

ANNUAL REPORT 2025



MUKTA ARTS LIMITED



Music Launch of the Marathi film 'Amaira'



**Mukta A2 Cinemas at Vizag, Andhra Pradesh
Renovated during the year**



**Mukta A2 Cinemas at Kalyan, Maharashtra
opened during the year**



BOARD OF DIRECTORS

Mr. Subhash Ghai

Chairman, Executive Director
DIN: 00019803

Mr. Kapil Bagla

Independent Director
DIN: 00387814

Mr. Chandrashekhar Rentala

(w.e.f. 22nd October, 2024)
Independent Director
DIN: 01312412

Mr. Rahul Puri

Managing Director
DIN: 01925045

Ms. Paulomi Dhawan

Independent Director
DIN: 01574580

Ms. Madhumati Lele

(w.e.f. 28th May, 2025)
Independent Director
DIN: 09306316

Mr. Parvez Farooqui

Non-Executive Director
DIN: 00019853

Mr. Kewal Handa

(upto 26th September, 2024)
Independent Director
DIN: 00056826

KEY MANAGERIAL PERSONNEL

Mr. Prabuddha Dasgupta

Chief Financial Officer
(upto 13th December, 2024)

Mr. Jabir Contractor

Chief Financial Officer
(w.e.f. 12th February, 2025)

Ms. Hemal N. Pankhanja

Company Secretary & Compliance Officer
(upto 7th March, 2025)

Ms. Pratiksha Panchal

Company Secretary & Compliance Officer
(w.e.f. 3rd June, 2025)

AUDITORS

M/s. Uttam Abuwala Ghosh & Associates

Statutory Auditors
409/410 Abuwala House,
Gundecha Industrial Complex,
Next to Big Bazaar, Akurli Road,
Kandivali (East), Mumbai - 400101.

M/s. Garg Devendra & Associates

Internal Auditors
F-114, First Floor, Moongipa Arcade
Shree Ashtavinayak CHS Ltd.
D.N. Nagar, Andheri (west),
Mumbai – 400 053

M/s. KDA & Associates

Secretarial Auditors
Ground Floor, 1, Nishant Building,
Poddar Street, Opposite SVC Bank,
Santacruz (West), Mumbai – 400 054

BANKER

Indian Bank
Kotak Mahindra Bank

REGISTRAR AND TRANSFER AGENT

MUFG Intime India Private Limited

C-101, Embassy 247, L.B.S Marg,
Vikhroli (West), Mumbai – 400 083.

REGISTERED OFFICE

Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (East),
Mumbai- 400 065.

MUKTA ARTS LIMITED

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PERFORMANCE AT A GLANCE

(Rs. in '000)

	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations	203,170	275,160	198,740	483,429	186,310
Other Income	143,832	160,010	138,470	145,121	111,770
TOTAL INCOME	347,002	435,170	337,210	628,551	298,080
'Profit/(Loss) before Interest, Depreciation and Tax	173,546	197,860	175,870	326,070	169,360
Depreciation	22,721	23,990	20,570	21,310	20,410
Interest	62,583	60,530	50,370	58,900	58,460
Profit/(Loss) before Tax	88,243	113,340	104,930	245,860	90,490
Profit/(Loss) after Tax	74,406	103,340	84,210	205,850	69,810
Dividend	-	-	-	-	-
Dividend Rate	-	-	-	-	-
Gross Fixed Assets	785,483	782,450	766,860	770,550	767,560
Net Fixed Assets	219,322	237,810	244,630	263,400	281,280
Total Assets	3,109,077	2,707,890	2,675,480	2,508,940	2,512,370
Equity Share Capital	112,925	112,925	112,925	112,925	112,925
Reserves and Surplus	1,845,034	1,771,230	1,666,650	1,582,310	1,366,040
Net Worth	1,957,959	1,884,155	1,779,575	1,695,235	1,478,965
Earnings per Share (EPS) (in Rs.)					
EPS Basic	3.30	4.58	3.73	9.16	3.12
EPS Adjusted to Rs. 5	3.30	4.58	3.73	9.16	3.12

MUKTA ARTS LIMITED

CHAIRMAN'S STATEMENT 2025



The Indian Media and Entertainment Industry saw relatively meander growth in year 2024, reaching approximately Rs. 2.5 trillion (USD 29.4 billion), which means a year on year growth of about 3.3%. However, the fundamentals of the industry remain strong and given the rapid transformation on the digital technology side coupled with government support and a large young population, the latest FICCI report suggests that year 2025 might see this growth double to over 7%. There is indeed a lot to be optimistic about, despite the fact that the narrative over the past few years has been a little downbeat especially around cinemas and content. However, those who choose to look deeper might see the vast opportunities that exist and this is something that we as a Company will continue to do throughout the next year and into the future.

Without doubt, one of the words of last year has been Artificial Intelligence. Such has been the increase in usage and perceived value of this technology that it has sent NVidia, a company that produces a lot of the microchips used in AI, to becoming the world's most valuable company, surpassing Apple to hit a market capitalisation of over USD 4 trillion dollars! Clearly, there is a massive opportunity in the implementation of this technology and the Media and Entertainment industry will also be transformed in the years to come. Last year saw a writers strike in the US and one of the issues in this strike, which lasted over 6 months, was the use of AI and the effect its implementation by Studios and Producers would have on writers and indeed actors. That was resolved for the short term but a lot of the issues have been pushed further down the road. This however cannot be put off much longer as the technology is advancing at a fantastic rate.

I am extremely excited about what AI can bring to the creative process but am also cautious. AI can only be a tool for creative artists to utilise in the pursuit of their own imagination and expression. It should never become something that replaces the human element of creative output which should always be kept at the center of our industry. Without it, the ability to relate to the millions who consume entertainment for a myriad of reasons would be lost. The debate over the ethical use of AI is something that we must think about deeply and both in Mukta and in Whistling Woods, we are thinking deeply about it but also ensuring that our employees, partners as well as faculty and students understand the positive benefits such a powerful technology can have and the changes it could bring for them as creative professionals. Soon enough as will touch all our lives but how we choose to use it to benefit humanity and not harm it is going to be the most important debate of the next generation.

A huge governmental and industry initiative called WAVES was launched in the last year, signifying a huge opportunity for the industry and the substantial support that it is to receive from the current government. The Prime Minister himself was present on the first day of the festival and launched the 'Create in India' scheme which I am sure will galvanise the youth of the country toward making substantial content in meaningful ways. I was delighted and honoured to have been on the board for the planning of the event and was privileged to have been present to hear the PM speak so passionately about the sector.



On the personal front, I was thrilled to launch my first book last year called 'Karma's Child'. The book, published by Harper Collins, was a summation of my life's experiences and some stories from my almost five decades in the film industry. I was humbled to meet so many people who had read it and enjoyed it and honoured that someone like Gulzar Saheb and Imtiaz Ali were on hand to launch the book with me at the NCPA.





In terms of the Company, 2024 was a reasonably strong year for Mukta Arts Limited. We completed our commitment to the TV series 'Jaanki' which wrapped up in May completing over 200 episodes and was consistently in Doordarshan's top watched serials. This year has also seen us step back into film production and we are close to finalising and announcing a new slate of film productions in the coming months. These are scripts which we have developed over the past few years and now, with a reinvigorated energy, we have been able to set them up with strong partners and collaborators. I am excited about this new set of films and will be involved to ensure they bring value to the Company in the next 18 months.

Much has been written about theatres in India and indeed across the world over the last year and the narrative has been that people are not wanting to go to the movies anymore. However there have been some films what have bucked that trend - Pushpa 2, Chhava and now Saiyaara have all shown that the potential remains strong for the exhibition business. However, the last year has been a struggle across the sector with most films failing to really register an impact. 2025 has been a marked improvement on 2024 and we hope that this growth will continue for the rest of the year and that will have a positive effect on Mukta A2 Cinemas. Mukta A2 Cinema opened three properties in the last financial year - in Behror, Kalyan and Vadodara. In the next few months we are on track to open another five properties across the country. Our commitment to this business remains strong and we are seeing some signs of a revival.

The same story can be said of our Bahrain cinemas. It has seen a marginal turnaround this financial year however not enough to make it profitable as yet. We are examining our options in this area and will find the best way forward for the Company and its partners.

Whistling Woods International Limited (WWIL) saw another year of strong growth despite competition. More and more creative courses are cropping up across India and with more and more students from India choosing to look abroad for education, WWIL is faced with a lot of growing competition. Despite this, the institute remains one of the best in the world and has continued to innovate by focusing strongly on the integration of AI and other Emerging Media in the curriculum. So much so, that we had hosted a group of students from Ulster University in the UK for a two week programme on Virtual Production. The feedback was that WWIL is far ahead of others in these areas giving our students a strong advantage in their careers. We also had one of our faculty (and our alumni) present the keynote address at the CILECT Congress in Beijing in October, 2024 and from that there has been a great interest from international schools to collaborate with us. Our Vice President, Mr. Chaitanya Chinchlikar was recently invited to join the Academy of Motion Pictures Arts and Sciences and our President Ms. Meghna Ghai Puri was invited to be on the Board of the International Emmy awards. This is all great recognition for the tireless work we have done in media education and how WWIL has transformed the perception of it in India over the last twenty years. I might also add here that WWIL has signed a deal to move to solar power for the energy needs of the institute and we believe in a more efficient green future for our business.

We continue to believe we are building something truly unique. I know often shareholders have wondered about the performance of the Company but the vision has always been so much larger and we are seeing the fruits of it now as we are working both on the education side and on the production side with the talent WWIL has produced and seeing them excel across different industries. There is little doubt that there are many good things to come and I remain excited about the future of the Company. I thank you all for your continued support and patience.

Regards,

**Subhash Ghai
Chairman**

MUKTA ARTS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS 2024-25

Global Outlook

The global Media and Entertainment (M&E) Industry reached nearly \$3 trillion in 2024 as per PWC's outlook powered by strong growth in advertising (6% CAGR) as well as connectivity increases and consumer spending habits particularly on subscriptions and live events. Video games generated approximately \$224 billion and are on track to surpass \$300 billion by 2029.

Artificial Intelligence (AI) personalisation fuelled a digital and internet ad boom especially in retail, social and connected TV's driven by hyper-specialised algorithms which contributed to consumer spending. China, India and other Asia Pacific regions showed faster growth driven by rising digital infrastructure and mobile adoption.

Challenges though remain given the relatively uncertain macroeconomic environment ahead which could have an effect on consumer spending. Intense competition and saturation in the streaming space plus rising content acquisition costs could lead to more inflated customer acquisition costs in the medium term. The decline of traditional media formats is also a concern with broadcast and Pay TV declining and the Film business in flux.

The concern around AI and especially generative AI remains a challenge as there are complex issues around copyright, creator compensation and regulation which need to be addressed. This could accelerate or disrupt monetisation strategies.

Indian Media Scenario

Digital media has become the largest segment of the Indian M&E industry in 2024, reaching over 32% and generating 17% growth to stand at about Rs. 80K crs. The industry stood at \$ 29.4 billion which was a YoY growth of 3.3% in a slowdown from 2023. Main growth segments apart from Digital were Advertising, Live Events and Out of Home. Radio too saw a steady growth of 9% from 2023.

More traditional segments like Film, Television and Music saw declines in growth with the film industry seeing solid revenues but admissions dropping and despite 1600+ releases, only 11 films passing the Rs. 100 crs. barrier. Television also saw Pay TV homes drop even though connected TV's grew.

Similar to the global scenario, increased advertising, especially on digital as well as revenue from OTT subscriptions has been a major factor for growth. Live Events and Experiential Media has also seen a boom in 2024 and E-Sports and Online Gaming has also double digit growth and is expected to continue to grow at above 20% till 2028. Further recent mergers and consolidation could lead to opportunities to drive scale and content synergies as well as cross border projects and platforms.

Indian Film Industry

The Film industry in India had a muddled year with revenues hitting the second highest after 2023 but overall a drop from approx Rs. 12.2 K crs. to Rs. 11.8K crs. More concerning was the 6% drop in admissions and even 6 years later, admissions still being below pre-pandemic levels. Ticket prices rose modestly over the year to stand at Rs. 134 on average.

There were some stellar hits including Pushpa 2, Stree 2, Bhool Bhulaiyaa 3, Singham Again and Kalki 2898 AD. However, despite a slew of releases, fewer films broke the Rs. 100 crore barrier and Hindi films saw their box office drop over Rs. 700 crs. with almost 31% coming from dubbed South Indian titles.

The continued outflow of consumers from theatres to OTT platforms coupled with a huge boom in advertising in the digital and OTT space has seen a shift in revenues from film to streaming and digital and despite a silver lining of growth in regions like Malayalam and Gujarati, overall 2024 saw the industry struggle.

Company Performance

Beginning with Mukta Arts as a standalone, the Company saw revenue at Rs. 34.70 crs. which is a drop from last year due to the series 'Jaanki' wrapping up production in May. EBITDA margin saw a growth from 45% to 50% this year on account of better efficiency from production and rights sales and overall PAT margin was relatively stable at 21% totalling to Rs. 7.44 crs. The Company also saw the completion of its real estate property in Bandra at Guru Nanak Park, which will bring in additional rental income to the business.



Mukta A2 Cinemas, the domestic film exhibition company, saw a fall in total revenue of 25% due to the issues related to performance of films in theatres and the drop in admissions. At the same time, expenses were controlled and therefore a drop was seen of about 21% YoY. An experiment in pricing on Food & Beverages saw a lower than expected income from this segment and this has led to a drop in the EBITDA margin from 13% to 9%. On the plus side, new properties launched in Behror, Kalyan and Vadodara have started off extremely well though their influence on the current year under review was limited due to the timing of their launches. Spending per head and Average ticket price continued to rise for the year to offset some of the low admissions numbers.



**Mukta A2 Cinemas at Behror, Rajasthan
opened during the year**

MA2 Bahrain, the subsidiary which operates film exhibition centres internationally, saw an improvement in its revenue growth, coming in at 15% YoY and seeing the total revenue at Rs. 24.24 crs. Improved performance saw losses in the subsidiary narrow by 70% coming to Rs. 16 lac for the year. The Company continues to operate 6 screens and manage a further 10 screens in the country as well as managing a further 5 screens in the Kingdom of Saudi Arabia.

Whistling Woods International, the company's education subsidiary involved in media and creative arts training, saw an increase in revenues by 7% seeing revenues come in at Rs. 58.29 crs. The increase in expenses on account of higher marketing costs and some one time payments saw expenses rise by 9% YoY and led to a marginal EBITDA fall from 11% to 9%.

In conclusion, 2024 has been a challenging year for the company in a difficult macroeconomic and industry environment but having worked through this phase, there are some green shoots of opportunity for the year ahead.

MUKTA ARTS LIMITED

NOTICE

Notice is hereby given that the 43rd Annual General Meeting of the members of Mukta Arts Limited will be held on Wednesday, 24th September, 2025 at 4:00 p.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. **To receive, consider and adopt the annual Audited (Standalone and Consolidated) Financial Statements of the Company for the financial year ended 31st March, 2025, together with the Reports of the Board of Directors and the Auditors thereon.**

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

"RESOLVED THAT the Annual Audited (Standalone and Consolidated) Financial Statements of the Company for the financial year ended 31st March, 2025 and the reports of the Board of Directors and Auditors thereon, as circulated to the members be and are hereby approved and adopted."

2. **To appoint Mr. Rahul Puri (DIN: 01925045), who retires by rotation as a Director and being eligible, offers himself for re-appointment.**

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Rahul Puri (DIN: 01925045), who retires by rotation at this meeting and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS

3. **To appoint Mr. Rajendra Kapilrai Doshi (DIN: 07499476) as Non-Executive, Independent Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 made thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Rajendra Kapilrai Doshi (DIN: 07499476), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee as an Additional, Independent Director under section 161(1) of the Act, designated as an Non-Executive Independent Director has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of a director, be and is hereby appointed as an Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years, i.e., with effect from 12th August, 2025 till 11th August, 2030."

4. **To appoint M/s G A M S & Associates LLP as the Statutory Auditor of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon recommendation of the Audit Committee, M/s G A M S & Associates LLP, Chartered Accountants (LLPIN AAM-7552 and Firm Registration No. 005104N/N500094), be and are hereby appointed as the Statutory Auditors of the Company for the first term of 5 (five) years i.e. from the conclusion of this Annual General Meeting till the conclusion of 48th Annual General Meeting of the Company to be held in year 2030, at such remuneration as may be approved by the Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to revise/ alter/ modify/ amend the terms and conditions and/ or remuneration, from time to time, as may be mutually agreed with the Auditors, during the tenure of their appointment."



5. Appointment of M/s KDA & Associates as Secretarial Auditor of the Company

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provision of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), other applicable laws/statutory provisions, if any, as amended from time to time, M/s. KDA & Associates, Practicing Company Secretaries (Unique Identification No. P2016MH047700) be and are hereby appointed as Secretarial Auditors of the Company for term of 5 (five) consecutive years from financial year 2025-26 till the financial year 2029-30 on such remuneration as may be fixed by the Board of Directors of the Company.”

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to revise/ alter/ modify/ amend the terms and conditions and/ or remuneration, from time to time, as may be mutually agreed with the Auditors, during the tenure of their appointment.”

**By Order of the Board of Directors of
Mukta Arts Limited**

**Pratiksha Panchal
Company Secretary and Compliance Officer
Membership Number: A28467**

Registered Office:

Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (E), Mumbai-400065
CIN: L92110MH1982PLC028180
Tel. No.: 022-3364 9400
Email: investorrelations@muktaarts.com

Date: 12th August, 2025

Place: Mumbai

NOTES:

- 1) In terms of Ministry of Corporate Affairs (“**MCA**”) General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 3/2022 dated May 05, 2022, 10/2022 dated December 28, 2022 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 (collectively referred to as “**MCA Circulars**”) and Securities and Exchange Board of India Circulars SEBI /HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD /CMD2/ CIR/P/ 2021/11 dated January 15, 2021 and SEBI / HO/ CFD/ CMD2/ CIR/P/ 2022/62 dated May 13, 2022 respectively read with SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and SEBI/HO/CFD/ CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 (hereinafter referred to as “**SEBI Circulars**”), it has been permitted to hold Annual General Meeting (“**AGM**”) through Video Conferencing (“**VC**”)/Other Audio-Visual Means (“**OAVM**”), without the physical presence of the Members at a common venue, till 30th September, 2025.

In compliance with the provisions of the Companies Act, 2013 (“**the Act**”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) MCA Circulars and SEBI Circulars, the 43rd AGM of the Company is being held through VC / OAVM on 24th September, 2025 at 04:00 p.m. (IST). The proceedings of the AGM is deemed to be conducted at Whistling Woods Institute, Dada Saheb Phalke Chitra Nagari, Goregaon (E), Mumbai-400065.

- 2) Details as required under Regulation 36(3) of SEBI Listing Regulations in respect of the Director seeking appointment/ re-appointment at the AGM are provided as **Annexure-I** to the Notice.
- 3) As per SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 which came into effect from 13th December, 2024, the requirement to send proxy forms is not applicable to general meetings held only through electronic mode. As this AGM is being held through VC / OAVM, the requirement to provide facility for the appointment of proxy by the members is not applicable. Hence, the Proxy Form, Attendance Slip and Route Map for the AGM are not annexed to this Notice.

MUKTA ARTS LIMITED

- 4) In compliance with the MCA and SEBI Circulars, Notice of AGM along with Annual Report for the financial year 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.

Members may note that the Notice and Annual Report will also be available on the Company's website at <https://muktaarts.com/Aboutus/annual-reports.php>, websites of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com/stock-share-price/mukta-arts-lt532357/financial/muktaarts/annual-reports/> and <https://www.nseindia.com/get-quotes/equity?symbol=MUKTAARTS> respectively and on the website of NSDL at www.evoting.nsdl.com. Physical copy of the Notice and Annual Report will be sent to the Members on their request, who have not registered their e-mail address with the Company or Depository Participant(s).

- 5) Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than Individuals, HUF's, NRI's etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the scrutinizer by e-mail at kaushaldalalcs@gmail.com with a copy marked to evoting@nsdl.com and investorrelations@muktaarts.com, not later than 48 hours before the scheduled time of the commencement of the meeting. Corporate Members/ Institutional Investors (i.e. other than Individuals, HUF's, NRI's etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on the "upload Board Resolution/Authority Letter" displayed under the "e-voting" tab in their login.
- 6) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 7) The members can join the AGM in VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first come first served basis as per the MCA circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 8) In terms of Regulation 40(1) of SEBI Listing Regulations, requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in dematerialized form. Transfers of equity shares in electronic form are effected through depositories. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent ("RTA"), MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) at rnt.helpdesk@in.mpms.mufg.com.
- 9) Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting documents. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
- 10) As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at www.in.mpms.mufg.com. Members are requested to submit the said form to their DP's in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
- 11) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company/RTA, the details of such folios together with the share certificates and self-attested copies of the PAN of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
- 12) Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at investorrelations@muktaarts.com.



- 13) To support the 'Green Initiative', Members who have not yet registered their email address are requested to register the same with their DP's in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
- 14) In terms of SEBI circular dated 9th December, 2020, on e-voting facility provided by Listed Companies, Individual Members holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and DP's. Members are required to update their mobile number and email ID correctly in their Demat account to access the e-voting facility.
- 15) According to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations and MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. The Company has engaged the services of NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
- 16) Members of the Company holding shares either in physical form or in electronic form as of the cut-off date i.e. Wednesday, 17th September, 2025, may cast their vote by remote e-voting. The remote e-voting period commences on Sunday 20th September, 2025 at 09:00 a.m. (IST) and ends on Tuesday 23rd September, 2025 at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as of the cut-off date. Subject to receipt of the requisite number of votes, the resolution passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM.
- 17) Members will be provided with the facility for voting through an electronic voting system during the proceedings at the AGM and Members participating at the AGM, who have not cast their vote by remote e-voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolutions for which the Members has already cast the vote through remote e-voting.
- 18) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
- 19) A person whose name is recorded in the Register of Members or the Register of Beneficial Owners maintained by the depositories as on the cut-off date, shall be entitled to avail the facility of remote e-voting before the AGM as well as e-voting during the AGM. Any person holding shares in physical form and non-individual members, who acquire shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, may obtain the User ID and password by sending a request along with the requisite documents at evoting@nsdl.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available at www.evoting.nsdl.com or contact at 022-4886 7000. In case of Individual Member holding securities in Demat mode and who acquires share of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice. Any person who is in receipt of this notice but is not a Member as on the cut-off date should treat this notice for information purpose only. Notice will be circulated to the Members whose name appear in the Register of Members as on Friday, 22nd August, 2025.
- 20) In accordance with the circulars issued by MCA and SEBI, the Notice of the 43rd AGM along with the Annual Report for the financial year 2024-25 is being sent by electronic mode to Members whose e-mail ids are registered with the Company / Registrar & Share Transfer Agent (RTA) or the Depository Participants (DPs). Additionally, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company is also sending a letter to Members whose e-mail ids are not registered with Company/RTA/DP providing the weblink of Company's website from where the Integrated Annual Report for financial year 2024-25 can be accessed
- 21) M/s. KDA & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the remote e-voting process fairly and transparently.
- 22) The scrutinizer shall, after the conclusion of voting at the AGM, unblock the votes cast through e-voting (votes cast during the AGM and votes cast through remote e-voting) and shall submit, a consolidated Scrutinizer's Report of the

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total votes cast in favour or against, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results declared along with the Scrutinizer's Report shall be communicated to the stock exchanges within two working days, on which the Company's shares are listed and will also be available on Company's website at www.muktaarts.com.

- 23) In terms of requirements of Schedule V of the SEBI Listing Regulations, disclosures with respect to demat suspense account/ unclaimed suspense account are given below:

Particulars	No. of Shareholders	Outstanding Shares
In suspense account as on 1 st April, 2024	NA	NA
Total shareholders who approached listed entity for transfer of shares from suspense account during the year;	NA	NA
Total number of shareholders to whom shares were transferred from suspense account during the year;	NA	NA
In suspense account lying as on 31 st March, 2025	NA	NA

- 24) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timelines.

The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.mca.gov.in. For further details, please refer to Corporate Governance Report which forms part of this Annual Report.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, 20th September, 2025 at 09:00 A.M. and ends on Tuesday, 23rd September, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 17th September, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

- A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



Type of shareholders	Login Method
	2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

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Type of shareholders	Login Method
	3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

A) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.



4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

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3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kaushaldalalcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send at evoting@nsdl.com

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investorrelations@muktaarts.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investorrelations@muktaarts.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.



INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investorrelations@muktaarts.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions may register themselves as a speaker by sending the request along with their queries in advance mentioning their name, demat account number / folio number, e-mail id and mobile number at investorrelations@muktaarts.com. Only those speaker registration requests received till 05:00 P.M. (IST) on Wednesday, 17th September, 2025 shall be considered and allowed as speakers during the AGM.

The Company reserves the right to restrict the number of questions and speakers based on the number of speakers.

**By Order of the Board of Directors
Mukta Arts Limited**

**Pratiksha Panchal
Company Secretary and Compliance Officer
Membership Number: A28467**

Registered Office:

Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (E), Mumbai-400065

CIN: L92110MH1982PLC028180

Tel. No.: 022-3364 9400

Email: investorrelations@muktaarts.com

Date: 12th August, 2025

Place: Mumbai

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EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 5 of the accompanying Notice:

Item No. 3: Appointment of Mr. Rajendra Kapilrai Doshi (DIN: 07499476) as Non-Executive, Independent Director of the Company.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), had appointed Mr. Rajendra Kapilrai Doshi (DIN: 07499476) as an Additional Director on the Board of the Company, designated as a Non-Executive Independent Director with effect from 12th August, 2025 for a term of five consecutive years i.e. up to 11th August, 2030, under Sections 149, 150 and 152 of the Act and in line with the Articles of Association of the Company, subject to the approval of the shareholders.

The Company has received a declaration of independence from Mr. Rajendra Kapilrai Doshi. In terms of Regulation 25(8) of the Listing Regulations, he has also confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director without any external influence. Further, he is neither disqualified from being appointed as a Director in terms of Section 164 of the Act, nor debarred from holding the office of a director by virtue of any SEBI Order or any other such authority and had registered himself in the Independent Director's Data Bank maintained by Indian Institute of Corporate Affairs and details of Mr. Rajendra Kapilrai Doshi have been given in the Annexure to this Notice.

