Chandresh Dutt Upadhyay	Ms. Vidya Pische
Chairperson	Managing Director
DIN: 01140078	DIN: 11881924
Place: Mumbai	
Date: 9th October, 2026	

Baba Arts Limited

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

To,

**The Board of Directors
Baba Arts Limited**

Dear Members of the Board,

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

1. We have reviewed the Balance Sheet as at 31st March, 2026, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the *Board's report* for the year ended 31st March, 2026.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
 - c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - d) Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Baba Arts Limited

6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
 - a) Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b) Any significant changes in internal controls during the year covered by this report.
 - c) All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
 - d) Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistle blowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

For BABA ARTS LIMITED

Nikhil G. Tanwani
Chairman & Managing Director (MD)

Ajay D. Acharya
Chief Financial Officer (CFO)

Place: Mumbai
Date: 21st May, 2026

Baba Arts Limited

Ref. No. MMN/C/2026-27/May/034

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

TO THE MEMBERS OF BABA ARTS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by **Baba Arts Limited**, ('the Company'), for the year ended on 31 March 2026, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C , D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (the Listing Regulations) pursuant to the Listing Agreement of the Company with Stock Exchanges.

MANAGEMENT'S RESPONSIBILITY

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

AUDITORS' RESPONSIBILITY

3. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2026.
5. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the 'ICAI'), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Baba Arts Limited

OPINION

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31 March 2026.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

RESTRICTIONS ON USE

9. The Certificate is addressed and provided to the Members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for any event or circumstances occurring after the date of this Certificate.

For M. M. NISSIM & CO LLP
Chartered Accountants
Firm Regn. No. 107122W/W100672

Hiren P Muni
Partner
Mem. No.: 142067
Mumbai, 21st May, 2026
UDIN: - 26142067YPOFRG8643

CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) read with Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

2. BOARD OF DIRECTORS

2.1 Composition and Category of Directors

The Board comprises Executive, Non-Executive and Independent Directors. As on 31st March, 2026, the Board consisted of 4 (four) members, comprising One (1) Executive Director designated as Chairman & Managing Director, One (1) Non-Independent, Non-Executive Director and Two (2) Independent, Non-Executive Directors, being one-half of the total strength of the Board.

Consequent upon the change in management and control of the Company, and with effect from the conclusion of the meeting of the Board of Directors held on Friday, 9th October, 2026, the Board consists of 5 (five) members, comprising One (1) Executive Director designated as Managing Director, Two (2) Non-Independent, Non-Executive Directors and Two (2) Independent, Non-Executive Directors. Two of the five Directors are Women Directors, one of whom is an Independent Director.

The Independent Directors are free from any business or other relationship with the Company, the Promoters of the Company or the other Directors of the Company that could materially influence their judgment. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act"), including the requirement of at least one Woman Director on the Board.

Board Composition as on Tuesday, 31st March, 2026

Sr. No.	Name	Category
1.	Mr. Nikhil G. Tanwani	Executive Director – Chairman & Managing Director
2.	Mrs. Malavika A. Acharya	Non-Independent, Non-Executive Director
3.	Mr. Shekhar Menon	Independent, Non-Executive Director
4.	Mr. Hemraj G. Chheda	Independent, Non-Executive Director

Baba Arts Limited

Board Composition with effect from Friday, 9th October, 2026

Sr. No.	Name	Category
1.	Ms. Vidya Pishe	Executive Director – Managing Director
2.	Mr. Eknath Ramkrushna Bade	Non-Independent, Non-Executive Director
3.	Mr. Hardeep Darshan Singh Sangha	Non-Independent Executive Director
4.	Ms. Neeru Saini	Independent, Non-Executive Director
5.	Mr. Chandresh Dutt Upadhyay	Independent, Non-Executive Director

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

During the year under review and up to the date of this Report, the following changes took place in the composition of the Board of Directors:

- (i) Mr. Hasmukh Shah (DIN: 00150891) resigned as an Independent Director of the Company with effect from Thursday, 15th January, 2026;
- (ii) Mr. Nikhil G. Tanwani (DIN: 01995127), Chairman & Managing Director, Mrs. Malavika A. Acharya (DIN: 07007469), Non-Independent, Non-Executive Director, and Mr. Hemraj G. Chheda (DIN: 00113766) and Mr. Shekhar Menon (DIN: 02262964), both Non-Executive, Independent Directors, resigned with effect from Friday, 9th October, 2026, pursuant to the change in management and control of the Company;
- (iii) with effect from Friday, 9th October, 2026, and pursuant to the change in management and control of the Company, the following persons were appointed as Additional Directors under Section 161(1) of the Act:
 - (a) Mr. Eknath Ramkrushna Bade (DIN: 11523239) in the category of Non-Executive, Non-Independent Directors;
 - (b) Ms. Neeru Saini (DIN: 03617003) and Mr. Chandresh Dutt Upadhyay (DIN: 01140078), in the category of Non-Executive, Independent Directors;
 - (c) Ms. Vidya Pishe (DIN: 11881924), in the category of Executive Director, and as Managing Director of the Company; and Mr. Hardeep Darshan Singh Sangha (DIN: 11752789), in the capacity of Executive Director; and
- (iv) the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee were reconstituted on Thursday, 15th January, 2026 consequent upon the resignation of Mr. Hasmukh Shah (DIN: 00150891), and were again reconstituted on Friday 9th October, 2026 consequent upon the resignation of the erstwhile Directors pursuant to the change in management and control of the Company.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act, along with the rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they meet the criteria of independence

Baba Arts Limited

as provided in Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties with an objective, independent judgment and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors, after undertaking due assessment of the veracity of the same, has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, the Independent Directors have registered their names in the Data Bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company did not have any pecuniary relationship or transaction with the Non-Executive Directors, except for the payment of sitting fees for attending the meetings of the Board and its Committees.

The profiles of all the Directors are available on the Company's website at <https://babaartslimited.com/our-team/>.

2.2 Details of Directors

Sr. No.	Name, Category & Designation	No. of Shares held in the Company as on 31.03.2026	Board Meetings during 2025-26 – Held	Board Meetings during 2025-26 – Attended	Attendance at the last AGM	No. of Directorships in other Companies	No. of Committee positions held in other Companies (Chairperson / Member)
1.	Mr. Nikhil G. Tanwani – Non-Independent, Executive – Chairman & Managing Director	Nil	5	5	Yes	1	Nil
2.	Mrs. Malavika A. Acharya – Non-Independent, Non-Executive Director	2,35,400 (jointly, as second holder, with Mr. Ajay D. Acharya)	5	5	Yes	Nil	Nil
3.	Mr. Hasmukh Shah # – Independent, Non-Executive Director	Nil	5	3	No	3	Nil
4.	Mr. Shekhar Menon – Independent, Non-Executive Director	Nil	5	5	Yes	4	2
5.	Mr. Hemraj G. Chheda – Independent, Non-Executive Director	20,224	5	5	Yes	10	Nil

Mr. Hasmukh Shah resigned with effect from Thursday, 15th January, 2026.

None of the Directors of the Company holds a directorship in any other listed entity. The Company has not issued any convertible securities.

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2.3 Disclosure of Relationships between Directors inter se

None of the Directors of the Company is related to any other Director of the Company within the meaning of Section 2(77) of the Act read with the rules framed thereunder.

2.4 Number of Meetings of the Board of Directors and Dates on which Held

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

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

During the financial year, 5 (five) board meetings were held, on Wednesday, 21st May, 2025, Tuesday, 12th August, 2025, Tuesday, 11th November, 2025, Thursday, 15th January, 2026 and Wednesday, 11th February, 2026. The interval between two consecutive board meetings was well within the maximum permissible gap of 120 (one hundred and twenty) days prescribed under Regulation 17(2) of the Listing Regulations and Section 173(1) of the Act. The necessary quorum was present at all the meetings.

During the year 2025-26, the information as mentioned in Part A of Schedule II to the Listing Regulations was placed before the Board for its consideration.

2.5 Separate Meeting of Independent Directors

During the financial year, a separate meeting of the Independent Directors was held on Wednesday, 11th February, 2026. At the said meeting, the Independent Directors, inter alia:

- (i) reviewed the performance of the Non-Independent Directors and the Board of Directors as a whole;
- (ii) reviewed the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and the Non-Executive Directors; and
- (iii) assessed the quality, quantity and timeliness of the flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform its duties.

All the Independent Directors of the Company attended the meeting of the Independent Directors held on Wednesday, 11th February, 2026.

The Independent Directors of the Company are in compliance with the provisions of Regulation 16 of the Listing Regulations. Further, disclosures have been made by the Directors regarding their chairpersonships/memberships of the mandatory committees of the board in other companies, and the same are within the maximum permissible limits stipulated under Regulation 17A of the Listing Regulations.

The terms and conditions of appointment of the Independent Directors and the details of the familiarisation programme for the Independent Directors are available on the website of the Company at

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<https://babaartslimited.com/wp-content/uploads/2.-Code-of-Conduct-for-Independent-Directors-NHM.pdf> and <https://babaartslimited.com/wp-content/uploads/5.Familiarisation-Programme.pdf>, respectively.

2.6 Board Skill Matrix

The Board of the Company is structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. The following are the core skills/expertise/competencies identified by the Board as required in the context of the Company's business(es) and sector(s), together with the names of the Directors who possess such skills:

Core skills / expertise / competencies identified by the Board of Directors	Names of Directors who have such skills / expertise / competence
Business operations, industry knowledge and commercial experience related to the Company's business	Mr. Nikhil G. Tanwani, Mrs. Malavika A. Acharya and Mr. Hasmukh Shah #
Finance, law, management, administration and corporate governance related to the Company's business	Mr. Nikhil G. Tanwani, Mr. Shekhar Menon and Mr. Hemraj G. Chheda
Strategy, risk management and sales related to the Company's business	Mr. Nikhil G. Tanwani, Mrs. Malavika A. Acharya and Mr. Hasmukh Shah #

Mr. Hasmukh Shah resigned with effect from Thursday, 15th January, 2026.

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

The changes in the composition of the Board during the year under review and up to the date of this Report are set out in paragraph 2.1 above.

At the ensuing 27th Annual General Meeting of the Company, it is proposed to regularise the appointment of Mr. Eknath Ramkrushna Bade (DIN: 11523239), Mr. Hardeep Darshan Singh Sangha (DIN: 11752789), Ms. Neeru Saini (DIN: 03617003), Mr. Chandresh Dutt Upadhyay (DIN: 01140078) and Ms. Vidya Pishe (DIN: 11881924), who were appointed as Additional Directors, as Directors of the Company. It is also proposed to appoint Ms. Vidya Pishe (DIN: 11881924) as Managing Director of the Company for a period of 5 (five) years, with effect from Friday, 9th October, 2026 up to Wednesday, 8th October, 2031, at the ensuing 27th Annual General Meeting.

The Directors of the Company are appointed by the Members at general meetings. Not less than two-thirds of the total number of Directors (excluding Independent Directors) are liable to retire by rotation, of whom one-third retire at every Annual General Meeting, pursuant to the provisions of the Act. The Executive Directors serve in accordance with their roles and responsibilities in the Company.

A brief profile and other information, as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of the Directors proposed to be appointed forms part of the Notice convening the ensuing 27th Annual General Meeting.

2.8 Resignation of Independent Directors before Expiry of Tenure

Mr. Hasmukh Shah (DIN: 00150891) resigned as an Independent Director of the Company with effect from Thursday, 15th January, 2026, as he could not clear the mandatory online proficiency self-assessment test for Independent Directors prescribed under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Mr. Hasmukh Shah has confirmed, in terms of Regulation 30 read with Schedule III

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to the Listing Regulations and clause 2(k) of Para C of Schedule V thereto, that there were no material reasons for his resignation other than those stated in his resignation letter and disclosed to the Stock Exchange.

Mr. Hemraj G. Chheda (DIN: 00113766) and Mr. Shekhar Menon (DIN: 02262964) resigned as Independent Directors of the Company with effect from Friday, 9th October, 2026, consequent upon the change in management and control of the Company. Both the aforesaid Independent Directors have confirmed, in terms of Regulation 30 read with Schedule III to the Listing Regulations and clause 2(k) of Para C of Schedule V thereto, that there were no material reasons for their respective resignations other than those stated in their respective resignation letters and disclosed to the Stock Exchange.

3. AUDIT COMMITTEE

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

3.1 Terms of Reference

- (i) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (ii) recommendation for the appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) reviewing, with the management, the annual financial statements and the auditor's report thereon before submission to the Board for approval, with particular reference to: (a) matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Act; (b) changes, if any, in accounting policies and practices and the reasons for the same; (c) major accounting entries involving estimates based on the exercise of judgment by the management; (d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements; (f) disclosure of any related party transactions; and (g) modified opinions in the draft audit report;
- (v) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (vi) reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilisation of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) reviewing and monitoring the auditor's independence and performance, and the effectiveness of the audit process;
- (viii) approval, or any subsequent modification, of transactions of the Company with related parties;

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- (ix) scrutiny of inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the Company, wherever necessary;
- (xi) evaluation of internal financial controls and risk management systems;
- (xii) reviewing, with the management, the performance of the statutory and internal auditors, and the adequacy of the internal control systems;
- (xiii) reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- (xiv) discussion with the internal auditors of any significant findings and follow-up thereon;
- (xv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the Board;
- (xvi) discussion with the statutory auditors, before the audit commences, about the nature and scope of the audit, as well as post-audit discussion to ascertain any area of concern;
- (xvii) looking into the reasons for substantial defaults in the payments to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) reviewing the functioning of the whistle blower mechanism;
- (xix) approval of the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- (xx) reviewing the utilisation of loans and/or advances from, and/or investment by, the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/investments;
- (xxi) considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the listed entity and its shareholders; and
- (xxii) carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.2 Composition, Names of Members and Chairperson

Composition of the Audit Committee during the financial year ended 31st March, 2026

Name of the Member	Category	Designation
Mr. Hemraj G. Chheda	Independent & Non-Executive Director	Chairperson
Mrs. Malavika A. Acharya	Non-Independent & Non-Executive Director	Member
Mr. Shekhar Menon	Independent & Non-Executive Director	Member
Mr. Hasmukh Shah #	Independent & Non-Executive Director	Member

Mr. Hasmukh Shah resigned with effect from Thursday, 15th January, 2026 and, accordingly, the Audit Committee comprised the first three members named above as on Tuesday, 31st March, 2026, two-thirds of whom were Independent Directors, in compliance with Regulation 18(1)(b) of the Listing Regulations.

