



CORPORATION FINANCE DEPARTMENT  
DIVISION OF CORPORATE RESTRUCTURING-I

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भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

CFD/DCR1/OW/2016/17910/1

June 23, 2016

**M/s Keynote Corporate Services Limited**

The Ruby, 9<sup>th</sup> floor  
Senapati Bapat marg  
Dadar West  
Mumbai- 400028

Dear Sir,

**Sub: Buyback of equity shares of Baba Arts Limited in terms of SEBI (Buyback of Securities) Regulations, 1998 {Buyback Regulations}**

1. Please refer to the draft letter of offer submitted vide your letter dated June 08, 2016.
2. As a Merchant Banker, you are advised to ensure that any statements made to the press or any other media by way of advertisements, press release, interview etc., either by you or by the company shall only be based on disclosures contained in the letter of offer.
3. In terms of Regulation 8(6) of the Buyback Regulations, we convey our comments on the draft letter of offer for the proposed offer, given in **Annexure I** to this letter, which shall be incorporated in the letter of offer.
4. The letter of offer along with tender form should be dispatched within five working days from the date of receipt of this letter and offer may open not later than five working days thereafter. Suitable amendments regarding the revised activity schedule and consequential effects/compliance of other obligations should be carried out in the letter of offer, wherever required.
5. You shall submit a soft copy and two hard copies of the printed offer document incorporating the above mentioned changes for making the same available at our website and for the purpose of our records respectively before the offer opening date.

lg 1 of 3

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051.

दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर. एस.), 2644 9000 / 4045 9000 फ़ैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in

SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

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6. The covering letter, whereby the printed offer document is submitted, should specify how each of our comments mentioned in this letter has been dealt with, giving reference to the relevant page nos. of the printed offer document. In one of the hard copies of the printed offer document, changes in the offer document pursuant to comments conveyed vide instant letter should be duly highlighted.
7. The failure to carry out the suggested changes in the letter of offer as well as violation of provisions of the Regulations will attract appropriate action. Further apart from above, no other changes shall be carried out in the letter of offer submitted to us.
8. The filing of letter of offer does not, however, absolve the company from any provisions of Section 68, Section 69 and 70 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed offer.
9. The above comments are issued without prejudice to the applicability of any approvals to be obtained under any Laws, Rules or Regulations for the time being in force.

Yours faithfully,

Chitra Bhandari



अनुवर्ती :  
Continuation :

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Annexure I

Sl No	Contents / Comments
1.	Ensure compliance with regulation 19(1)(b), that the company shall not issue any shares or other specified securities including by way of bonus till date of closure of the offer made under the regulation.
2.	Update the Para 1 of the draft letter of offer relating to schedule of activities of the offer as on the record Date, para 9(iii) on page 15, para 13(vii) on page 18 and para 19 on page 23 suitably.
3.	Ensure compliance with regulation 10(2) of the Buyback Regulation to deposit the applicable amount in the Escrow Account before opening of the Buyback Offer and update the same in the letter of offer.
4.	Ensure compliance with SEBI Circular dated April 13, 2015 with respect to acquisition of shares through stock exchange mechanism. Follow the instructions specified by NSE and BSE in their respective circulars issued in connection with mechanism for acquisition of shares through Stock Exchanges pursuant to Buy Back.
5.	Make suitable disclosures as mentioned in your email dated January 17, 2016.

*Dehro*