In the opinion of the Board, Mr. Rajendra Kapilrai Doshi is a person of integrity who has experience and expertise across industries for appointment on the Board, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations each as amended.

Mr. Rajendra Kapilrai Doshi would be entitled to sitting fees for attending the Meetings of the Board of Directors.

Brief Profile of Mr. Rajendra Doshi is as under:

Mr. Rajendra Doshi is a seasoned business leader with a Bachelor of Science in Chemistry and has over four decades of entrepreneurial experience. Associated Business Corporation was founded in 1985 and is operated in Mumbai, as a sole proprietorship. He has successfully connected global suppliers with Indian markets. His core expertise lies in paper quality marketing, widely respected for his analytical precision, problem-solving depth. Outside the professional sphere, Mr. Rajendra is a passionate landscape photographer too.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

Item No. 4: Appointment of M/s G A M S & Associates LLP as the Statutory Auditor of the Company

M/s Uttam Abuwala & Co., Chartered Accountants (Firm Registration Number:111184W), were re-appointed as the Statutory Auditors at the 39th Annual General Meeting of the Company held on September 23, 2021, for a period of four years i.e., from financial year 2021-22 to financial year 2024-25, to hold office till the conclusion of the 43rd Annual General Meeting of the Company.

Accordingly, M/s. Uttam Abuwala & Co would be completing their second term as Statutory Auditors of the Company at this Annual General Meeting. Upon recommendation of the Audit Committee, the Board of Directors of the Company at their Meeting held on 28th May, 2025, have recommended the appointment of M/s G A M S & Associates LLP, Chartered Accountants (LLPIN AAM-7552 and Firm Registration No. 005104N/N500094), as the Statutory Auditors of the Company. M/s G A M S & Associates LLP has confirmed their eligibility for appointment under Section 139 read with Section 141 of the Companies Act, 2013. They will hold office for a period of 5 (five) consecutive years from the conclusion of the ensuing 43rd Annual General Meeting of the Company till the conclusion of the 48th Annual General Meeting subject to the approval by the Shareholders at the ensuing Annual General Meeting.

M/s. G A M S & Associates LLP is a firm of Chartered Accountants and Management Consultants established in 1984 and registered under the LLP Act and with the Institute of Chartered Accountants of India. Its current head office is in New Delhi. The firm has operational offices in NCR - South Delhi, Central Delhi and Noida (UP) and has operational associates in Jaipur, Mumbai, Goa, Gwalior, Jodhpur and Ahmedabad.

The remuneration to be paid to M/s G A M S & Associates LLP for audit services shall be as approved by the Board of Directors of the Company from time to time.



The Board recommends the resolution set forth in Item No. 4 for the approval of Members as an **Ordinary Resolution**.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Item No. 5: Appointment of M/s. KDA & Associates as Secretarial Auditor of the Company

The Board at its meeting held on 28th May, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s. KDA & Associates, Practising Company Secretaries, a peer reviewed firm (Unique Identification No. P2016MH047700) as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till Financial Year 2029-30, subject to approval of the Members. The appointment of Secretarial Auditors shall be in terms of Regulation 24A of the SEBI Listing Regulations, SEBI Notification dated 12th December, 2024, provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

M/s. KDA & Associates (KDA) is a research-based consultancy firm which offers a wide range of specialized professional services that meet the immediate as well as the long-term compliance needs of clients. It is a Partnership concern of Mr. Kaushal Dalal a Member of Institute of Company Secretaries of India (ICSI) and holding Certificate of Practice since 2007 along with 7 other partners.

M/s. KDA & Associates has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI Listing Regulations. The services to be rendered by KDA & as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/ HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31st December, 2024.

The proposed fees in connection with the secretarial audit shall be Rs. 50,000/- (Rupees Fifty Thousands only) plus applicable taxes and other out-of-pocket expenses for Financial Year 2025-2026, and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors and Secretarial Auditors. In addition to the secretarial audit, KDA shall provide other services in the nature of certifications and other professional work, as approved by the Board of Directors.

The Board recommends the Ordinary Resolution as set out in Item No. 5 of this Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested in the Resolution set out in Item No. 5 of this Notice.

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Annexure-I

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Name of Director	Mr. Rahul Puri	Mr. Rajendra Kapilrai Doshi
DIN	01925045	07499476
Date of Birth/Age	19 th September, 1977 / 48 years	30 th January, 1959 / 66 Years
Date of First Appointment	20 th September, 2008	12 th August, 2025
Qualification	Graduate from Kings College, London	B.SC
Brief Profile	He started his career as an investment banker at UBS Warburg. Worked in the sector of Corporate Finance & Strategy. He joined Mukta Arts as Vice President- Finance and Strategy and later got promoted as Executive Director. He is now involved in all aspects of the Company including financing, distribution, production, exhibition, and marketing. Mr. Puri was keenly involved in the setup of Whistling Woods International and now is setting up and building out a chain of Cinemas under the brand name of Mukta A2 Cinemas. Currently he is holding the position of Managing Director of the Company and is also Head of Academics of India's finest creative education Institute, Whistling Woods International.	Rajendra is a seasoned business leader with a Bachelor of Science in Chemistry and over four decades of entrepreneurial experience. Since establishing his enterprise in 1985, he has successfully connected global suppliers with Indian markets His core expertise lies in paper quality marketing, Widely respected for his analytical precision, problem-solving depth. Outside the professional sphere, Rajendra is a passionate landscape photographer too
Term and Conditions of Appointment	Appointed as Director, liable to retire by rotation	Appointed as Non-Executive Independent Director and not liable to retire by rotation
Shareholding in the Company as on 31st March, 2025	Nil	38,283 shares
Directorships in other Listed Companies as on 31st March, 2025	Nil	Nil
Chairman/Member of Committees in other Listed Companies as on 31st March, 2025	Nil	Nil



Name of Director	Mr. Rahul Puri	Mr. Rajendra Kapilrai Doshi
Listed Companies from which the Director has resigned from Directorship in last 3 years	Nil	Nil
Inter-se relationship with other Directors and Key Managerial Personnel of the Company	Son-in-law of Mr. Subhash Ghai, Chairman, Executive Director of the Company	Nil

**By Order of the Board of Directors
Mukta Arts Limited**

**Pratiksha Panchal
Company Secretary and Compliance Officer
Membership Number: A28467**

Registered Office:

Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (E), Mumbai-400065

CIN: L92110MH1982PLC028180

Tel. No.: 022-3364 9400

Email: investorrelations@muktaarts.com

Date: 12th August, 2025

Place: Mumbai

MUKTA ARTS LIMITED

BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present the Forty-third (43rd) Annual Report on the business and operations of the Company along with the financial statements for the year ended 31st March, 2025.

In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), this Board's Report is prepared based on standalone financial statements and also present the key highlights of performance of Subsidiary Companies and their contribution to the overall performance of the Company during the year under review.

FINANCIAL RESULTS

The financial performance of the Company (standalone) for the year ended 31st March, 2025 is summarised hereunder:

(Rs. in thousands)

Particulars	F.Y. 2024 - 25	F.Y. 2023 - 24
Revenue from Operations	2,03,169.84	2,75,160.07
Other Income	1,43,832.44	1,60,009.89
Total Income	3,47,002.28	4,35,169.96
Profit/(Loss) before interest, depreciation & tax	1,73,547.15	1,97,862.68
Less: Interest	62,582.92	60,536.00
Profit/(Loss) after interest, before depreciation & tax	1,10,964.23	1,37,326.54
Less: Depreciation	22,720.50	-23,988.15
Profit/(Loss) before tax	88,243.73	1,13,338.39
Less: Current Tax	8,700.00	11,100.00
Deferred Tax Liability /(Asset)	1,571.89	-2,128.68
Taxes for earlier years	3,564.97	1,024.95
Profit/(Loss) after Tax	74,406.87	1,03,342.12
Other comprehensive income	-602.14	1,249.72
Ind AS 116 adjustments	-	-
Add: Balance brought forward	73,804.73	1,04,591.84
Less: Transfer to General Reserve	-	-
Profit/(Loss) carried forward to Balance Sheet	7,88,274.01	7,14,469.27

DISCLOSURE OF RATIOS

Particulars	F.Y. 2024 - 25	F.Y. 2023 - 24	% of Variance	Reason for variance for more than 25%
i) Debt Equity ratio - [no. of times] Total debt/ Total equity	0.30	0.32	(5)	
ii) Debt service coverage ratio ('DSCR') - [no. of times] EBITDA / (Interest expenses + Principal repayments of long term borrowings due within 12 months from the balance sheet date)	4.89	5.60	(13)	
iii) Current ratio [no. of times] (Total current assets - Derivatives financial assets) / (Total current liabilities - Short term borrowings)	15.08	5.15	193	Due to decrease in income received in advance and increase in trade receivable.
iv) Trade receivables turnover ratio (times) (Sale of services/ Closing trade receivables)	0.53	1.25	(58)	Due to increase in trade receivable and decrease in sales.
v) Net profit/(loss) margin [%] Profit/(Loss) after tax / Revenue from operations	1.74	1.43	21	
vi) Return on Equity Ratio [%] Profit/(Loss) after tax / Total equity	0.04	0.06	(28)	Due to decrease in profit.



Particulars	F.Y. 2024 - 25	F.Y. 2023 - 24	% of Variance	Reason for variance for more than 25%
vii) Return on Capital Employed Ratio [%] {Earnings before Interest & Taxes (EBIT)}/ Total Capital Employed}	0.06	0.07	(15)	
viii) Trade payables turnover - [no. of times] Total expenses less depreciation / Closing Trade payables	16.46	7.73	113	Due to decrease in trade payable.

STATE OF COMPANY'S AFFAIRS

The total income for the financial year 2024-25 is Rs. 3,47,002.28 thousands, as compared to Rs. 4,35,169.96 thousands for the financial year 2023-24. Profit after tax for the year is Rs. 74,406.87 thousand, as compared to ₹103,342.13 thousands in financial year 2023-24. The decrease in total income and net profit after tax was due to decrease in income from sale of film rights / content production.

CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2025, prepared in accordance with the applicable Indian Accounting Standards (Ind AS), SEBI Listing Regulations and the Act, forms part of this Annual Report.

DIVIDEND

To preserve the resources for future growth, the Company has not declared any dividend for the current year.

TRANSFER TO RESERVES

Your Company does not propose to transfer any amount to General Reserves.

SHARE CAPITAL

During the year under review there is no change in share capital of the Company.

CHANGES IN THE NATURE OF BUSINESS

During the year under review, there have been no changes in the nature of business conducted by the Company.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, which affect 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."

ASSOCIATE, SUBSIDIARY AND JOINT VENTURE COMPANIES

As on 31st March, 2025 the Company has the following subsidiary / Associate Companies:

Subsidiary Companies:

1. Whistling Woods International Limited
2. Connect.1 Limited
3. Mukta Telemedia Limited
4. Mukta Creative Ventures Limited
5. Mukta A2 Cinemas Private Limited (*Formerly known as Mukta A2 Cinemas Limited*)
6. Mukta A2 Multiplex WLL, Bahrain
7. Mukta V N Films Limited
8. Whistling Woods International Education Foundation (Wholly Owned Subsidiary of Whistling Woods International Limited)

Associate:

1. Greenlance Saur Urja Private Limited (through Whistling Woods International Limited)

MUKTA ARTS LIMITED

BUSINESS OVERVIEW

Your Company completed the delivery of the daily soap “Jaanaki” which was telecast on Doordarshan and remained one of the most popular soaps on the channel. Monetisation of the Hindi Film library also continued steadily. Scripts have been finalised for a few film projects which are now ready for production. Your Company is also having steady income from rentals of its real estate.

Whistling Woods International Limited (“WWI”) which is recognised as India’s premier Media, Entertainment, Communication and Creative Arts Institute, has had a highly active year. WWI’s roadmap of innovation has seen the inclusion of multiple technological workflows of Virtual Production, and its associated elements like Photogrammetry, Motion Capture & Camera Tracking into our curriculum.

Further, WWI has also commenced development of curriculum and teaching methodologies in the innovative area of Generative AI and how / where Gen AI will play a role in the filmmaking workflows for the future.

Academically, WWI has renewed its association with the Tata Institute of Social Sciences for awarding of Degrees for all its programs and continues down the path of mainstreaming Media & Entertainment Education. WWI has also significantly expanded its global Academic Partnerships roster with several universities signed up with in US, Australia, Europe, UK and South Korea. Some of these associations have also seen activity on-ground with international cohorts of students visiting WWI and WWI students travelling to these universities.

Mukta A2 Cinemas Private Limited (“MA2”) opening screen count of 67 screens in 24 locations, MA2 closed the year with 73 screens in 26 locations. The 16 screens under its JV with Asian Cinemas continue to perform. It has moved to a management model for 5 properties with 17 screens, located in Telangana and Gujarat. While a substantial portion of the year has had lacklustre performance of movies at the box office, some superhits stood out, like Kalki, Stree 2, Singham Again, Bhool Bhulaiya3, Pushpa 2 and Chhava. The revenues for the year under consideration were lower due to very few hit movies while others failed miserably.

Mukta A2 Multiplex WLL, Bahrain has along with operating the existing 6 screens in Juffair, Bahrain, started handling management of screens in Saudi Arabia and expect that more screens will be added to this management business. The Company has also successfully cut its operating cost in Bahrain. This has resulted in an improved financials and reduction in losses.

Another subsidiary of the Company, **Connect.1 Limited** monetises content on digital platforms.

Mukta Telemedia Limited is a subsidiary of the Company which handles production of TV-serials, management of event shows and entertainment software.

Mukta Creative Ventures Limited is a subsidiary providing mobile based solutions with a focus on content, applications and commerce.

The programming business of **Mukta V N Films Limited** is now performing steadily. As the exhibition sector returns to pre-covid levels of business, its health also continues to improve. The number of Cinema screens that the Company services has grown during the year.

During the year, the Board of Directors reviewed the affairs of its subsidiary companies. Further, pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Subsidiary and Associate Companies in Form AOC-1 is attached as **Annexure - I** to this Report.

In accordance with Section 136 of the Act, the audited financial statements, including the consolidated audited financial statements and related information of the Company and audited financial statements of subsidiary companies, are available on the website of the Company.

CORPORATE GOVERNANCE

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by the Company in terms of the SEBI Listing Regulations, is attached as **Annexure - II** together with a Certificate from the Secretarial Auditors confirming compliance with the conditions of Corporate Governance are also provided separately in this Report as **Annexure - III**.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of the Company is comprised of eminent people with proven competence and integrity. Besides experience, strong financial acumen and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation.



In terms of the requirement of the SEBI Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's businesses for effective functioning. The list of key skills, expertise and core competencies of the Board of Directors is detailed in the Corporate Governance Report.

BOARD DIVERSITY

The Company acknowledges and embraces the significance of a diverse Board in achieving its goals. It believes that a Board encompasses diverse perspective in thoughts, knowledge, skills, regional and industry experiences, cultural and geographical backgrounds, age, ethnicity, race, and gender enhances its competitive edge. To formalize its commitment, the Board has adopted the Board Diversity Policy as part of the NRC Policy, outlining its approach to fostering diversity among its Directors. The policy can be accessed on the Company's website.

APPOINTMENT/RE-APPOINTMENT OF DIRECTORS DURING THE YEAR

1. Mr. Kewal Handa, Independent director of the Company, ceased to be a Director of the Company upon completion of his second term on on 26th September, 2024. The Board places on record its appreciation for his contribution during his tenure.
2. Mr. Chandrashekhar Rentala (DIN: 01312412) was appointed as an Additional NonExecutive, Independent Director of the Company w.e.f. 22nd October, 2024 and subsequently such appointment is approved by the shareholders for a period of 5 years i.e., 22nd October, 2024 to 21st October, 2029 (both days inclusive) through a postal ballot dated 9th January, 2024.
3. The Board of Directors on recommendation of NRC has appointed Mrs. Madhumati Ramchanandra Lele (DIN: 09306316) as Additional NonExecutive, Independent Director of the Company w. f. e. 28th May 2025. The Company is in the process of availing the shareholders' approval for her appointment as Independent Director.
4. On recommendation of NRC, the Board of Directors at its meeting held on 12th August, 2025, Mr. Rajendra Kapilrai Doshi (DIN: 07499476) as a Non-Executive Independent Director of the Company for a period of 5 years commencing from 12th August, 2025 to 11th August, 2030, subject to the approval of the members at the ensuing AGM. A resolution seeking member's approval for his appointment forms part of the accompanying Notice of ensuing AGM.

DIRECTOR RETIRE BY ROTATION

In terms of Section 152 of the Act, Mr. Subhash Ghai (DIN:00019803), being liable to retire by rotation, was re-appointed by the Members at the AGM held on 27th September, 2024.

Further, terms of Section 152 of the Act and the Articles of Association of the Company, Mr. Rahul Puri (DIN: 01925045) retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment. The Board of Directors of the Company, based on the recommendation of the NRC has recommended his appointment to the shareholders of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. The Board is of the opinion that the Independent Directors of the Company hold the highest standards of integrity and possess requisite expertise, proficiency and experience required to fulfil their duties as Independent Directors.

The Directors have further confirmed that they are not debarred from holding the office of the Director under any SEBI order or any other such authority.

Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors and complied with the requirements of passing proficiency test, as applicable.

MUKTA ARTS LIMITED

KEY MANAGERIAL PERSONNELS

The Company has the following Key Managerial Personnel:

Sr. No.	Name	Designation
1.	Mr. Subhash Ghai	Chairman, Executive Director
2.	Mr. Rahul Puri	Managing Director
3.	Mr. Prabuddha Dasgupta*	Chief Financial Officer
4.	Ms. Hemal N. Pankhania*	Company Secretary and Compliance Officer
5.	Mr. Jabir Contractor**	Chief Financial Officer
6.	Ms. Pratiksha Panchal**	Company Secretary and Compliance Officer

*Mr. Prabuddha Dasgupta resigned as Chief Financial Officer of the Company w.e.f. 13th December, 2024 and Ms. Hemal Pankhania resigned as Company Secretary and Compliance officer of the Company w.e.f. 7th March, 2025

**The Board upon the recommendation of the NRC approved the appointment of Mr. Jabir Contractor as Chief Financial Officer of the Company w.e.f. 12th February, 2025 and Ms. Pratiksha Panchal as Company Secretary and Compliance Officer w.e.f. 3rd June, 2025 of the Company.

MEETINGS OF THE BOARD OF DIRECTORS

Regular meetings of the Board and its Committees are held to discuss and decide on various business policies, strategies, financial matters and other businesses.

Board of Directors met 5 times during the financial year 2024-25. The intervening gap between two Board Meetings did not exceed 120 days. The detail of the meetings and the attendance of the Directors are mentioned in the Report on Corporate Governance which forms part of the Annual Report.

COMPOSITION OF COMMITTEES OF THE BOARD

In compliance with the requirements of the Act and SEBI Listing Regulations, the Board has constituted various Board Committees including Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein forms part of the Corporate Governance Report which is an integral part of the Annual Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Act, is available on our website at <https://muktaarts.com/Aboutus/investorsrelation/policies/Nomination%20and%20Remuneration%20Policy.pdf>

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Over the years, the Company has established a reputation for doing business with integrity and maintained zero tolerance towards any form of unethical behavior. Your Company has formulated a Vigil Mechanism / Whistle Blower Policy intending to provide a mechanism for employees to report violations. The Policy also lays down the procedures to be followed to report violations, conducting investigations and taking disciplinary actions. It also provides assurances and guidelines on confidentiality of the reporting process and protection from reprisal to complainants. No personnel have been denied access to the Audit Committee of the Board. The Audit Committee oversees the functioning of this policy. Protected disclosures can be made by a whistle-blower through several channels to report actual or suspected frauds and violation of the Company's Code of Conduct.

ANNUAL RETURN

The Annual Return of the Company for the year ended 31st March, 2025, is placed on the Company's website and can be accessed at <https://muktaarts.com/Aboutus/annual-returns.php>



AUDIT AND AUDITORS

A) Statutory Auditors

M/s. Uttam Abuwala Ghosh & Associates, Chartered Accountants (Firm Registration No. 111184W), were appointed as the Statutory Auditors of the Company at the 39th Annual General Meeting ("**AGM**") of the Company held on 23rd September, 2021 for a term of Five (5) years i.e. (second term) till the conclusion of ensuing 43rd AGM.

Further, Board of Directors on recommendation of Audit Committee has approved the appointment of M/s G A M S & Associates LLP (LLPIN AAM-7552), Chartered Accountants in place of M/s. Uttam Abuwala Ghosh & Associates for a period of five (5) years from the conclusion of the ensuing 43rd AGM till the conclusion of 48th AGM of the Company. M/s G A M S & Associates LLP have confirmed their eligibility and qualification required under the Act for holding the office as the Statutory Auditor of the Company.

Auditor's Report

The Company's explanation to the Auditors' opinion in their Report have been detailed in the notes forming part of the Financial Statements for the year ended 31st March, 2025 of the Company.

Apart from as mentioned above, the Auditors' Report for the financial year 2024-25 does not contain any adverse reservation, qualification, remark or disclaimer, on the financial statements of the Company. Auditors' Report is self-explanatory and therefore, does not require further comments and explanation. The Report given by the Auditors on the financial statements of the Company forms part of this Annual Report.

B) Secretarial Auditors

Pursuant to the provisions of Section 204(1) of the Act read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the Company has appointed M/s. KDA & Associates, Practicing Company Secretaries, Mumbai (Unique Identification No. P2016MH047700), as Secretarial Auditors of the Company for the financial year 2024-25.

Pursuant to Regulation 24A of SEBI Listing Regulations read with SEBI circulars as issued from time to time. The Annual Secretarial Compliance Report received from M/s. KDA & Associates was submitted by Company to stock exchange within stipulated time of 60 days.

The Secretarial Audit Report of the Company issued by Secretarial Auditors in Form No. MR-3 for the year ended 31st March, 2025 is attached as **Annexure IV** to this Report. The audit report is self-explanatory and does not require further explanation.

SECRETARIAL AUDIT REPORT OF UNLISTED MATERIAL SUBSIDIARIES

Pursuant to Regulation 24A(1)(a) of Listing Regulation, the secretarial Audit report of Material Unlisted Company of listed Company shall be annexed in Annual Report of Listed Company.

Hence, Secretarial Audit Report of Whistling Woods International Limited and Mukta A2 Cinemas Private Limited (*Formerly Mukta A2 Cinemas Limited*), Unlisted Material Subsidiaries of the Company issued by M/s. KDA & Associates, Practicing Company Secretaries, Mumbai (Unique Identification No. P2016MH047700), in Form No. MR-3 for the financial year 2024-25 is annexed as **Annexure - V** to this Report.

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Act, the Company has appointed M/s. Garg Devendra & Associates, Chartered Accountants, Mumbai (Firm Registration No. 130993W) to conduct the Internal Audit of the Company for the financial year 2024-25.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Internal Auditors and Secretarial Auditors have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee of the Board, under Section 143(12) of the Act.

MUKTA ARTS LIMITED

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards i.e. SS-1 and SS-2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively issued by the Institute of Company Secretaries of India.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Details as required under Section 186 of the Act, are given in Notes of standalone Financial Statements for the financial year ended 31st March, 2025.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTY(IES)

All contracts, arrangements and transactions entered by the Company with related parties were in the ordinary course of business and on arm's length basis, and with prior approval from the Audit Committee.

Further, detailed information on transactions with related parties in the ordinary course of business and on arm's length basis during the year are disclosed in the accompanying financial statements of the Company.

TRANSFERS TO THE INVESTOR EDUCATION AND PROTECTION FUND

In compliance with Section 124 of the Companies Act, 2013 the dividends pertaining to financial year 2018-19 which were lying unclaimed with the Company will be transferred to the Investor Education and Protection Fund during financial year 2026-27. Hence as a proactive measure, shareholders are requested to claim their unclaimed dividend before the dividend amount to be transferred to IEPF. The details of the shares and shareholders are available on the Company's website.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Energy Conservation measures taken by the Company

Company has made significant efforts to reduce energy consumption through the use of energy-efficient devices and the procurement of energy-efficient equipment. Company prioritize purchasing computers, laptops, air conditioners, and other devices that meet stringent environmental standards, opting for higher star ratings devices / equipment whenever feasible.

B. Technology Absorption

The Company's research and development initiative mainly consists of ideation of new subjects for our content production business. The expenses incurred on such initiatives are not practically quantifiable. The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation.

However, the Company is proposing to install Solar panels. Solar energy reduces the use of other energy sources that have no longer effects on the environment

C. Foreign Exchange earnings and outgo

Particulars regarding Foreign Exchange required under the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are given in the notes forming part of accounts which forms part of the Annual Report.

RISK MANAGEMENT

The Company has in place Risk Management Policy, pursuant to the provisions of Section 134 of the Act. The risk management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, the Company has constituted a Corporate Social Responsibility (“CSR”) Committee. The brief details of CSR Committee are provided in the Corporate Governance Report.



The CSR Policy, recommended by the CSR Committee and approved by the Board, is available on the Company's website at <https://muktaarts.com/Aboutus/investorsrelation/policies/Corporate-Social-Responsibility-Policy.pdf>

The Annual Report on CSR Activities of the Company for the FY 2024-25 are included in this Report as **Annexure - VII**.

BOARD EVALUATION

Pursuant to provisions of Act and Listing Regulation, the Board has carried out the annual evaluation of its all directors, chairman of the Board and Board as a Whole. A structured questionnaire was prepared after taking into consideration of various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation process has completed during the period under review and Board has expressed their satisfaction with the evaluation process.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material order passed by the Regulators or Courts or Tribunals that would impact the going concern status of the Company and its future operations.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a proper and adequate system of internal controls. These controls ensure transactions are authorised, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorised use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls within the meaning of the Act.

The internal audit is entrusted to M/s. Garg Devendra & Associates, a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

Based on the report of Internal Auditors, departmental heads undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and the necessary corrective actions are presented to the Audit Committee. The Audit Committee actively reviews the adequacy and effectiveness of the internal financial control systems and suggests improvements to strengthen the same.

The Audit Committee and the Board are of the opinion that the Company has sound Internal Financial Control commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist during the financial year 2024-25.

