
20th Annual Report
UNIVERSAL ARTS LIMITED
2014-15

UNIVERSAL ARTS LIMITED

BOARD OF DIRECTORS:

- a) Managing Director
- b) Director
- c) Director
- d) Woman Director

: Mr. Manish G. Shah
: Mr. Satish Shidhaye
: Mr. Sandeep Poddar
: Mrs. Ulka M. Shah

AUDITORS

: M/s Sekhri Kanodia & Associates
Chartered Accountants
Mumbai

SECRETARIAL AUDITOR

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

REGISTERED OFFICE

: Plot No. 45, First Floor,
Ganapati Bhavan, M. G. Road.,
Goregaon (West),
Mumbai 400 062.
CIN – L22300MH1995PLC091082
Email: info@universal-arts.in
Investor-relation@universal-arts.in

REGISTRAR & TRANSFER AGENT

: BIGSHARE Services Private Limited
E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai 400 072
Tele : 022-28470652/40430200
Email : info@bigshareonline.com

NOTICE

Notice is hereby given that the TWENTIETH ANNUAL GENERAL MEETING OF UNIVERSAL ARTS LIMITED will be held at Keshav Gore Smarak Trust Hall, "Smriti", Aarey Road, Goregaon (W), Mumbai - 400062 on Wednesday, the 30th day of September, 2015 at 11:00A.M to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company on a Standalone and Consolidated basis for the nine months period ended on 31st March, 2015 including the Balance Sheet as at that date, statement of P & L account for the nine months period ended on that date and in the reports of the Auditors and Directors thereon;
2. To appoint a Director in place of Mrs. Ulka Shah (DIN: 00434277), who retires by rotation at this meeting offers herself and being eligible for re-appointment;
3. To rectify & re-appoint the Statutory Auditors of the Company to hold such office from the conclusion of ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held in year 2016, subject to ratification at every Annual General Meeting;

By Order of the Board of Directors

**Place: Mumbai
Date : 1st September, 2015**

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

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

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING "THE MEETING" IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The instrument appointing proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the Meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September, 2015 to 30th September, 2015 (both days inclusive).
6. Members who have multiple folios with identical order of names are requested to intimate to the Company those folios to enable the Company to consolidate all shareholding into one folio.

7. Members having any query(ies) relating to this Annual Report are requested to send their questions to Registered Office of the Company at least 7 days before the date scheduled for Annual General Meeting.
8. Members who hold shares in physical form are requested to intimate to the Company Bank mandate under the signature of & Sole/first named joint shareholder specifying Bank's name, Name and Address (with PIN code) of the Branch, Account Type – Saving (SA) or Current (CA) Account No.
9. In case of physical transfer or transmission of shares, copy of PAN Card of the transferee is mandatory.
10. Investors holding shares in physical form are advised to opt for Electronic Clearing System (ECS) to avail fast and safe remittance of dividend. A photocopy of a leaf of your Cheque book bearing your Account Number may also be sent along with mandate.
11. Members are requested to notify promptly changes in their address quoting their Registered Folio Nos. to the Company or its RTA.
12. Members are requested to notify promptly changes in their address quoting their physical holding in the Company are advised to avail the facility of dematerialization.
13. Member / Proxies are requested to bring attendance slip duly filled along with their copies of Annual Report in the meeting.
14. All material documents are open for inspection by the members on all working days at the Registered Office of the Company till the conclusion of the Annual General Meeting.