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The Audit Committee was reconstituted with effect from Friday, 9th October, 2026, consequent upon the change in management and control of the Company, as follows:

Composition of the Audit Committee with effect from Friday, 9th October, 2026

Name of the Member	Category	Designation
Ms. Neeru Saini	Independent & Non-Executive Director	Chairperson
Mr. Chandresh Dutt Upadhyay	Independent & Non-Executive Director	Member
Mr. Eknath Ramkrushna Bade	Non-Independent & Non-Executive Director	Member

All the members of the Committee have relevant experience in financial matters, and the Chairperson of the Committee is an Independent Director, in compliance with Regulation 18(1)(b), 18(1)(c) and 18(1)(d) of the Listing Regulations read with Section 177(2) of the Act.

3.3 Meetings and Attendance during the Year

The Audit Committee met 4 (four) times during the year. The dates of the Audit Committee meetings and the attendance of the Committee members thereat are given in the table below:

Name of the Member	Category	Wednesday, 21/05/2025	Tuesday, 12/08/2025	Tuesday, 11/11/2025	Wednesday, 11/02/2026
Mr. Hemraj G. Chheda	Chairperson	Yes	Yes	Yes	Yes
Mrs. Malavika A. Acharya	Member	Yes	Yes	Yes	Yes
Mr. Shekhar Menon	Member	Yes	Yes	Yes	Yes
Mr. Hasmukh Shah #	Member	Yes	Yes	Yes	N.A.

Mr. Hasmukh Shah resigned with effect from Thursday, 15th January, 2026.

The gap between any two consecutive meetings of the Audit Committee did not exceed 120 (one hundred and twenty) days, as required under Regulation 18(2)(a) of the Listing Regulations.

The Chairperson of the Committee attended the 26th Annual General Meeting of the Company for the year ended 31st March, 2025, held on Thursday, 18th September, 2025.

Mr. Nikhil G. Tanwani attended the meetings of the Audit Committee held on Wednesday, 21st May, 2025, Tuesday, 12th August, 2025, Tuesday, 11th November, 2025 and Wednesday, 11th February, 2026 as a permanent invitee.

The meetings of the Audit Committee were also attended by the Statutory Auditors, the Internal Auditors, the Chief Financial Officer (CFO) and senior management staff of the Company, whenever required, to provide information and answer queries raised by the Committee members. All the recommendations of the Audit Committee were accepted by the Board of Directors. The Company Secretary acts as the Secretary to the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") of the Company is constituted in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Act.

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4.1 Terms of Reference

- (i) to formulate the criteria for determining the qualifications, positive attributes and independence of a director, and to recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees. For every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and, on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: (a) use the services of an external agency, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;
- (ii) to formulate the criteria for evaluation of the performance of the independent directors and the Board of Directors;
- (iii) to devise a policy on diversity of the Board of Directors;
- (iv) to identify persons who are qualified to become directors and key managerial personnel and who may be appointed in senior management in accordance with the criteria laid down, and to recommend to the Board their appointment and removal;
- (v) to decide whether to extend or continue the term of appointment of an independent director on the basis of the report of performance evaluation of the independent directors; and
- (vi) to recommend to the Board all remuneration, in whatever form, payable to senior management.

The policy relating to the remuneration of the directors, key managerial personnel and other employees, and the policy on evaluation of the performance of the Board, are available on the Company's website at <https://babaartslimited.com/wp-content/uploads/13.-Nomination-and-Remuneration-Policy-NHM.pdf>.

4.2 Composition, Names of Members and Chairperson

Composition of the Nomination and Remuneration Committee during the financial year ended 31st March, 2026

Name of the Member	Category	Designation
Mr. Hemraj G. Chheda	Independent Director	Chairperson
Mrs. Malavika A. Acharya	Non-Independent & Non-Executive Director	Member
Mr. Shekhar Menon	Independent Director	Member
Mr. Hasmukh Shah #	Independent Director	Member

Mr. Hasmukh Shah resigned with effect from Thursday, 15th January, 2026 and, accordingly, the Committee comprised the first three members named above as on Tuesday, 31st March, 2026, all of whom were Non-Executive Directors and two-thirds of whom were Independent Directors, in compliance with Regulation 19(1) of the Listing Regulations.

The Nomination and Remuneration Committee was reconstituted with effect from Friday, 9th October, 2026, consequent upon the change in management and control of the Company, as follows:

Composition of the Nomination and Remuneration Committee with effect from Friday, 9th October, 2026

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Name of the Member	Category	Designation
Mr. Chandresh Dutt Upadhyay	Independent & Non-Executive Director	Chairperson
Ms. Neeru Saini	Independent & Non-Executive Director	Member
Mr. Eknath Ramkrushna Bade	Non-Independent & Non-Executive Director	Member

4.3 Meetings and Attendance during the Year

The NRC met 3 (three) times during the year. The dates of the NRC meetings and the attendance of the Committee members thereat are given in the table below:

Name of the Member	Category	Wednesday, 21/05/2025	Tuesday, 11/11/2025	Wednesday, 11/02/2026
Mr. Hemraj G. Chheda	Chairperson	Yes	Yes	Yes
Mrs. Malavika A. Acharya	Member	Yes	Yes	Yes
Mr. Shekhar Menon	Member	Yes	Yes	Yes
Mr. Hasmukh Shah #	Member	Yes	Yes	N.A.

Mr. Hasmukh Shah resigned with effect from Thursday, 15th January, 2026.

The Chairperson of the Committee attended the 26th Annual General Meeting of the Company for the year ended 31st March, 2025, held on Thursday, 18th September, 2025. The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

4.4 Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for the Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of the factors evaluated includes:

- participation and contribution by a director;
- commitment and effective deployment of knowledge and expertise;
- effective management of relationships with stakeholders;
- integrity and maintenance of confidentiality; and
- independence of behaviour and judgment.

4.5 Remuneration Policy

The Remuneration Policy of the Company is designed to attract, retain and motivate the senior management, including the Key Managerial Personnel, to evaluate their performance and to provide the necessary report to the Board for further evaluation. It enables the Company to promote and develop a high-performance workforce in line with the Company's strategy.

Mr. Nikhil G. Tanwani, Managing Director of the Company, was paid a consolidated remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) per month. Periodical increments are recommended by the

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Nomination and Remuneration Committee based on the performance of the Company as well as of the Managing Director, within the salary scale approved by the Board and the Members.

The Company pays a sitting fee of Rs. 30,000/- (Rupees Thirty Thousand only) per meeting to its Non-Executive Directors for attending the meetings of the Board and the Audit Committee. The sitting fee for attending the meetings of the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee is Rs. 20,000/- (Rupees Twenty Thousand only) per meeting. The sitting fees are within the limits prescribed under Section 197(5) of the Act read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Remuneration Policy is available on the website of the Company at <https://babaartslimited.com/wp-content/uploads/2026/02/13.-Nomination-and-Remuneration-Policy-NHM.pdf>.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

5.1 Terms of Reference

- (i) resolving the grievances of the security holders of the listed entity, including complaints relating to the transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- (ii) review of the measures taken for the effective exercise of voting rights by shareholders;
- (iii) review of adherence to the service standards adopted by the listed entity in respect of the various services rendered by the Registrar & Share Transfer Agent; and
- (iv) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring the timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

5.2 Name of the Non-Executive Director heading the Committee and Composition

Composition of the Stakeholders' Relationship Committee during the financial year ended 31st March, 2026

Name of the Member	Category	Designation
Mr. Shekhar Menon	Non-Executive, Independent Director	Chairperson
Mr. Hasmukh Shah #	Non-Executive, Independent Director	Member
Mr. Hemraj G. Chheda	Non-Executive, Independent Director	Member
Mrs. Malavika A. Acharya *	Non-Executive, Non-Independent Director	Member

*# Mr. Hasmukh Shah resigned with effect from Thursday, 15th January, 2026. * Appointed as a Member with effect from Thursday, 15th January, 2026. Accordingly, as on Tuesday, 31st March, 2026, the Committee comprised Mr. Shekhar Menon (Chairperson), Mr. Hemraj G. Chheda and Mrs. Malavika A. Acharya, and was headed by a Non-Executive Director, in compliance with Regulation 20(2) and 20(2A) of the Listing Regulations.*

The Stakeholders' Relationship Committee was reconstituted with effect from Friday, 9th October, 2026, consequent upon the change in management and control of the Company, as follows:

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Composition of the Stakeholders' Relationship Committee with effect from Friday, 9th October, 2026

Name of the Member	Category	Designation
Mr. Eknath Ramkrushna Bade	Non-Independent & Non-Executive Director	Chairperson
Mr. Chandresh Dutt Upadhyay	Independent & Non-Executive Director	Member
Ms. Neeru Saini	Independent & Non-Executive Director	Member

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

5.3 Meetings and Attendance during the Year

The Committee met 4 (four) times during the year. The attendance of the Committee members at the said meetings is given in the table below:

Name of the Member	Category	Wednesday, 21/05/2025	Tuesday, 12/08/2025	Tuesday, 11/11/2025	Wednesday, 11/02/2026
Mr. Shekhar Menon	Chairperson	Yes	Yes	Yes	Yes
Mr. Hasmukh Shah #	Member	Yes	Yes	Yes	N.A.
Mr. Hemraj G. Chheda	Member	Yes	Yes	Yes	Yes
Mrs. Malavika A. Acharya *	Member	N.A.	N.A.	N.A.	Yes

Mr. Hasmukh Shah resigned with effect from Thursday, 15th January, 2026. * Appointed as a Member with effect from Thursday, 15th January, 2026.

5.4 Name and Designation of the Compliance Officer

Mr. Naishadh H. Mankad, Company Secretary, is designated as the Compliance Officer of the Company in terms of Regulation 6(1) of the Listing Regulations.

5.5 Details of Investor Complaints

The details of investors' complaints received and resolved during the year are as under:

Particulars	Number
No. of complaints pending at the beginning of the year	Nil
No. of complaints received during the year	05
No. of complaints resolved to the satisfaction of the shareholders during the year	05
No. of complaints unresolved at the end of the year	Nil
No. of share transfers pending at the end of the year	Nil

The "SCORES" portal of SEBI for the redressal of investor grievances is visited at regular intervals by the Company Secretary, and there are no pending complaints registered on SCORES for the financial year 2025-26.

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As required under Regulation 46 of the Listing Regulations, the exclusive e-mail ID of the Investor Grievance Department of the Company is investors@babaartslimited.com.

The number of pending requests for share transfer and pending requests for dematerialisation as on Tuesday, 31st March, 2026 was Nil.

6. RISK MANAGEMENT COMMITTEE

The provisions of Regulation 21 of the Listing Regulations relating to the constitution of a Risk Management Committee are not applicable to the Company, the Company not being among the top 1000 listed entities by market capitalisation as at the end of the immediately preceding financial year.

7. PARTICULARS OF SENIOR MANAGEMENT, INCLUDING CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR

Name of the Senior Management Personnel	Designation	Change since the close of the previous financial year
Mr. Ajay D. Acharya	Chief Financial Officer	Resigned with effect from Friday, 9th October, 2026
Mr. Naishadh H. Mankad	Company Secretary	
Mr. Rajendra V. Wadekar	Accountant	Resigned with effect from Friday, 9th October, 2026

8. REMUNERATION OF DIRECTORS

The Company did not have any pecuniary relationship or transaction with the Non-Executive Directors, except for the payment of sitting fees for attending the meetings of the Board and its Committees.

The decisions regarding the remuneration of the Executive and Non-Executive Directors are taken by the entire Board, based on the recommendation of the Nomination and Remuneration Committee, and subject to such statutory and regulatory compliances as may be necessary. The criteria for making payments to the Non-Executive Directors are set out in the Nomination and Remuneration Policy available on the Company's website. The Company does not pay any remuneration to the Non-Executive Directors, except sitting fees for attending the meetings of the Board and its Committees.

8.1 Managing Director

Mr. Nikhil G. Tanwani, Managing Director, was paid a gross remuneration of Rs. 0.50 Lakh per month, aggregating to a total remuneration of Rs. 6.00 Lakhs, during the financial year 2025-26. The remuneration comprised only a fixed component; no performance-linked incentive was payable. There is no separate service contract providing for any notice period or severance fees, and the Company has not granted any stock options.

8.2 Non-Executive Directors

The Non-Executive Directors are not entitled to any remuneration except sitting fees for attending the meetings of the Board of Directors and the Committees thereof. The total amount of sitting fees paid to the Non-Executive Directors during the year was Rs. 14.50 Lakhs, as per the details given hereunder:

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Name of the Director	Sitting Fees (Rs. in Lakhs)
Mrs. Malavika A. Acharya	3.50
Mr. Hemraj G. Chheda	4.10
Mr. Shekhar Menon	4.10
Mr. Hasmukh Shah	2.80
Total	14.50

The Company has not issued any stock options.

9. GENERAL BODY MEETINGS

9.1 Location, Time and Special Resolutions passed at the previous three Annual General Meetings

AGM	Day & Date	Time	Location	Special Resolution(s) Passed
24th	Tuesday, 12th September, 2023	11.30 a.m. (IST)	Juhu Vile Parle Gymkhana Club, Orchid Hall, Second Floor, Opp. Juhu Bus Depot, Juhu, Mumbai – 400 049	Re-appointment of Mr. Gordhan P. Tanwani as Managing Director of the Company
25th	Wednesday, 18th September, 2024	11.30 a.m. (IST)	Juhu Vile Parle Gymkhana Club, Activity Hall, Ground Floor, Opp. Juhu Bus Depot, Juhu, Mumbai – 400 049	None
26th	Thursday, 18th September, 2025	11.30 a.m. (IST)	Juhu Vile Parle Gymkhana Club, Activity Hall, Ground Floor, Opp. Juhu Bus Depot, Juhu, Mumbai – 400 049	None

9.2 Postal Ballot

No special resolution was passed through postal ballot during the financial year 2025-26. None of the businesses proposed to be transacted at the ensuing Annual General Meeting requires the passing of a special resolution through postal ballot.

10. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results of the Company are published in the newspapers and posted on the website of the Company at <https://babaartslimited.com/investor-relationship/>. The quarterly, half-yearly and annual results, along with the segment report, are generally published in the Free Press Journal, Mumbai (English) and Navshakti, Mumbai (Marathi). The Company's financial results are also intimated to the Stock Exchange.

The meetings of the Board of Directors at which the financial results for the quarters and the year of the financial year ended 31st March, 2026 were approved, were held on the following dates:

Financial Results	Date of Board Meeting
First Quarter Results	Tuesday, 12th August, 2025
Second Quarter and Half-Year Results	Tuesday, 11th November, 2025

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Third Quarter Results	Wednesday, 11th February, 2026
Fourth Quarter and Annual Results	Thursday, 21st May, 2026

Company's Corporate Website: The Company's website is a comprehensive reference on the Company's management, investor relations, clients, etc. The section on “Investor Relations” serves to inform the shareholders by providing complete financial details, corporate governance disclosures, the composition of the Board, contact information relating to the Registrar and Share Transfer Agent, etc.

Release of Official News: The Company intimates all official news to the Stock Exchange and also places the same on its website.

Presentations to Institutional Investors or Analysts: The Company has not made any presentation to institutional investors or equity analysts during the year.

11. GENERAL SHAREHOLDER INFORMATION

11.1 Annual General Meeting – Day, Date, Time and Mode

Annual General Meeting	Twenty-Seventh (27th) Annual General Meeting
Day, Date & Time	Tuesday, 3rd ^d November, 2026 at 11.30 a.m. (IST)
Mode / Venue	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM). The Registered Office of the Company at B-1 & B-4, Baba House, 86, M. V. Road, Chakala, Andheri (East), Mumbai – 400 093 shall be deemed to be the venue of the Meeting.
Cut-off Date for e-voting	Tuesday the 27 th October, 2026
Remote E-voting Period	From Friday, 30th October, 2026 (9.00 a.m. IST) to Monday, 2nd November, 2026 (5.00 p.m. IST)
Financial Year	1st April, 2025 to 31st March, 2026
Dividend Payment Date	The Board of Directors has not recommended any dividend for the year ended 31st March, 2026.

11.2 Listing on Stock Exchanges, Stock Code and Related Information

Listing on Stock Exchange	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Stock Code / Scrip Name	532380 / BABA
Corporate Identification Number (CIN)	L72200MH1999PLC119177
Payment of Listing Fees	The listing fee for the year 2026-27 has been paid to BSE Limited, Mumbai.
Date of Book Closure	Not Applicable
Demat ISIN for NSDL & CDSL	INE893A01036

Tentative Calendar for the Financial Year 2026-27

Financial Results	Date / Tentative Period
Results for the Quarter ended 30th June, 2026	Approved on Tuesday, 28th July, 2026
Results for the Quarter ending 30th September, 2026	2nd week of November, 2026

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Results for the Quarter ending 31st December, 2026	2nd week of February, 2027
Results for the Quarter and Year ending 31st March, 2027	4th week of May, 2027

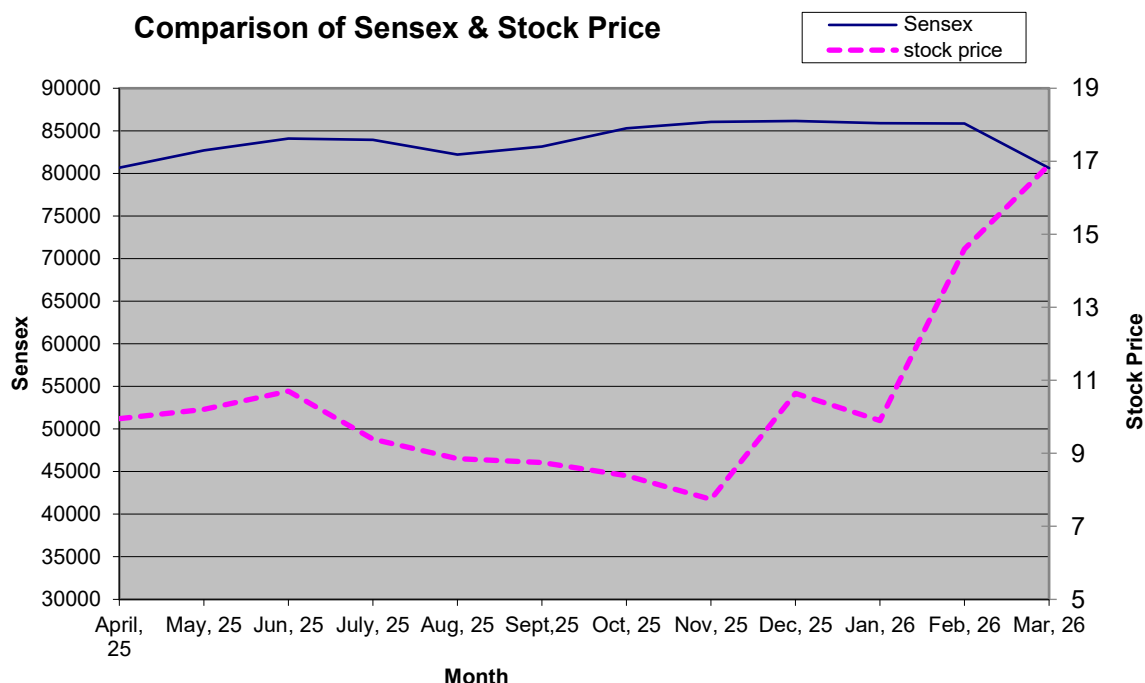
11.3 Market Price Information

The monthly high and low quotations of the Company's equity shares traded on BSE Limited during 2025-26, together with the BSE Sensex, are as follows:

Month	Share Price (Rs.) – High	Share Price (Rs.) – Low	BSE Sensex – High	BSE Sensex – Low	BSE Sensex – Close
2025					
April	9.95	7.99	80,661.31	71,425.01	80,242.24
May	10.20	8.22	82,718.14	78,968.34	81,451.01
June	10.70	8.12	84,009.53	80,354.59	83,606.46
July	9.39	8.11	83,935.01	80,575.45	81,185.58
August	8.85	7.45	82,231.17	79,741.76	79,809.65
September	8.75	7.61	83,141.21	79,818.38	80,267.62
October	8.39	7.30	85,290.06	80,159.90	83,938.71
November	7.74	6.35	86,055.86	82,670.95	85,706.67
December	10.64	6.01	86,159.02	84,150.19	85,220.60
2026					
January	9.90	8.45	85,883.50	81,088.59	82,269.78
February	14.60	7.19	85,871.73	79,889.42	81,287.19
March	16.90	15.33	80,632.55	71,774.13	71,947.55

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

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The securities of the Company have not been suspended from trading by the Stock Exchange on which they are listed.

11.4 Name and Address of the Registrar and Share Transfer Agent

MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), C-101, 247 Park, 1st Floor, L.B.S. Road, Gandhi Nagar, Vikhroli (West), Mumbai – 400 083; Tel.: (022) 4918 6000; E-mail: rnt.helpdesk@in.mpms.mufg.com; Website: www.in.mpms.mufg.com. Documents will be accepted at the above address between 10.00 a.m. and 5.00 p.m. (Monday to Friday, except bank holidays).

11.5 Share Transfer System

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

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

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11.6 Distribution of Shareholding as on Tuesday, 31st March, 2026

Range of Holding	No. of Shareholders	% of Total Shareholders	Shareholdings	Share Amount (Rs.)	% to Total Share Capital
1 – 500	9159	84.14	6,77,624	6,77,624	1.29
501 – 1000	671	6.16	5,48,248	5,48,248	1.04
1001 – 2000	478	4.39	7,32,791	7,32,791	1.40
2001 – 3000	168	1.54	4,21,450	4,21,450	0.80
3001 – 4000	87	0.80	3,12,323	3,12,323	0.60
4001 – 5000	80	0.73	3,79,995	3,79,995	0.72
5001 – 10000	102	0.94	7,80,255	7,80,255	1.49
10001 and above	141	1.30	4,86,47,314	4,86,47,314	92.66
Total	10886	100.00	5,25,00,000	5,25,00,000	100.00

The equity shares of the Company are of a face value of Re. 1/- each.

11.7 Categories of Shareholders as on Tuesday, 31st March, 2026

Sr. No.	Category of Members	No. of Shares held	% to Total Capital
1.	Body Corporate (LLP)	7,43,768	1.42
2.	Clearing Members	2,23,939	0.43
3.	Hindu Undivided Family	3,45,980	0.66
4.	Investor Education and Protection Fund	2,17,204	0.41
5.	Non-Resident (Non-Repatriable)	58,316	0.11
6.	Non-Resident Indians	4,49,846	0.86
7.	Other Bodies Corporate	13,86,965	2.64
8.	Promoters	3,92,08,000	74.68
9.	Public	98,65,982	18.79
	Total	5,25,00,000	100.00

For the purposes of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the following persons were considered as Promoters / Persons Acting in Concert (PAC) with the Promoters:

Sr. No.	Name of the Person	Category	Relationship with Promoter	Shareholding as on 31.03.2026
1.	Mr. Gordhan P. Tanwani #	Promoter I	Self	3,92,00,000
2.	Mr. Rahul G. Tanwani #	Promoter II	Son of Promoter I	Nil
3.	Mr. Pravin J. Karia #	PAC	Person Acting in Concert	8,000

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11.8 Dematerialisation of Shares and Liquidity

The trading in the Company's shares takes place compulsorily in the demat segment only, through two depositories, namely, NSDL and CDSL. The status of dematerialisation as on Tuesday, 31st March, 2026 was as under:

Particulars	No. of Shares	% to Capital	No. of Accounts / Folios
NSDL	2,75,22,937	52.43	2056
CDSL	2,47,96,735	47.23	8764
Total Shares under Demat	5,23,19,672	99.66	10,820
Physical	1,80,328	0.34	66
Total Capital	5,25,00,000	100.00	10,886

All demat requests were approved within 21 (twenty-one) days.

11.9 Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments in the past and, hence, as on 31st March, 2026, the Company does not have any outstanding GDRs/ADRs/warrants or any convertible instruments.

11.10 Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

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

11.11 Plant Locations

The Company's Post-Production Studio is located at B-1 & B-4, Baba House, 86, M. V. Road, Chakala, Andheri (East), Mumbai – 400 093.

11.12 Address for Correspondence

Investors may address their correspondence to:

Mr. Naishadh H Mankad	Mr. Ravi Utekar
Company Secretary & Compliance Officer, Baba Arts Limited, B-1 & B-4, Baba House, 86, M. V. Road, Chakala, Andheri (East), Mumbai – 400 093; Tel.: 022-3599 6612; E-mail: investors@babaartslimited.com / babaartslimited@yahoo.com	General Manager, MUFG Intime India Private Limited (formerly Link Intime India Private Limited), C-101, 247 Park, 1st Floor, L.B.S. Road, Gandhi Nagar, Vikhroli (West), Mumbai – 400 083; Tel.: 022-4918 6000; E-mail: rnt.helpdesk@in.mpms.mufg.com

11.13 Credit Ratings

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving the mobilisation of funds, whether in India or abroad. Accordingly, the Company has not obtained any credit rating from any credit rating agency during the year.

12. OTHER DISCLOSURES

12.1 Materially Significant Related Party Transactions that may have Potential Conflict with the Interests of the Company at Large

There are no materially significant transactions with related parties that may have a potential conflict with the interests of the Company at large. The transactions entered into with related parties during the financial year 2025-26 were in the ordinary course of business and on an arm's length basis, and were approved by the Audit Committee, including the Independent Directors thereof. The Board-approved Policy on Related Party Transactions is uploaded on the Company's website at <https://babaartslimited.com/wp-content/uploads/7.-POLICY-ON-RELATED-PARTY-TRANSACTIONS-NHM.pdf>.

12.2 Details of Non-Compliance, Penalties and Strictures imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority on any Matter related to the Capital Markets during the Last Three Years

The Company has complied with all the requirements under the applicable laws and regulations. No penalty has been imposed, nor have any strictures been passed, by the Stock Exchange, SEBI or any other statutory authority on any matter related to the capital markets during the last three years.

12.3 Vigil Mechanism / Whistle Blower Policy

The Company has formulated and adopted a comprehensive Whistle Blower Policy applicable to all the permanent employees and Directors of the Company. The Whistle Blower Policy has been circulated to all the Board members and senior management personnel of the Company. A copy of the Policy has been posted on the Company's website at <https://babaartslimited.com/wp-content/uploads/6.Whistle-Blower-Policy.pdf>. The Board of Directors hereby affirms that no personnel of the Company has been denied direct access to the Audit Committee.

12.4 Reconciliation of Share Capital Audit Report

A qualified Practising Company Secretary carries out the Reconciliation of Share Capital Audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

12.5 Insider Trading Code

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

The Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders ("the Code") in accordance with the requirements of the PIT Regulations. The Code lays down guidelines and procedures to be followed, and disclosures to be made, while trading in the securities of the Company. The Code is applicable to the Promoters and the Promoter Group, all Directors and such designated persons who are expected to have access to unpublished price sensitive information ("UPSI") relating to the

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Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations.

The Company has also formulated the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, along with the Policy for Determination of Legitimate Purposes, in compliance with the PIT Regulations, which is available on the Company's website at <https://babaartslimited.com/wp-content/uploads/4.-CODE-OF-PRACTICES-AND-PROCEDURES-FOR-FAIR-DISCLOSURES-OF-UPSI-NHM.pdf>.