HUMAN RESOURCES

Human Resource is considered as one of the most critical resources in the business which can be continuously smoothened to maximise the effectiveness of the Organisation. Human Resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Policies and Systems. All personnel continue to have healthy, cordial and harmonious approach thereby enhancing the contributory value of the Company.

Aligning with the guidelines prescribed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Company has constituted Internal Complaints Committee and the composition of the said Committee is as under:

- Ms. Saumya Dixit, Group Head - Human Resource & COO, Whistling Woods International Limited
- Ms. Nancy Gujar, Assistant Manager- Human Resource
- Mr. Prem Taparia, General Manager - Finance and Accounts
- Mr. Jabir Contractor, Chief Financial officer
- Ms. Neela Dabir, External Member

Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- Number of Sexual Harassment Complaints received : NIL
- Number of Sexual Harassment Complaints disposed off : NIL
- Number of Sexual Harassment Complaints pending beyond 90 days : NIL

MUKTA ARTS LIMITED

MATERNITY BENEFIT ACT, 1961

The Company confirms that during the year ended 31st March, 2025, it has complied with all applicable provisions of the Maternity Benefit Act, 1961 and the Maternity Benefit (Amendment) Act, 2017.

Number of employees as on the closure of financial year

Female: 7

Male: 44

Transgender: NIL

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of Section 197 of the Act, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of top ten employees in terms of remuneration drawn and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules forms part of this Report as **Annexure - VII**

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may address their email to investorrelations@muktaarts.com

DISCLOSURE UNDER SECTION 197(14) OF THE COMPANIES ACT, 2013

Mr. Subhash Ghai (DIN:00019803) Chairman, Executive Director of the Company received remuneration of Rs.30,00,000/- (Rupees Thirty Lakhs Only) and Mr. Rahul Puri (DIN:01925045) Managing Director of the Company received professional fees of Rs.43,67,677 (Rupees Forty Three Lakhs Sixty seven Thousand Six Hundred and Seventy Seven Only) from Whistling Woods International Limited, Subsidiary Company during the financial year 2024-25.

Mr. Parvez Farooqui (DIN: 01925045), Non-Executive Director of the Company has received a remuneration of Rs.61,63,059 (Rupees Sixty-One Lakhs Sixty-Three Thousand Fifty-Nine Only) from Mukta A2 Cinemas Private Limited (formerly Mukta A2 Cinemas Limited), Subsidiary Company during the financial year 2024-25.

HEALTH, SAFETY AND ENVIRONMENT

As a responsible corporate citizen, your Company lays considerable emphasis on health, safety aspects of its human capital, operations and overall working conditions. Thus, being constantly aware of its obligation towards maintaining and improving the environment, all possible steps are being taken to meet the toughest environmental standards on pollution, effluents, etc. across various spheres of its business activities.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI Listing Regulations, is presented in a separate section forming part of the Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Act, to the best of their knowledge and based on the information and explanations received from the Company, Directors make the following statements that:

- i) in the preparation of Annual Financial Statements for the year ended 31st March, 2025, the applicable accounting standards have been followed and there is no material departures from the same;
- ii) the Directors had selected such accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- iii) the Directors had taken proper and sufficient care 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.
- iv) that the Directors had prepared the Annual Accounts on a going concern basis;
- v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;



- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

OTHER STATUTORY DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Company do not fall under the list of top 1000 Companies based on market capitalization, hence the requirement of furnishing Business Responsibility and Sustainability Report under Regulation 34 of SEBI Listing Regulations is not applicable for the financial year 2024-25.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares and ESOS) to the employees of the Company under any scheme.
- Provision related to Cost auditor appointment is not applicable to the Company
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS

Your Directors express their deep sense of gratitude to the Artists, Technicians, Film Distributors, Exhibitors, Bankers, Stakeholders and Business Associates for their co-operation and support and look forward to their continued support in future.

Your Directors also place on record, their appreciation for the contribution, commitment and dedication to your Company's performance by the employees of the Company at all levels.

For and on behalf of the Board of Directors of

Mukta Arts Limited

Subhash Ghai

Chairman

DIN: 00019803

Date: 12th August, 2025

Place: Mumbai

MUKTA ARTS LIMITED

Annexure - I

Form AOC – 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary companies

Part “A”: Subsidiaries

(Amount in Rs.)

Name of the subsidiary	Connect.1 Limited	Mukta Telemedia Limited	Mukta Creative Ventures Limited	Mukta A2 Multiplex W.L.L.	Mukta A2 Cinemas Private Limited	Whistling Woods International Limited	Mukta V N Films Limited *
The date since when subsidiary was acquired	3.2.2000	20.09.2002	19.09.2008	10.05.2016	16.11.2016	10.01.2001	19.03.2014
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April-March	April- March	April-March	April-March	April-March	April-March	April-March
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	BHD	N.A.	N.A.	N.A.
Paid up Share capital	6,00,000	5,00,000	75,00,000	12,46,46,500	1,50,00,000	40,00,00,000	6,36,00,000
Reserves and Surplus	12,00,290	26,73,281	(57,97,275)	(39,81,62,621)	(98,37,17,972)	(1,03,51,23,827)	(56,50,968)
Total Assets	18,20,292	31,96,881	17,26,317	19,17,66,147	79,19,87,251	54,36,37,546	13,28,51,956
Total Liabilities	20,000	23,600	23,600	46,52,82,268	1,76,07,05,224	1,35,05,67,943	7,49,02,649
Investments	0	0	0	0	45,000	1,48,65,000	0
Turnover	1,54,256	0	2,49,437	24,24,43,332	76,07,86,608	58,29,12,106	1,87,93,077
Profit/(Loss) before taxation	1,21,089	(41,606)	58,968	(1,86,66,400)	(15,19,68,222)	(6,79,84,029)	(3,44,102)
Provision for taxation	0	0	0	0	89,24,835	0	1,08,500
Profit after taxation	1,21,089	(41,606)	58,968	(1,86,66,400)	(16,08,93,056)	(6,79,84,029)	(4,52,602)
Proposed Dividend	0	0	0	0	0	0	0
Extent of shareholding (in percentage)	100%	99.92%	100%	60%	70%	84.99%	51.89%

*Mukta V N Films Limited is a subsidiary of the Company as per Companies Act, 2013, whereas it is considered as a Joint Venture Company in terms of Ind AS in the consolidated financials of the Company.

Notes:

- Names of the subsidiaries which are yet to commence operations: Nil
- Names of the subsidiaries which have been liquidated or sold during the year: Nil



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of the Associate Companies/Joint Ventures	NIL
Latest audited Balance Sheet Date	
Date on which the Associate Companies/Joint Ventures was associated	
No. Shares of Associate Companies/Joint Ventures held by the Company on the year end	
Amount of Investment in Associate Companies/Joint Ventures	
Extent of Holding (in percentage)	
Description of how there is significant influence	
Reason why the Associate Companies/Joint Ventures is not consolidated	
Net worth attributable to shareholding as per latest audited Balance Sheet	
Profit or Loss for the year	
Considered in Consolidation	
Not Considered in Consolidation	

Notes:

- 1) Names of Associate Companies / Joint Ventures which are yet to commence operations: NIL
- 2) Names of Associate Companies/Joint Ventures which have been liquidated or sold during the year: NIL

For and on behalf of the Board of Directors of
Mukta Arts Limited

Subhash Ghai
Chairman Director
DIN: 00019803

Rahul Puri
Managing Director
DIN: 01925045

Parvez Farooqui
Director
DIN: 00019853

Jabir Contractor
Chief Financial Officer

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Mukta Arts Limited views Corporate Governance as a fundamental tool for maximizing value across all stakeholder groups, including investors, employees, members, customers, suppliers, the environment and the community at large. Our commitment to good governance is ingrained in the organizational culture and mindset. We draw inspiration from robust governance and disclosure practices established within our group.

Integrity and transparency form the cornerstone of our corporate governance framework, essential for cultivating and maintaining trust among our stakeholders consistently. We strictly adhere to all relevant provisions of the SEBI Listing Regulations. Corporate Governance stands as a crucial pillar in fostering an efficient and sustainable business environment. Our company upholds the highest standards of governance practices, emphasizing integrity, transparency and accountability.

Our Corporate Governance Philosophy is reinforced by the implementation of comprehensive policies, including the Code of Conduct for Board Members and Senior Management, robust Board processes, and a Code of Conduct to Prevent Insider Trading in Mukta Arts Securities.

Furthermore, adherence to SEBI Listing Regulations empowers our Board to make impartial decisions, ensuring objectivity and transparency in all aspects of management and corporate dealings. The Governance Guidelines, encompassing Board composition, roles of the Chairman and Directors, Board diversity, independence criteria, Director's tenure and retirement age and Board committees, are meticulously followed. These guidelines empower the Board with the necessary authority and structured processes to effectively review and assess our operations as needed.

A Report on compliance with the Corporate Governance provisions as prescribed under the SEBI Listing Regulations is given below.

BOARD OF DIRECTORS

A. Duties and functions of the Board

The primary duty of the Board is to promote both short-term and long-term success for the Company by ensuring sustainable business practices, that enhance value for its stakeholders. In pursuit of this goal, the Board establishes the Company's corporate culture, upholds rigorous ethical standards in corporate conduct and maintains transparency in all business dealings.

Furthermore, the Board is charged with supervising the Company's operations and providing guidance to the management team, which is responsible for daily business activities. This oversight includes offering strategic direction, monitoring operational performance and ensuring the implementation of robust policies and procedures. The Board also oversees risk management efforts, integrity in financial reporting, adequacy of internal controls, compliance with applicable laws and fulfills its corporate social responsibility obligations.

Specifically, the Board, based on the recommendations of its Audit Committee, reviews and approves quarterly/half-yearly unaudited financial results as well as audited annual financial statements, both on a standalone and consolidated basis. It sets corporate strategies, approves business plans and annual budgets, establishes corporate objectives, monitors their execution and oversees significant capital expenditures. The Board assesses overall operational performance.

Moreover, the Board directs and guides management activities towards achieving established goals, ensures accountability and conducts Board Meetings in accordance with SEBI Listing Regulations and SS-1 requirements. Each agenda item for these meetings is substantiated by relevant information, documents and presentations to facilitate informed decision-making. The Board ensures all recommendations from its committees are endorsed and maintains independence from management influence to uphold its fiduciary duties effectively.

B. Managing Director

The Managing Director oversees day-to-day operations and ensuring the implementation of its strategic goals. Responsibilities includes monitoring the competitive landscape, staying abreast of industry developments and standards, identifying expansion opportunities and enhancing Members value. The MD also plays a crucial role in articulating and implementing the organization's vision, mission and overall direction. Acting under the guidance of the Board, bridge the gap between the Board and the management team, ensuring policies are adhered to and decisions are effectively executed through Board Committees. Through diligent leadership and strategic foresight, the MD guides the Company towards excellence while upholding its core values, principles and collaborate closely with the Board to devise and execute business strategies aligned with the Company's overarching goals.



C. Composition of the Board

The composition of the Board is in conformity with Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) read with Section 149 of the Companies Act, 2013 (“the Act”).

As on 31st March, 2025, the Board consists of six Directors comprising of 3 Independent, Non-Executive Directors (including one Woman Director), 1 Promoter, Non-Executive Director, 1 Promoter, Executive Director and 1 Executive Director.

D. Attendance at Board Meetings

During the year under review, the Board met 5 times i.e. on 10th April, 2024, 28th May, 2024, 12th August, 2024, 14th November, 2024, and 12th February, 2025.

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanship/Membership held by them in other Companies are given herein below, other Directorships do not include directorships in Private Limited Companies, Section 8 Companies and Companies incorporated outside India.

Chairmanship/Membership of Board Committees include only Audit Committee and Stakeholders’ Relationship Committee.

Sr. No.	Name of the Director	Category	Number of Board Meetings during the year 2024-25		Number of Directorships in other Public Companies	Membership / Chairmanship of Committees in other Listed Public Companies		Directorship in Listed Companies	Attended Annual General Meeting held on 27 th September, 2024
			Held	Attended		Chairman	Membership		
1.	Mr. Subhash Ghai	EC	5	3	4	Nil	Nil	Nil	Yes
2.	Mr. Rahul Puri	MD	5	5	2	Nil	Nil	Nil	Yes
3.	Mr. Parvez Farooqui	NED	5	5	2	Nil	Nil	Nil	Yes
4.	Mr. Kewal Handa*	ID	3	3	Nil				Yes
5	Mr. Kapil Bagla	NE ID	5	4	3	Nil	Nil	RAP Corp Limited - Independent Director	Yes
6	Ms. Paulomi Dhawan	NE ID	5	5	4	3	2	Pokarna Limited - Independent Director D.B. Corp Limited - Independent Director	Yes
7	Mr. Chandrashekhar Rentala**	NE ID	2	2	Nil	Nil	Nil	Nil	NA

*Mr. Kewal Handa ceased to be an Independent Director on the Board of the Company w.e.f. 27th September, 2024 on completion of his second term as an Independent Director of the Company

**Mr. Chandrashekhar Rentala was appointed as an Independent Director on the Board of the Company w.e.f. 22nd October, 2024.

EC: Executive Chairman, MD: Managing Director, NED: Non-Executive Director, NE ID: Non-Executive Independent Director

E. Inter-se relationship among Directors

Mr. Rahul Puri is son-in-law of Mr. Subhash Ghai. Apart from this, there are no inter-se relationship among the Directors.

F. Number of shares and convertible instruments held by Non-Executive Directors

Sr. No.	Name of the Non-Executive Director	No. of shares held
1.	Mr. Parvez Farooqui	77,300

None of the other Non-Executive Directors hold any share in the Company. Further, the Company has not issued any convertible instrument.

MUKTA ARTS LIMITED

G. Independent Directors

The Independent Directors on the Board of the Company, upon appointment are given formal appointment letter *inter-alia* containing the terms of appointment, role, duties, responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality, etc. The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Act, that he/she meets the criteria of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations. The Independent Directors do not have any material pecuniary relationship or transaction with the Company, its Executive Directors, Promoters or Management, which may affect their judgement.

The terms and conditions for appointment of Independent Directors and familiarisation programme are disclosed on the website of the Company at www.muktaarts.com.

Chart Matrix

In terms of the requirements of SEBI Listing Regulations, the Board has identified the following core skills/ expertise/ competencies of the Directors in the context of the Company's business for effective functioning as given below:

Skills / Expertise / Competencies	Mr. Subhash Ghai	Mr. Parvez Farooqui	Mr. Kewal Handa*	Mr. Kapil Bagla	Ms. Paulomi Dhawan	Mr. Rahul Puri	Mr. Chandrashekhar Rentala
Leadership Skills	✓	✓	✓	✓	✓	✓	✓
Industry experience	✓	✓	✓	✓	✓	✓	✓
C o m p r e h e n s i v e understanding of financial accounting, reporting & controls and analysis	✓	✓	✓	✓	✓	✓	✓
Experience in providing guidance on major risks, compliances and various legislations	✓	✓	✓	✓	✓	✓	✓
Governance Experience in developing and maintaining high governance standards	✓	✓	✓	✓	✓	✓	✓

*Mr. Kewal Handa ceased to be an Independent Director of the Company w.e.f. 27th September, 2024 due to completion of his 2nd term as Independent Director of the Company.

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of tenure along with a confirmation by such Director that there are no other material reasons other than those provided: During the year under review, none of the Independent Director resigns before the expiry of the tenure.

Performance Evaluation

One of the Key functions of the Board is to monitor and review the board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of executive/ non-executive/ independent directors through a peer-evaluation excluding the director being evaluated through a survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible path for improvements.

To improve the effectiveness of the Board and its committees, as well as that of each individual director, a formal and rigorous Board review is internally undertaken on an annual basis.

Further, the evaluation process was based on the affirmation received from the independent directors that they met the independence criteria as required under the Act and SEBI Listing Regulations.

Separate Meeting of Independent Directors

In compliance with Regulation 25(3) of SEBI Listing Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was convened on 4th March, 2025 for the financial year 2024-25. The meeting was held without the presence of Non-Independent Directors and Members of the management. The objective of the meeting was to review the performance of Non-Independent Directors and the Board as a whole, assess the performance of the Chairman of the Company and evaluate the quality, quantity and timeliness of the flow of information between the Company's management and the Board.



The Independent Directors discussed matters pertaining to the Company's affairs and presented their collective views to the Board of Directors.

COMMITTEES OF THE BOARD

(A) AUDIT COMMITTEE

In terms of the requirements of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act, the Board has constituted a qualified and independent Audit Committee. The Members of the Audit Committee have relevant experience in financials as well as have accounting or related financial management expertise and are considered financially literate as defined in Regulation 18(1)(c) of SEBI Listing Regulations.

The required quorum was present at all meetings. All members of the Audit Committee are financially literate. Ms. Hemal Pankhania, Company Secretary acted as the Secretary of the Committee. The Audit Committee hold discussions with the Statutory Auditors on the limited review of the quarterly and half yearly financial accounts of the Company and yearly Audit of the Company's Financial Statements, Auditor's Report and other related matters. The report of the Internal Auditors is also reviewed by the Audit Committee.

During the year under review, the Committee met 4 times i.e. on 28th May, 2024, 12th August, 2024, 14th November, 2024 and 12th February, 2025. The Composition of the Audit Committee and attendance of members at Committee meetings is as under:

Sr. No.	Name of the Members	Category	Meetings Held	Meetings Attended
1.	Mr. Kapil Bagla	Chairman and Independent, Non-Executive Director	4	4
2.	Mr. Kewal Handa*	Member and Independent, Non-Executive Director	2	2
3.	Ms. Paulomi Dhawan	Member and Independent, Non-Executive Director	4	4
4.	Mr. Parvez Farooqui	Member and Non-Executive Director	4	4

*Mr. Kewal Handa ceased to be a member of the Audit Committee with effect from 27th September, 2024.

Mr. Kapil Bagla, Chairman of Audit Committee attended the last Annual General Meeting of the Company held on 27th September, 2024, to answer the Members queries.

Brief description of Terms of Reference of Audit Committee

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, audit of the Company's financial statements, appointments, independence, performance and remuneration of the statutory auditors and internal auditors.

The Committee, *inter-alia*, performs the following functions:

1.	Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2.	Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees including terms of appointment.
3.	Approval of payment to statutory auditors for any other services rendered by them.
4.	Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
	a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134 of the Companies Act, 2013.
	b. Changes, if any, in accounting policies & practices and reasons for the same.
	c. Major accounting entries involving estimates based on the exercise of judgment by 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.
	g. Modified opinion(s) in the draft audit report.
5.	Reviewing with the management, the quarterly financial statements before recommending to the Board for approval.

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6.	Reviewing with the management, the statement of uses / application of funds as and when raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter.
7.	Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8.	Valuation of undertakings or assets of the listed entity, wherever it is necessary.
9.	Evaluation of internal financial controls and risk management systems.
10.	Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
11.	Reviewing the adequacy of internal audit function, if any, reporting structure coverage and frequency of internal audit.
12.	Discussion with internal auditors on any significant findings and follow up thereon.
13.	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.
14.	Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
15.	To look into the reasons for substantial defaults in the payment of dividend to Members and payment to creditors, if any.
16.	To review the functioning of the Whistle Blower mechanism, in case, the same is existing.
17.	Carrying out any other function as is assigned to the Audit Committee.
18.	Such other powers and duties as may be required to be included in terms of SEBI Listing Regulations as amended from time to time and as referred to the Audit Committee by the Board of Directors of the Company.

(B) NOMINATION AND REMUNERATION COMMITTEE

In terms of the requirements of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act, the Board has constituted Nomination and Remuneration Committee ("NRC").

Four meetings of the NRC were held during the financial year 2024-25 i.e. on 12th August, 2024, 21st October, 2024, 14th November, 2024 and 12th February, 2025.

The Composition of NRC and attendance of members in Committee meetings is as under:

Sr. No.	Name of the Members	Category	Meetings Held	Meetings Attended
1.	*Mr. Kewal Handa	Chairman and Independent, Non-Executive Director	1	1
2.	**Mr. Kapil Bagla	Chairman and Independent, Non-Executive Director	4	4
3.	Ms. Paulomi Dhawan	Member and Independent, Non-Executive Director	4	4
4.	#Mr. Parvez Farooqui	Member and Non-Executive Director	2	2

**Mr. Kewal Handa ceased to be a Chairman and member of the Nomination & Remuneration Committee with effect from 27th September, 2024.*

***Mr. Kapil Bagla was appointed as Chairman of Nomination & Remuneration Committee w.e.f. 22nd October, 2024.*

Mr. Parvez Farooqui was appointed as a member of Nomination & Remuneration Committee w.e.f. 22nd October, 2024.

Mr. Kewal Handa, Chairman of NRC attended the last Annual General Meeting of the Company held on 27th September, 2024, to answer the Members queries.

Brief description of Terms of Reference of NRC:

1.	To nominate persons who are qualified to become Directors and who may be appointed as a Senior Management in accordance with the criteria laid down.
2.	Recommend to the Board their appointment, removal and shall carry out evaluation of every Director's performance.
3.	To determine the Company's policy on specific remuneration packages for Executive Directors including pension and any compensation, recommendation for fixation and periodic revision of compensation policy (including performance bonus, incentives, perquisites and benefits) for senior management personnel.
4.	Carrying out any other function as is assigned to the Nomination and Remuneration Committee.
5.	Such other powers and duties as may be required to be included in terms of SEBI Listing Regulations as amended from time to time and as referred to the Committee by the Board of Directors of the Company.



Nomination and Remuneration Policy

The Nomination and Remuneration Policy has been formulated by the NRC in compliance with Section 178 of the Act and Regulation 19 of SEBI Listing Regulations and has been approved by the Board of Directors.

The Nomination and Remuneration policy is available on the website of the Company at <https://www.muktaarts.com/Aboutus/investorrelations.php>

Criteria for performance evaluation of Directors

Performance evaluation of each Director was carried out based on the criteria as laid down by the NRC.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, promotion of participation by all Directors and developing consensus amongst the Directors for all decisions.

Remuneration paid to Directors

Your Company benefits from the professional expertise and invaluable experience of the Directors in their individual capacity as competent professionals/business executives in achieving corporate excellence. The Remuneration Policy is focused on ensuring that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors of the quality required to run the Company successfully. During the period, there were no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors. The Company has not granted any stock options to any of its Non-Executive and/or Independent Directors.

The Remuneration details of Executive Director and Managing Director during the financial year 2024-25 are mentioned below:

Particulars	Mr. Subhash Ghai Chairman, Executive Director	Mr. Rahul Puri Managing Director
Salary	82,50,000	65,64,846
Perquisites	21,32,056	47,400
Total	1,03,82,056	66,12,246
Service Contract	5 years	5 years
Notice period	3 months	3 months

During the year 2024-25, the Company has paid sitting fees to the Directors as under:

Name of the Directors	Sitting Fees (Rs.)	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Kewal Handa	45,000	Nil	Nil	45,000
Ms. Paulomi Dhawan	75,000	Nil	Nil	75,000
Mr. Kapil Bagla	60,000	Nil	Nil	60,000
Mr. Parvez Farooqui	75,000	Nil	Nil	75,000
Mr. Chandrashekhar Rentala	30,000	Nil	Nil	30,000
TOTAL				2,85,000

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of the requirements of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act, the Board has constituted Stakeholders Relationship Committee ("SRC"), composition and terms of reference of which are in conformity with the said provisions.

The Composition of SRC and attendance for its one meeting held on 28th May, 2024 for F.Y. 2024-25 is as under:

Sr. No.	Name of the Members	Category	Meeting held	Meeting Attended
1.	Ms. Paulomi Dhawan	Chairperson and Independent, Non-Executive Director	1	1
2.	Mr. Parvez Farooqui	Member and Non-Executive Director	1	1
3.	Mr. Kapil Bagla	Member and Independent, Non-Executive Director	1	1

Ms. Paulomi Dhawan, Chairperson of SRC attended the last Annual General Meeting of the Company held on 27th September, 2024, to answer the Members queries.

MUKTA ARTS LIMITED

Brief description of Terms of Reference of SRC:

The Committee is entrusted with the responsibility to resolve the grievances of security holders. The Committee monitors and reviews the performance and service standards of the Registrar and Transfer Agent of the Company and provides continuous guidance to improve the service levels for investors. The broad terms of reference of the Committee are as under:

1.	To deal and approve shares/securities transfers, request for split, issue of duplicate share certificate, etc.
2.	To delegate authority to senior executives for approval of transfer, transmission and transposition of securities issued by the Company.
3.	To deal with Investors complaints.
4.	To maintain, develop and improve relations with the investors.
5.	To appoint representatives to attend the General Meeting of other Companies in which the Company is holding shares.
6.	Carrying out any other functions as is assigned to the Committee.
7.	Such other powers and duties as may be required to be included in terms of SEBI Listing Regulations as amended from time to time and as referred to the Committee by the Board of Directors of the Company.

Details of investor complaints received and redressed during the year 2024-25 are as follows:

Pending at the beginning of the year	Received during the year	Resolved during the year	Pending at the end of the year
Nil	Nil	Nil	Nil

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can also initiate dispute resolution through the ODR platform at <https://smartodr.in/login>.

There are no pending complaints registered with SCORES and ODR for the financial year ended 31st March, 2025.

Name and designation of Compliance Officer

Ms. Hemal N. Pankhania resigned from the post of and Company Secretary Compliance Officer w.e.f. 7th March, 2025.

Ms. Pratiksha Panchal was appointed as Company Secretary and Compliance Officer w.e.f. 3rd June, 2025

(E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In terms of the provisions of Section 135 of the Act, the Board has constituted Corporate Social Responsibility (“CSR”) Committee. The Composition and terms of reference of the committee are in conformity with the said provisions.

CSR Committee met twice during the year 2024-25 on 12th August, 2024 and 12th February, 2025. The Composition of the CSR Committee and attendance of members in Committee meetings are as under:

Sr. No.	Name of the Members	Category	Meetings held	Meetings attended
1.	*Mr. Kewal Handa	Chairman and Non-Executive Director	1	1
2.	**Mr. Parvez Farooqui	Chairman and Non-Executive Director	2	2
3.	Mr. Rahul Puri	Member and Managing Director	2	1
4.	#Mr. Chandrashekhar Rentala	Member and Independent Director	1	1

*Mr. Kewal Handa ceased to be a Chairman and member of the CSR Committee w.e.f. 27th September, 2024.