By Order of the Board of Directors

Sd/-

Manish G. Shah
Managing Director

Place: Mumbai

Date : 1st September, 2015

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

- | | |
|--|---|
| a) Name of Director | : Ulka Shah |
| b) Director Identification No. | : 00434277 |
| c) Date of Appointment | : 22/06/2007 |
| d) Qualification | : Chartered Accountant |
| e) Directorship Held in other Companies | : Bama Infotech Private Limited
Mima Communications Private Limited
Indigo Real Estate Developers Private Limited
Luminous Trading Private Limited
Goldmines Telefilms Private Limited
Mima Cinevision Private Limited
Rotocap Real Estate Advisors Private Limited
Kartik Trading Private Limited |
| f) Membership / Chairmanship of Audit and Stakeholders' Relationship Committee Across Public Companies | : NIL |
| g) No. of Shares Held | : NIL |

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

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

	the member id / folio number in the Dividend Bank details field.
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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **UNIVERSAL ARTS LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 27TH September, 2015 at (9:00 A.M.) and ends on 29th September, 2015 at (5:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

DIRECTORS' REPORT

To,
The Members
UNIVERSAL ARTS LIMITED

Your Directors are pleased to present the Twentieth Annual Report together with the audited financial statements for the nine months period ended on 31st March, 2015.

Financial Results:

Rs. In Lacs

	Nine Months Period Ended 31.03.2015	Year Ended 30.06.2014
Total Income	341.33	441.29
Total Expenditure	331.21	442.68
Profit / (Loss) before Interest, Depreciation, Amortization, Exceptional item	10.12	(1.39)
Less : Interest	Nil	Nil
Depreciation	1.58	1.94
Profit / (Loss) before Exceptional item & tax	8.54	(3.33)
Add : Exceptional items	Nil	Nil
Profit / (Loss) Before Tax	8.54	(3.33)
Less: Provisions for Taxation	Nil	2.37
Profit / (Loss) After Tax	8.54	(5.70)

DIVIDEND:

In view of the accumulated losses, the Board of Directors of your Company regret their inability to recommend any dividend for the nine months period ended on 31st March, 2015

RESERVE:

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

OPERATION REVIEW:

Your Company showed a steep decrease in the Income. Your Company posted Income of Rs 341.33 lacs as against Rs 441.29 lacs during the previous year. Despite Company's income was decreased yet your Company posted a Profit before tax of Rs 8.54 lacs against loss of Rs 3.33 lacs during the previous year.

OUTLOOK:

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

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

SUBSIDIARY AND ASSOCIATE COMPANIES:

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

FIXED DEPOSITS:

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

DIRECTORS:

At the forthcoming Annual General Meeting, Mrs. Ulka Shah (DIN - 00434277) will retire by rotation and being eligible offer herself for re-appointment. A brief resume / particulars relating to her are given separately under the report of Corporate Governance.

KEY MANAGERIAL PERSONNEL:

Mr. Manish G. Shah, Managing Director and Mrs. Ulka Shah, Non-Executive Director are the Key Managerial Personnel of the Company as on 31st March 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS:

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

BUSINESS RISK MANAGEMENT:

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Business Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risk and opportunities, the framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

PERFORMANCE EVALUATION OF CHAIRMAN, DIRECTORS, BOARD AND COMMITTEES:

The evaluation framework for assessing the performance of Chairman, Directors, Board and Committees comprises, *inter-alia* of the following parameters:

- a) Directors bring an independent judgement on the Board discussion utilizing his knowledge and experience especially on issues related to strategy, operational performance and risk management
- b) Directors demonstrate awareness and concerns about the norms relating to Corporate Governance, disclosure and legal compliance.
- c) Directors contributes new ideas / insights on the business issues raised by the Management.
- d) Directors anticipate and facilitate deliberations on new issues that Management and the Board should consider.
- e) The Board / Committee meeting are conducted in a manner which facilitate open discussion and robust debate on all key items on the agenda.
- f) The Board receives adequate and timely information to enable discussion / decision making during Board Meetings.
- g) The Board addresses interest of all stakeholders of the Company.
- h) The Committee is delivering on the defined objectives.
- i) The Committee has the right composition to deliver its objectives.

The Performance evaluation of Chairman, Directors, Board and Committee was undertaken by the Nomination and Remuneration Committee for the year under review and the results were reported to the Board of Directors.

ANNUAL RETURN:

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

FAMILIARIZATION PROGRAM AND INDEPENDENT DIRECTORS:

The Company has practice of conducting familiarization program of the independent directors as detailed in the Corporate Governance Report which forms part of the Annual Report.