12.6 Compliance with Mandatory Requirements and Adoption of Non-Mandatory (Discretionary) Requirements

The Company has complied with all the mandatory corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The status of adoption of the discretionary requirements, as specified in Part E of Schedule II to the Listing Regulations, is as under:

- (i) **Maintenance of the Chairperson's Office:** During the financial year under review, the Company had an Executive Chairman, and the office provided to him was also used by him in his capacity as Chairman of the Board. No separate office is maintained for a Non-Executive Chairperson, but secretarial and other assistance is provided, whenever needed, in the performance of the duties of the office.
- (ii) **Shareholders' Rights:** The unaudited quarterly financial results were published in the Free Press Journal and Navshakti, Mumbai. All the results were also posted on the website of the Company at <https://babaartslimited.com/quarterly-results/>.
- (iii) **Audit Qualifications:** So far, there have been no qualifications by the Auditors in their reports on the accounts of the Company. The Company shall endeavour to continue to have unqualified financial statements.
- (iv) **Separate Posts of Chairperson and Managing Director:** During the financial year under review, the positions of Chairman and Managing Director were held by the same person. Consequent upon the reconstitution of the Board with effect from Thursday, 6th October, 2026, the Board has not designated a regular Chairperson, and the Chairperson of each meeting is elected in accordance with the Articles of Association of the Company.
- (v) **Reporting of the Internal Auditor:** The Internal Auditors directly report to the Audit Committee.

12.7 Shareholding of the Non-Executive Directors in the Company

Sr. No.	Name of the Non-Executive Director	No. of Shares held as on 31st March, 2026
1.	Mr. Hasmukh Shah #	Nil
2.	Mr. Shekhar Menon	Nil
3.	Mr. Hemraj G. Chheda	20,224
4.	Mrs. Malavika A. Acharya (jointly, as second holder, with Mr. Ajay D. Acharya)	2,35,400

Mr. Hasmukh Shah resigned as a Director of the Company with effect from Thursday, 15th January, 2026.

12.8 Web-link of the Policy for Determining Material Subsidiaries

The Company does not have any subsidiary. Accordingly, the requirement of formulating a policy for determining material subsidiaries is not applicable.

12.9 Web-link of the Policy on Dealing with Related Party Transactions

The Policy on Related Party Transactions has been posted on the Company's website at <https://babaartslimited.com/wp-content/uploads/7.-POLICY-ON-RELATED-PARTY-TRANSACTIONS-NHM.pdf>.

12.10 Disclosure of Commodity Price Risks and Commodity Hedging Activities

The Company is not exposed to any commodity price risk and has not undertaken any commodity hedging activities.

12.11 Details of Utilisation of Funds raised through Preferential Allotment or Qualified Institutional Placement

During the year, the Company did not raise any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the Listing Regulations.

12.12 Certificate of Non-Disqualification of Directors

A certificate has been received from M/s. Dholakia & Associates LLP, Company Secretaries in Whole-time Practice, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a director of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such statutory authority. The said certificate is reproduced hereunder:

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members,

Baba Arts Limited (CIN: L72200MH1999PLC119177)

B-1 & B-4, Baba House, 86, M. V. Road, Chakala, Andheri (East), Mumbai – 400 093

- (i) We have been engaged to issue a certificate that none of the Directors on the Board of Baba Arts Limited ("the Company"), having CIN L72200MH1999PLC119177, has been debarred or disqualified from being appointed or continuing as a director of companies by the Securities and Exchange Board of India (SEBI) / the Ministry of Corporate Affairs or any such statutory authority, in terms of Para C, Clause 10(i) of Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- (ii) Pursuant to the aforesaid Listing Regulations, we have examined the following records: (a) the declaration pursuant to Section 184 of the Companies Act, 2013 ("the Act") given by each of the Directors of the Company with respect to his/her interest in other entities as director or otherwise, along with his/her relatives, in Form MBP-1 and taken on record by the Company; (b) the declaration pursuant to Section 164 of the Act given by each of the Directors of the Company confirming that he/she is not disqualified from holding the office of director as on 31st March, 2026, in Form DIR-8

Baba Arts Limited

and taken on record by the Company; (c) the declaration with respect to the fact that the director is not debarred from continuing as a director of the Company by SEBI, the MCA or any other authority, court or tribunal; (d) the particulars of the Directors of the Company as displayed on the web portal of the Ministry of Corporate Affairs; and (e) a general search on the website of the Securities and Exchange Board of India ("SEBI").

- (iii) Based on the above verification, and to the best of our information and according to the explanations provided to us, we are of the opinion that none of the Directors on the Board of the Company, as listed hereunder, has been debarred or disqualified from being appointed or continuing as a director of the Company by SEBI / the Ministry of Corporate Affairs or any such statutory authority as on 31st March, 2026:

Sr. No.	Name of the Director	Designation / Category	Director Identification Number
1.	Mr. Nikhil Gordhan Tanwani	Managing Director and Chairperson	01995127
2.	Mrs. Malavika Ajay Acharya	Non-Executive / Non-Independent Director	07007469
3.	Mr. Shekhar Mennon	Non-Executive / Independent Director	02262964
4.	Mr. Hemraj Gangji Chheda	Non-Executive / Independent Director	00113766

- (iv) It should be noted that our responsibility is to express a reasonable assurance in the form of an opinion as to the qualification/eligibility of each of the Directors of the Company to hold the office of director in companies, in accordance with the generally accepted procedure and the process of due diligence followed, based on the available information, on a best-efforts basis, as on 31st March, 2026, and it is neither an audit nor an expression of opinion on the personal credentials of the Directors of the Company.
- (v) This certificate is issued to the Company solely for the purpose of complying with the aforesaid Listing Regulations and may not be used for any other purpose.

For Dholakia & Associates LLP
(Company Secretaries)

ICSI Unique Code: P2014MH034700; Peer Review Certificate No.: 2404/2022

CS Nrupang B. Dholakia

Managing Partner; FCS: 10032; CP No.: 12884

UDIN: F010032H000427031

Place: Mumbai | Date: Thursday, 21st May, 2026

12.13 Recommendations of the Committees of the Board

During the year, the Board of Directors accepted all the recommendations of the Committees of the Board which were mandatorily required to be accepted.

12.14 Total Fees paid to the Statutory Auditors

The total fees for all services paid by the Company to the Statutory Auditors, and to all entities in the network firm/network entity of which the Statutory Auditors are a part, during the year, are as follows:

Baba Arts Limited

Sr. No.	Particulars	(Rs. in Lakhs)
(a)	Statutory Audit Fee	1.50
(b)	Certification Fee	0.55
(c)	Other Matters (Taxation)	Nil
	Total	2.05

12.15 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

(a)	Number of complaints filed during the financial year	Nil
(b)	Number of complaints disposed of during the financial year	Nil
(c)	Number of complaints pending as at the end of the financial year	Nil

12.16 Loans and Advances in the Nature of Loans to Firms/Companies in which Directors are Interested

The Company has not given any loan or advance in the nature of a loan to any firm/company in which the Directors are interested.

12.17 Details of Material Subsidiaries

The Company does not have any subsidiary. Accordingly, the disclosure of the details of material subsidiaries, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries, is not applicable.

12.18 MD and CFO Certification

The certificate of the Managing Director and the Chief Financial Officer, as required under Regulation 17(8) read with Part B of Schedule II to the Listing Regulations, in respect of the financial year ended 31st March, 2026, was placed before the Board and forms part of this Annual Report.

13. DISCLOSURE OF NON-COMPLIANCE WITH THE REQUIREMENTS OF CORPORATE GOVERNANCE

There has been no instance of non-compliance with any requirement of the Corporate Governance Report as specified in sub-paras (2) to (10) of Para C of Schedule V to the Listing Regulations. The Company has fully complied with the requirements of Corporate Governance.

14. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

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

Sr. No.	Particulars	No. of Shareholders	No. of Equity Shares
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Baba Arts Limited

1.	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year, i.e., as on 1st April, 2025	Nil	Nil
2.	Number of shareholders who approached the issuer for the transfer of shares from the suspense account during the year 2025-26	Nil	Nil
3.	Number of shareholders to whom shares were transferred from the suspense account during the year 2025-26	Nil	Nil
4.	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year, i.e., as on 31st March, 2026	Nil	Nil

The voting rights on the shares outstanding in the suspense account as on 31st March, 2026, if any, shall remain frozen till the rightful owner of such shares claims the shares.

15. TRANSFER OF UNCLAIMED / UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND

The Company was not required to transfer any unclaimed/unpaid amounts or shares to the Investor Education and Protection Fund (IEPF) Authority during the financial year 2025-26. 2,17,204 equity shares of the Company, representing 0.41% of the paid-up equity share capital, transferred to the IEPF Authority in earlier years, continue to stand in the name of the IEPF Authority. Members whose shares/dividends have been transferred to the IEPF Authority may claim the same by making an application in Form IEPF-5 in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

16. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

Mr. Gordhan P. Tanwani, the Promoter of the Company, entered into a Share Purchase Agreement dated Wednesday, 25th February, 2026 with M/s. Skybridge Interactive LLP (the "Acquirer"), which was amended by the Amendment and Implementation Agreement dated 5th October, 2026, entered into by Mr. Gordhan p. Tanwani, M/s. Skybridge Interactive LLP and the Company, pursuant to which he has transferred part of his shareholding of 3,27,00,000 equity shares (62.29%) in the Company to the Acquirer and, consequently, there has been a change in the management and control of the Company with effect from Friday, 9th October, 2026. The requisite disclosures in respect of the said agreement have been made to the Stock Exchange under Regulation 30A read with clause 5A of Para A of Part A of Schedule III to the Listing Regulations.

In terms of the said Share Purchase Agreement, and in compliance with Regulations 3(1) and 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Acquirer made an Open Offer to the public shareholders of the Company for the acquisition of up to 1,32,92,000 equity shares, representing 25.32% of the voting share capital of the Company, at an offer price of Rs. 6/- per equity share. The tendering period for the Open Offer commenced on Tuesday, 9th June, 2026 and closed on Monday, 22nd June, 2026, and 600 equity shares were validly tendered and accepted thereunder.

Apart from the above, there are no agreements, other than those in the normal course of business, entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel or employees of the Company, or of its holding, subsidiary or associate companies, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially, or

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whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

17. DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

[Pursuant to Regulation 34(3) read with Para D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of **Baba Arts Limited**

I, Nikhil G. Tanwani, Chairman & Managing Director of Baba Arts Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management of the Company for the year ended 31st March, 2026.

Nikhil G. Tanwani

Chairman & Managing Director

DIN: 01995127

Place: Mumbai | **Date:** Thursday, 21st May, 2026

18. CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

The certificate from M/s. Dholakia & Associates LLP, Company Secretaries in Whole-time Practice, regarding compliance with the conditions of Corporate Governance, as stipulated under Regulation 34(3) read with Para E of Schedule V to the Listing Regulations, is annexed to this Report and forms part of the Board's Report.

By Order of the Board of Directors

Chandresh Dutt Upadhyay

Chairperson

DIN: 01140078

Place: Mumbai

Date: 9th October, 2026

Ms. Vidya Pishe

Managing Director

DIN: 11881924

Baba Arts Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BABA ARTS LIMITED

Report on the Audit of the Financial Statements

1. Opinion

We have audited the Separate financial statements (also known as Financial Statements) of **Baba Arts Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2026, and its profit (financial performance including Other Comprehensive Income), the Changes in Equity and its Cash Flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

3. Key Audit Matters

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

Baba Arts Limited

S No	Key Audit Matter	How the matter was addressed in our audit
1	Evaluation of Provisions and Contingent Liabilities w.r.t. litigations and claims The Company has material uncertain positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note No. 29 of the Financial Statements	Our audit procedures included: • We obtained details of completed tax assessments and demands for the year ended March 31, 2026 from management. • We discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions and; • Assessed management's estimate to the possible outcome of the disputed cases.

4. Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance, but does not include the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Baba Arts Limited

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibility for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 07th April, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g) As required by section 197(16) of the Act, based on our audit, we report that the Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

Baba Arts Limited

- i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 29 to the Financial Statements;
- ii. The Company has no long-term contracts including derivative contracts; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries”), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As represented to us by the management and to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

The Company has not paid any dividend during the year under audit and hence Section 123 of the Companies Act, 2013 is not applicable.
- v. Based on our examination which included test checks, the company has used accounting software which has an inbuilt feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirement for record retention.

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg.No.107122W / W100672

Hiren P. Muni
Partner
Mem.No.142067
UDIN: 26142067SSFOWG4679
Place: Mumbai
Date: 21st May 2026

Baba Arts Limited

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BABA ARTS LIMITED

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
B. The Company does not hold any intangible assets as on balance sheet date or during the year.
- (b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, is at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us, we report that, the title in respect of self - constructed buildings and title deeds of all other immovable properties, (other than immovable properties where the Company is the lessee and where the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) As per the explanation and information given to us and on the basis of our audit procedures, no proceedings have been initiated during the year or are pending against the Company as at 31st March 2026 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder.
- (ii) (a) The Company is in the business of making Films, Web Series and Audio/ Video Songs as well as trading of Intellectual Property Rights and accordingly, does not hold any inventory (.i.e. goods). Therefore, the Para 3(ii) of the order relating to physical verification of Inventories is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 Crore, in aggregate, at any points of time during the year, from banks or financial Institutions on the basis of security of current assets and hence reporting under Clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has provided loan during the year. Further, during the year the Company has not made any investment, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered under the register maintained under section 189 of the Companies Act, 2013.

- (a) The Company has provided loan during the year and details of the same are as follows:

Particulars	Loan
A. Aggregate amount of loan provided during the year:	
- Others	400.00 lakhs
B. Balance outstanding as at balance sheet date in respect of above:	
- Others:	
Principal outstanding	400.00 lakhs
Interest accrued	07.33 lakhs

Baba Arts Limited

Company has not provided any guarantee or security or granted any advances in the nature of loans to any party during the year.