**Mr. Parvez Farooqui was appointed as Chairman of CSR Committee w.e.f. 22nd October, 2024.

#Mr. Chandrashekhar Rentala was appointed as a member of CSR Committee w.e.f. 22nd October, 2024.



Brief description of Terms of Reference of CSR Committee :

1.	To formulate and recommend to the Board, a CSR Policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013.
2.	To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company.
3.	To monitor the CSR policy of the Company from time to time.
4.	Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.
5.	Such other powers and duties as may be required to be included pursuant to the provisions of the Act and rules made thereunder as amended from time to time and as referred to the Committee by the Board of Directors of the Company.

(F) SENIOR MANAGEMENT

The Company has identified following under category of Senior Management, pursuant to the provisions of Regulation 16(1)(d) and Schedule V of the SEBI Listing Regulations. Details of Senior Management as on 31st March, 2025, are as follows:

Sr. No.	Name	Designation
1.	Mr. Siraj Farooqui	Chief Operating Officer - Head-Production and Studio
2.	Mr. Sanjay Ghai	Chief Operating Officer- Distribution and Exhibition
3.	Mr. Jabir Contractor	Chief Financial officer

Mr. Prabuddha Dasgupta resigned from the post of Chief Financial Officer w.e.f. 12th December, 2024 and Mr. Jabir Contractor was appointed as Chief Financial Officer of the Company w.e.f. 12th February, 2025.

Ms. Hemal Pankhania resigned from the post of Company Secretary and Compliance Officer w.e.f. 07th March, 2025.

General Body Meetings

(a) Details of General Meetings and Special Resolutions passed:

Annual General Meetings (“AGM”) held during the last 3 years and the Special Resolutions passed therein:

Financial Year ended	Date	Time	Venue	Details of Special Resolutions
31 st March, 2024	27 th September, 2024	4:30 pm	Through Video Conferencing/ Other Audio-Visual Means. Deemed Venue: Whistling Woods Institute Auditorium, Dada Saheb Phalke Chitra Nagari, Goregaon (East), Mumbai – 400 065.	Nil
31 st March, 2023	27 th September, 2023	4:00 p.m.	Through Video Conferencing/ Other Audio-Visual Means. Deemed Venue: Whistling Woods Institute Auditorium, Dada Saheb Phalke Chitra Nagari, Goregaon (East), Mumbai – 400 065.	Nil
31 st March, 2022	27 th September, 2022	4:00 p.m.	Through Video Conferencing/ Other Audio-Visual Means. Deemed Venue: Whistling Woods Institute Auditorium, Dada Saheb Phalke Chitra Nagari, Goregaon (East), Mumbai – 400 065.	Nil

(b) Extra Ordinary General Meeting

No Extra Ordinary General Meeting of the Members of the Company was held during the financial year 2024-25.

MUKTA ARTS LIMITED

(c) Postal Ballot and Procedure

During the year, the Company has passed Special Resolutions through Postal Ballots. The Company has provided electronic voting facility to all its members in compliance with Regulation 44 of SEBI Listing Regulations and as per the provisions of Sections 108 and 110 of the Act, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, read with General Circulars issued by the Ministry of Corporate Affairs.

The Company has engaged the services of National Securities Depository Limited for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors has appointed M/s. KDA & Associates, Practicing Company Secretaries (FCS: 7141 and COP: 7512), as the Scrutinizer, for conducting the Postal Ballot process, in a fair and transparent manner.

The Company also published notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the ICSI. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the Members as on the cut-off date.

After the completion of consolidation of results of the voting by postal ballot scrutiny of the same, Scrutinizer submitted his report to the Chairman of the Company, which was then announced by the Company Secretary as authorised by the Board of the Company.

The results are available on the Company's website and also on the website of the Stock Exchanges and NSDL.

Details of resolutions passed through postal ballot during financial year 2024-25:

Description	Type of resolution	Votes			
		Favour	%	Against	%
To approve Sale/ Divestment/ Dilution/ Disposal of the Company's Investment in Material Subsidiary	Special Resolution	266002	90.7058	27256	9.2942
Appointment Of Mr. Chandrashekhar Rentala (DIN: 01312412) as an Independent Director of the Company	Special Resolution	16005878	99.998	208	0.001
Remuneration to Directors exceeding the overall managerial remuneration limit as per the provisions of section 197 of the Companies Act 2013.	Special Resolution	170740	99.791	356	0.208

Details of Special Resolution(s) proposed to be transacted through postal ballot

None of the business is proposed to be transacted at the ensuing AGM which requires passing of a Special Resolution through postal ballot.

Disclosure of Agreements binding the Company

Company, Mukta A2 Cinemas Private Limited (*Formerly Mukta A2 Cinemas Limited, Maverick Media Private Limited*, being investor in Mukta A2 and Mr. Rajiv Rameshchandra Malhotra, being Promoter of Mukta A2 have entered into a binding Term Sheet on 28th February, 2024 and Shareholders and Securities Subscription Agreement on 7th August, 2024. The Company has furnished comprehensive details regarding this transaction through a Postal Ballot Notice dated 26th February 2024.

Means of Communication

a) Quarterly/Half-yearly and Yearly Financial Results

The quarterly/half-yearly and annual financial results along with the Segments Report of the Company are published in the newspapers, posted on the website of the Company at <https://muktaarts.com/Aboutus/Board-Meetings.php> and also submitted to the Stock Exchanges.

The results are generally published in Financial Express (All India Edition-English Newspaper) and Mumbai Lakshadeep (Marathi Newspaper) which are national and local dailies respectively. These results are also posted on the Company's website at <https://muktaarts.com/Aboutus/Financial-Results-Newspaper.php>.



b) Company's Website

The important information including the Annual Reports, important policies, the quarterly, half yearly and yearly financial results, financials of subsidiaries, shareholding pattern, corporate governance report, etc. are placed on the Company's website at www.muktaarts.com.

c) Release of official news

Your company communicates to its members from time-to-time multiple official news and disclosures as required under SEBI Listing regulations and provisions of the Act through multiple channels of Communications such as websites of Stock Exchange, press releases, Annual Reports on its own official website.

d) Communication with the Members

Company has sent the communication for furnishing of KYC details and nomination by physical Members as per SEBI, vide its circular dated November 03, 2021 (*subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023*).

General Members Information

Annual General Meeting

Day & Date	: Wednesday, 24th September, 2025
Time	: 04:00 p.m.
Mode	: Video Conferencing/ Other Audio Visual Means
Venue	: Deemed to be Whistling Woods Institute, Dada Saheb Phalke Chitra Nagari, Goregaon (E), Mumbai-400065

Financial Year

The Company follows the financial year as prescribed under the Act, that is period of 12 months starts from 1st day of April of a year and ending on 31st day of March of the following year.

Financial Calendar (tentative) results:

1 st Quarter	: Within 45 days from the end of the quarter
2 nd Quarter	: Within 45 days from the end of the quarter
3 rd Quarter	: Within 45 days from the end of the quarter
4 th Quarter	: Within 60 days from the end of the quarter/year
Listing	: National Stock Exchange of India Limited Exchange Plaza, C-1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400051 BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
Corporate Identity Number	: L92110MH1982PLC028180
ISIN NO.	: INE374B01019
BSE Scrip Code	: 532357
NSE Symbol	: MUKTAARTS

**The Calcutta Stock Exchange Limited – 23922*

**The Company had voluntarily applied for delisting from The Calcutta Stock Exchange Limited (CSE) w.e.f. 31st March, 2014. The trading in script of the Company remains suspended by CSE. The confirmation on delisting is still awaited from CSE. The matter of delisting is still being followed up by the Company with CSE and a written letter has been filed with the SEBI in this regard. Response from SEBI as well as CSE is still awaited.*

The Listing fees for the financial year 2024-25 have been paid by the Company to all the Stock Exchanges where the Company's shares are listed except CSE.

Payment of Depository fees for the financial year 2024-25

Annual Custody/Issuer fees for the financial year 2024-25 has been paid by the Company to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

MUKTA ARTS LIMITED

Registrar and Transfer Agent (RTA)

Name : MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)

Address : C-101, Embassy 247, L.B.S Marg,
Vikhroli (W), Mumbai – 400083.

Tel No. : 8108116767

Fax : 022-4918 6060

E-mail : rnt.helpdesk@in.mpms.mufig.com

Share Transfer System

As per the SEBI Listing Regulations, shares cannot be transferred unless they are held in dematerialized mode. Members who hold shares in physical form are advised to convert them into dematerialized mode to avoid the risk of losing shares, fraudulent transactions and to receive better investor servicing. Only valid transmission or transposition cases that comply with the SEBI guidelines will be processed by the RTA of the Company. To transfer, transmit or transpose shares in physical form, Members should submit them to the office of the Company's RTA. The RTA will process these cases only if they are technically found to be complete and in order.

Members are advised to refer the latest SEBI guidelines/circulars issued for all the holders holding securities in listed companies in physical form from time to time and keep their KYC details updated all the time to avoid freezing their folio as prescribed by SEBI.

Distribution Schedule as on 31st March, 2025

Sr. No.	Shareholding of Shares	No. of Members	% of shares held	Shares held	% of Shares held
1.	1 - 500	7742	88.6725	756889	3.3513
2.	501 - 1000	462	5.2915	377977	1.6736
3.	1001 - 2000	200	2.2907	307366	1.3609
4.	2001 - 3000	95	1.0881	251609	1.1140
5.	3001 - 4000	23	0.2634	81750	0.3620
6.	4001 - 5000	46	0.5269	213612	0.9458
7.	5001 - 10000	73	0.8361	560925	2.4836
8.	10001 and above	90	1.0308	20035072	88.7089
Total		8731	100	22585200	100

Dematerialization of shares and liquidity

The Company's equity shares are traded in dematerialized form on both NSE and BSE. As of 31st March, 2025, 99.96% paid-up equity share capital of the Company are in dematerialized mode. The shares are assigned, International Securities Identification Number (ISIN) INE374B01019 under the Depository System. The two depositories where the shares are available are National Securities Depository Limited and Central Depository Services (India) Limited.

Sr. No.	Name of the Depository	No. of Shares	% of total issued capital
1.	NSDL	20268734	89.74
2.	CDSL	2306765	10.21
3.	Physical	9701	0.04
TOTAL		22585200	100

The Company has not issued any GDRs/ ADRs, Warrants or any other convertible instruments.

Disclosure on commodity price risk and hedging activities

Your Company actively monitors the foreign exchange movements and takes appropriate measures to reduce the risk associated with transactions in foreign currencies, if any.



Company's Branches/Locations

Registered and Corporate Office

Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (East), Mumbai- 400 065.

Tel No.: (022) 3364 9400

Fax No.: (022) 3364 9401

Email ID: investorrelations@muktaarts.com

Website: www.muktaarts.com

Premises Owned by the Company

- Flat Nos. 2 & 3, Bait-Ush-Sharaf, 29th Road, Bandra (W), Mumbai-400 050
- "Audeus" Plot No. A – 18, Opp. Laxmi Industrial Estate, Off Link Road, Andheri (W), Mumbai-400 053
- Flat Nos.302 & 402, Crest Park View, 28th Road, TPS- III, Bandra (W), Mumbai-400 050

Other premises occupied

- Mukta House, Filmcity Complex, Goregaon (E), Mumbai - 400 065
- 607, Anushka Tower, Garg Tade Centre, Near G3s Multiplex, Sector - 11, Rohini, Delhi-110 085
- Dhupar Building, 1st Floor, Near Standard Hotel, Railway Road, Jalandar City - 144 001
- 1/A, Naaz Building, Lamington Road, Mumbai - 400 004
- Bhagirath Palace, 3rd Floor, Main Road, Chandni Chowk, Delhi - 110 006.

Address for Correspondence

Members can address their correspondence to the Registered Office of the Company and/or to Company's RTA:

	Company	Registrar and Transfer Agent
Name	: Mukta Arts Limited	MUG Intime India Private Limited (Formerly Link intime India Private Limited)
Address	: Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (E), Mumbai - 400 065.	C-101, Embassy 247, L.B.S Marg, Vikhroli (W), Mumbai – 400 083.
Telephone No.	: (022) 3364 9400	(022) 4918 6000
Fax No.	: (022) 3364 9401	(022) 4918 6060
Email	: investorrelations@muktaarts.com	rnt.helpdesk@in.mpms.mug.com

Credit Rating

The Company has not obtained any Credit Rating during the financial year 2024-25.

Other Disclosures

Disclosure on material significant Related Party Transactions

During the year, the Company has not entered into any material significant Related Party Transactions that may have potential conflict with the interests of the Company at large.

The policy for Related Party Transactions can be accessed on Company's website.

Disclosure on instance of non-compliance

Due to non-Compliance under Regulation 17(1) and 19 of Listing Regulation, BSE Limited and The National Stock Exchange of India Limited (NSE) had levied fine of Rs. 8,000/- plus GST each respectively on the Company for the quarter ended 30th September, 2024. Further, the Company has duly paid the fines imposed by BSE and NSE on 3rd December, 2024.

Furthermore, BSE Limited and The National Stock Exchange of India Limited had levied fine of Rs. 42,000/- plus GST each respectively on the Company for the quarter ended 31st December, 2024. The Company has filed the waiver application with both the exchanges on 19th March, 2025. The Company is awaiting the response from the exchanges.

MUKTA ARTS LIMITED

As on 31st March, 2025 and also on the date of this report, Company is in compliance with the Regulation 17 (1) and 19 of SEBI Listing Regulations.

Directors & Officers Insurance

The Company has taken Directors and Officers Insurance for all its Directors and KMPs for quantum and risks as determined by the Board of the Company.

Disclosure on Vigil Mechanism/Whistle Blower Policy

The Company had established Vigil Mechanism/Whistle Blower Policy for its Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and is displayed on Company's website. The Company takes cognizance of complaints made and suggestions given by the employees and others. No personnel have been denied access to the Audit Committee of the Board of Directors of the Company. No Complaints have been received by the Company during the year under review.

Compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of SEBI Listing Regulations for the financial year 2024-25 and also non-mandatory requirements to the extent as per Part E of Schedule II of SEBI Listing Regulations.

Policy for determining Material Subsidiaries

Your company has formulated a policy for determining Material Subsidiaries as defined under Regulation 16 of SEBI Listing Regulations. The policy is available on the Company's website at <https://muktaarts.com/Aboutus/investorrelations.php>.

Policy on dealing with Related Parties Transactions

Your Company has formulated policy for dealing with related Parties transactions in terms of section 188 of the Act read with applicable rules and SEBI Listing regulations. The policy is available on companies website at <https://muktaarts.com/Aboutus/investorrelations.php>.

Disclosure of utilization of funds raised through preferential allotment or qualified institutions placement

As no funds were raised during the year through preferential allotment or qualified institutions placement, disclosure regarding utilization of funds as specified under Regulation 32(7A) of SEBI Listing Regulations is not required.

Non-suspension of the securities of the Company

The securities of the Company were not suspended from trading at any time during the year.

Certificate confirming non-debarment and non-disqualification of Directors

Certificate has been received from M/s. KDA & Associates, Practicing Company Secretaries (Unique Identification No. P2016MH047700) that, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI, Ministry of Corporate Affairs or any such statutory authority. The said certificate has been appended as **Annexure-A** to this report.

Recommendations of the Committees

There was no such instance during the financial year 2024-25, where the Board of Directors has not accepted any recommendation of any Committee of the Board.

Details of consolidated fees paid to Statutory Auditors

Total fees paid for all services availed by the Company and its subsidiaries during the financial year 2024-25, on a consolidated basis to M/s. Uttam Abuwala Ghosh & Associates, Chartered Accountants, Mumbai (Firm Registration No. 111184W) Statutory Auditors of the Company are given below:

Particulars	Amount (In Rs.)
Statutory Audit Fees	5,00,000
Other services including reimbursement of expenses	77,517
Total	5,77,517



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

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
Nil	Nil	Nil

Details of loans and advances in the nature of loans to firms/companies in which Directors are interested as at 31st March, 2025

(Rs. In '000)

Sr. No.	Entity to whom Loan is Given	Relationship with the Company	Opening Balance	Amount of loan given during the year	Amount of loan repaid during the year	Outstanding loan as at 31 st March, 2025
1.	Mukta V N Films Limited	Enterprises over which key management personnel have control/ substantial interest/ significant influence	20,000	-	-	20,000
2.	Mukta A2 Cinemas Private Limited (Formerly Mukta A2 Cinemas Limited)	Subsidiary	6,10,000	80,450	750	6,89,700
3.	Mukta A2 Multiplex W.L.L	Subsidiary	15,52,93.099	15,974.660	-	1,71,267.759
4.	Whistling Woods International Limited	Subsidiary	1,81,200	94,300	22,500	2,53,000

Disclosure on Material Subsidiaries

In compliance with the SEBI Listing Regulations, the Board has formulated the Policy for determining Material Subsidiaries. The policy is available on the Company's website at <https://muktaarts.com/Aboutus/investorrelations.php>.

Name of the Material Subsidiary	Details of Incorporation		Details of Statutory Auditors	
	Date	Place	Name	Date of appointment
Whistling Woods International Limited	10/01/2001	Mumbai	M/s. KNAV & Co. LLP, Chartered Accountants	Board Meeting: 12/05/2022 AGM: 20/09/2022
Mukta A2 Cinemas Private Limited	16/11/2016	Mumbai	M/s. Uttam Abuwala Ghosh & Associates, Chartered Accountants	Board Meeting: 24/11/2016 AGM: 12/09/2017 Reappointment Board Meeting: 08/08/2022 AGM: 20/09/2022

Compliance with Corporate Governance requirements

The Company is in compliance with requirements of Corporate Governance Report of sub paras 2 to 10 of Regulation 34 of the Act read with schedule V of Listing Regulations.

Further, disclosures as required in Corporate Governance requirements specified in regulation 17 to 27 and clause b) to (i) of regulation 46(2) of SEBI Listing Regulations is made available in this Corporate Governance Report.

Subsidiary Companies

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies.

MUKTA ARTS LIMITED

Unclaimed Dividend

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (“**IEPF Rules**”), dividends not encashed/ claimed within 7 (Seven) consecutive years from the date of declaration are to be transferred to the Investor Education and Protection Fund Authority (“**IEPF**”).

The IEPF Rules mandate Companies to transfer shares of Members whose dividends remain unpaid/ unclaimed for a period of 7 (Seven) consecutive years or more to the demat account of IEPF established by the Central Government. The Members, whose dividends/ shares are transferred to the IEPF, can claim their shares/ dividends from the IEPF Authority. In accordance with the said IEPF Rules, as amended, the Company shall send notices to all the Members whose shares are due to be transferred to IEPF requesting them to comply with the requirements to claim back the Dividends and avoid transfer of shares and shall simultaneously publish newspaper advertisement for the same.

The Company is required to transfer dividends, which have remained unpaid/ unclaimed for a period of 7 (Seven) consecutive years from the date, the dividend is due for payment to IEPF established by the Government.

The statutory timelines for claiming unclaimed and unpaid dividends declared by the Company is provided hereunder and also available on the Company's website.

The following table provides information about outstanding dividends/sale proceeds from fractional shares and their respective due dates for claiming it from the Company:

Financial year ended	Date of Declaration	Last date to claim	Due Date for transfer to IEPF
2018-2019	28 th August, 2019	3 rd October, 2026	2 nd November, 2026

Further, in accordance with the provisions contained in Rule 7(2A) of the IEPF Rules, the Company Secretary has been appointed as the Nodal Officer. Contact information of the Nodal Officer for the purpose of co-ordination with the IEPF Authority are available on the website of the Company.

Furthermore, shares in respect of which dividend shall remain unclaimed for 7 (Seven) consecutive years, will be reviewed for transfer to the IEPF as required by law. The Company will transfer the said shares, after sending an intimation of the proposed transfer in advance to the concerned Members, as well as publish a public notice in this regard.

Details of unpaid/ unclaimed dividend and Members whose shares are liable to be transferred to IEPF authority are uploaded on company's website.

Code of Conduct

The Company has laid down code of conduct for all its Board Members and Senior Management Personnel of the Company which is posted on the Company's website. The code of conduct also includes code for Independent Directors which is a guide to professional conduct for Independent Directors pursuant to Section 149(8) and Schedule IV of the Act. All the Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct. Affirmation with compliance of the Code of Conduct is enclosed as **Annexure-B**.

Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**SEBI PIT Regulations**”) the Company has formulated the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” (**hereinafter referred to as “Code”**) to Regulate, Monitor and Report Trading by Designated Persons, which allows the formulation of a trading plan subject to certain conditions and requires preclearance for dealing in Company's shares, it also prohibits dealings in the Company's shares by Directors, Designated Persons, Connected Persons and their immediate relatives, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window to deal in the Company's share is closed. The Code is being revised in line with the amendments to the SEBI PIT Regulations from time to time.

The Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the SEBI PIT Regulations. A structured digital database of all the Designated Persons is being digitally maintained by the Company. The Company Secretary ensures the implementation of the Code for fair disclosure and conduct.

The Board of Directors, Designated Persons and other Connected Persons have affirmed compliance with the Code. The Code is available on the website of the Company at www.muktaarts.com.



Reconciliation of Share Capital Audit

Reconciliation of Share Capital Audit is being carried out every quarter by Practicing Company Secretary and the Reports are placed before the Board for their consideration and review and filed regularly with National Stock Exchange and Bombay Stock Exchange within the stipulated time. The audit, *inter alia*, confirms that the listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

MD and CFO certification

Pursuant to the provisions outlined in Regulation 17(8) of the SEBI Listing Regulations, Managing Director and Chief Financial Officer have issued a certificate affirming that the financial statements are free from any materially false statement and accurately reflect the Company's current state of affairs. The said certificate has been appended as **Annexure-C** to this report.

Green initiative

As a responsible corporate entity, the Company wholeheartedly endorses and supports the 'Green Initiative' launched by the Ministry of Corporate Affairs, Government of India. This initiative facilitates electronic delivery of documents, including the Annual Report and other such documents to Members' registered e-mail addresses with their DPs or with the Company or its RTA.

We urge Members who have not yet registered their e-mail addresses to do so without delay. Members who hold shares in Demat form can register their e-mail address with their respective DPs. For Members who hold shares in physical form, are request that they register their e-mail addresses with the RTA.

**By Order of Board of Directors
Mukta Arts Limited**

**Subhash Ghai
Chairman, Executive Director
DIN: 00019803**

Date: 12th August, 2025

Place: Mumbai

MUKTA ARTS LIMITED

Annexure - A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Mukta Arts Limited
Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (E), Mumbai – 400065.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mukta Arts Limited** (hereinafter called “the Company”) having **CIN: L92110MH1982PLC028180** and registered office at **Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (E), Mumbai – 400065**, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Sub clause 10(i) of Para-C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2025** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authorities.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Ms. Paulomi Romi Dhawan	01574580	13/11/2014
2	Mr. Subhash Krishandayal Ghai	00019803	07/09/1982
3	Mr. Rahul Puri	01925045	20/09/2008
4	Mr. Parvez Akhtar Farooqui	00019853	01/04/2010
5	Mr. Kapil Bagla	00387814	09/08/2022
6	Ms. Madhumati Ramchandra Lele	09306316	28/05/2025
7	Mr. Chandrashekhar Rentala	01312412	22/10/2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KDA & Associates
(Formerly known as KDT & Associates)
Practicing Company Secretaries

Nitul Shantilal Gosrani
Partner
Membership No.: ACS 23931
CoP No.: 10140
PR No.: 6748/2025
UDIN: A023931G000985430

Date : 12th August, 2025
Place: Mumbai



Annexure - B

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

[Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Rahul Puri, Managing Director of Mukta Arts Limited hereby declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year 2024-25.

**By Order of Board of Directors
Mukta Arts Limited**

**Rahul Puri
Managing Director
DIN: 01925045**

Date : 12th August, 2025

Place : Mumbai

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31st March, 2025]

We, the undersigned, certify that:

- A. We have reviewed the financial statements and the cash flow statements for the financial year ended 31st March, 2025 and that to the best of our knowledge and belief:
 - 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
 - 3. These statements do not contain any false or misleading statement or figures and do not omit any material fact which make the statements or figures contained therein misleading.
- B. This is to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violate Company's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company, pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify those deficiencies.
- D. We have indicated to the Auditors and the Audit committee that:
 - 1. There has not been any significant change in internal control over financial reporting during the year under re;
 - 2. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - 3. We are not aware of any instance during the year, of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

By Order of Board of Directors
Mukta Arts Limited

Rahul Puri
Managing Director
DIN: 01925045

Jabir Contractor
Chief Financial Officer

Place: Mumbai
Date: 28/05/2025



Annexure-III

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

To,
The Members of
Mukta Arts Limited
Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (E), Mumbai-400065.

We have examined all relevant records of Mukta Arts Limited (the Company) for the purpose of certifying compliance of the disclosure requirements and Corporate Governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), for the Financial Year ended March 31, 2025. We have obtained all the information and explanations to the best of our knowledge and belief, which were necessary for the purpose of this certification.

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to 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.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified for listed company except the following:

- As per Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) 2015, where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors. Further, The Board of directors of the top 2000 listed entities shall comprise of not less than six directors. Since, the completion of tenure of Mr. Kewal Handa, as an Independent Director, on 26th September, 2024, the Company had initiated an extensive search for a qualified Independent Director who possesses the right experience, skills and understanding of the company's operations. Due to the need to ensure that the individual meets our governance standards, the process took longer than expected.
- Further the Company has appointed Mr. Chandrashekhar Rentala, as an Independent Director and also re-constituted the Nomination and Remuneration Committee with effect from 22nd October, 2024.
- During the period from 27th September, 2024 to 21st October, 2024, there were only five directors on the Board of the Company and half of the board of directors of the Company did not comprise of independent directors. BSE Limited and The National Stock Exchange of India Limited (NSE) had levied fine of Rs. 20,000/- plus GST each respectively on the Company for the quarter ended 30th September, 2024. Further, the Company has duly paid the fines imposed by BSE and NSE on 3rd December, 2024. Further, BSE Limited and The National Stock Exchange of India Limited had levied fine of Rs. 1,05,000/- plus GST each respectively on the Company for the quarter ended 31st December, 2024. The Company has filed the waiver application with both the exchanges on 19th March, 2025. The Company is awaiting the response from the exchanges.
- As per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) 2015, The Board of Directors shall constitute the nomination and remuneration committee and it shall comprise at least three directors. During the period from 27th September, 2024 to 21st October, 2024, there were only two members in the nomination and remuneration committee. The Company has re-constituted the Nomination and Remuneration Committee with effect from 22nd October, 2024.
- BSE Limited and The National Stock Exchange of India Limited (NSE) had levied fine of Rs. 8,000/- plus GST each respectively on the Company for the quarter ended 30th September, 2024. Further, the Company has duly paid the fines imposed by BSE and NSE on 3rd December, 2024. Further, BSE Limited and The National Stock Exchange of India Limited (NSE) had levied fine of Rs. 42,000/- plus GST each respectively on the Company for the quarter ended 31st December, 2024. The Company has filed the waiver application with both the exchanges on 19th March, 2025. The Company is awaiting the response from the exchanges.

