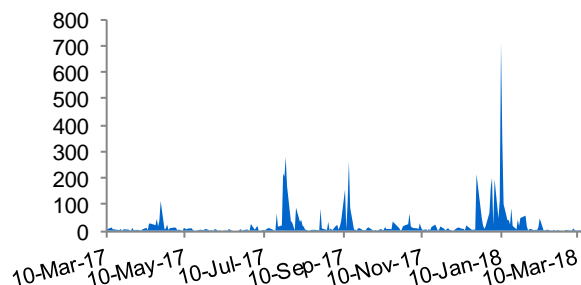


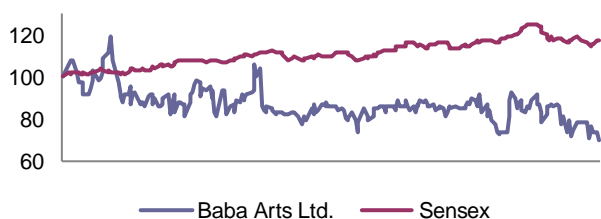
### Equity Statistics

|                          |            |         |
|--------------------------|------------|---------|
| Current Market Price     | Rs.        | 2.4     |
| 52 Week High/Low         | Rs.        | 4.5/2.2 |
| Market Capitalisation    | Rs. Crores | 14.1    |
| Free Float               | Rs. Crores | 3.5     |
| Dividend Yield           | %          | 0.0     |
| One Year Regression Beta | Times      | 0.6     |

### BSE Volumes Trend - Average = 25.34 Thousand

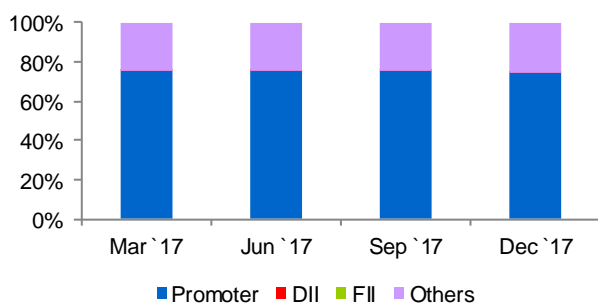


### Relative Returns



| Returns        | 1M   | 3M   | 6M   | 1Y   |
|----------------|------|------|------|------|
| Absolute       | -20% | -21% | -19% | -31% |
| Rel. to Sensex | -19% | -23% | -23% | -41% |

### Shareholding Pattern



Source: CARE, BSE and ACE Equity

### Result analysis

Baba Arts Ltd. (BAL), total income decreased by 46.14% y-o-y to Rs. 0.43 crore in Q2FY18 as compare to total income of Rs.0.80 Crore in Q2FY17. However, the EBITDA of (BAL) stood negative at Rs.0.34 crore in Q2FY18. The company has not reported any profit during Q2FY18; however it has posted a net profit of Rs. 0.22 crores in Q2FY17.

During H1FY18, the company reported net sales of Rs.0.78 crore while during this period EBITDA stood negative at Rs. 0.51 crore. BAL net profit stood at Rs. 0.21 crore during H1FY18.

BAL is trading at 119.54 times its 12 months trailing EPS as March 14, 2018.

### Annual financial snapshot

| Income statement           | FY15    | FY16   | FY17   |
|----------------------------|---------|--------|--------|
| Total income (Rs. crore)   | 86.28   | 9.09   | 2.11   |
| Growth in total income (%) | 1567.18 | -89.46 | -76.78 |
| Per share data (Rs.)       |         |        |        |
| Adjusted BVPS              | 3.04    | 3.04   | 3.07   |
| Diluted EPS*               | -0.25   | 0.00   | 0.01   |
| Key financial ratios       |         |        |        |
| EBITDA margin (%)          | -2.78   | 2.84   | 83.72  |
| Adjusted PAT margin (%)    | -3.06   | 0.56   | 15.52  |
| RoCE (%)                   | -7.77   | 0.25   | 0.39   |
| RoE (%)                    | -8.02   | 0.14   | 0.37   |
| Net debt to equity         | 0.00    | -0.60  | -0.45  |
| Interest coverage (times)  | -82.22  | 21.28  | 14.90  |