- (b) The terms conditions on which the Company has provided the above-mentioned loan, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal amount is not due for repayment currently, however, the receipts of the interest are regular.
 - (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (e) According to information and explanations given to us and based on the audit procedures performed, loans given by the Company has not been fallen due during the year.
 - (f) According to the information and explanation given to us and on the basis of examination of the records of the company, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, in respect of loans provided, the Company has complied with the provisions of Section 186 of the Act.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.
- (vi) In our opinion and, and according to the information and explanations given to us and on the basis of our audit procedures Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act, for any of the activities of the company.
- (vii) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1st July, 2017, these statutory dues has been subsumed into GST.
- (a) The Company is regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2026 for a period of more than six months from the date they became payable.
 - (b) According to the records of the Company, the statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2026 on account of any dispute, are as follows:

Act under which demand is raised	Particulars	Financial Year	Demand Outstanding (Rs.)	Authority with which pending
Service Tax Act	Sales Tax	2011-15	764.70 lakhs	Appeal before CESTAT

Baba Arts Limited

Maharashtra Value Added Tax	Sales Tax	2013-14	0.03 lakhs	Commissioner of Sales Tax
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- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loan or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the order is not applicable to the company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, the Company has not raised any funds on short-term basis have, hence clause 3(ix)(d) of the Order is not applicable.
- (e) The Company did not have any subsidiary or joint venture during the year. The Company has not taken any funds from any entity or person on account of or to meet the obligation of its associates.
- (f) The Company did not have any subsidiary or associate Company or joint venture during the year. Accordingly, reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of Initial public offer or further public offer (Including debt instruments), during the year and hence reporting under Clause (x) (a) of Para 3 of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.
- (xi) (a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.
- (xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 177 and 188 of the

Baba Arts Limited

Act, and the details have been disclosed in the Financial Statements in Note 33 as required by the applicable Indian Accounting standards.

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non -cash transactions with directors or persons connected with the directors and hence provisions of Sec 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause (xvi)(a) of Para 3 of the Order are not applicable to the Company.
- (b) During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi)(c) of Para 3 of the Order is not applicable to the Company.
- (d) The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Baba Arts Limited

(xx) Since the Company does not satisfy the conditions specified in the act, Section 135 of the act is not applicable. Accordingly, provisions of clause 3(xx)(a) and 3(xx)(b) of para 3 of the order are not applicable to the Company.

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg.No.107122W / W100672

Hiren P. Muni
Partner
Mem.No.142067
UDIN: 26142067SSFOWG4679
Place: Mumbai
Date: 21st May 2026

Baba Arts Limited

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BABA ARTS LIMITED.

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("the Act")

1. OPINION

We have audited the internal financial controls with reference to Financial Statements of **BABA ARTS LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India (ICAI).

2. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

3. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls with reference to Financial Statements. 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 with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Baba Arts Limited

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements includes obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

4. MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

5. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M M NISSIM & CO LLP
Chartered Accountants
Firm Reg.No.107122W / W100672

Hiren P. Muni
Partner
Mem.No.142067
UDIN: 26142067SSFOWG4679
Place: Mumbai
Date: 21st May 2026

BABA ARTS LIMITED [CIN L72200MH1999PLC119177]			
BALANCE SHEET AS AT 31ST MARCH, 2026			(Rupees in Lakhs)
Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	2	6.13	136.55
Investment Property	2 (a)	156.21	-
Financial Assets			
(i) Other Financial Assets	3	53.13	103.28
Non Current Tax Assets (Net)	4	148.20	3.80
Other Non-Current Assets	5	181.50	182.27
		545.17	425.90
Current Assets			
Inventories	6	98.60	622.56
Financial Assets			
(i) Trade Receivables	7	23.82	140.55
(ii) Cash & Cash Equivalents	8	612.03	22.28
(iii) Bank Balance other than Cash & Cash Equivalents	9	275.00	1125.00
(iv) Loans	10	400.00	-
(v) Other Financial Assets	3	846.84	543.87
Other Current Assets	5	44.78	56.95
		2301.07	2511.21
TOTAL ASSETS		2846.24	2937.11
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	11	525.00	525.00
Other Equity	12	2215.17	2150.82
		2740.17	2675.82
Non-Current Liabilities			
Financial Liabilities			
(i) Other Financial Liabilities	13	16.38	-
Provisions	14	6.33	4.45
Deferred Tax Liabilities (Net)	15	15.80	16.16
Other Non-Current Liabilities	16	1.23	-
		39.74	20.61
Current Liabilities			
Financial Liabilities			
(i) Trade Payables	17		
Total Outstanding dues of micro enterprises and small enterprises		-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		1.46	91.26
(ii) Other Financial Liabilities	13	31.91	127.48
Other Current Liabilities	16	11.04	1.46
Provisions	14	21.92	20.48
		66.33	240.68
TOTAL EQUITY & LIABILITIES		2846.24	2937.11
Material Accounting Policies	1		
The accompanying notes are an integral part of these financial statements	28-44		

As per our report of even date
attached
For M M Nissim & Co LLP
Chartered Accountants
Firm Regn. No.107122W/W100672

For and on behalf of Board of Directors

Nikhil G. Tanwani
[Chairman & Managing Director]
[DIN 01995127]

Hiren P. Muni
[Partner]
Membership No.142067

Shekhar Mennon
[Director]
[DIN 02262964]

Hemraj Chheda
[Director]
[DIN 00113766]

Malavika Acharya
Director
[DIN 07007469]

Place: Mumbai
Date: 21st May, 2026

Ajay Acharya
Chief Financial Officer

Nishad Mankad
Company Secretary & Compliance Officer

BABA ARTS LIMITED [CIN L72200MH1999PLC119177]			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026			
(Rupees in Lakhs except EPS)			
Particulars	Note	Year Ended 31st March 2026	Year Ended 31st March, 2025
INCOME			
Revenue from Operations	18	1494.75	558.88
Other Income	19	99.77	129.65
TOTAL INCOME		1594.52	688.53
EXPENSES			
Cost of Production of Films/Web Series	20	6.00	-
Purchase of Stock in Trade	21	835.29	517.51
Changes in Inventories of Finished goods, Stock in Trade & Work in Progress	22	523.97	(138.75)
Employee Benefit Expense	23	51.30	45.81
Finance Cost	24	0.56	-
Depreciation & Amortisation Expense	25	6.39	6.00
Other Expenses	26	87.37	63.89
TOTAL EXPENSES		1510.88	494.46
Exceptional items		-	-
PROFIT/(LOSS) BEFORE TAX		83.64	194.07
Tax Expense:			
Current Tax		19.65	49.79
Current Tax in relation earlier Year		(1.29)	(0.28)
Deferred Tax		(0.02)	0.72
Total Tax Expense		18.34	50.23
PROFIT/(LOSS) FOR THE YEAR		65.30	143.84
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Defined Benefit Plans		(1.28)	(5.11)
Income Tax relating to items that will not be reclassified to Profit or Loss ((including impact of change in tax regime))		0.32	1.29
TOTAL OTHER COMPREHENSIVE INCOME/ (EXPENSE) FOR THE YEAR (NET OF TAX)		(0.96)	(3.82)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		64.34	140.02
Earnings Per Equity Share (EPS):	27		
(1) Basic		0.124	0.274
(2) Diluted		0.124	0.274
Summary of Material Accounting Policies	1		
The accompanying notes are an integral part of these financial statements	28-44		

As per our report of even date
attached

For M M Nissim & Co LLP
Chartered Accountants
Firm Regn. No.107122W/W100672

For and on behalf of Board of Directors

Nikhil G. Tanwani
[Chairman & Managing Director]
[DIN 01995127]

Hiren P. Muni
[Partner]
Membership No.142067

Shekhar Menon
[Director]
[DIN 02262964]

Hemraj Chheda
[Director]
[DIN 00113766]

Malavika Acharya
Director
[DIN 07007469]

Place: Mumbai
Date:21st May, 2026

Ajay Acharya
Chief Financial Officer

Naishadh Mankad
Company Secretary & Compliance Officer

BABA ARTS LIMITED [CIN L72200MH1999PLC119177]
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(Rupees in Lakhs)

Particulars	As at 31 st March 2026		As at 31 st March 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX		83.64		194.07
Adjustment for:				
Depreciation & Amortisation	6.39		6.00	
Finance Cost	0.56		-	
Interest Income	(66.25)		(119.46)	
Rental Income	(26.00)		-	
Cessation of Liability	(6.56)		-	
Advance Written off	1.70		-	
Total Adjustments		(90.16)	-	(113.46)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		(6.52)		80.61
(Increase)/Decrease in Trade Receivables	116.74		(74.08)	
(Increase)/ Decrease in Other Financial Assets	(252.83)		(497.19)	
(Increase)/ Decrease in Other Assets	11.25		-	
(Increase)/ Decrease in Inventories	523.97		(138.76)	
Increase/ (Decrease) in Trade Payables	(83.24)		-	
Increase/ (Decrease) in Other Financial Liabilities	(79.75)		8.60	
Increase/ (Decrease) in Other Liabilities & Provisions	14.74	250.88	(18.98)	(720.41)
CASH GENERATED FROM OPERATIONS		244.36		(639.80)
Direct Taxes		(164.04)		(0.72)
NET CASH FROM OPERATING ACTIVITIES		80.32		(640.52)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of PPE, Investment Property & Intangibles	(32.20)		(6.16)	
Loans given	(400.00)		-	
Fixed Deposits (placed)/matured	850.00		450.00	
Interest Income	65.63		138.52	
Rent Income	26.00	509.43	-	582.36
NET CASH GENERATED FROM INVESTING ACTIVITIES				
CASH FLOW FROM FINANCING ACTIVITIES				
Interest Paid		-		-
NET CASH USED IN FINANCING ACTIVITIES		-		-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		589.75		(58.16)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		22.28		80.44
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR		612.03		22.28
Note to Cash Flow Statement				
1. The above cash flow statement has been prepared under the Indirect Method as set out in Indian Accounting Standard-7- Cash Flow Statement				
2. Cash & Cash Equivalents consists of cash on hand and balance with banks including Fixed Deposits with Bank having maturity of less than three months				
3. Previous figures have been regrouped/rearranged wherever necessary.				

As per our report of even date
attached
For M M Nissim & Co LLP
Chartered Accountants
Firm Regn. No.107122W/W100672

For and on behalf of Board of Directors

Nikhil G. Tanwani
[Chairman & Managing Director]
[DIN 01995127]

Hiren P. Muni
[Partner]
Membership No.142067

Shekhar Mennon
[Director]
[DIN 02262964]

Hemraj Chheda
[Director]
[DIN 00113766]

Malavika Acharya
Director
[DIN 07007469]

Place: Mumbai
Date: 21st May, 2026

Ajay Acharya
Chief Financial Officer

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Naishadh Mankad
Company Secretary & Compliance Officer

Material Accounting Policies to Financial Statement for the Year ended 31st March, 2026

BABA ARTS LIMITED

Note 1 – Corporate Overview and Material Accounting Policies under IND AS

A. Corporate Information

Baba Arts Limited (the “Company”) is a limited company, incorporated on 30th March, 1999. The Company is promoted by Shri Gordhan P. Tanwani and is principally in the business of Cinematic and Television Content Production and Distribution, Trading in Intellectual Property Rights of Films and Post Production Activities. The equity shares of the Company are publicly traded on BSE Ltd., Mumbai.

The Registered Office of the Company is situated at B-1& B-4, Baba House, M.V. Road, Andheri (East), Mumbai 400093.

B. Basis of preparation of Financial Statements

The principle accounting policies applied in the preparation of these Financial Statements are set out in Para C below. These policies have been consistently applied to all the years presented.

i. Statement of Compliance

These Separate Financial Statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

ii. Basis of preparation and presentation

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

- a) Certain financial assets/liabilities measured at fair value (Refer Note 1 (C 8) and
- b) Any other item as specifically stated in the accounting policy. (Refer Note 28)

The Financial Statements are presented in INR and **all values are rounded off to Rupees Lakhs** unless otherwise stated.

The Company reclassifies comparative amounts, unless impracticable and whenever the Company changes the presentation or classification of items in its Financial Statements materially.

The Financial Statements of the Company for the year ended 31st March, 2026 were authorised for issue in accordance with a resolution of the directors on 21st May, 2026.

iii. Major sources of Estimation Uncertainty

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

➤ Property, Plant and Equipment:

Useful life of Property, Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support. The Company reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods. (Refer Note 1 (C 1))

➤ Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the Company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

➤ Impairment of Financial Assets:

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates includes an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 months PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date. (Refer Note 1(C 8))

➤ **Defined Benefit Plans:**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note 34)

➤ **Income Taxes**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. (Refer Note 1 (C 7))

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

➤ **Allowance for credit losses on receivables:**

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to customers the Company deals with. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

C. Summary of Material Accounting Policies

Ind AS 1 was amended vide notification no G.S.R.242(E) dated 31st March 2023 to require disclosure of Material Accounting Policy information from accounting periods beginning on or after 1 April 2023 instead of significant accounting policy disclosure by amending paragraph 117, inserting paragraphs 117A to 117E and deleting paragraphs 118 to 121. Paragraph 117 of Ind AS 1 states when an information on accounting policy is considered as 'Material Accounting Policy information' as follows:

Material Accounting Policies to Financial Statement for the Year ended 31st March, 2026

Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Each of the policy disclosed herein below has been tested to determine whether the information disclosed is Material Accounting Policy information.

1. Property, Plant & Equipment (PPE)

The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

The depreciable amount of an asset is determined after deducting its residual value. Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013. Depreciation on all assets is provided on straight line basis. Given below are the estimated useful lives for each class of property, plant and equipment:

Description of the Asset	Estimated Useful life (On Single shift working)
Tangible (Owned Assets):	
Building 3 Office /Studio Premises	30 Years
Plant and Equipment (Including Computers)	1-15 Years
Furniture and Fixtures	10Years
Office Equipment	5 Years
Vehicles	8 Years

2. Inventories**➤ Intellectual Property Rights (Copy Rights):**

IPR of Films are valued at lower of cost or net realizable value

➤ Under Production Films/Television Serials-Own or acquired Digital Content

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

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

Material Accounting Policies to Financial Statement for the Year ended 31st March, 2026

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

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

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

3. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

4. Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

5. Revenue Recognition:

The Company derives revenue primarily from New Media & Digital Content Syndication across various Digital Platforms, in addition traditionally the revenue source for the company have been Cinematic and Television Content Production and Distribution, Trading in Intellectual Property Rights of Films.

For Revenue recognition the Company identifies and evaluates each performance obligation under the contract. It is then based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ("point in time" recognition) or 'over time' as control of the performance obligation is transferred to the customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

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

Recorded Music Audio and Audio Video songs and or albums, mainly involves the Audio of the song is ready depending on song the team would then shoot with a particular cast and get the song ready for their Audio and Video Distribution along with marketing the same across various social media platforms. Any and all music distributed is either produced internally and or acquired directly from other companies or independent artists or music composers, etc. All revenues from recorded music are derived from licensing and self-exploiting the content across various digital OTT platforms like Youtube, Facebook, Instagram, Spotify, Jio Saavan, and many such audio and video platforms.