MUKTA ARTS LIMITED

We further 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.

For KDA & Associates
(Formerly known as KDT & Associates)
Practicing Company Secretaries

Nitul Shantilal Gosrani
Partner
Membership No.: ACS 23931
CoP No.: 10140
PR No.: 6748/2025
UDIN: A023931G000985199

Date : 12th August, 2025
Place: Mumbai



Annexure - IV

Form No. MR-3
Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
Mukta Arts Limited
Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (E), Mumbai – 400065.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mukta Arts Limited** (hereinafter called “the Company”), incorporated on **7th September, 1982** having **CIN: L92110MH1982PLC028180** and Registered office at **Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (East), Mumbai, Maharashtra – 400065**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, employees, agents and authorized representatives, during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2025**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the Financial Year ended on **31st March, 2025**, according to the following provisions of (including any statutory modifications, amendments or re-enactment thereof for the time being in force):

1. The Companies Act, 2013 ('the Act') and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and the Bye-Laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable for the period under review in respect of Foreign Direct Investment and External Commercial Borrowings;**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:-
 - 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 (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable to the Company during the audit period;**
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company during the audit period;**
 - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company during the audit period;**

MUKTA ARTS LIMITED

- h) 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 - **Not applicable to the Company during the audit period;**
- i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company during the audit period;**
- j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable to the Company during the audit period.**

We have relied on the representation made by the Company and its officers, employees, agents and authorized representatives for the systems and the mechanism formed by the Company for the Compliances under the applicable Acts, laws and regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above to the extent applicable except our comments and observations as stated below:

- As per Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) 2015, where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors. Further, The Board of directors of the top 2000 listed entities shall comprise of not less than six directors. Since, the completion of tenure of Mr. Kewal Handa, as an Independent Director on 26th September, 2024, the Company had initiated an extensive search for a qualified Independent Director, who possesses the right experience, skills and understanding of the Company's operations. Due to the need to ensure that the individual meets our governance standards, the process took longer than expected.
- Further, the Company has appointed Mr. Chandrashekhar Rentala, as an Independent Director and also re-constituted the Nomination and Remuneration Committee with effect from 22nd October, 2024. During the period from 27th September, 2024 to 21st October, 2024, there were only five directors on the Board of the Company and half of the board of directors of the Company did not comprise of independent directors. BSE Limited and The National Stock Exchange of India Limited had levied fine of Rs. 20,000/- plus GST each respectively on the Company for the quarter ended 30th September, 2024. Further, the Company has duly paid the fines imposed by BSE and NSE on 3rd December, 2024. Further, BSE Limited and The National Stock Exchange of India Limited, had levied fine of Rs. 1,05,000/- plus GST each respectively on the Company for the quarter ended 31st December, 2024. The Company has filed the waiver application with both the exchanges on 19th March, 2025. The Company is awaiting the response from the exchanges.
- As per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) 2015, The Board of Directors shall constitute the nomination and remuneration committee and it shall comprise at least three directors. During the period from 27th September, 2024 to 21st October, 2024, there were only two members in the nomination and remuneration committee. The Company has re-constituted the Nomination and Remuneration Committee with effect from 22nd October, 2024.
- BSE Limited and The National Stock Exchange of India Limited (NSE) had levied fine of Rs. 8,000/- plus GST each respectively on the Company for the quarter ended 30th September, 2024. Further, the Company has duly paid the fines imposed by BSE and NSE on 3rd December, 2024. Further, BSE Limited and The National Stock Exchange of India Limited had levied fine of Rs. 42,000/- plus GST each respectively on the Company for the quarter ended 31st December, 2024. The Company has filed the waiver application with both the exchanges on 19th March, 2025. The Company is awaiting the response from the exchanges.
- The Company has necessary software to maintain structured digital database and such database is being maintained internally with adequate internal controls and checks. However, during the review period, one (1) UPSI event entry has been entered with delayed in the software.



- During the review period, it was noted that the Consolidated Financial Statements of the Company were approved before the formal signing of the standalone financial statements of one or more subsidiaries. While this does not constitute a non-compliance under the Companies Act, 2013 or Ind AS, it is recommended as a matter of good governance to ensure that final subsidiary financials are signed/approved prior to the approval of the consolidated financial statements to avoid any inconsistency in the reported financial information.
- As at March 31, 2025, the Company's Investment in its subsidiary (including deemed investment), Whistling Woods International Limited (WWIL), a Joint Venture between the Company and Maharashtra Film, Stage and Cultural Development Corporation Limited (MFSCDCL), aggregates to Rs. 19,95,11,218/- and loans and advances, deposits, interest receivable and rent receivable aggregate to Rs. 64,13,83,146/- recoverable from WWIL.
- As fully explained in Note 42 to the accompanying audited financial statements, the Order of February 9, 2012, passed by the High Court of judicature at Bombay ('High Court'), had quashed the Joint Venture Agreement ('JVA') between the Company and Maharashtra Film, Stage and Cultural Development Corporation Limited ('MFSCDCL'). Maharashtra Film, Stage and Cultural Development Corporation Limited ('MFSCDCL') raised net demand of Rs. 59,19,66,210/- and asked WWIL to vacate the premises. WWIL's petition for special leave to appeal filed with the Supreme Court of India had also been dismissed. The Company and WWIL had filed application to review the said order with the High Court and an Interim stay was granted on July 30, 2014, which required deposit of Rs. 10,00,38,000/- by January 2015 against payment of arrears of rent for the year 2000-01 to 2013-14 and payment of Rs. 45,00,000/- per annum from Financial Year 2014-15 till the settlement of the case, to MFSCDCL. As per the terms of the said Order, till financial year 2016-17, Rs. 11,35,38,000/- has been paid by the Company and for financial year 2017-18 to 2021-22 Rs. 45,00,000/- per annum has been paid by WWIL. The State Govt. of Maharashtra and MFSCDCL challenged the order of the High Court in the Supreme Court which was dismissed by the Supreme Court on September 22, 2014. The amount so paid / being paid by the Company, have been accounted under Non-Current Other Financial Assets in the Standalone Financial Statements to be adjusted on the settlement of the case. Management of WWIL informs that these will be accounted as an expense, if required, on the settlement of the case.
- Additionally, without giving effect to the matter as stated above, WWIL's net worth stands fully eroded as at March 31, 2025. Management of WWIL believes that it is appropriate to prepare the financial statements on a going concern basis based on its assessment of the merits of the case, plans for the future and support provided by its holding company.
- The Company had voluntarily applied for delisting from the Calcutta Stock Exchange Limited (CSE) w.e.f. 31st March, 2014. However, on not receiving any official confirmation of being delisted, the Company paid the listing fees for the financial year 2014-2015 and requested for delisting w.e.f. 31st March, 2015. On account of non-receipt of any response from Calcutta Stock Exchange, the Company has not paid listing fees to the said stock exchange and stopped filing any statement, returns and forms from the financial year 2015-16. However, the Company has not yet received any confirmation from CSE for delisting. Further, the trading in script of the Company remains suspended by CSE. The Company had filed with SEBI a written complaint in this regard and the matter of delisting still remains pending.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director and Independent Directors except for the period from 27th September, 2024 to 21st October, 2024. There were changes in the Composition of the Board of Directors and Key Managerial Personnel during the financial year.

Adequate notice is given to all Directors to schedule the Board Meetings and to respective Directors for Committee Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Companies Act, 2013 and the rules made thereunder, 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 including meeting through the video conference.

All decision made at the Board Meetings and Committee Meetings have unanimous consent of the Directors as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

MUKTA ARTS LIMITED

We further report that, during the audit period, the Company has following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

a) The Members of the Company through Postal Ballot approved:

- On 4th April, 2024, the Sale / Divestment / Dilution / Disposal of the Company's Investment in Material Subsidiary by passing Special Resolution;
- On 9th January, 2025, the Appointment of Mr. Chandrashekhar Rentala (DIN: 01312412), as an Independent Director of the Company; and
- On 9th January, 2025, the Remuneration to Directors exceeding the overall managerial remuneration limit as per the provisions of Section 197 of the Companies Act 2013.

For KDA & Associates
(Formerly known as KDT & Associates)
Practicing Company Secretaries

Nitul Shantilal Gosrani
Partner
Membership No.: ACS 23931
CoP No.: 10140
PR No.: 6748/2025
UDIN: A023931G000985311

Date : 12th August, 2025
Place: Mumbai



To,
The Members,
Mukta Arts Limited
Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (E), Mumbai – 400065

Our report of event date is to read along with this letter.

1. 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.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, regulations, standards and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test check basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KDA & Associates
(Formerly known as KDT & Associates)
Practicing Company Secretaries

Nitul Shantilal Gosrani
Partner
Membership No.: ACS 23931
CoP No.: 10140
PR No.: 6748/2025
UDIN: A023931G000985311

Date : 12th August, 2025
Place: Mumbai

Form No. MR-3

Secretarial Audit Report for the Financial Year ended 31st March, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Whistling Woods International Limited
Whistling Woods Institute, Dada Saheb Phalke,
Chitra Nagari, Goregaon (East), Mumbai – 400065.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Whistling Woods International Limited** (hereinafter called “the Company”), incorporated on **10th January, 2001** having **CIN: U92141MH2001PLC130394** and Registered office at **Whistling Woods Institute, Dada Saheb Phalke, Chitra Nagari, Goregaon (East), Mumbai - 400065**.

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the Financial Year ended on **31st March, 2025** as made available to us, according to the following provisions of (including any statutory modifications, amendments or re-enactments thereof for the time being in force):

- (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
- (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, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable to the Company during the Audit period**
- (v) **The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):**
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable to the Company during the audit period;**
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable to the Company during the audit period;**
 - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable to the Company during the audit period;**
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not Applicable to the Company during the audit period**
 - The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - **Not Applicable to the Company during the audit period**
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable to the Company during the audit period;**
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the audit period;**
 - 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 - **Not Applicable to the Company during the audit period;**



- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company during the audit period;**
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable to the Company during the audit period;**

We have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the Compliances under the other laws (Acts and the regulations) as may be applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;

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

We further report that, Majority of equity shares have been dematerialised. However, for a few remaining Members, the Company has not received any request for dematerialization.

We further report that-

The Board of Directors of the Company is duly constituted and the Company has complied with the provisions relating to appointment of Independent Directors. During the year under review, the following changes took place in the Composition of the Board of Directors and KMP's:

- Mr. Arpit Kamriya, Company Secretary was resigned with effect from 27th September, 2024;
- Mr. Subhash Ghai was re-appointed as a Whole-Time Director, liable to retire by rotation, by the Members of the Company at the Annual General Meeting held on 27th September, 2024;
- Mrs. Meghna Ghai Puri was re-appointed as a Whole Time Director, for further period of 3 years commencing from 01st July, 2024 to 30th June, 2027;
- Mr. Vijay Choraria was appointed as a Non-Executive, Non-Independent Director, liable to retire by rotation, by the Members of the Company at the Annual General Meeting held on 27th September, 2024;
- Mr. Prabuddha Dasgupta, Chief Finance Officer was resigned with effect from 13th December, 2024;
- Mr. Ajay Sodani, Company Secretary and Mr. Jabbir Shabbir Contractor, Chief Finance Officer were appointed with effect from 06th February, 2025;

Adequate notice is given to all Directors to schedule the Board Meetings, including committees thereof, along with agenda and detailed notes on agenda were sent as per the provisions of the Act and the rules made thereunder, 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. During the period under review, the Directors attended some of the Board Meetings through Video Conferencing/Other Audio-Visual means.

Majority of the decisions made at Board Meetings and Committee Meetings are carried through the unanimous consent of all the Board of Directors and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report during the audit period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

**For KDA & Associates
Company Secretaries**

**Nitul Shantilal Gosrani
Partner**

**Membership No.: ACS 23931
CoP No.: 10140**

PR No.: 6748/2025

UDIN:A023931G000960548

**Date: 7th August, 2025
Place: Mumbai**

MUKTA ARTS LIMITED

To,
The Members,
Whistling Woods International Limited

Our report of event date is to read along with this letter.

1. 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.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events and on the suits pending against the Company in the Court.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For KDA & Associates
Company Secretaries**

**Nitul Shantilal Gosrani
Partner
Membership No.: ACS 23931
CoP No.: 10140
PR No.: 6748/2025
UDIN:A023931G000960548**

**Date: 7th August, 2025
Place: Mumbai**



Annexure - V

Form No. MR-3

Secretarial Audit Report for the Financial Year ended 31st March, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Mukta A2 Cinemas Private Limited
(Formerly known as Mukta A2 Cinemas Limited)
Mukta House, Behind Whistling Woods Institute, Filmcity Complex,
Goregaon (East), Mumbai – 400065.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mukta A2 Cinemas Private Limited (Formerly known as Mukta A2 Cinemas Limited)**, (hereinafter called “the Company”), incorporated on **16th November, 2016** having CIN: **U74999MH2016PTC287694** and Registered office at **Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (East), Mumbai – 400065**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and explanation provided by the Company, its officers, employees, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2025** as made available to us, according to the following provisions of (including any statutory modifications, amendments or re-enactment thereof for the time being in force):

- (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 - **Not Applicable during the period under review;**
- (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, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable during the period under review;**
- (v) **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 - **Not Applicable during the period under review;**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable during the period under review;**
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable during the period under review;**
 - d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not Applicable during the period under review;**
 - e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - **Not Applicable during the period under review;**
 - f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the period under review;**

MUKTA ARTS LIMITED

- g) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – **Not Applicable during the period under review;**
- h) 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 - **Not Applicable during the period under review;**
- i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable during the period under review;**

The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **Not Applicable during the period under review;**

We have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the Compliances under the applicable Acts, Laws and the regulations to the Company.

We have also examined compliance with the applicable clauses of:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;

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

We further report that, Majority of equity shares have been dematerialised. However, for 1 (One) Equity Share, the Company has not received any request for dematerialization, despite of several follow-ups and facilitation efforts by the Company. 1 (One) Equity Share continues to remain in physical form due to KYC mismatch issues.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director and Non-Executive Directors. During the year under review, the following changes took place in the Composition of the Board of Directors:

- Mr. Rahul Puri was re-appointed as a Non-Executive Director, liable to retire by rotation, by the Members of the Company at the Annual General Meeting held on 17th September, 2024;
- Ms. Paulomi Dhawan was re-appointed as a Non-Executive Independent Director for a second term of five years by the Members of the Company at the Extraordinary General Meeting held on 28th November, 2024;
- Ms. Paulomi Dhawan ceased to be a Non-Executive Independent Director with effect from 06th February, 2025.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Companies Act, 2013 and the rules made thereunder, and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting including participation through video conference.

All decisions are carried through the unanimous consent of all the Board of Directors and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has following specific events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

1. The Members of the Company at an Extra Ordinary General Meeting held on 14th March, 2024, had approved the conversion of the Company from "Public Limited" to "Private Limited" along with the consequent change in the name of the Company from "Mukta A2 Cinemas Limited" to "Mukta A2 Cinemas Private Limited". The Company subsequently received Order from the Office of the Regional Director, Western Region, approving the conversion and name change on 6th June, 2024 and the same became effective from 10th July, 2024.



2. The Members of the Company at an Extra Ordinary General Meeting held on 28th November, 2024, approved issuance of 10,50,000 partly paid up Class B Equity Shares of Rs. 10/- each, at a premium of Rs. 190/- per Class B Equity Share and 2,000 Redeemable Preference Shares of face value of Rs. 1,00,000/- each, by way of Preferential allotment on Private Placement basis. However, 1 (One) Equity Share, has not been dematerialized. The said Equity Share remains in Physical form.

**For KDA & Associates
Company Secretaries**

**Nitul Shantilal Gosrani
Partner
Membership No.: ACS 23931
CoP No.: 10140
PR No.: 6748/2025
UDIN: A023931G000960086**

**Date: 7th August, 2025
Place: Mumbai**

MUKTA ARTS LIMITED

To,
The Members,
Mukta A2 Cinemas Private Limited
(Formerly known as Mukta A2 Cinemas Limited)
Mukta House, Behind Whistling Woods Institute, Filmcity Complex,
Goregaon (East), Mumbai – 400065.

Our report of event date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations, happening of events and on the suits pending against the Company in the Court. Management representation has also been obtained with respect to KYC mismatch issues as informed by the Shareholder to the Company, for delay in dematerialization of 1 (One) Equity Share.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KDA & Associates
Company Secretaries

Nitul Shantilal Gosrani
Partner
Membership No.: ACS 23931
CoP No.: 10140
PR No.: 6748/2025
UDIN: A023931G000960086

Date: 7th August, 2025
Place: Mumbai



Annexure-VI

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

[Pursuant to Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

1) Brief outline on CSR Policy of the Company

To contribute to the social and economic development of the communities in which the Company operates. In doing so, the Company will build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

Company's CSR strategy framework is based on the principles of "Responsible Business" and "Shared Value". The CSR program framework is both in line with the Company's long-term commitment to building positive value for the communities (including stakeholders) as well as addresses key developmental priorities as identified by Schedule VII to the Act.

2) Composition of CSR Committee

Sr. No.	Name of the Members	Designation / Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
1.	Mr. Parvez Farooqui	Chairman and Non-Executive Director	2	2
2.	Mr. Rahul Puri	Member and Managing Director	2	1
3.	*Mr. Chandrashekhar Rentala	Member and Independent Director	1	1

*Mr. Chandrashekhar Rentala was appointed as a member of CSR committee through circular resolution dated 22nd October, 2024 and Mr. Kewal Handa ceased to be a Chairman and member of the CSR Committee with effect from 27th September, 2024.

3) Provide the web-link where Composition of CSR committee and CSR Policy approved by the Board are disclosed on the website of the Company

a) Composition of CSR Committee:

https://muktaarts.com/Aboutus/investorsrelation/CorporateGovernance/MAL_Composition-of-Committee.pdf

b) CSR Policy:

<https://muktaarts.com/Aboutus/investorsrelation/policies/Corporate-Social-Responsibility-Policy.pdf>

4) Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable

5) Details of amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6) Average net profit of the Company as per Section 135(5): Rs. 14,79,68,667/-

7) (a) Two percent of average net profit of the Company as per Section 135(5): Rs. 29,59,374/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 29,59,374/-

8) (a) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
29,59,374	NIL		N.A.		

(b) Details of CSR amount spent on ongoing projects for the financial year: Company does not have any ongoing project.

MUKTA ARTS LIMITED

(c) Details of CSR amount spent on other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Promoting Education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra	Mumbai	29,59,374	No	Whistling Woods International Foundation	CSR000 29471
Total						29,59,374			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the financial year (8b+8c+8d+8e): Rs. 29,59,374/-

(g) Excess amount for set off, if any: NIL

Sr. No.	Particulars	Amount (in Rs.)
1.	Two percent of average net profit of the Company as per Section 135(5)	29,59,374
2.	Total amount spent for the financial year	29,59,374
3.	Excess amount spent for the financial year	Nil
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years	Nil

9) (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding financial years	Amount transferred to unspent CSR account under Section 135(6) (in Rs.)	Amount spent in the reporting financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amt (in Rs.)	Date of transfer	
1.	2023-24	N.A.					
2.	2022-23						
3.	2021-22						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A.

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Company has not created or acquired any capital asset through CSR spent during the financial year.

11) Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): N.A.

By Order of Board of Directors
Mukta Arts Limited

Rahul Puri
Managing Director
DIN: 01925045

Parvez Farooqui
Non-Executive Director
Chairman of CSR Committee
DIN: 00019853



Annexure-VII

Particulars of Employees and related disclosures

(Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

1. Details of Top Ten Employees in terms of Remuneration

Sr. No.	Name of the Employee	Designation	Nature of Employment (Permanent /contractual)	Qualification	Experience (in yrs)	Date of Commencement of Employment	Age (in yrs)	Last Employment Held	Remuneration (in Rs.)	Relative of any director or Manager of Company
1	Subhash Krishnadayal Ghai	Executive Chairman	Permanent	B.com and Diploma in Cinema from Film & Television Institute of India	58	09-07-1982	82	Mukta Arts Since inception	1,03,82,056	Yes
2	Mr. Rahul Puri	Managing Director	Permanent	Graduate from Kings College, London and Bsc-Business Management	26	01-04-2004	47	Nimbus Communications Limited	66,12,246	Yes
3	Mr. Siraj Farooqui	Chief Operating Officer - Production & Studio	Permanent	Inter Arts	49	01-11-2015	71	Mukta Arts Since inception	54,01,473	Yes
4	Prem Talaria	General Manager- Finance & Accounts	Permanent	Chartered Accountant	21	25-07-2007	45	Simplex Mills Company Limited	37,95,716	No
5	Prabuddha Dasgupta	Chief Financial Officer	Permanent	Chartered Accountant	33	07-07-2014	59	Neo Sports Broadcast Private Limited	36,61,668	No
6	Sanjay Ghai	Chief Operating Officer	Permanent	Graduate	42	09-01-2008	58	Mukta Shakti Combine	30,54,000	No
7	Sameer Farooqui	Manager	Permanent	Bachelor of Commerce	33	17-09-1997	54	Cinerad Communication	15,49,668	Yes
8	Jabir Contractor	Chief Financial Officer	Permanent	Chartered Accountant	24	25-11-2024	53	Singhi Chugh & Kumar	15,49,512	No
9	Hemal Pankhania	Company Secretary & Compliance	Permanent	Company Secretary and Compliance Officer	13	22.08.2022	36	Gigaplex Estate Private Limited (Raheja Group Company)	14,88,185	No
10	Seemant Raj	Web Programmer	Permanent	Diploma in Advance Computing	18	15-09-2007	48	Mukta Arts Since inception	13,19,510	No

Details of Employees who were :

(A) Employed throughout the Financial Year under review and in receipt of remuneration for the Financial Year in the aggregate of not less than Rs.1,02,00,000 per annum: Nil

(B) Employed for the part of the Financial Year under review and in receipt of remuneration at the rate of not less than Rs. 8,50,000/- per month : Nil

There was no employee either throughout the financial year or part thereof who was in receipt of remuneration which in the aggregate was in excess of that drawn by the Managing Director or Whole-time Director and who held by himself or alongwith his spouse or dependent children two percent or more of the Equity Shares of the Company.

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2. Other information under Section 197 of the Act read with Rule 5 of Companies (Appointment and Remuneration of Managerial 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 median remuneration of employees excluding directors of the Company during the financial year 2024-25 was Rs. 3,53,288.

Name of the Director	Designation	Ratio
Mr. Subhash Ghai	Chairman, Executive Director	29.39
Mr. Rahul Puri	Managing Director	18.72

- (ii) **the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

Name	Designation	Ratio to Median Remuneration	% increase
Mr. Subhash Ghai	Chairman, Executive Director	29.39	20.90
Mr. Rahul Puri	Managing Director	18.72	5.30
Mr. Prabuddha Dasgupta*	Chief Financial Officer	10.36	Nil
Mr. Jabir Contractor*	Chief Financial Officer	4.21	Nil
Ms. Hemal N. Pankhania	Company Secretary and Compliance Officer	4.39	Nil

*Mr. Prabuddha Dasgupta has resigned as Chief Financial Officer of the Company with effect from 13th December, 2024 and in his place Mr. Jabir Contractor was appointed as Chief Financial Officer of the Company with effect from 12th February, 2025.

- (iii) **the percentage increase in the median remuneration of employees in the financial year;**

There was an increase of 22.04% in the median remuneration of employees during the financial year 2024-25.

- (iv) **the number of permanent employees on the rolls of company: 51**

- (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 percentage increase made in the salaries of employees other than the managerial personnel	the percentile increase in the managerial remuneration
15.68%	9.19%

- (vi) **the key parameters for any variable component of remuneration availed by the directors: Nil**

- (vii) **affirmation that the remuneration is as per the remuneration policy of the company.**

The Company hereby affirms that the remuneration paid is as per the Remuneration Policy.



Independent Auditor's Report on Standalone Financial Results

To

The Members of Mukta Arts Limited

Report on audit of the Standalone Financial Statements Qualified Opinion

We have audited the accompanying Standalone financial statements of **Mukta Arts Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis of Qualified Opinion paragraph below, the aforesaid Standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its **profit** (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis of Qualified Opinion

As at March 31, 2025, the company's investment in its subsidiary (including deemed investment), Whistling woods International Limited (WWIL) a joint venture between the company and Maharashtra Film, Stage and Cultural Development Corporation Limited (MFSCDCL), aggregates to Rs. 19,95,11,218/- and loans and advances, deposits, interest receivable and rent receivable aggregate to Rs. 64,13,83,146/- recoverable from WWIL.

As fully explained in Note 42 to the accompanying audited financial statements, the Order of February 9, 2012 passed by the High Court of Judicature at Bombay ('High Court'), had quashed the joint Venture Agreement ('JVA') between the company and Maharashtra Film Stage Cultural Development Corporation ('MFSCDCL'). Maharashtra Film Stage and Cultural Development Corporation ('MFSCDC') raised net demand of Rs. 59,19,66,210/- and asked WWIL to vacate the premises. WWIL's petition for special leave to appeal filed with the Supreme Court of India had also been dismissed. The Company and WWIL had filed application to review the said order with the High Court and an Interim stay was granted on July 30, 2014 which required deposit of Rs.10,00,38,000/- by January 2015 against payment of arrears of rent for the year 2000-01 to 2013-14 and payment of Rs.45,00,000/- per annum from Financial Year 2014-15 till the settlement of the case, to MFSCDCL. As per the terms of the said Order, till financial year 2016-17, Rs. 11,35,38,000/- has been paid by the Company and for financial year 2017-18 to 2021-22 Rs. 45,00,000/- per annum has been paid by WWIL. The State Govt. of Maharashtra and MFSCDCL challenged the order of the High Court in the Supreme Court which was dismissed by the Supreme Court on September 22, 2014. The amount so paid / being paid by the- Company have been accounted under Non - Current Other Financial Assets in the Standalone Financial Statements to be adjusted on the settlement of the case. Management of WWIL informs that these will be accounted as an expense, if required, on the settlement of the case.