Source: BSE, Ace Equity and CARE Research

| Quarterly financials                | Q2FY18  | Q2FY17 | Q1 FY18 | Growth    | Growth    |
|-------------------------------------|---------|--------|---------|-----------|-----------|
|                                     |         |        |         | Y-o-Y (%) | Q-o-Q (%) |
| <b>Income statement (Rs. crore)</b> |         |        |         |           |           |
| Total income                        | 0.43    | 0.80   | 0.35    | (46.14)   | 25.51     |
| Total operating income              | 0.05    | 0.50   | 0.04    | (90.66)   | 17.50     |
| EBITDA                              | -0.34   | -0.04  | -0.17   | NM        | NM        |
| Depreciation and amortisation       | 0.03    | 0.03   | 0.03    | (18.75)   | 0.00      |
| EBIT                                | -0.36   | -0.08  | -0.19   | NM        | NM        |
| Interest                            | 0.01    | 0.01   | 0.00    | 28.57     | NM        |
| PBT                                 | -0.09   | 0.05   | 0.11    | NM        | NM        |
| Reported PAT                        | -0.10   | 0.05   | 0.21    | NM        | NM        |
| Adjusted PAT                        | 0.00    | 0.22   | 0.21    | (98.18)   | (98.10)   |
| <b>Per share data (Rs.)</b>         |         |        |         |           |           |
| Diluted EPS*                        | 0.00    | 0.03   | 0.03    | (97.66)   | 4.27      |
| <b>Profitability ratio (%)</b>      |         |        |         |           |           |
| EBITDA margin                       | -712.77 | -8.75  | -417.50 |           |           |
| Adjusted PAT margin                 | 0.92    | 27.36  | 61.16   |           |           |

Source: BSE, ACE Equity and CARE Research

| Peer comparison                     | Quarter ended September 30, 2017 |        |          |       |
|-------------------------------------|----------------------------------|--------|----------|-------|
|                                     | BAL                              | Eros   | Creative | BMB   |
| <b>Income statement (Rs. crore)</b> |                                  |        |          |       |
| Total income                        | 0.43                             | 196.94 | 0.25     | 0.00  |
| Total operating income              | 0.05                             | 194.90 | 0.00     | 0.00  |
| EBITDA                              | -0.34                            | 35.25  | -1.17    | -0.02 |
| Ordinary PAT                        | -0.10                            | 11.41  | -1.00    | -0.02 |
| Adjusted PAT                        | 0.00                             | 11.41  | -1.00    | -0.02 |
| <b>Per share data (Rs.)</b>         |                                  |        |          |       |
| Diluted EPS*                        | 0.00                             | 1.21   | NM       | NM    |
| <b>Growth (Y-o-Y) (%)</b>           |                                  |        |          |       |
| Growth in total income              | -46.14                           | -55.50 | -94.71   | NM    |
| Growth in total Operating income    | -90.66                           | -55.68 | NM       | NM    |
| Growth in EBITDA                    | NM                               | -57.01 | NM       | NM    |
| Growth in adjusted PAT              | -98.18                           | -76.02 | NM       | NM    |
| Growth in EPS*                      | -97.66                           | -76.26 | NM       | NM    |
| <b>Profitability ratio (%)</b>      |                                  |        |          |       |
| EBITDA margin                       | -712.77                          | 18.09  | NM       | NM    |
| Adjusted PAT margin                 | 0.92                             | 5.79   | -399.60  | NM    |
| <b>Valuation ratios (Times)</b>     |                                  |        |          |       |
| Price/EPS (P/E) (TTM)               | 119.54                           | 20.51  | NM       | NM    |

Source: BSE, ACE Equity and CARE Research

Note: BAL: Baba Arts Ltd., Eros: Eros International Media Ltd., Creative: Creative Eye Ltd., BMB: BMB Music & Magnetics Ltd.

NM: Non Meaningful

## DISCLOSURES

Each member of the team involved in the preparation of this research report, hereby affirms that there exists no conflict of interest that can bias the research on the company.

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