The recorded music rights may be licensed for a specific period to digital platforms or channels and OTT platforms or assigned on perpetual basis. In the case of assignment on perpetual basis, the revenues are recognized when the control is transferred to the customer. In case of licensing of recorded music rights, the digital platforms or channels and OTT platforms, as per industrial practice, share the data / reports of usage by subscribers or visitors to their platforms and share the revenue with the Company at variable rates as most of the revenue is from AVOD subscriptions and the company gets a part of the revenue from each platform from the ads services on the content licensed and broadcasted therein. The Company, accordingly, recognizes the revenues based upon the usage reports received from the digital platforms and channels or OTT platforms.

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

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

Interest income is recognized using the effective interest method.

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

6. Employee Benefits:

➤ Short term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences and performance incentives, are recognised during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

➤ **Long Term Employee Benefits:**

The cost of providing long term employee benefit is measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period. The expected costs of the benefit is accrued over the period of employment using the same methodology as used for defined benefits post-employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to profit or loss section of the Statement of Profit or Loss in the period in which they arise except those included in cost of assets as permitted. The benefit is measured annually by independent actuary.

➤ **Post-Employment Benefits:**

The Company provides the following post-employment benefits:

- Defined benefit plans such as gratuity; and
- Defined contribution plans such as provident fund

➤ **Defined Benefits Plans:**

The cost of providing benefits on account of gratuity are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date.

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

➤ **Defined Contribution Plans:**

Payments to defined contribution retirement benefit plans, viz., Provident Fund for certain eligible employees, Provident Fund are recognised as an expense when employees have rendered the service entitling them to the contribution.

7. Taxes on Income

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the profit or loss section of the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

➤ **Current Tax:**

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income.

➤ **Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilized.

8. Financial Instruments

➤ **Financial assets other than investment in subsidiaries:**

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, Investments in equity shares of companies other than in subsidiaries, Investment in units of Mutual Funds, loans/Debt instrument/advances to employee / related parties / others, security deposit, claims recoverable etc.

➤ **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

➤ **Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost.
- Financial assets at fair value through OCI.
- Financial assets at fair value through profit or loss.

➤ **Financial assets measured at amortized cost**

Bank deposits are measured at amortized cost. Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss.

➤ **Financial assets at fair value through OCI (FVTOCI)**

Investment in Debt instruments are measured at FVTOCI. Financial assets are mandatorily measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes relating to financial assets measured at FVTOCI are recognised in the other comprehensive income (OCI). On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to Profit or Loss.

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

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

➤ **Derecognition**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ **Impairment of financial assets**

The Company assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortized cost.
- Financial assets (excluding equity instruments) measured at fair value through other comprehensive income (FVTOCI).

ECL is measured through a loss allowance on a following basis after considering the value of recoverable security:-

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

Material Accounting Policies to Financial Statement for the Year ended 31st March, 2026

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in profit and loss.

➤ **Financial Liabilities**

The Company's financial liabilities includes, trade payable, accrued expenses and other payables.

➤ **Initial recognition and measurement**

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

➤ **Financial Liabilities classified as Amortised Cost:**

All Financial Liabilities other than derivatives are measured at amortised cost. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

➤ **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

9. Segment Reporting

The Company identifies segments as operating segments whose operating results are regularly reviewed by the Management to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment assets include all operating assets used by the business segments and consist of property plant and equipment, intangible assets, debtors and inventories. Segment liabilities include the operating liabilities that result from operating activities of the business segment. Assets and Liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities, respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

10. Recent Accounting Pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2026, MCA has not notified any new standards. However, MCA has amended some of the existing standards applicable to the Company w.e.f. 1st April, 2026 as under:

Material Accounting Policies to Financial Statement for the Year ended 31st March, 2026

Ind AS 1 – Presentation of Financial Statements → Significant clarifications on classification of liabilities as current vs. non-current, including treatment of loan covenants, refinancing, and settlement disclosures.

- Ind AS 7 – Statement of Cash Flows → Introduction of new disclosure requirements on Supplier Finance Arrangements (such as supply chain finance / reverse factoring) to enhance transparency of cash flows and liquidity risk.

- Ind AS 12 – Income Taxes → Specific provisions for the OECD's Pillar Two Global Minimum Tax, requiring new disclosures and offering transitional reliefs.

- Ind AS 101, 107, 108, 109, 115 → Incorporation of transitional provisions, technical corrections, and updates to ensure consistency with IFRS.

- Other Standards (Ind AS 28 & 32) → Alignment and consistency updates with global practices.

While preparing the financials for the year ended 31st March, 2026, the Company has implemented the amended Indian Accounting Standards to the extent applicable to the Company.

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Note 2: Property, Plant & Equipment

Particulars	Building	Plant & Machinery	Furniture	Equipment	Vehicle	Total
Gross Block						
Balance as at 01.04.2024	157.29	12.05	1.24	6.82	5.60	183.00
Additions during the year	-	6.09	-	0.07	-	6.16
Disposals during the year	-	-	-	-	-	-
Balance as at 31.03.2025	157.29	18.14	1.24	6.89	5.60	189.16
Balance as at 01.04.2025	157.29	18.14	1.24	6.89	5.60	189.16
Additions during the year	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-
Transfer to Investment Property	(157.29)	-	-	-	-	(157.29)
Balance as at 31.03.2026	-	18.14	1.24	6.89	5.60	31.87
Accumulated Depreciation						
Balance as at 01.04.2024	26.37	8.58	1.17	5.69	4.81	46.62
Depreciation charged during the year	3.29	2.24	-	0.47	-	6.00
Disposals during the year	-	-	-	-	-	-
Balance as at 31.03.2025	29.66	10.82	1.17	6.16	4.81	52.61
Balance as at 01.04.2025	29.66	10.82	1.17	6.16	4.81	52.61
Depreciation charged during the year	1.65	2.58	-	0.20	-	4.43
Disposals during the year	-	-	-	-	-	-
Transfer to Investment Property	(31.31)	-	-	-	-	(31.31)
Balance as at 31.03.2026	-	13.40	1.17	6.34	4.81	25.73
Net Block						
Balance as at 31.03.2025	127.64	7.32	0.07	0.73	0.79	136.55
Balance as at 31.03.2026	-	4.74	0.07	0.53	0.79	6.13

Footnote:

Title Deeds in respect of building is based on documents constituting evidence of legal ownership of Company.

Note No. 2 (a) : Investment Property

Particulars	Building
Gross Block	
Balance as at 01.04.25	-
Transfer from Property, Plant & Equipment	157.29
Additions during the year	32.20
Balance as at 31.03.26	189.49
Accumulated Depreciation	
Balance as at 01.04.25	-
Transfer from Property, Plant & Equipment	(31.32)
Depreciation charged during the year	(1.96)
Balance as at 31.03.26	(33.28)
Net Block	
Balance as at 31.03.25	-
Balance as at 31.03.26	156.21

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Footnote:

- (i) The amount of rental income from the investment property during the year ended March 31, 2026: Rs. 26 lakhs (Previous Year NA)
- (ii) The amount of direct operating expenses for the investment property during the year ended March 31, 2026: Rs. lakhs (Previous Year NA)
- (iii) The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. There is no restrictions on the realisability of investment properties or the remittance of income and proceeds of disposal on the Company.
- (iv) The fair value of investment properties has been determined based on the management's assessment. The management has estimated the fair value considering prevailing market conditions, comparable market transactions for similar properties, location, condition of the property, expected future rentals and other relevant factors.
- (v) The fair value disclosed below is categorised under Level 3 of the fair value hierarchy as defined in Indian Accounting Standards 113 – Fair Value Measurement, due to the use of significant unobservable inputs.
- (vi) The fair value of investment property as at March 31, 2026: Rs. lakhs (Previous year NA)

Note 3: Other Financial Assets (Unsecured, Considered Good)

Particulars	Non-Current		Current	
	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2026	As at 31 st March 2025
At Amortized Cost				
Deposits against Distribution Rights	-	-	-	500.00
Security Deposit	3.13	3.28	-	-
Bank Deposits with more than 12 months maturity	50.00	100.00	800.00	-
Others				
Interest accrued on Fixed Deposit	-	-	40.24	43.87
Interest accrued on Loans	-	-	6.60	-
Total	53.13	103.28	846.84	543.87

Note 4: Non-Current Tax Assets (Net)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance Income Tax-Prior Years (Net of Provisions)	17.00	-
Advance Income Tax-Current Year (Net of Provisions)	131.20	3.80
Total	148.20	3.80

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Note 5: Other Assets

Particulars	Non-Current		Current	
	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2026	As at 31 st March 2025
Unsecured-Considered Good				
Advance to Suppliers	100.00	101.70	-	6.00
Indirect Taxes Receivables	80.57	80.57	-	26.86
Prepaid Expenses	-	-	0.49	0.14
Interest on Income Tax Refund Receivable	0.93	-	-	-
Accrued Revenue	-	-	44.29	23.96
Total	181.50	182.27	44.78	56.96

Note 6: Inventories (at lower of cost & net realizable value)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Underproduction of Films/Web series/Songs	98.60	143.75
Film Rights/TV Serial Rights/Song Rights	-	478.81
Total	98.60	622.56

Note 7: Trade Receivables

Particulars	31 st March, 2026	31 st March, 2025
Unsecured, Considered Good		
Trade Receivables	23.82	140.55
Credit Impaired	-	-
Trade Receivables	-	-
Less: Impairment Provision on Expected Credit Loss Model	-	-
Total	23.82	140.55

Footnotes:

- (a) Of the above, trade receivables due from related party is Rs. Nil (Previous Year 0.03 Lakhs) (Refer Note No.29)
- (b) The Company has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit experience and future foreseeable credit loss and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

Trade Receivables ageing schedule

Particulars	Less than 6 months	6 months- 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed-Considered Good	22.43	0.07	1.32	-	-	23.82
	(140.28)	-	(0.27)	-	-	(140.55)
Undisputed-Considered Significant Increase in Credit Risk	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Less: Allowance for Expected Credit Loss	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Total	22.43	0.07	1.32	-	-	23.82
	(140.28)	-	(0.27)	-	-	(140.55)

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Previous Year's figures in Bracket.

Note 8: Cash and Cash Equivalents (As per cash flow statement)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Balances with Banks (of the nature of cash and cash equivalents)		
-In Current Account	112.02	22.28
Deposits with original maturity of less than 3 Months	500.00	-
Cash on Hand	0.01	--
Total	612.03	22.28

Note 9: Bank Balances other than Cash and Cash Equivalents

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Bank Deposit with 3-12 months-Maturity (Earmarked against borrowings from banks Rs. Nil)	275.00	1125.00
Total	275.00	1125.00

Note 10: Loans

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured - Considered Good		
others	400.00	-
Total	400.00	-

Note 11: Share Capital

Particulars	Number		Amount	
	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025
Authorised Share Capital Equity Share Capital	30,00,00,000	30,00,00,000	3000.00	3000.00
Issued, Subscribed and Fully Paid-Up Equity Share Capital Equity Shares of Re.1/- each	5,25,00,000	5,25,00,000	525.00	525.00

Notes:

- 5,16,00,000 equity shares of Re. 1/- each fully paid issued by way of Bonus Shares by utilisation of Securities Premium and Reserves.

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

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

(a) Terms of Equity Shares

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

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

Particulars	As at 31 st March, 2026	As at 31 st March 2025
	No. of Shares	No. of Shares
Balance at the beginning of the year	5,25,00,000	5,25,00,000
Issued During the year	-	-
Balance at end of the year	5,25,00,000	5,25,00,000

(c) Disclosure of Shareholding of Promoters

	Promoter Name	No. of Shares		% of total shares		% Change during the year	
		As on 31/03/2026	As on 31/03/2025	As on 31/03/2026	As on 31/03/2025	31/03/2026	31/03/2025
1.	Gordhan P. Tanwani	3,92,00,000	2,66,00,000	74.67	50.67	24	-
2.	Rahul G. Tanwani	-	1,26,00,000	-	24.00	(24)	-
3.	Pravin J. Karia	8,000	8,000	0.01	0.01	-	-
	Total	3,92,08,000	3,92,08,000	74.68	74.68	-	-

(d) Details of Shareholders holding more than 5% shares in the Company

Sr. No.	Particulars	%		Shares	
		As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025
1.	Gordhan P. Tanwani	74.67	50.67	3,92,00,000	2,66,00,000
2.	Rahul G. Tanwani	-	24.00	-	1,26,00,000

(e) Shares held by holding company or ultimate holding company or by subsidiaries or associate of holding company or the ultimate holding company in aggregate.

Name of the holding company or ultimate holding company or by subsidiaries or associate of holding company or the ultimate holding company	Class of Shares	No. of Shares
The Company is not a subsidiary of any other Company.		

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

- (f) Shares reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment, including the terms and amounts:

Particulars	Class of Shares	No. of Shares	Terms & Amount
For issue under options	NOT APPLICABLE		
Contracts/commitment for sale of shares/disinvestment			

- (g) For the period of 5 years immediately preceding the date of this balance sheet

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	Nil
Aggregate number and class of shares bought back	Nil

- (h) terms of Securities convertible into equity/preference shares

Type of Security	Date of conversion*
The Company has not issued any convertible security	

*in descending order starting from the farthest date

- (i) Calls unpaid

Particulars	Class of Shares	No. of Shares	Amount
By Directors & Officers	N.A.	N.A.	N.A.
By Others	N.A.	N.A.	N.A.

- (j) Forfeited Shares

Particulars	Class of Shares	No. of Shares	Amount
NIL			

- (k) the amount of dividends proposed to be distributed for the year ended March 31, 2026:

Particulars	Total Amount	Per Share Dividend
To equity shareholders	N.A.	N.A.
To preference shareholders	N.A.	N.A.