Additionally, without giving effect to the matter as stated above, WWIL's net worth stands fully eroded as at March 31, 2025. Management of WWIL believes that it is appropriate to prepare the financial statements on a going concern basis based on its assessment of the merits of the case, plans for the future and support provided by its holding company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report for the year ended 31 March 2025.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure(s) to Board's Report, 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 Standalone 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.

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Independent Auditors' Report (Continued)

Responsibilities of Management for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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 standalone financial statements of the current period 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.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, 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 Standalone Balance Sheet, Standalone Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**, and
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/provided by the Company to its directors in accordance with the provisions of 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2025 on its financial position in its standalone financial statements – Refer Note No. 39.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note No. 46.
 - iii. There was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025 – Refer Note No. 47.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) contain any material mis-statement.
 - c) Based on such audit procedures that the we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) as specified above contain any material misstatements.
 - v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
 - vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Uttam Abuwala Ghosh & Associates

Chartered Accountants
Firm No. 111184W

CA. Subhash Jhunjunwala

Partner
Membership No. 016331
UDIN: 25016331BMJPE8276

Date: 28th May, 2025
Place: Mumbai

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Annexure A referred to in Report on Other Legal and Regulatory Requirements Paragraph of Independent Auditor's report of even date to the members of Mukta Arts Limited on the accounts for the year ended March 31, 2025

To the best of our information and according to the information and explanation given to us during the course of our audit, we report that:

- i)
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.
 - b) The company has concluded physical verification of Plant and Equipment during the year.
 - c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
 - d) The company has not revalued its Property, Plant, and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.
 - e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.
- ii)
 - a) As explained by the Management, Company does not have any inventory for physical verification. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.
 - b) During any point of time of the year, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company
- iii) The Company has made investments in, Companies and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) The Company has provided loans or advances in the nature of Inter-Corporate Deposits during the year, details of which are given below:

(Amount in INR Crore)

Particulars	Loans	Investment in Shares
<u>A. Aggregate amount granted /provided during the year:</u>		
- Subsidiaries	16.19	1.50
- Other than Subsidiaries	0.00	0.00
<u>B. Balance outstanding as at balance sheet date in respect of above cases:</u>		
- Subsidiaries	111.41	50.91
- Other than Subsidiaries	3.84	0.00

The Company has not provided any guarantee or security to any other entity during the year.

- (a) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (b) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation.
 - (c) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (d) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - (e) 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 during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties.
- iv) In our opinion and according to the information and explanations given to us, with reference to the provisions of Section 185 and 186 of the Act, which regulates 'Intercompany Loans & Investments', the Company failed to, accrue Interest on the following for the 2024-25:
 - a) Inter-Corporate Deposits/ Cinema Deposits landed to following Parties where no Interest has been accrued for the F.Y.2024-25:

Sr. No.	Name of the Parties	Amount (Rs.)
1	M/s Om Films Pvt. Ltd.	2,52,07,184/-
2	M/s Next Solutions	1,31,50,208/-



According to management, the purpose of extending the aforementioned deposits was always for business purposes. The company intended to utilize these funds to execute agreements with the involved parties, and the motive was never to accrue/earn interest on the deposits given.

Furthermore, management indicates that recovery proceedings are underway regarding certain parties, with the company not anticipating the realization of the understandings and discussions previously held with them.

- v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from public within the provision of section 73 to 76 and other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) As informed to us by management, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of services rendered by the company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues except that there have been delays in depositing Goods and Services Tax, Professional Tax, Provident Fund, Show Tax, Income Tax and Employees' State Insurance with the appropriate authorities.

According to information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, GST and other material statutory dues, were in arrears as on March 31, 2025 for a period of more than 6 months from the date they became payable.

- (b) In our opinion and according to the information and explanations given to us, there are no dues payable in respect of value added tax, GST, customs duty and excise duty which have not been deposited with appropriate authorities on account of any disputes. The following dues of Service Tax & Income Tax have not been deposited by the company on account of dispute:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Chapter V of the Finance Act, 1994	Service Tax	8,75,000/-*	November 1996 – November 2001	Customs, Excise & Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	15,63,120/-	Asst year 2015-16	Commissioner of Income Tax (Appeals)
		1,20,66,132/-	Asst year 2014-15	
		4,09,06,738/-	Asst Year 2017-18	

*Excludes Amount deposited under protest Rs. 8,00,000/-

- viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- ix) (a) On the basis of verification of records and according to the information and explanations given to us and based on the records made available to us, the Company has not defaulted in repayment of any loans from Financial Institutions or from the Bank and has not issued Debentures.
- (b) In our opinion and according to the information and explanations given to us, Company is not declared willful defaulter by any bank or financial institution or other lender
- (c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis which have been utilised for long-term purposes.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) On the basis of verification of records and according to the information and explanations given to us and based on the records made available to us, the company has utilized the money raised by way of Term loan for the purpose for which they were raised. The Company did not raise any moneys by way of public issue/ follow-on offer including debt instruments.
- xi) (a) Based upon the audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As auditors, we did not receive any whistle-blower complaints during the year.

MUKTA ARTS LIMITED

- xii) According to the information and explanations given to us and based on the examinations of the records of the company, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xiii) In our opinion, the company is not a Nidhi Company. Accordingly, the provisions of clause (xii) of Para 3 of the order are not applicable to the company.
- xiv) According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements as required by the accounting standards and Companies Act, 2013.
- xv) According to the information and explanations given to us, we are of the opinion that:
 - 1) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
 - 2) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
 - 3) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable.
 - 4) As per the information and explanations received, the group does not have any CIC as part of the group.
- xvi) (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
(b) We have considered the reports of the Internal Auditors for the period under audit;
- xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable
- 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, 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 incapable 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.
- xx) 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.
- xxi) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- xxii) On the basis of verification of records and according to the information and explanations given to us and based on the records made available to us, the company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
- xxiii) In our opinion and according to the information and explanations given to us, the company has not entered into non-cash transactions with directors or persons connected with him.

For Uttam Abuwala Ghosh & Associates
Chartered Accountants
Firm No. 111184W

CA. Subhash Jhunjhunwala
Partner
Membership No. 016331
UDIN: 25016331BMJPPE8276

Date: May 28, 2025
Place: Mumbai



Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of Mukta Arts Limited

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **Mukta Arts Limited** ("the Company") for the year ended on March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls 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. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and specified under sub-section 10 of Section 143 of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, maintained adequate internal financial controls system over financial reporting as of March 31, 2025, 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 except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2025.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2025, and the material weakness doesn't affect our opinion on the standalone financial statements of the Company.

For Uttam Abuwala Ghosh & Associates

Chartered Accountants
Firm No. 111184W

CA. Subhash Jhunjunwala
Partner
Membership No. 016331
UDIN: 25016331BMJPPE8276
Date: 28th May, 2025
Place: Mumbai

MUKTA ARTS LIMITED

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2025

		(₹ in '000)	
Particulars	Note No.	As at 31 st March, 2025	As at 31 st March 2024
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	6 (a)	94,475	111,244
(b) Right-of-use assets	6 (b)	3,490	4,859
(c) Capital work-in-progress	6(c)	1,287	1,287
(d) Investment property	7	124,847	126,569
(e) Intangible assets	6 (d)	-	-
(f) Intangible Assets under Development	6 (e)	77,878	29,332
(g) Financial assets			
(i) Investments	8 (a)	342,213	330,887
(ii) Loans	8 (b)	424,806	353,006
(iii) Others financial assets	8 (c)	440,303	421,335
(h) Deferred tax assets (net)	9	22,461	24,033
(i) Other non-current assets	10	137,957	95,300
Total Non-current assets		1,669,717	1,497,852
Current assets			
(a) Financial assets			
(i) Trade receivables	11 (a)	385,484	220,833
(ii) Cash and cash equivalents	11 (b)	6,749	3,372
(iii) Bank balances other than (ii) above	11 (c)	36,471	62,731
(iv) Loans	11 (d)	905,697	824,428
(v) Others financial assets	11 (e)	79,914	64,080
(b) Other current assets	12	25,044	34,602
Total Current assets		1,439,359	1,210,046
Total Assets		3,109,076	2,707,898
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	112,926	112,926
(b) Other Equity	14	1,845,034	1,771,231
Total Equity		1,957,960	1,884,157
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15 (a)	550,317	530,957
(ii) Lease Liabilities	15 (b)	9,225	14,305
(iii) Other financial liabilities	15 (c)	29,683	27,234
(b) Employee Benefits Obligations	16	12,241	12,071
(c) Other non-current liabilities	17	453,821	2,571
Total Non-Current Liabilities		1,055,287	587,138
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18 (a)	38,400	67,238
(ii) Lease Liabilities	18 (b)	7,448	7,083
(iii) Trade payables	18 (c)	14,337	38,520
(iv) Other financial liabilities	18 (d)	21,031	21,346
(b) Short Term Provisions	19	5,116	4,210
(c) Other current liabilities	20	9,497	98,206
Total Current liabilities		95,829	236,603
Total Equity and Liabilities		3,109,076	2,707,898

The above standalone balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**
Chartered Accountants
Firm's Registration No: 111184W

For and on behalf of the Board of Directors of
Mukta Arts Limited
CIN: L92110MH1982PLC028180

CA Subhash Jhunjunwala
Partner
Membership No: 016331

Subhash Ghai
Chairman Director
DIN: 00019803

Rahul Puri
Managing Director
DIN: 01925045

Date: 28th May, 2025
Place: Mumbai

Parvez A. Farooqui
Director
DIN: 00019853

Jabir Contractor
Chief Financial Officer



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2025

(Amount in Rs. '000 except Earnings per share)

Particulars	Note No.	Year ended 31 st March, 2025	Year ended 31 st March, 2024
(I) Revenue from operations	21	203,170	275,160
(II) Other income	22	143,832	160,010
(III) Total Income (I+II)		347,002	435,170
(IV) Expenses			
(a) Cost of production, distribution and exhibition	23	53,143	116,293
(b) Employee benefits expense	24	57,353	54,802
(c) Finance costs (net)	25	62,583	60,536
(d) Depreciation and amortisation expenses	26	22,721	23,988
(e) Other expenses	27	62,959	66,212
Total Expenses (iv)		258,759	321,832
(V) Profit/(Loss) before tax (III - IV)		88,243	113,338
Tax expense			
Current tax		8,700	11,100
Deferred tax		1,572	(2,129)
Taxes for earlier years		3,565	1,025
(VI) Profit for the year after tax		74,406	103,342
(VII) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Less : Remeasurement gain on defined benefit plan		(602)	1,250
Other comprehensive income for the year		(602)	1,250
(VIII) Total comprehensive income for the year (VI+VII)		73,804	104,592
(IX) Earnings per share	31		
Basic (in Rs) (nominal value ₹ 5)		3.30	4.58
Diluted (in Rs) (nominal value ₹ 5)		3.30	4.58

The above standalone profit and loss account should be read in conjunction with the accompanying notes.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**
Chartered Accountants
Firm's Registration No: 111184W

For and on behalf of the Board of Directors of
Mukta Arts Limited
CIN: L92110MH1982PLC028180

CA Subhash Jhunjunwala
Partner
Membership No: 016331

Subhash Ghai
Chairman Director
DIN: 00019803

Rahul Puri
Managing Director
DIN: 01925045

Date: 28th May, 2025
Place: Mumbai

Parvez A. Farooqui
Director
DIN: 00019853

Jabir Contractor
Chief Financial Officer

MUKTA ARTS LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH, 2025

(₹ in '000)

	Number	Amount
Balance as at 1st April, 2023	22,585,200	112,926
Add: Changes in equity share capital	-	-
Balance as at 31st March, 2024	22,585,200	112,926
Add: Changes in equity share capital	-	-
Balance as at 31st March, 2025	22,585,200	112,926

	Securities Premium	General Reserve	Capital Reserve	Retained Earnings	Total other equity
Balance as at 1st April, 2023	973,605	83,145	12	609,884	1,666,646
Profit/(loss) for the year	-			103,342	103,342
Ind As 116 adjustments				(7)	(7)
Dividend and dividend tax				-	-
Other comprehensive income for the year	-			1,250	1,250
Total Comprehensive income for the year	-	-	-	104,586	104,586
Dividend and dividend tax	-			-	-
Employee stock option compensation expense	-			-	-
Balance as at 31st March, 2024	973,605	83,145	12	714,469	1,771,232
Net profit after tax for the year	-			74,406	74,406
Ind As 116 adjustments				-	-
Dividend and dividend tax				-	-
Other comprehensive income for the year	-			(602)	(602)
Total Comprehensive income for the year	-	-	-	73,804	73,804
Transfer from/to share option outstanding account	-			-	-
Employee stock option compensation expense	-			-	-
Balance as at 31st March, 2025	973,605	83,145	12	788,273	1,845,034

The above standalone statement of changes in equity account should be read in conjunction with the accompanying notes.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**

Chartered Accountants

Firm's Registration No: 111184W

For and on behalf of the Board of Directors of

Mukta Arts Limited

CIN: L92110MH1982PLC028180

CA Subhash Jhunjunwala

Partner

Membership No: 016331

Subhash Ghai

Chairman Director

DIN: 00019803

Rahul Puri

Managing Director

DIN: 01925045

Date: 28th May, 2025

Place: Mumbai

Parvez A. Farooqui

Director

DIN: 00019853

Jabir Contractor

Chief Financial Officer



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in '000)

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Cash flow from operating activities		
Profit before tax	88,243	113,338
Non-cash adjustments to reconcile Profit before tax to net cash flows		
Depreciation and amortisation	22,721	23,988
Bad debts/ advances/ intangible assets under development written-off	3,561	1,615
Finance costs	62,583	60,536
Interest income	(127,973)	(111,947)
(Gain) on sale of tangible assets (net)	-	(680)
Operating profit before working capital changes	49,134	86,851
Movements in working capital:		
Increase/(Decrease) in other current liabilities	(88,709)	(30,956)
Increase/(Decrease) in other financial liabilities	(314)	4,630
Increase/(Decrease) in other non current liabilities	451,250	(43,843)
Increase/(Decrease) in other non current lease liabilities	(5,080)	(4,178)
Increase/(Decrease) in other non current financial liabilities	2,448	(17,742)
Increase/(Decrease) in current lease liabilities	365	317
Increase/(Decrease) in trade payables	(24,183)	15,212
Increase/(Decrease) in current provisions	906	(12,820)
Increase/(Decrease) in non current provisions	170	(755)
(Increase)/Decrease in trade receivables	(164,651)	(61,243)
(Increase)/Decrease in loans and advances	(71,800)	3,900
(Increase) /Decrease in other non- current assets	(42,658)	10,974
(Increase)/Decrease in short-term loans and advances	(81,269)	(23,599)
(Increase)/Decrease in other financial assets	(15,834)	4,138
(Increase) /Decrease in other current assets	9,558	2,451
(Increase)/Decrease in other current financial assets	(18,968)	(28,604)
Cash generated from (used in) operations	363	(95,267)
Taxes paid (net)	(27,730)	(16,351)
Net cash generated from (used in) operating activities (A)	(27,367)	(111,618)
Cash flow from investing activities		
Investments in equity shares of subsidiaries	(5,590)	(6,183)
Investments in liquid mutual funds	-	(9,500)
Purchase of fixed assets (tangible and intangible)	(272,407)	(13,779)
Proceeds from maturity/ (reinvestment) of fixed deposits, net	5,736	3,604
Amortisation of intangible assets	247,095	692
Proceeds from sale of fixed assets	-	5,909
Interest income	127,973	111,947
Net cash used in investing activities (B)	102,807	92,690
Cash flow from financing activities		
Secured loan (repaid)/taken, net	19,360	(1,263)
Unsecured loan (repaid)/taken , net	(28,838)	19,238
Finance charges (net)	(62,583)	(60,536)
Net cash flow from / (used in) financing activities (C)	(72,061)	(42,560)
Net increase /(decrease) in cash and cash equivalents (A + B + C)	3,378	(64,589)
Cash and cash equivalents at the beginning of the year	3,150	67,739
Cash and cash equivalents at the end of the year	6,529	3,150

MUKTA ARTS LIMITED

Particulars	(₹ in '000)	
	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Reconciliation of cash and cash equivalents as per the cash flow statement		
Notes:		
(a) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 prescribed in the Companies (Accounting Standards) Rules, 2006, which continue to apply under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules 2014.		
(b) Cash and cash equivalents at year-end comprises:		
(i) Cash on hand	346	87
(ii) Balances with scheduled banks in - in current accounts and deposits	6,182	3,063
Balances per statement of cash flows	6,529	3,150

The above standalone cash flow statement should be read in conjunction with the accompanying notes.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**

Chartered Accountants

Firm's Registration No: 111184W

For and on behalf of the Board of Directors of

Mukta Arts Limited

CIN: L92110MH1982PLC028180

CA Subhash Jhunjunwala

Partner

Membership No: 016331

Subhash Ghai

Chairman Director

DIN: 00019803

Rahul Puri

Managing Director

DIN: 01925045

Date: 28th May, 2025

Place: Mumbai

Parvez A. Farooqui

Director

DIN: 00019853

Jabir Contractor

Chief Financial Officer



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

1 Corporate information

Mukta Arts Limited ('Mukta' or 'the Company') is a company incorporated in India under the Companies Act, 1956. The Company was incorporated on 7 September 1982 as Mukta Arts Private Limited and was converted to a public limited company on 15 March 2000 and renamed as Mukta Arts Limited. The Company is promoted by Mr. Subhash Ghai who holds 55.34% of the outstanding equity share capital as at 31st March, 2025.

The Company is primarily engaged in the business of film production, distribution and exhibition (wherein it provides film content to multiplexes and single screen theatres across India). The Company also provides production equipment to other production houses and independent producers.

The shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

2 Summary of significant accounting policies

2.1 Basis of preparation

(i) Compliance with Indian Accounting Standard (Ind AS)

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Company adopted Ind AS from April 1, 2016.

(ii) Historical Cost Convention

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain financial assets and liabilities and defined benefit plan assets which have been measured at fair value.

2.2 Current versus non-current classification

The assets and liabilities reported in the balance sheet are classified as current or non-current. Current assets, which include cash and cash equivalents, are assets that are intended to be realised during the normal operating cycle of the Company or within 12 months of the balance sheet date; current liabilities are expected to be settled during the normal operating cycle of the Company or within 12 months of balance sheet date. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker of the Company assesses the financial performance and position of the Company and makes strategic decisions on the advice of the Managing Director of the Company.

2.4 Foreign Currency Transactions

The financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss. In case of Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.5 Revenue Recognition

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaced the existing revenue recognition requirements. Under the modified retrospective approach there were no adjustments required to the retained earnings at April 1, 2018. The application of Ind AS 115 has been considered and transactions entered into during the current year have been recorded accordingly.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, revenue can be reliably measured and recoverability is reasonably certain and the goods or services have been transferred to the Customer. The amount recognised as income is exclusive of goods and services tax and net of trade discounts. Revenue from fixed rate contracts is recognised over the period as per the contractual agreement. Unbilled revenue represents costs incurred and revenues recognised on contracts to be billed in subsequent periods as per the terms of the contract.

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

Film/content production and related income

Revenue from sale of content/ motion pictures is recognised on assignment/sale of the rights in the concerned content/ motion picture from the date of their availability for exploitation or on the date of release of the content/ movie, as applicable.

Revenue from other rights in motion pictures such as satellite rights, overseas rights, music rights, video rights, etc., is recognised on assignment/ sale of the rights in the concerned motion picture from the date of their availability for exploitation.

Income from distribution and exhibition

Distribution/ sub-distribution commission is recognised as it is earned based on intimation by the theatre owners/ distributors.

Revenue from equipment hire/ facility rental

Income from equipment hire/ facility rental is recognised on a straight-line basis over the period of the relevant agreement/ arrangement.

Revenue from business support service

Revenue from business support service is recognised on rendering of service as per the terms and conditions of the agreement.

Dividend & Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is recorded using the Effective Interest rate.

2.6 Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salaries and wages, bonus, Compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is charged to the Statement of profit and loss in the period in which such services are rendered.

Post-employment benefits

Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity/fund and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Provident Fund. The Company's contribution is recognised as an expense in the Statement of profit and loss during the period in which employee renders the related service.

Defined benefit plan:

The Company has calculated the gratuity liability for fifteen days per month based on the last basic salary drawn by the employee for every completed year of service or part thereof in excess of six months. The gratuity liability recognised in the Balance sheet represents the gratuity liability and as reduced by the fair value of the said assets. The scheme is funded with an insurance company in form of qualified insurance policy.

Contributions are made to LIC in respect of gratuity based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit Method'. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted in the statement of profit and loss.

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The Company calculates the liability based on the total leave hour balance as at the year end restricted to forty two days and the last salary drawn by the employees.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

2.7 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.8 Leases

Assets taken on operating lease

The Company has various operating leases, principally for office space, with various renewal options. Rental expense in agreements with scheduled rent increases is recorded on a straight-line basis over the lease term.

Assets given on operating lease

Lease rentals in respect of assets given on operating lease are recognised on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit received.

2.9 Taxation

Income-tax expense comprises current tax expense and deferred tax charge or credit.

Current tax

Provision for current tax is recognised in accordance with the provisions of the Income-tax Act, 1961 and is made based on the tax liability after taking credit for tax allowances and exemptions.

Minimum Alternative Tax Credit entitlement

Minimum Alternative Tax ('MAT') credit is recognised only to the extent there is convincing evidence that the Company will pay normal income tax in excess of MAT during the specified period.

MAT credit entitlement is reviewed as at each Balance sheet date and written down to the extent there is no longer convincing evidence that the Company will pay normal income tax during the specified period.

Deferred tax

Deferred tax liability or asset is recognised for timing differences between the profits or losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities and the corresponding deferred tax credit or charge are measured using the tax rates and tax laws that have been enacted or substantively enacted as at the Balance sheet date.

Deferred tax asset is recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realised.

2.10 Property, plant and equipment (PPE)

Items of Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes freight, duties, taxes (other than those recoverable from tax authorities) and other expenses directly attributable to the acquisition/ construction and installation of the fixed assets for bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Cost incurred on fixed assets not ready for their intended use is disclosed under capital work-in-progress. Capital work-in-progress includes estimates of work completed, as certified by the management.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, except for certain properties, the fair market value of which had appreciated substantially and the increase in their carrying amounts, supported by reports of independent valuers, was therefore recognised in profit and loss account and accumulated in reserves in shareholders' equity.

Depreciation methods, estimated useful lives and residual value

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

The Company applies depreciation rates as per the useful lives of the assets as specified in Part 'C' of Schedule II to the Companies Act 2013, except for the following class of assets where the useful life is higher than the useful life prescribed in Schedule II based on management estimates which is supported by assessment carried out by technical experts. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset class	Useful life
Plant and equipment	10-14 years
Furniture and fixtures	5 years

Leasehold improvements/ premises are depreciated at the lower of the estimated useful lives of the assets and the lease term, on a straight-line basis.

2.11 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably.

Investment properties are depreciated using the written down value method over their estimated useful lives. Investment properties generally have a useful life of 30 years. The useful life has been determined based on technical evaluation performed by technical experts.

Transition to Ind AS

On transition to Ind AS, the entity has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties, the fair value of investment property is disclosed in notes.

2.12 Intangible assets

Film rights comprising negative rights and distribution rights

Negative film rights are generally exploited through media such as theatrical exhibition, television/ satellite, cable, etc. Negative film rights in respect of films produced are recorded at cost, which is determined on specific identification basis. Acquired negative rights are recorded at the purchase price paid to acquire the rights plus any additional cost incurred which is determined on specific identification basis. Cost incurred on films-in-progress is reported as Intangible assets under development.

Distribution rights in films are for a contractually specified mode of exploitation, period and territory and are stated at cost. Cost of distribution comprises original purchase price/ minimum guarantee, which is ascertained on specific identification basis. In case multiple films/ rights are acquired for a consolidated amount, cost is allocated to each film/ right based on the agreement or where it is not specified in the agreement, based on management's best estimates. In respect of unreleased films, payments towards distribution rights are classified under capital advances as the amounts are refundable in the event of non-release of the film.

Costs are amortised in the proportion that gross revenue realised bears to management's estimate of total gross revenue expected to be received. If estimates of the total revenue and other events or changes in circumstances indicate that the realisable value of a right is less than its unamortised cost, a loss is recognised for the excess of unamortised cost over the film rights' realisable value.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.13 Impairment of Non Financial Asset

In accordance with Ind AS 36 – intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit to which it belongs exceeds its recoverable amount. Impairment loss is recognised in the Statement of profit and loss or against revaluation surplus, where applicable.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

If at the Balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciated historical cost.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments 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.

2.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

The entity classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, and transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets that are carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

Subsequent measurement of financial asset depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets as below:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial Assets measured at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met.

- a) Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised 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. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual cash flows of the assets represent SPPI: Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

Statement of Profit and Loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit and loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109, "Financial Instruments" are measured at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition which is irrevocable. If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. The Company has elected to measure its investment in subsidiaries at its previous GAAP carrying value which shall be the deemed cost as at the date of transition.

Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset, where the entity retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets :

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Trade receivables

The company evaluates the concentration of risk with respect to trade receivables as low, as its customers operate in largely independent markets and their credit worthiness is monitored at periodical intervals. The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and is rated as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit loss(%)
0 - 1 years	0%
1 - 2 years	25%
2 - 3 years	40%
More than 3 years	100%

Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described herein:



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial Liabilities measured at amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised 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 amortisation is included as finance costs in the statement of Profit and Loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the Statement of Profit and Loss.

Offsetting :

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.16 Measurement of fair values

The Company measures financial instruments, such as derivatives, at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied. Other financial instruments are valued using a discounted cash flow method based on assumptions supported, where possible, by observable market prices or rates.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes on financial instruments.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

2.17 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of funds will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

4 Earnings per share ('EPS')

The basic earnings per equity share is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which may be issued on the conversion of all dilutive potential shares, unless the results would be anti-dilutive.