- (l) Arrears of Fixed Cumulative dividends on Preference shares

Year for which dividend is in arrears	Amount
NIL	

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Note 12: Other Equity

Particulars	As at 31 st March 2026	As at 31 st March 2025
Capital Redemption Reserves		
Opening Balance	507.00	507.00
Add: Additions during year	--	--
Balance as at year end	507.00	507.00
General Reserves		
Opening Balance	110.00	110.00
Add/(Less): Additions/(Deductions) during year	--	--
Balance as at year end	110.00	110.00
Retained Earnings		
Opening Balance	1538.20	1394.35
Add: Additions during year	65.30	143.85
Balance as at year end	1603.50	1538.20
Remeasurements of Defined Benefit Plans		
Opening Balance	(4.37)	(0.55)
Add/(Less): Additions/(Deductions) during year	(0.96)	(3.82)
Balance as at year end	(5.33)	(4.37)
TOTAL OTHER EQUITY	2215.17	2150.82

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Note 13: Other Financial Liabilities (at Amortized Cost)

Particulars	Non-Current		Current	
	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2026	As at 31 st March 2025
Security Deposit	16.38	-	-	-
Liability for Expenses	-	-	31.91	127.48
Total	16.38	-	31.91	127.48

Note 14: Provisions

Particulars	Non-Current		Current	
	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2026	As at 31 st March 2025
Employee Benefit Obligation				
Provision for Gratuity (Refer Note 32)	6.33	4.45	21.92	20.48
Total	6.33	4.45	21.92	20.48

Movement of provision for employee benefits:

Particulars	As at 31 st March 2026	As at 31 st March 2025
Opening balance	24.93	21.28
Add: Addition during the year	3.32	6.44
Less: Utilization during the year	-	2.79
Closing balance	28.25	24.93

Note 15: Deferred Tax Liabilities (Net)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Deferred Tax Liabilities (Net)		16.16
Total		16.16

Deferred Tax Asset/(Liabilities) as at 31 st March 2026					
Particulars	Opening Balance	Recognised in Profit & Loss	Recognised in OCI	Others	Closing Balance
Relating to:					
Property Plant Equipment	22.48	0.37	-	-	22.85
Employee Benefit Expenses	(6.28)	(0.51)	(0.32)	-	(7.11)
Others	(0.04)	0.10	-	-	0.06
Security Deposit	-	0.02	-	-	0.02
Closing Balance	16.16	(0.02)	(0.32)	-	15.82

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Deferred Tax Asset/(Liabilities) as at 31 st March 2025					
Particulars	Opening Balance	Recognised in Profit & Loss	Recognised in OCI	Others	Closing Balance
Relating to:					
Property Plant Equipment	22.12	0.36	-	-	22.48
Employee Benefit Expenses	(5.36)	0.37	(1.29)	-	(6.28)
Others	(0.04)	-	-	-	(0.04)
Closing Balance	16.72	0.73	(1.29)	-	16.16

Note 17: Trade Payables

Particulars	31 st March, 2026	31 st March, 2025
Total Outstanding dues of Micro and Small Enterprises	-	-
Total Outstanding dues of Creditors other than Micro and Small Enterprises	1.46	91.26
Total	1.46	91.26

Of the Above;

- (a) Acceptances – Nil (Previous Year Nil)
- (b) Payable to related party Rs.0.64 Lakhs (Previous Year Rs. 85.24) (Refer Note No.29)

Trade Payables ageing schedule

Particulars	Less than 6 months	6 months- 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Dues to Micro, Small & Medium enterprises (MSME)	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Others	1.46	-	-	-	-	1.46
	(85.83)	(0.10)	-	(5.33)	-	(91.26)
Disputed dues MSME	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Disputed dues Others	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Total	1.46	-	-	-	-	1.46
	(85.83)	(0.10)	-	(5.33)	-	(91.26)

Previous Year's figures in Bracket.

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Note 16: Other Current Liabilities

Particulars	Non-Current		Current	
	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2026	As at 31 st March 2025
Statutory Remittances (Contributions to PF, ESIC, Withholding Taxes, GST etc.)	-	-	9.20	1.46
Ind AS Interest on Security Deposit	1.23	-	1.84	-
Total	1.23	-	11.04	1.46

Note 18: Revenue from Operations

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Sale of Services		
Revenue from Contract with Customers		
-Income from Post Production activity	3.98	4.86
-Income from Sale/Royalty/Commission on Rights	1490.77	554.02
Total	1494.75	558.88

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Income from Sale/Royalty/Commission on Rights		
-Domestic	1490.02	552.51
-Export	0.75	1.51
Total	1490.77	554.02

Footnote:

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Contract Prices	1494.75	558.88
Reduction towards variable consideration components	NIL	NIL
Recognised revenue	1494.75	558.88

Sale of Services	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Income from Video Content	303.28	322.37
Income from Audio Content	82.85	47.03
Sale of License/IPR	1104.60	184.50
Royalty Income	0.04	0.12
Total	1490.77	554.02

Note 19: Other Income

Particulars	Year ended	Year ended
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Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

	31 st March, 2026	31 st March, 2025
Interest Income		
On Financial Assets (at amortised cost)	65.64	117.22
Other Interest (Security Deposit)	0.61	
On Income Tax Refund	0.94	2.24
Rent Income	26.00	-
Cessation of Liability	6.56	4.26
Miscellaneous Income	0.02	5.93
Total	99.77	129.65

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Interest Income		
Interest Received on Fixed Deposit	58.30	117.22
Notional Interest Income – Security Deposit	0.61	-
Interest Received on Income Tax Refund/ Vat Refund	0.94	2.24
Interest on Loans & Advances	7.33	-
Total	67.18	114.46

Note 20: Cost of production of Films/Web Series

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Writing Story, Screenplay, Dialogues Fees	6.00	-
Cost of production of films/web series	6.00	-

Note 21: Purchase of Stock-in-trade

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Purchases during the year	835.29	517.51
Total	835.29	517.51

Note 22: Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Opening Stock		
Owned Films/Song Rights	17.32	17.61
Trading Film Rights	461.49	326.34
Underproduction Film/Web Series/Songs	143.75	139.86
Total	622.56	483.81
Less: Closing Stock		
Owned Films/Song Rights	-	17.32
Trading Film Rights	-	461.49
Underproduction Film/Web Series/Songs	98.60	143.75
Total	98.60	622.56

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Changes in Inventories	523.97	(138.75)
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Note 23: Employee Benefits Expense

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Salaries and Wages	48.38	43.51
Contribution to Provident, Gratuity and Other Funds	2.55	1.83
Staff Welfare Expenses	0.36	0.47
Total	51.29	45.81

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Note 24: Finance Cost

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Other Interest (on PV of Security Deposit)	0.56	-
Total	0.56	-

Note 25: Depreciation & Amortisation Expenses

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Depreciation on Property, Plant and Equipment	4.43	6.00
Depreciation on Investment Property	1.96	-
Total	6.39	6.00

Note 26: Other Expenses

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Bank Charges	0.04	0.13
Foreign Exchange Loss		0.60
Electricity Expenses	0.53	1.24
Professional & Technical Fees	10.81	12.43
Studio Expenses	1.13	0.80
Negative Cleaning Expenses		-
Repairs & Renewals		
Building	2.95	2.95
Others	1.33	0.36
Communication Expenses	0.43	0.43
Insurance Charges	0.11	0.12
Office Expenses	0.01	0.15
Postage & Telegram Expenses	0.01	0.02
Printing & Stationary	0.59	0.55
Rates & Taxes	7.18	7.14
Travelling & Conveyance Expenses	0.11	0.16
Auditor's Remuneration:		
Statutory Audit Fees	1.50	1.25
Tax Audit Fees	-	-
Other Fees	0.55	0.25
Directors Sitting Fees	14.50	15.20
Legal, profession & Consultancy Charges	22.39	6.25
Registrar & Transfer Agent Fee	2.54	3.08
Listing Fee	3.25	3.25
Trademark Registration Fees		-
AGM Expenses	0.74	0.53
Advertisement Expenses	1.66	1.21
Commission Expenses	6.50	-
Doubtful advances Written Off		-

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

(All amount in Rupees Lakhs, unless otherwise stated)

Business Promotion/Marketing Expenses	0.45	4.64
Advance Given Written off	1.70	-
Other Selling Expenses	5.50	0.10
Bad Debts written off	-	0.02
Provision for doubtful debts		-
Other Expenses	0.88	1.03
Total	87.37	63.89

Note 27: Earning Per Share

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

Particulars	31 st March, 2026	31 st March, 2025
Profit after tax for the year	65.30	143.85
Nominal value of equity shares (Rs. Per share)	1.00	1.00
Weighted Average number of equity shares outstanding at the end of the year	5,25,00,000	5,25,00,000
EPS-Basic and Diluted (Rs. Per Share)	0.124	0.274

Note 28: THE INCOME TAX EXPENSES FOR THE YEAR CAN BE RECONCILED TO THE ACCOUNTING PROFIT AS FOLLOWS:

Particulars	31 st March, 2026	31 st March, 2025
Profit before tax from continuing operations	83.64	194.07
Income tax expenses calculated at 25.17% (31 March, 2025 at 25.17%) (Company's domestic tax rate)	21.05	48.85
Effect of expenses that is deductible from taxation	(1.99)	-
Effect of expenses not deductible for tax computation	3.17	0.94
Effect of income taxable under other head of income as per Income Tax	-	-
Changes in recognised deductible temporary differences	(0.02)	0.72
Tax for prior period	(1.29)	(0.28)
Others	(2.57)	-
Total tax expenses	18.34	50.23
Effective Tax Rate (%)	21.93	25.88

Note:

Section 115BAA of the Income tax Act, 1961 as amended by the Finance Act 2020 has allowed an option to the domestic companies to switch to a lower tax rate structure of 22% (25.17% including surcharge and cess) from the earlier 25% (27.82% including surcharge and cess) on certain conditions. The Company has elected to switch to the new lower tax rate structure with effect from the financial year 2023-24.

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

OTHER NOTES TO ACCOUNTS

(All amounts are Rupees in Lakhs, unless otherwise stated)

29. Contingent Liability

A. Maharashtra Value Added Tax:

Demand of Rs. 0.03 Lakh (including interest of Rs. 0.02 Lakh) towards MVAT for the year 2013-14 raised by the Dy. Commissioner of Sales Tax, Mumbai on account of disallowance of input tax credit of Rs. 23.21 Lakh. As per VAT return for the year 2013-14 filed by the Company there was a refund of Rs. 23.22 Lakh, however due to disallowance of input tax credit of Rs. 23.21 Lakh by the Dy. Commissioner of Sales Tax an amount of Rs. 0.01 Lakh is determined as payable and with interest of Rs. 0.02 Lakh the total demand is of Rs. 0.03 Lakh. The appeal filed by the Company before the Commissioner of Sales Tax, Mumbai against the said order of Dy. Commissioner of Sales Tax was rejected by the Commissioner. Further, an appeal filed before the Sales Tax Appellate Tribunal has also been rejected. The Company is now seeking legal opinion for filing an appeal / writ petition in the Hon. Bombay High Court. However, the Company has already paid full amount of Rs. 0.03 Lakh to the Sales Tax Department and as such no further liability is expected to arise in respect of the said matter.

B. Service Tax

The Company had received show cause cum demand notice in respect of FY 2011-12 to 2014-15 for an amount of Rs. 764.70 Lakh plus appropriate interest and penalty from Dy. Commissioner of Service Tax, Mumbai VI. The Company had replied to the said show cause cum demand notice and contested the said demand before the Commissioner of Service Tax, Mumbai VI. The Commissioner of Service Tax Mumbai VI has confirmed the said demand vide his order dated 28/02/2018 issued on 14/03/2018 and the Company has filed an appeal before CESTAT, Mumbai against the said order of the Commissioner of Service Tax and is confident that the said demand will be withdrawn as such the Company does not expect any liability on this account. The Company has deposited an amount of Rs. 57.35 Lakh with the Service Tax Department at the time of filing the appeal before CESTAT.

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

30. Remuneration to Directors.

Remuneration paid during the year ended 31st March, 2026 to Chairman & Managing Director Rs. 6.00 Lakhs (P.Y.- Rs. 2.50 Lakh). Remuneration paid to Whole Time Director during the year ended 31st March, 2026 Rs. Nil (P.Y. – Rs. 3.50 Lakhs)

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Sitting Fees paid to Non- Executive/ Independent Directors –

Remuneration	2025-26	2024-25
Sitting Fees	14.50	15.20

31. Earnings and Expenditure in Foreign Currency

Remuneration	2025-26	2024-25
Earning in Foreign Currency	0.71	1.51
Expenditure in Foreign Currency	Nil	Nil

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

33. Related Party Disclosure as per IND AS 24

A.	List of Related Parties	
(a)	Key Management Personnel (KMP)	
(i)	Mr. Gordhan P. Tanwani	Chairman & Managing Director (Upto 31 st October, 2024)
(ii)	Mr. Nikhil G. Tanwani	Whole Time Director (Upto 31 st October, 2024) Chairman & Managing Director (w.e.f. 1 st November, 2024)
(iii)	Mrs. Malavika A. Acharya	Non-Executive Non-Independent Director
(iv)	Mr. Hasmukh Shah	Non-Executive Independent Director (Upto 15 th January, 2026)
(v)	Mr. Shekhar Menon	Non-Executive Independent Director
(vi)	Mr. Hemraj Chheda	Non-Executive Independent Director
(vii)	Mr. Ajay D. Acharya	Chief Financial Officer
(viii)	Mr. Naishadh H. Mankad	Company Secretary
B.	Relatives of Key Management Personnel	
(i)	Mr. Gordhan P. Tanwani	Chairman & Managing Director (Upto 31 st October, 2024) -Father of Mr. Nikhil G. Tanwani
(ii)	Mrs. Jyoti G. Tanwani	Wife of Mr. Gordhan P. Tanwani & Mother of Mr. Nikhil G. Tanwani
(iii)	Mr. Rahul G. Tanwani	Son of Mr. Gordhan P. Tanwani &

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

		Brother of Mr. Nikhil G. Tanwani
(iv)	Mr. Raju P. Tanwani	Brother of Mr. Gordhan P. Tanwani
C.	Other Related Parties (Companies/ Enterprises in which director or their relatives have significant influence)	
(i)	Bhagwati Media Private Limited	(ii) Graceland New Media LLP
(iii)	M/s. Baba Films	(iv) M/s Baba Developers
(v)	M/s. Om Enterprises	(vi) M/s. Baba Digital LLP
(vii)	M/s. Larry's Impex LLP	(viii) Bhagwati Holdings Private Limited
(ix)	M/s. G.R.Pet Preform	(x) M/s Threads & Homes
(xi)	M/s. Nikhil Plast	(xii) M/s. Super Plast
(xiii)	M/s. Timegold Developers LLP	

A. Details of transaction during the period with related parties

Nature of Transaction	KMP	Other Related Parties	Total
Remuneration paid			
(a)(ii)	6.00 (6.00)		
(a)(vii)	19.50 (17.10)		
(a)(viii)	13.00 (11.48)		
Sitting Fee			
(a) (iii)	3.50 (3.20)		
(a) (iv)	2.80 (4.00)		
(a) (v)	4.10 (4.00)		
(a) (vi)	4.10 (4.00)		
Share of License Fee Revenue			
(c)(ii)		652.33 (Nil)	
Purchase-TV Serial Rights			
(c)(ii)		129.80 (214.00)	
Share of Advertising Income-IPR			
(c)(ii)		19.17 (35.72)	
Share of Advertising Expense-IPR			
(c)(i)		4.26	

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Nature of Transaction	KMP	Other Related Parties	Total
		(3.25)	
(c)(iii)		285.76 (117.22)	
Sale of Audio Rights - Income			
(c) (ii)			
Share of Revenue - Income (You Tube & Doordarshan)			
(c)(ii)		Nil (50.14)	
Deposit Paid			
(c) (ii)		500.00 (500.00)	
Deposit Refunded			
(b) (ii)		1000.00 (Nil)	

Above amounts are including GST wherever applicable.