5 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, may not equal the actual results. Management also needs to exercise judgement in applying the entity's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

Estimation of useful life:

Useful lives of PPE and intangible assets are based on the estimation by the management. The useful lives as estimated are the same as prescribed in Schedule II of the Companies Act, 2013. In such cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimates, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacement. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

6(a) - Property, plant and equipment

(₹ in '000)

	Ownership Premises	Leasehold Premises	Plant & Machinery	Motor Vehicles	Fixtures & Fittings	Computers	Total
Cost or deemed cost (Gross Carrying Amount)							
As at 1st April, 2023	106,072	127,767	199,181	94,758	35,185	14,534	577,498
Additions	-	-	295	20,179	97	320	20,891
Disposals	-	-	233	5,058	-	-	5,291
Other adjustment							
As at 31st March, 2024	106,072	127,767	199,243	109,879	35,282	14,854	593,098
As at 1st April, 2024	106,072	127,767	199,243	109,879	35,282	14,854	593,098
Additions	-	-	1,931	-	967	130	3,028
Disposals	-	-	-	-	-	-	-
Other adjustment	(1,099)						(1,099)
As at 31st March, 2025	104,973	127,767	201,174	109,879	36,249	14,984	595,027
Accumulated Depreciation/ Amortisation							
As at 1st April, 2023	59,416	86,981	189,005	80,195	32,896	13,866	462,359
Charge for the year	3,794	6,320	603	8,325	409	250	19,700
Deduction	-	-	8	177	-	-	184
Other adjustment	(22)	-	-	-	-	-	(22)
As at 31st March, 2024	63,188	93,301	189,601	88,343	33,304	14,116	481,854
As at 1st April, 2024	63,188	93,301	189,601	88,343	33,304	14,116	481,854
Charge for the year	3,370	6,299	631	7,718	523	157	18,699
Deduction	-	-	-	-	-	-	-
Other adjustment	-	-	-	-	-	-	-
As at 31st March, 2025	66,558	99,600	190,232	96,062	33,828	14,272	500,552
Carrying amounts (Net)							
At 1st April, 2023	46,656	40,786	10,175	14,563	2,290	668	115,139
At 31st March, 2024	42,884	34,466	9,642	21,536	1,978	738	111,244
At 31st March, 2025	38,415	28,166	10,942	13,818	2,422	711	94,475

6(b) Right-of-use assets

	Amount (in '000)		Amount (in '000)	Net (in '000)
Cost or deemed cost (Gross Carrying Amount)		Accumulated Depreciation/ Amortisation		
As at 1st April, 2023	11,713	As at 1 April 2023	5,481	6,232
Additions	-	Charge for the year	1,373	
Disposals	-	Deduction	-	
As at 31st March, 2024	11,713	As at 31st March, 2024	6,854	4,859
As at 1st April, 2024	11,713	As at 1 April 2024	6,854	4,859
Additions	-	Charge for the year	1,369	
Disposals	-	Deduction	-	
As at 31st March, 2025	11,713	As at 31st March, 2025	8,223	3,490

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

6(c) Capital Work in Progress

	Amount (Rs. in '000)
As at 1st April, 2023	1,287
Additions	-
Disposals	-
As at 31st March, 2024	1,287
As at 1st April, 2024	1,287
Additions	-
Disposals	-
As at 31st March, 2025	1,287

6(d) - Intangible Assets

(₹ In '000)

	Distribution Rights	Negative Rights	Exhibition Rights	Total
Cost or deemed cost				
As at 1st April, 2023	240,000	809,728	2,500	1,052,229
Additions	-	-		-
Disposals	-			-
Other adjustment				-
As at 31st March, 2024	240,000	809,728	2,500	1,052,229
As at 1 April 2024	240,000	809,728	2,500	1,052,229
Additions		-		-
Disposals				-
Other adjustment				-
As at 31st March, 2025	240,000	809,728	2,500	1,052,229
Accumulated amortisation and impairment losses				
As at 1st April, 2023	240,000	809,728	2,500	1,052,229
Charge for the year	-	-		-
Deduction	-			-
Other adjustment		-		-
As at 31st March, 2024	240,000	809,728	2,500	1,052,229
As at 1st April, 2024	240,000	809,728	2,500	1,052,229
Charge for the year		-		-
Deduction				-
Other adjustment		-		-
As at 31st March, 2025	240,000	809,728	2,500	1,052,229
Carrying amount (Net)				
At 1st April, 2023	-	-	-	-
At 31st March, 2024	-	-	-	-
At 31st March, 2025	-	-	-	-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

6(e) Intangible assets under development

	Amount (Rs. in '000)
As at 1st April, 2023	37,034
Additions	-
Disposals	7,702
Other adjustment	-
As at 31st March, 2024	29,332
As at 1st April, 2024	29,332
Additions	269,379
Disposals	220,833
Other adjustment	-
As at 31st March, 2025	77,878

Note : 1. During the year ended on 31st March, 2025 and 31st March, 2024, there is no impairment loss determined at each level of CGU. The recoverable amount was based on value in use and was determined at the level of CGU.

Note : 2. Refer Note - 15(a) for information on moveable property, plant and equipment pledged as security by the Company.

Note : 3. The Company has availed the deemed cost exemption and used the previous GAAP net carrying amount of property, plant and equipment as deemed cost except few PPE which is measured at fair value.

Note : 4. Tangible/Intangible assets are subject to first charge to secure the Company's term loan and cash credit loans (refer note 15(a))

7 Investment property (₹ In '000)

Particular	Building	Land	Total
As at 1st April, 2023	122,968	66,389	189,357
Additions	-	-	-
Disposals	-	-	-
Other adjustment	-	-	-
As at 31st March, 2024	122,968	66,389	189,357
As at 1st April, 2024	122,968	66,389	189,357
Additions	-	-	-
Disposals	-	-	-
Other adjustment	1,099	-	1,099
As at 31st March, 2025	124,067	66,389	190,456
Accumulated Depreciation/Amortisation			
As at 1st April, 2023	59,873	-	59,873
Charge for the year	2,915	-	2,915
Deduction	-	-	-
Other adjustment	-	-	-
As at 31st March, 2024	62,788	-	62,788
As at 1st April, 2024	62,788	-	62,788
Charge for the year	2,821	-	2,821
Deduction	-	-	-
Other adjustment	-	-	-
As at 31st March, 2025	65,609	-	65,609
Carrying amounts (Net)			
At 1st April, 2023	63,095	66,389	129,484
At 31st March, 2024	60,180	66,389	126,569
At 31st March, 2025	58,458	66,389	124,847

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

(i) Information regarding Income and expenditure of Investment properties

	As at 31 st March, 2025	As at 31 st March, 2024
Rental income derived from Investment properties	57,108	53,354
Direct operating expenses	3,814	3,785
Profit arising from investment properties before depreciation and indirect expenses	53,294	49,569
Less: Depreciation	2,821	2,915
Profit arising from investment properties before indirect expenses	50,473	46,654

(ii) Fair Value

Particulars	Valuation Techniques (See note below)	Fair Value Hierarchy (See note below)	As at 31 st March, 2025	As at 31 st March, 2024
Investment properties	Stamp duty Reckoner rate	Level 2	972,650	1,301,375

Estimation of fair value

The Company has obtained independent valuation of its flats located at Bandra West and Andheri West based on current prices in an active market for properties of similar nature. The fair values of such investment flats have been determined by an independent valuer during 2024-25. The main inputs used are the rental growth rates and a study of the micro market in discussion with industry experts. Resulting fair value estimate for investment property are included in level 2.

8 Non Current Financial Asset

8(a) Investments

	As at 31 st March, 2025	As at 31 st March, 2024
A Non current investments		
Unquoted equity shares		
i) Investment in equity shares of subsidiaries at FVTPL		
Connect 1 Limited		
600 (31 st March, 2024 : 600) equity shares of ₹ 1000 each, fully paid-up (6 shares are jointly held with individuals)	600	600
Whistling Woods International Limited		
169,997 (31 st March, 2024 : 169,997) equity shares of ₹ 1000 each, fully paid-up	169,997	169,997
Mukta Tele Media Limited		
4,996 (31 st March, 2024 : 4,996) equity shares of ₹ 100 each, fully paid-up	500	500
Mukta Creative Ventures Limited		
750,000 (31 st March, 2024 : 750,000) equity shares of ₹ 10 each, fully paid-up	9,900	9,900
Mukta A2 Multiplex WLL		
3300 (31 st March, 2024 : 2700) equity shares of BHD 100 each, fully paid-up	74,781	59,692
Mukta A2 Cinemas Pvt Ltd		
10,50,000 (31 st March, 2024 : 10,50,000) equity shares of ₹ 10 each *fully paid-up	10,500	10,500
Deemed Investment in Subsidiary		
Whistling Woods International Ltd	1,320	1,320
Preference Share - Interest	28,194	28,194
Mukta A2 Multiplex WLL	2,498	2,498
ii) Investment in equity shares of joint venture at FVTPL		
Mukta VN Films Limited		
3,300,000 (31 st March, 2024 : 3,300,000) equity shares of ₹ 10 each, fully paid-up	33,000	33,000
Deemed Investment in Joint Venture		
Mukta VN Films Limited	5,185	5,185
Total (i+ii)	336,476	321,386



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

	As at 31 st March, 2025	As at 31 st March, 2024
iii) Investment in equity instruments-others at FVTPL (un-quoted)		
Bashiron Co. Op. Housing Society Limited 10 Shares (2024: 10) of Rs 50 each	1	1
Bait-Ush-Sharaf Co. Op. Housing Society Limited 10 Shares (2024: 10) of Rs 50 each	1	1
Total (iii)	1	1
iv) Investment in others - Debt Liquid Fund	5,736	9,500
Total (i+ii+iii+iv)	342,213	330,887

8(b) Loans

	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured		
Amounts due from related parties Whistling Woods International Limited	253,000	181,200
ii) Investment in preference shares of subsidiary (un-quoted)		
200,000 (2024: 200,000) 8% Redeemable cumulative preference shares of Whistling Woods International Limited of Rs 1,000 each, fully paid-up (note 3.41). These preference shares were issued on 27 August 2007 and are redeemable at par at any time on or after 21 June 2012 and before 21 June 2027.	171,806	171,806
Total	424,806	353,006

8(c) Other financial assets

	As at 31 st March, 2025	As at 31 st March, 2024
Security deposits to		
- Others	5,350	5,167
Other advances	134,181	133,673
Interest receivables Account (Preference Dividend)	300,773	282,495
Total	440,303	421,335

9 Deferred tax assets (net)

	As at 31 st March, 2025	As at 31 st March, 2024
Deferred tax liability on		
Arising on account of timing differences in:	-	-
Total	-	-
Deferred tax asset on		
Provision for leave encashment and gratuity	4,513	4,233
Provision for doubtful debts and advances	1	440
Property, Plant and Equipment and intangible assets	11,890	13,947
Others	6,058	5,414
Total	22,461	24,033
Deferred tax assets (net)	22,461	24,033

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

Movement in deferred tax assets	Employee Benefits Obligations	Allowance for doubtful debts – trade receivables	Property, Plant and Equipment and intangible assets	Others	Total
At 1st April, 2024	3,921	368	15,750	1,866	21,905
(Charged)/credited:					
- to profit or loss	592	(367)	(3,860)	4,192	557
- to other comprehensive income	-				
At 31st March, 2025	4,513	1	11,890	6,058	22,461
(Charged)/credited:					
- to profit or loss	-	-	-	-	-
- to other comprehensive income					
At 31st March, 2025	4,513	1	11,890	6,058	22,461

10 Other non- current assets

	As at 31 st March, 2025	As at 31 st March, 2024
Advance tax (including TDS)	137,658	94,884
Deferred Income Account	299	416
Total	137,957	95,300

11 Current Financial Assets

11(a) Trade receivables

	As at 31 st March, 2025	As at 31 st March, 2024
Trade receivables - Billed	71,645	72,060
Trade receivables - Unbilled	-	-
Receivables from related parties	314,145	150,464
Less: Loss allowance	(305)	(1,691)
Total trade receivables	385,484	220,833
Current portion	385,484	220,833
Non-current portion	-	-
Total	385,484	220,833
Break-up of security details		
Secured, considered good		
Unsecured, considered good	385,789	222,524
	385,789	222,524
Loss Allowance	(305)	(1,691)
Total trade receivables	385,484	220,833



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

As on 31st March, 2025

Particulars

Outstanding for the following periods from due date of payment						
Unbilled	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
-	135,416	82,501	67,123	-	100,749	385,789
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	135,416	82,501	67,123	-	100,749	385,789
-	-	-	3	-	302	305
-	135,416	82,501	67,121	-	100,447	385,484

As on 31st March, 2024

Particulars

Outstanding for the following periods from due date of payment						
Unbilled	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
-	81,078	58,637	57,670	19,222	5,917	222,524
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	81,078	58,637	57,670	19,222	5,917	222,524
-	-	-	-	-	1,691	1,691
-	81,078	58,637	57,670	19,222	4,225	220,833

11(b) Cash and cash equivalents

- a. Cash on hand
- b. Balances with banks
- In current account
- Balance in dividend account

	As at 31 st March, 2025	As at 31 st March, 2024
	346	87
	6,182	3,063
	221	223
Total	6,749	3,372

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

11(c) Bank balances other than Cash and cash equivalents

	As at 31 st March, 2025	As at 31 st March, 2024
Interest accrued on FD	1,954	1,195
Deposits with original maturity of more than 3 months and less than 12 months	34,516	61,537
Total	36,471	62,731

11(d) Loans

	As at 31 st March, 2025	As at 31 st March, 2024
Staff Advances	1,197	747
Inter-corporate deposit:		
- Related parties	881,111	785,293
- Others	23,389	38,389
Total	905,697	824,428

11(e) Other financial assets

	As at 31 st March, 2025	As at 31 st March, 2024
Interest receivables Account (Preference Dividend)	18,496	18,277
Security deposits	57,470	40,413
Interest Accrued on Investments:		
Related Parties	2,129	1,513
Others	1,819	3,876
Total	79,914	64,080

12 Other current assets

	As at 31 st March, 2025	As at 31 st March, 2024
Prepaid expenses	15,061	17,067
Advances	3,413	5,440
Service Tax Input	6,216	6,216
GST input	355	5,880
Total	25,044	34,602

13 Equity share capital

	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of ₹ 5 each	24,000,000	120,000	24,000,000	120,000
	24,000,000	120,000	24,000,000	120,000
Issued, subscribed and fully paid-up				
Equity shares of ₹ 5 each	22,585,200	112,926	22,585,200	112,926
Total	22,585,200	112,926	22,585,200	112,926



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 5 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to shareholding.

Reconciliation of paid-up share capital (Equity Shares)

	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the year	22,585,200	112,926	22,585,200	112,926
Add: Issued during the year	-	-	-	-
Add: Acquisition of a subsidiary	-	-	-	-
Balance at the end of the year	22,585,200	112,926	22,585,200	112,926

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

	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹ 5 each				
1. Mr. Subhash Ghai	12,497,990	55.34%	12,497,990	55.34%
2. Ms. Meghna Ghai Puri	1,650,000	7.31%	1,650,000	7.31%
3. Ms. Mukta Ghai	1,650,000	7.31%	1,650,000	7.31%

14 Other Equity

	As at 31 st March, 2025	As at 31 st March, 2024
Securities premium		
Balance at the beginning of the year	973,605	973,605
Add: Transfer during the year	-	-
Balance at the end of the year	973,605	973,605
General reserve		
Balance at the beginning of the year	83,145	83,145
Add: Transfer during the year	-	-
Balance at the end of the year	83,145	83,145
Capital reserve		
Balance at the beginning of the year	12	12
Add: Transfer during the year	-	-
Balance at the end of the year	12	12
Retained earnings		
Balance at the beginning of the year	714,469	609,884
Add: Net profit after tax for the year	74,406	103,342
Add : Ind As 116 adjustments	-	(7)
Less : Dividend and dividend tax	-	-
Other comprehensive income	(602)	1,250
Balance at the end of the year	788,273	714,469
Total	1,845,034	1,771,231

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

Nature and purpose of other reserves

Securities premium reserve :

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital reserve :

Capital Reserve is the part of the profit or surplus, maintained as an account in the Balance Sheet that can be used only for special purposes.

Shares held by promoters at the end of the year

Name of the Promoters	No. of Shares as on March 31, 2025	* % of Total Shares on March 31, 2025	No. of Shares as on March 31, 2024	* % of Total Shares on March 31, 2024	% Change during the year
Subhash Ghai	12,497,990	55.34	12,497,990	55.34	Nil
Meghna Ghai Puri	1,650,000	7.31	1,650,000	7.31	Nil
Mukta Ghai	1,650,000	7.31	1,650,000	7.31	Nil
Parvez Akhtar Farooqui	77,300	0.34	77,300	0.34	Nil
Siraj Farooqui	44,000	0.19	44,000	0.19	Nil
Ashok K. Ghai	37,000	0.16	37,000	0.16	Nil
Sunita Bahri	8,700	0.04	8,700	0.04	Nil
Nargis Parvez Farooqui	4,300	0.02	4,300	0.02	Nil
Total	15,969,290	70.71	15,969,290	70.71	

Note : *percentage calculated is on equity paid up share capital of the Company.

15 Non Current Financial Liabilities

15(a) Long-term borrowings

	As at 31 st March, 2025	As at 31 st March, 2024
Secured		
Term loan from banks and others		
Indian Bank*	486,441	501,163
Hero Fincorp Ltd**	57,142	19,994
Motor vehicle finance loans***	26,341	29,684
Less: current maturity of term loan	(19,607)	(19,884)
Total	550,317	530,957

* Loan against property is secured against entire Commercial Property located at Sharyans Audeus, Survey No.41, Fun Republic Cinema, Off Veera Desai Road, Oshiwara Village, Andheri West, Mumbai 400053. Repayable in 180 monthly installments. Interest rate 9.50%.

** Term loan against property is secured against two flats of the Company by way mortgage of the property located in Bandra West. Repayable in 180 monthly installments of Rs. 6,89,232/- (December 2024 to November 2039). Interest rate 11.50%.

*** The motor vehicle finance loans taken by the Company are secured against the related vehicles. Repayment schedule is as detailed below:

Lendor	Repayment schedule and other terms
Axis Bank Ltd	Outstanding amount of loan Rs. 1,10,06,382/- (2024: Rs 87,09,197/-/-) is repayable in 48 equated monthly installments of Rs 384,966 till Aug 2027 and Rs. 127,920 from Sept 27 to Aug 2029. Interest rate 14.25%.
BMW India Financial Services Pvt Ltd	Outstanding amount of loan Rs. 1,34,54,924/- (2024:Rs 1,55,57,835/-) is repayable in 48 monthly installments of Rs 3,00,050/- May 2027. Interest rate 10.30%
HDFC Bank Limited	Outstanding amount of loan Rs. 18,80,130/- (2024: Rs 54,16,709/-) is repayable in 60 equated monthly installments of Rs 64,165/- till August 2028. Interest rate 10.50%



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

15(b) Lease Liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Lease Liability	9,225	14,305
Total	9,225	14,305

15(c) Other financial liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Security deposits	29,683	27,234
Total	29,683	27,234

16 Employee Benefits Obligations

	As at 31 st March, 2025	As at 31 st March, 2024
Provision for Leave Salary	2,855	3,007
Provision for gratuity	9,386	9,064
Total	12,241	12,071

17 Other non-current liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Income Received in advance	453,821	2,571
Total	453,821	2,571

18 Current Financial Liabilities

18(a) Short-term borrowings

	As at 31 st March, 2025	As at 31 st March, 2024
Repayable on demand		
Unsecured		
From Banks and Institutions	-	14,038
Inter corporate deposits - Others	38,400	53,200
Total	38,400	67,238

18(b) Lease Liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Lease Liabilities	7,448	7,083
Total	7,448	7,083

18(c) Trade payable

	As at 31 st March, 2025	As at 31 st March, 2024
Other than micro and small enterprises	13,469	37,532
Micro and small enterprises	868	988
Total	14,337	38,520

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

As on 31st March, 2025

Particulars

Outstanding for the following periods from due date of payment				
Less than 6 months	6 months-1 year	1-2 years	More than 2 years	Total
11,072	1,660	737	-	13,469
868	-	-	-	868
11,940	1,660	737	-	14,337

Other than micro and small enterprises

Micro and small enterprises

Trade payables

As on 31st March, 2024

Particulars

Outstanding for the following periods from due date of payment				
Less than 6 months	6 months-1 year	1-2 years	More than 3 years	Total
32,856	3,254	1,422	-	37,532
988	-	-	-	988
33,844	3,254	1,422	-	38,520

Other than micro and small enterprises

Micro and small enterprises

Trade payables

18(d) Other financial liabilities

Current maturities of long term borrowings

Interest accrued but not due on borrowings

Interest on loan taken

Sundry advances received

From related party

Others

Unclaimed dividend

Total

As at 31 st March, 2025	As at 31 st March, 2024
19,453	19,884
154	196
1,082	1,019
123	24
221	223
21,031	21,346

19 Short Term Provisions

Provision For Employee benefit:

Provision for leave salary

Provision for gratuity

Total

As at 31 st March, 2025	As at 31 st March, 2024
2,247	2,247
2,869	1,963
5,116	4,210

20 Other current liabilities

Deferred Expense Account

Income Received in advance

Statutory dues payable

Provident fund

ESIC

TDS payable

Profession tax

Goods and Service Tax

Total

As at 31 st March, 2025	As at 31 st March, 2024
1,133	1,309
5,500	94,038
135	150
1	2
1,163	2,700
8	9
1,557	-
9,497	98,206



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

21 Revenue from operations (net)

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
(a) Sale of products/ film rights		
Own Film/ Content production	113,745	185,518
	113,745	185,518
(b) Distribution, Exhibition, Theatrical and Film Production Income		
Distribution and exhibition	25	40
Equipment hire income	3,345	2,082
	3,370	2,122
(c) Other operating revenue		
Rent and amenities charges	79,935	81,400
Business support services	6,120	6,120
	86,055	87,520
Total	203,170	275,160

22 Other income

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest income on bank deposits	5,207	3,713
Interest income on others	118,251	103,979
Other Non Operating Income		
Interest on income tax refund	4,515	4,254
Profit on sale of assets, (net)	-	680
Sundry balances written back	2,110	928
Miscellaneous income (net)	13,749	46,455
Total other income	143,832	160,010

23 Cost of production, distribution, exhibition and theatrical operation

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Cost of Production of films / Content	52,622	111,753
Expenses for old Films	520	4,541
Total Distributor and producer's share	53,143	116,293

24 Employee benefits expense

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Salaries and bonus	52,704	49,560
Contribution to provident and other funds	1,999	2,026
Gratuity and Leave expense	1,970	2,971
Staff welfare expenses	680	245
Total employee benefit expense	57,353	54,802

(i) Defined Contribution Plan

The Company's contributions to Defined Contribution Plans namely Employees Provident Fund and Employee's State Insurance Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952), which are Defined Contribution Plans, are charged to Statement of Profit and Loss on accrual basis. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Amount of Rs. 1,999,385 (Previous year : Rs. 2,025,532) is recognised as expense and included in the above Note 24

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

(ii) Post Employment Obligations:

Gratuity : The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and it is recognised by the Income-tax authorities and administered through LIC. Liability for Gratuity is provided on the basis of Valuations, as at Balance Sheet date, carried out by an independent actuary.

The assumptions used for the actuarial valuation are as under:

Particulars

Gratuity

	31 st March, 2025	31 st March, 2024
Discount Rate (per annum)	6.65%	7.20%
Salary growth rate	8.00%	8.00%

(A) Present Value of Obligation as at Balance Sheet date

Particulars

Gratuity

	31 st March, 2025	31 st March, 2024
Present Value of Obligation as at the beginning	15,263	14,039
Interest cost	876	882
Current Service Cost	593	570
Past Service cost	-	-
Total amount recognised in statement of profit and loss	1,469	1,452
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumption	-	-
change in financial assumption	469	168
experience changes	273	176
Total amount recognised in Other Comprehensive Income	742	344
Benefits Paid	(1,549)	(571)
Liabilities assumed / (settled)	-	-
Present Value of Obligation as at the end	15,925	15,263

(B) Changes in the Fair value of Plan Assets

Particulars

Gratuity

	31 st March, 2025	31 st March, 2024
Fair Value of Plan Assets as the beginning	4,236	3,996
Interest on plan assets	136	194
Total amount recognised in statement of profit and loss	136	194
Re-measurement (or Actuarial) gain / (loss) arising from:		
Actual return on plan assets less interest on plan assets	140	83
Total amount recognised in Other Comprehensive Income	140	83
Employer's contribution	706	534
Benefits Paid	(1,549)	(571)
Transfer In / (Out)	-	-
Fair value of plan assets at the end	3,670	4,236

(C) Amount recognised in the Balance sheet

Particulars

Gratuity

	31 st March, 2025	31 st March, 2024
Present Value of obligations as at Balance Sheet date	15,925	15,263
Fair Value of Plan Assets as at the end of the period	3,670	4,236
Net (asset)/ liability recognised as at year end	12,256	11,027



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(₹ in '000)

(D) Constitution of Plan Assets

Particulars	Gratuity	
	31 st March, 2025	31 st March, 2024
Administered by Life insurance Corporation of India	100%	100%
Total of the Plan Assets	100%	100%

(E) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Gratuity	
	Decrease	Increase
Defined benefit obligation (base)		
As on 31st March, 2025		
Discount Rate (- / + 0.5%)	457	-428
(% change compared to base due to sensitivity)	2.87%	-2.69%
Salary Growth Rate (- / + 0.5%)	-326	346
(% change compared to base due to sensitivity)	-2.05%	2.17%

Particulars	Gratuity	
	Decrease	Increase
Defined benefit obligation (base)		
As on 31st March, 2024		
Discount Rate (- / + 0.5%)	438	-411
(% change compared to base due to sensitivity)	2.87%	-2.69%
Salary Growth Rate (- / + 0.5%)	-310	327
(% change compared to base due to sensitivity)	-2.03%	2.14%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected contributions to post employment benefit plan for the year ending March 31, 2025 is Rs. 15 Lakhs (31st March, 2024 : Rs. 25 Lakhs)

(F) Defined benefit liability and employer contributions

The weighted average duration of the Benefit Obligation is 5.55 years

Particulars	Gratuity	
	31 st March, 2025	31 st March, 2024
Weighted average duration (based on discounted cash flows)		
Year 1	6,539	6,198
Year 2	450	1,520
Year 3	898	414
Year 4	354	845
Year 5	1,983	331
Thereafter	15,621	16,747

(iii) Other Long Term Benefit Plans:

Compensated absences : The leave obligations cover the Company's liability for earned leave. The amount of provision of Rs. 5,57,859 (31st March, 2024: Rs. 3,39,662)

Liability for Leave Obligation is provided on the basis of Valuations, as at Balance Sheet date, carried out by an independent actuary.