Closing Balances

Nature of Transaction	KMP	Other Related Parties	Total
Trade Payables			
(c) (ii)	--	Nil (84.80)	
(c) (iii)	--	0.64 (0.41)	
Other Financial Liabilities (Current)			
(a)(ii)	Nil (0.35)	--	
(a)(vii)	Nil (1.27)	--	
(a)(viii)	Nil (0.88)	--	
Other Financial Assets (Current)			
(c)(ii)		Nil (500.00)	
Trade Receivables			
(c)(ii)		4.02 (0.03)	

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Footnotes:

1. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2025: Rs. Nil). This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.
2. Figures in brackets are as at 31st March, 2025.

34. Disclosure required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and section 186(4) of the Companies Act, 2013:

- a) Amount of Loans and advances in the nature of loans outstanding from subsidiaries Rs. Nil (Previous Year Rs. Nil)
- b) Investment by Loanee in the shares of the Company- Not applicable (Previous Year Not applicable)
- c) Details of Loans given to parties covered under Section 186 (4) of the Companies Act, 2013:

Sr. No.	Name of the Party	Amount of Loan Given	Rate of Interest	Purpose
1	Avance Ventures LLP	400.00	12%	Business Purpose

35. Disclosures as per IND AS-19 Employee Benefits

(a) Defined Contribution Plan

The contributions to the Provident Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Company recognized Rs. 0.51 Lakhs for year ended 31st March, 2026. (Rs. 0.51 Lakhs for 31st March, 2025) contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(b) Defined Benefit Plans

The Company provides for gratuity payable to qualifying employees as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The liability towards Gratuity is not funded.

During the year, the Company has recognised the following amounts in the statement of profit and loss:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
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Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Employer's contribution to provident fund [refer footnote (i)]	0.51	0.51

Footnote:

(i) Included in "Contribution to provident, gratuity and other fund" (Note 20)

The Valuation results for the defined benefit gratuity plan as at 31-03-2026 are produced in the tables below:

Amount recognized in respect of gratuity cost (defined benefit plan) is as follows:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the IND AS 19 the details of which are as follows:		
a) Gratuity		
Changes in present value of defined benefit obligations		
Opening of defined benefit liability/ (asset)	24.92	21.28
Current service cost	1.07	0.45
Past service cost	--	--
Interest cost	0.98	0.87
Benefits paid	--	(2.79)
Re-measurement (gain) / loss (through OCI)	1.28	5.12
Net liability	28.26	24.92
Amounts in balance sheet		
Liability	28.26	24.92
Assets	--	--
Net liability	28.26	24.92
Expenses to be recognised in the statement of profit & loss		
Current service cost	1.07	0.45
Interest on defined benefit obligation	0.98	0.87
Expected return on plan assets	--	--
Net actuarial losses/ (gains) recognised in year	--	--
Total, included in "Employee benefit expense"	2.05	1.32
Actual return on plan assets		
Remeasurement of the net defined benefit liability/(asset):		
Remeasurements- due to financial assumptions	(0.72)	0.49

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Remeasurements- due to experience adjustments	2.00	4.63
Total remeasurement in other comprehensive income	1.28	5.12
Principal actuarial assumptions (expressed as weighted averages)		
Discount rate (p.a.)	7.15	6.65%
Expected rate of return on assets (p.a.)	N.A.	N.A.
Salary escalation rate (p.a.)	8.00%	8.00%

Historical Information					
Particulars	As at 31/03/2026	As at 31/03/2025	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Present value of defined benefit obligation	28.26	24.92	21.28	21.29	18.14
Fair value of plan assets	NIL	NIL	NIL	NIL	NIL
Liability recognised	28.26	24.92	21.28	21.29	18.14

Maturity profile of defined benefit obligation:		
Particulars	As at 31st March, 2026	As at 31st March, 2025
Within 1 year	21.92	20.48
1-2 years	--	--
2-3 years	--	--
3-4 years	--	--
4-5 years	--	--
5-10 years	--	--
More than 10 years	31.98	19.64
Total	53.90	40.12

Demographic assumptions:
Retirement Age: The employees of the Company are assumed to retire at the age of 65 years.

Sensitivity Analysis				
Particulars	As at 31 March 2026		As at 31 March 2025	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Defined benefit obligation (DBO) on increase in 50 bps	27.61	28.96	24.48	25.42
Impact of increase in 50 bps on DBO (%)	(2.27)	2.51	(1.79)	1.97

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Defined benefit obligation (DBO) on decrease in 50 bps	28.97	27.62	25.43	24.49
Impact of decrease in 50 bps on DBO (%)	2.54	(2.26)	2.01	(1.78)

36. Leases

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

Company as a Lessee

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

Company as a Lessor

The Company has entered into a Leave and License Agreement in respect of its premises with effect from 1st December, 2025. The arrangement is in the nature of an operating lease. Lease rental income arising from the said agreement is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

37. Financial Instruments and Risk Factors

(A) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, in the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. fair value of the consideration given or received.

Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Particulars	Carrying Amount				Fair Value
	FVPTL	FVOCI	Amortized Cost	Total	Significant unobservable inputs (Level 3)
Financial Assets					
Trade Receivables	-	-	23.82	23.82	23.82
	(-)	(-)	(140.55)	(140.55)	(140.55)
Cash & Cash Equivalent	-	-	612.03	612.03	612.03
	(-)	(-)	(22.28)	(22.28)	(22.28)
Bank Balances other than above	-	-	275.00	275.00	275.00
	(-)	(-)	(1125.00)	(1125.00)	(1125.00)
Other Financial Assets	-	-	899.97	899.97	899.97
	(-)	(-)	(647.15)	(647.15)	(647.15)
Financial Liabilities					
Other Financial Liabilities	-	-	48.29	48.29	48.29
	(-)	(-)	(127.48)	(127.48)	(127.48)
Trade Payable	-	-	1.46	1.46	1.46
	(-)	(-)	(91.26)	(91.26)	(91.26)

Note: Previous Year figures are given in brackets.

The carrying value of trade receivables, cash and cash equivalents, other bank balances, current loans, trade payables and other financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. The fair value of non-current financial assets is not materially different than its carrying value.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

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

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

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

(B) Financial Risk Management

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

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

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

Credit Risks

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

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

Liquidity Risk Management

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

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date:

Particulars	< 1 Year	1-5 Years	>5 Years	Total
Trade Payables	1.46	--	-	1.46
	(85.93)	(5.33)	(-)	(91.26)
Other Financial Liability	48.29	--	-	48.29
	(127.48)	(--)		(127.48)

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Market Risk

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

Foreign Currency Risk

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

38. Capital Management

The objectives of capital management are:

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

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

39. Segment Information

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

- (a) Trading IPR of Film Rights
- (b) Production & Distribution of Films & TV Serials
- (c) Digital Media Content (P.Y.-Post Production Services)

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

(Refer Annexure 1)

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Geographical Revenue is allocated based on location of customer

Country	As at 31 st March, 2026	As at 31 st March, 2025
Hongkong	--	--
United Kingdom	0.75	1.51
USA (Actual Amount Rs. 15.83) (Pr. Yr. Rs. 12.79)		--
India	1494.00	557.37
Total	1494.75	558.88

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

Information of major customers

During the year there were Four Customers (P.Y.-Three Customers) with whom the company has earned turnover of more than 10% of its revenue aggregating to Rs. 1364.61 Lakhs (P.Y. Rs. 454.79 Lakhs).

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

- The Company has not received any disclosure from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid or payable under this act are not stated in these financials.
- The Code on Social Security, 2020 relating to employee benefits during employment and post-employment benefits has been enacted. The Company has assessed the impact of the Code and has complied with the applicable provisions. Based on the assessment, no material impact is required to be recognised in the financial statements.
- As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis.
- The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and a backup is maintained on server physically located in India for back-up of books of account and other relevant books and papers, on a daily basis, pursuant to the amendment.
- Ratios: **Refer Annexure 2**

41. Corporate Social Responsibility (CSR)

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

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

42. Other Statutory Information

- The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with Companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- The Company has not traded or invested in crypto currency or virtual currency during the respective financial years/period.
- The has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - Provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries)
 - Provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries,
- The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant pro Income Tax Act, 1961).
- The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- The Company does not have any scheme of arrangements which have been approved by the Competent Authority in terms of Section 230 to 237 of the Act.
- The Company does not have any subsidiary and therefore provision regarding the number of layers prescribed under Section of Section 2 (87) of the Act read with the Companies (Restriction on number of layers) Rules, 2017 is not applicable to the Company.

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

43. Previous year's figures have been regrouped/ rearranged wherever considered necessary.
44. The Notes referred to above form an integral part of Balance Sheet and Profit & Loss Account.

***As per our report of even date attached
For M M NISSIM & CO. LLP
Chartered Accountants
Firm Regn. No.107122W/W100672***

For and on behalf of Board of Directors

***Nikhil G. Tanwani
[Chairman & Managing Director]
[DIN 01995127]***

***Hiren P. Muni
[Partner]
Membership No.142067
Place: Mumbai
Date:21st May, 2026***

<i>Shekhar Menon [Director] [DIN 02262964]</i>	<i>Hemraj Chheda [Director] [DIN 00113766]</i>	<i>Malavika Acharya Director [DIN 07007469]</i>
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***Ajay Acharya
Chief Financial Officer

Place: Mumbai
Date:21st May, 2026***

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

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Annexure 1

Particulars	Trading in IPR of Films		Production & Distribution of Films & TV Serials		Digital Media Content (Pr. Yr. Post Production Services)		Total	
	As at 31 st March		As at 31 st March		As at 31 st March		As at 31 st March	
	2026	2025	2026	2025	2026	2025	2026	2025
Gross Revenue (including operating and other revenue)								
External Revenue	202.53	184.54	--	--	1292.22	374.34	1494.75	558.88
Intersegment Revenue								
Total Gross Revenue	202.53	184.54	--	--	1292.22	374.34	1494.75	558.88
Segment Result								
Segment Profit / (Loss)	(88.98)	24.89	(33.95)	--	120.10	44.81	(2.83)	69.70
Less: Interest Expense					0.56		0.56	--
Add: Interest/Other Income							87.03	124.37
Profit Before Taxation							83.64	194.07
Tax Expenses							(18.34)	(50.23)
Profit for the Year							65.30	143.85
Other Information								
Segment Assets	0.67	354.55	99.94	126.19	378.78	363.92	479.39	844.66
Unallocable Assets							2366.85	2092.45
Total Assets							2846.24	2937.11
Segment Liabilities	--	140.80	--	--	42.57	79.40	42.57	220.20
Unallocable Liabilities							63.50	41.09
Total Liabilities							106.07	261.29
Capital Expenditure							32.20	6.16
Depreciation- Allocable Assets							2.78	2.71
Depreciation- Unallocable Assets							3.61	3.29

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Annexure 2 : Ratios

Particulars	Numerator	Denominator	31st March 2026	31st March 2025	Variance	Reasons change in ratio by 25%
Current ratio	Current Assets	Current Liability	34.69	10.43	232.60%	On account of decrease in Current Liabilities.
Debt- equity ratio	Total Debt	Shareholders' Equity	Not applicable as the Company does not have any debt.	Not applicable as the Company does not have any debt.		
Debt service coverage ratio	Earnings available for debt service	Debt service	Not applicable as the Company does not have any debt.	Not applicable as the Company does not have any debt.		
Return on equity ratio	Net Profit after taxes	Average Shareholders' Equity	2.99%	6.91%	(56.71%)	On account of lower profit margin.
Inventory Turnover Ratio	Cost of goods sold or sale	average inventory	4.15	1.01	310.43%	On account of liquidation of inventory.
Trade receivable turnover ratio	Revenue	Average Trade Receivable	18.19	5.40	236.80%	On account of quick recovery of receivables.

Baba Arts Limited

Notes to Financial Statement for the Year ended 31st March, 2026

Trade payable turnover ratio	Purchases of services and other expenses	Average Trade payables	18.15	7.13	70.60%	Decrease in Trade Payables due to immediate payments made.
Net capital turnover ratio	Revenue	Working Capital	0.67	0.25	167.55%	Better management of working capital.
Net profit ratio	Net Profit	Revenue	0.04%	0.26%	(83.03%)	Impact of lower margin on trading of IPR.
Return on capital employed	Earning before interest and taxes	Capital Employed*	3.06%	7.21%	(57.62%)	Impact of increase in average capital employed and lower margin on trading of IPR.
Return on investment	Income generated from investments	Time weighted average investments	Not applicable	Not applicable	-	
*Capital employed = Tangible net worth +/- deferred tax						