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

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(G) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility - The plan liabilities are calculated on the basis of the market yields at the valuation date on government bonds for the expected term. If plan assets underperform this yield, this will create a deficit.

Changes in bond yields - A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's assets.

25 Finance costs

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest cost on:		
Car loan	3,976	2,841
Inter corporate deposits	822	2,410
Others	933	611
Term loan	53,070	50,900
Lease Liability	2,368	2,905
Processing cost and other charges	1,415	869
Total Finance Cost	62,583	60,536

26 Depreciation and amortisation expense

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Depreciation of property, plant and equipment	19,900	21,073
Depreciation on investment property	2,821	2,915
Total Depreciation and amortisation expense	22,721	23,988

27 Other expenses

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Power and fuel	7,232	13,027
Rent	4,640	4,842
Repairs and maintenance	2,203	2,768
Insurance	1,916	1,160
Rates and taxes	10,075	7,891
Legal and professional	18,938	21,230
Communication expenses	406	471
Travelling and conveyance	258	102
Bad debts/ advances/ intangibles under development written-off	3,561	1,615
Security charges	1,163	1,149
Business promotion	503	366
CSR Activity Expenses	2,959	2,791
Motor vehicle expenses	1,317	1,407
Printing and stationery	315	322
Bank charges	1,566	1,052
Payment to auditor (Refer details below)	542	538
Miscellaneous expenses	5,367	5,482
Total	62,959	66,212



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(₹ in '000)

27 a - Payment to auditor

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Audit Fees	500	500
Reimbursement of Expenses	42	38
	542	538

28 Income Tax

(A) Income Tax Expense

This note provides an analysis of the Company's income tax expense and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions

	31 st March, 2025	31 st March, 2024
Income Tax Expense		
Current tax		
Current tax on profits for the year	8,700	11,100
Total Current Tax Expense	8,700	11,100
Deferred Tax		
Decrease (increase) in deferred tax assets	1,572	(2,129)
(Decrease) increase in deferred tax liabilities	-	-
Total Deferred Tax Expense	1,572	(2,129)
Income Tax Expense	10,272	8,971

(B) Reconciliation of tax expense:

	31 st March, 2025	31 st March, 2024
Profit before income tax expense	88,243	113,338
Add: Net Disallowances		
Permanent Disallowances	-	-
Temporary Disallowances	2,575	689
Total Taxable Income	90,818	114,027
Income Tax Expense	8,700	11,100

(C) Amounts Recognised directly in Equity - Nil (31st March, 2024 - Nil)

29 Lease disclosure under Ind AS 116 – 'Leases'

Operating lease : Company as lessee

The Company is obligated under non-cancellable leases primarily for office premises which is renewable thereafter as per the terms of the respective agreement.

Lease rent expenses of Rs 4,639,982 (2024: Rs 4,842,158) have been included under 'Rent' in the Statement of profit and loss.

Future minimum rental payable under non-cancellable operating leases are as follows :

Particulars	31 st March, 2025	31 st March, 2024
Amounts due within one year	7,447	7,124
Amounts due after one year but not later than five years	11,220	19,015
Amounts due later than five years	-	-
	18,667	26,139

Operating lease : Company as lessor

The Company has given office premises on lease which is renewable thereafter as per the terms of the respective agreement

Lease rent income of Rs 57,108,071 (2024: Rs 53,354,001) has been included under 'Rent and amenities charges' in the Statement of profit and loss.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

Future minimum rental receivable under non-cancellable operating leases are as follows :

Particulars	31 st March, 2025	31 st March, 2024
Amounts due within one year	-	-
Amounts due after one year but not later than five years	-	-
	-	-

The carrying amount of assets is as follows :

Particulars	31 st March, 2025	31 st March, 2024
Gross block	172,281	172,281
Accumulated depreciation	65,866	63,045
Net block	106,415	109,236
Depreciation for the year	2,821	2,915

Operating lease : Company as sub-lessor

The Company has subleased part of the office premises taken on lease which is renewable thereafter as per the terms of the respective agreement

Sublease rent income of Rs 22,826,893 (2024: Rs 28,045,802) has been included under 'Rent and amenities charges' in the Statement of profit and loss.

The carrying amount of assets is as follows :

Particulars	31 st March, 2025	31 st March, 2024
Gross block	85,536	85,536
Accumulated depreciation	57,369	51,070
Net block	28,166	34,465
Depreciation for the year	6,299	6,303

30 Capitalisation of expenditure

During the year, the Company has capitalised the salaries, wages and bonus amounting to Rs Nil (2024: Rs Nil) to the cost of Fixed asset/ Capital work in progress (CWIP). Consequently, expenses disclosed under note no. 30 are net of amount capitalised by the Company.

31 Earnings per equity share:

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Net (loss)/ profit after tax attributable to shareholders	74,406	103,342
Weighted average number of equity shares outstanding during the year for basic EPS	22,581,200	22,581,200
Weighted average number of equity shares outstanding during the year for dilutive EPS	22,581,200	22,581,200
Basic EPS	3.30	4.58
Dilutive EPS	3.30	4.58
Nominal value per share	5	5



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

32 Fair value measurement

The carrying value/ Fair value of the Financial instruments by category

	31 st March, 2025			31 st March, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Other Financial Assets	-	-	520,217	-	-	485,415
Trade Receivables	-	-	385,484	-	-	220,833
Cash and cash equivalents	-	-	6,749	-	-	3,372
Loans	-	-	1,330,503	-	-	1,177,434
Investment	342,213	-	-	330,887	-	-
Other bank balance	-	-	36,471	-	-	62,731
Total financial assets	342,213	-	2,279,424	330,887	-	1,949,785
Financial liabilities						
Borrowings	-	-	588,717	-	-	598,195
Trade Payables	-	-	14,337	-	-	38,520
Other Financial Liabilities	-	-	50,714	-	-	48,580
Total financial liabilities	-	-	653,768	-	-	685,296

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation each level follows underneath the table.

Financial instruments measured at Fair value

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise 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.

There are no recurring fair value measurements for any financial instruments as at March 31, 2024 and March 31, 2025.

(ii) Fair value of financial assets measured at amortised cost

	Level	31 st March, 2025		31 st March, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets					
Other Financial Assets	Level 2	139,530	520,217	138,840	485,415
Trade Receivables	Level 2	385,484	385,484	220,833	220,833
Cash and cash equivalents	Level 2	6,749	6,749	3,372	3,372
Loans	Level 2	588,717	1,330,503	598,195	1,177,434
Investments	Level 2	342,213	342,213	330,887	330,887
Financial liabilities					
Borrowings	Level 2	588,717	588,717	598,195	598,195
Trade Payables	Level 2	14,337	14,337	38,520	38,520
Other Financial Liabilities	Level 2	50,714	50,714	48,580	48,580

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The carrying amounts of trade receivables, cash and cash equivalents, loan to employees, interest accrued on fixed deposits, receivables from related party, unbilled revenue, other receivables, current maturity of borrowing, bank overdraft, book overdraft, interest accrued on borrowings, payable to related parties, capital creditors, trade payables and other financial liabilities are considered to be the same as fair values, due to their short term nature.

33 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how it manages those risks.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including cash and cash equivalents and deposits with banks.

(i) Credit risk management

(a) Trade receivable related credit risk

The Company evaluates the concentration of risk with respect to trade receivables as low. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company provides for expected credit loss on trade receivables based on expected credit loss method. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification.

Reconciliation of loss allowance provision

	Amount
Loss allowance on 1st April, 2023	1,413
Written-off	-
Provision for allowances	278
Loss allowance on 31st March, 2024	1,691
Written-off	227
Provision for allowances	-1,159
Loss allowance on 31st March, 2025	305

(b) Others Financial Asset

Credit risk from balances with banks is managed by Company in accordance with the Company policy. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

(B) Liquidity risk

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management

(i) Financing arrangements

The Company did not had any undrawn borrowing facilities at the end of the reporting period:

(i) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The amounts disclosed in the table are the contractual cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

Contractual maturities of financial liabilities	Less than 1 year	More than 1 year	Total
as at 31st March, 2025			
Borrowings	38,400	550,317	588,717
Trade payables	14,337	-	14,337
Other financial liabilities	21,031	29,683	50,714
Total liabilities	73,768	580,000	653,768

Contractual maturities of financial liabilities	Less than 1 year	More than 1 year	Total
as at 31st March, 2024			
Borrowings	67,238	530,957	598,195
Trade payables	38,520	-	38,520
Other financial liabilities	21,346	27,234	48,580
Total liabilities	127,104	558,192	685,296

Contractual maturities of financial Assets	Less than 1 year	More than 1 year	Total
as at 31st March, 2025			
Trade Receivables	385,484	-	385,484
Cash & bank balance	6,749	-	6,749
Other bank Balance	36,471	-	36,471
Loans	905,697	424,806	1,330,503
Investments	-	342,213	342,213
Other financial assets	79,914	440,303	520,217
Total Assets	1,414,315	1,207,322	2,621,637

Contractual maturities of financial Assets	Less than 1 year	More than 1 year	Total
as at 31st March, 2024			
Trade Receivables	220,833	-	220,833
Cash & bank balance	3,372	-	3,372
Other bank Balance	62,731	-	62,731
Loans	824,428	353,006	1,177,434
Investments	-	330,887	330,887
Other financial assets	64,080	421,335	485,415
Total Assets	1,175,444	1,105,228	2,280,672

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risks – interest rate risk & currency risk. Financial instrument affected by market risks includes loans and borrowings, deposits and other financials assets.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

(i) Foreign currency risk

The Indian Rupee is the Company's functional and reporting currency. The Company has limited foreign currency exposure which are mainly in cash. Foreign currency transaction exposures arising on internal and external trade flows are not material and therefore not hedged. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. This is the risk that the Company may suffer losses as a result of adverse exchange rate movement during the relevant period.

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The carrying amounts of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the year, which are not hedged are as follows:

	31 st March, 2025 (BHD)	31 st March, 2024 (BHD)
Financial Assets		
Investment in shares	330,000	270,000
Loans	755,782	702,429
Receivable	197,582	153,389

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in BHD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Currency	Change in rate	Net effect on profit before tax (Incremental amount)
31 st March, 2025	BHD	+5%	64,168
	BHD	-5%	(64,168)
31 st March, 2024	BHD	+5%	56,291
	BHD	-5%	(56,291)

(ii) Interest rate risk exposure

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has issued fixed rate bonds and loans taken from banks are linked to MCLR rate of the bank, which are variable. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows

Below are borrowings excluding debt component of compound financial instruments and including current maturity of non current borrowings:

	31 st March, 2025	31 st March, 2024
Variable rate borrowings	486,441	501,163
Fixed rate borrowings	102,276	97,032
Total Borrowing	588,717	598,195

As at the end of the reporting period, the entity did not had any variable rate borrowings.

34 Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31 st March, 2025	INR	+50	285
	INR	-50	(285)
31 st March, 2024	INR	+50	269
	INR	-50	(269)

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

35 Capital management

For the purpose of the Company's capital management, equity includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base,



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which is debt to equity. The company's policy is to keep debt equity ratio below three and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management. In order to achieve the aforesaid objectives, the Company has not sanctioned any major capex on new expansion projects in last two to three years. There is constant endeavour to reduce debt as much as feasible and practical by improving operational and working capital management.

Particulars	31 st March, 2025	31 st March, 2024
Net debt	588,717	598,195
Total equity attributable to owners	1,957,960	1,884,157
Net Debt to equity ratio	30.07%	31.75%

Risk management

The Company's objective when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital

The Company currently has loans from the banks.

- Loan covenants:

Under the terms of its major borrowing facilities, the Company is required to comply with the following financial covenants:

- all collections should be routed through the bank of the provider of the facility.

The Company has complied with the covenants throughout the reporting period. As at 31st March, 2025.

36 Related party disclosures

Details of related parties including summary of transactions entered into by the Company during the year ended 31st March, 2025 are summarized below:

A) Parties where control exists

(i) Shareholders holding more than 20%

- Subhash Ghai

(ii) Subsidiary companies

- Whistling Woods International Limited
- Connect.1 Limited
- Mukta Tele Media Limited
- Mukta Creative Venture Ltd
- Mukta A2 Cinemas Pvt Limited (Formerly known as Mukta A2 Cinemas Limited)
- Mukta A2 Multiplex WLL

(iii) Joint Venture

- Mukta VN Films Limited

(iv) Step Down Subsidiary Company

- Whistling Woods International Education Foundation

(v) Key management personnel and relatives of such personnel

- Subhash Ghai - Chairman Director (and shareholder)
- Parvez Farooqui - Non-Executive Director (and shareholder)
- Rahul Puri - Managing Director
- Mukta Ghai - Wife of Subhash Ghai (and shareholder)
- Ashok Ghai - Brother of Subhash Ghai
- Siraj Farooqui - Brother of Parvez Farooqui
- Sameer Farooqui - Brother of Parvez Farooqui
- Meghna Ghai Puri - Daughter of Subhash Ghai (and shareholder)
- Muskaan Ghai - Daughter of Subhash Ghai

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(v) **Enterprise over which key management personnel have control/ substantial interest/ significant influence**

- Mukta Arts – Proprietary concern of Subhash Ghai
- Mukta Tele Arts Private Limited – Enterprise in which Subhash Ghai exercises significant influence

B Transactions with related parties for the year ended 31st March, 2025 are as follows:-

Transactions	Subsidiary companies		Key Management Personnel and relatives of such personnel		Enterprises over which key management personnel have control/ substantial interest/ significant influence	
	2025	2024	2025	2024	2025	2024
Rendering of services - Sale of products						
Mukta A2 Cinemas Pvt Limited - Rent & Maintenance Charges	3,077	3,077	-	-	-	-
Whistling Woods International Ltd - Rent & Maintenance Charges	15,837	14,115	-	-	-	-
Mukta VN Films Limited	-	-	-	-	6,120	6,120
Receiving of services						
Ashok Ghai - Professional fees paid	-	-	3,849	3,849	-	-
Muskaan Ghai - Professional fees paid	-	-	85	-	-	-
Interest income						
Whistling Woods International Limited	22,284	20,322	-	-	-	-
Mukta A2 Multiplex WLL	9,804	7,866	-	-	-	-
Mukta A2 Cinemas Pvt Limited	64,325	55,708	-	-	-	-
Mukta VN Films Limited	-	-	-	-	1,800	1,805
Interest expenses						
Mukta Creative Venture Ltd	70	104	-	-	-	-
Connect.1 Limited	150	165	-	-	-	-
Rent expenses						
Subhash Ghai	-	-	2,225	2,400	-	-
Salaries and other benefit						
Siraj Farooqui	-	-	5,393	5,116	-	-
Sameer Farooqui	-	-	1,455	1,380	-	-
Managerial remuneration						
Subhash Ghai	-	-	8,587	8,587	-	-
Subhash Ghai - Professional Fees - Janaki	-	-	15,300	5,500	-	-
Rahul Puri	-	-	6,612	6,280	-	-
Reimbursement of expenses received by the Company (net)						
Whistling Woods International Limited	1,002	1,070	-	-	-	-



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(₹ in '000)

Transactions	Subsidiary companies		Key Management Personnel and relatives of such personnel		Enterprises over which key management personnel have control/ substantial interest/ significant influence	
	2025	2024	2025	2024	2025	2024
Mukta VN Films Limited	-	-	-	-	328	339
Mukta A2 Cinemas Pvt Limited	298	1,854	-	-	-	-
Loan given during the year						
Mukta A2 Multiplex WLL	10,379	-	-	-	-	-
Mukta A2 Cinemas Pvt Limited	80,450	32,900	-	-	-	-
Whistling Woods International Limited	94,300	28,100	-	-	-	-
Loan repaid during the year						
Whistling Woods International Limited	22,500	32,000	-	-	-	-
Mukta A2 Cinemas Pvt Limited	750	22,900	-	-	-	-
Loan receivable						
Whistling Woods International Limited	253,000	181,200	-	-	-	-
Mukta A2 Multiplex WLL	171,268	155,293	-	-	-	-
Mukta A2 Cinemas Pvt Limited	689,700	610,000	-	-	-	-
Mukta VN Films Limited	-	-	-	-	20,000	20,000
Amount receivable						
Whistling Woods International Limited	-	2,049	-	-	-	-
Mukta A2 Cinemas Pvt Limited	22,233	44,868	-	-	-	-
Mukta VN Films Ltd	-	-	-	-	17,435	3,592
Interest receivable						
Whistling Woods International Limited	2,129	1,513	-	-	-	-
Mukta A2 Cinemas Pvt Limited	229,702	133,649	-	-	-	-
Mukta A2 Multiplex WLL	44,774	33,911	-	-	-	-
Other Payables						
Siraj Farooqui	-	-	354	645	-	-
Sameer Farooqui	-	-	103	187	-	-
Subhash Ghai	-	-	1,350	1,350	-	-
Rahul Puri	-	-	325	589	-	-
Advances payable						
Mukta Creative Venture Ltd	1,081	1,019	-	-	-	-
Connect.1 Limited	1,635	1,623	-	-	-	-
Letter of support to Whistling Woods International Limited	-	-	-	-	-	-

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

37 Disclosure as per Clause 32 of the Listing agreement

Name of the Company	Balance as at		Maximum outstanding during the year	
	2025	2024	2025	2024
(a) Particulars in respect of loans and advances in the nature of loans to subsidiary/ associate companies				
- Whistling Woods International Limited	253,000	181,200	254,500	200,200
- Mukta A2 Multiplex WLL	171,268	155,293	171,268	155,293
- Mukta A2 Cinemas Pvt Limited	689,700	610,000	689,700	610,000
- Mukta VN Films Ltd	20,000	20,000	20,000	20,000
(b) Particulars of Loans and advances to Companies in which director (s) is a Director or member:				
None	-	-	-	-
(c) Particulars in respect of loans and deposits to subsidiary / associate companies where there is no repayment schedule				
- Whistling Woods International Limited	253,000	181,200	254,500	200,200
- Mukta A2 Multiplex WLL	171,268	155,293	171,268	155,293
- Mukta A2 Cinemas Pvt Limited	689,700	610,000	689,700	610,000
- Mukta VN Films Ltd	20,000	20,000	20,000	20,000

38 Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for aggregate to Rs Nil (31st March, 2024 Rs Nil).

39 Contingent liabilities

	31 st March, 2025	31 st March, 2024
a) Service tax liability in appeal (note 1)	1,675	1,675
b) Corporate guarantee given by the Company against a loan facility taken by its subsidiary company Mukta A2 Cinemas Pvt Ltd.	-	35,655
c) Support letter provided to Whistling Woods International Limited, a subsidiary of the Company and to Mukta VN Films Limited.		

Notes

- 1) Unless specified, the amounts are excluding penalty and interest, if any, that would be levied at the time of final conclusion.
- 2) The Company is party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on the financial conditions, results of operations or cash flows.
- 3) In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its financial statements. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Company's results of operations or financial condition.
- 4) The Company has availed the benefit of payment of customs duty and other duties at a concessional rate on import of capital goods, under the Export Promotion Capital Goods ('EPCG') Scheme, against fulfillment of export commitment over eight years from the date of issue of the license. The Company's bankers have provided guarantees amounting to Rs 17,632,440 (31st March, 2024: Rs 18,070,385) to the Customs and other statutory authorities, on behalf of the Company, towards fulfilment of these commitments. The Company believes that the export commitment obligations will be fulfilled and accordingly does not expect any custom and other duties, penalty or interest to be levied with respect to non-fulfilment of the terms and conditions of the EPCG scheme.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

40 Expenditure in foreign currency (on accrual basis)

During the year, no expenditure incurred in foreign currency.

41 Earnings in foreign exchange (on accrual basis)

Earnings in foreign currency for the year ended 31st March, 2025 is Rs. 98.03 Lacs (31st March, 2024 Rs 78.65 Lacs).

- 42 Public Interest Litigations ('PIL') had been filed alleging that the Maharashtra Film, Stage and Cultural Development Corporation Limited ('MFSCDCL') had not followed proper procedure while entering into a Joint Venture Agreement ('JVA') with the Company and in the subsequent allotment of 20 acres of land to the said joint venture, Whistling Woods International Limited ('WWI'), a subsidiary of the Company. During the year 2011-2012, pursuant to the Order of the Hon'ble High Court of Judicature at Bombay ('High Court') dated 9th February, 2012, inter-alia, the JVA with MFSCDCL was quashed / rendered cancelled, WWI was ordered to return the land to MFSCDCL and pay rent (and interest on arrears) retrospectively on the entire land since the date of the JVA. Of the total land admeasuring 20 acres, 14.5 acres vacant unused land was handed over to MFSCDCL on 18 April 2012 and the balance was to be handed over on or before 31st July, 2014. Pending discussion and / or agreement with MFSCDCL and / or clarifications to be sought from the concerned parties, no adjustments have been made to the Share Capital structure of WWI and the carrying value of the land rights in its books of account. However, in terms of the Order of the High Court, the said amount together with future rent till the date of vacation of the premises is adjustable against the market price of the Institute building of WWI on the said land. The valuation is to be carried out by an expert valuer to be appointed by the Government. During the year 2013-2014, the PWD Engineer has given his valuation report based on the Balance Sheet of WWI as at 31st March, 2011. Further, the Company made an application to the Government of Maharashtra in February 2013 to appoint expert valuers to determine the market price. WWI's petition for special leave to file appeal with the Supreme Court of India was dismissed. However, the Company and WWI filed review petitions with the High Court. In terms of Order dated 9 February 2012 passed by the High Court, MFSCDC raised net demand of Rs. 591,966,210 and asked WWI to vacate the premises. The Company's and WWI's Review Petitions were heard by High Court and a stay was granted on 30th July, 2014. The High Court ordered the Company / WWI to pay arrears of rent for the years 2000-2001 to 2013-2014 aggregating to Rs 100,038,000 by January 2015 and to pay rent of Rs 4,500,000 per annum from the financial year 2014-2015. As per the terms of the said Order, till 31st March, 2025 Rs 113,538,000 has been paid by the Company and Rs 36,000,000 has been paid by WWI. The State Government of Maharashtra and MFSCDCL challenged the Order of the Bombay High Court in the Supreme Court which was dismissed by the court on 22nd September, 2014 with recourse to the State Government of Maharashtra to make an application to the High Court. Pending final disposal of the review petitions and valuation of the building, and in view of the future plans for WWI which are being evaluated, management believes that the Company's investments in WWI aggregating Rs 399,511,218 and amounts due therefrom aggregating Rs 441,290,157 are good and recoverable as management is hopeful of reliefs based on the issues involved and on merits of the case, as also of a high valuation of the building. The amounts so paid/ being paid by the Company have been treated as Deposits in the standalone financial statements to be adjusted on the settlement of the case.

43 Disclosure pursuant to Section 186 of the Companies Act, 2013

a) Details of loan given:

Name of the the entity and relation with the Company, if applicable	Terms and conditions of the loan and purpose for which it will be utilised
Whistling Woods International Limited, subsidiary of the Company	Unsecured loan given @11% for the purpose of financial support to subsidiary which is repayable on mutual consent.
Mukta A2 Multiplex WLL, subsidiary of the Company	Unsecured loan given @6% for the purpose of financial support to subsidiary which is repayable on mutual consent.
Mukta A2 Cinemas Pvt Limited, subsidiary of the Company	Unsecured loan given @10% for the purpose of financial support to subsidiary which is repayable on mutual consent

MUKTA ARTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

Movement of loan during the financial years ended 31st March, 2025 and 31st March, 2024 is given below:

Name of Party	Financial year	Opening balance (excluding accrued interest)	Loan given	Loan repaid/ Adjustment	Closing balance (excluding accrued interest)
Whistling Woods International Limited, subsidiary of the Company	Year ended 31 st March, 2025	181,200	94,300	22,500	253,000
	Year ended 31 st March, 2024	185,100	28,100	32,000	181,200
Mukta A2 Cinemas Pvt Ltd, subsidiary of the Company	Year ended 31 st March, 2025	610,000	80,450	750	689,700
	Year ended 31 st March, 2024	600,000	32,900	22,900	610,000
Mukta A2 Multiplex WLL, subsidiary of the Company	Year ended 31 st March, 2025	155,293	15,974	-	171,267
	Year ended 31 st March, 2024	130,736	24,557	-	155,293
Om Films Private Limited	Year ended 31 st March, 2025	17,600	-	-	17,600
	Year ended 31 st March, 2024	17,600	-	-	17,600

44 Disclosure of Ratios

Particulars	As at 31 st March 2025	As at 31 st March 2024	% of Variance	Reason for variance for more than 25%
i) Debt Equity ratio - [no. of times] Total debt/ Total equity	0.30	0.32	(5)	
ii) Debt service coverage ratio ('DSCR') - [no. of times] EBITDA / (Interest expenses** + Principal repayments of long term borrowings due within 12 months from the balance sheet date)	4.89	5.60	(13)	
iii) Current ratio [no. of times] (Total current assets - Derivatives financial assets) / (Total current liabilities - Short term borrowings****)	15.08	5.15	193	Due to decrease in income received in advance and increase in trade receivable.
iv) Trade receivables turnover ratio (times) (Sale of services/ Closing trade receivables)	0.53	1.25	(58)	Due to increase in trade receivable and decrease in sales.
v) Net profit/(loss) margin [%]² Profit/(Loss) after tax / Revenue from operations	1.74	1.43	21	
vi) Return on Equity Ratio [%]³ Profit/(Loss) after tax / Total equity	0.04	0.06	(28)	Due to decrease in profit.
vii) Return on Capital Employed Ratio [%] {Earnings before Interest & Taxes (EBIT)}**** / Total Capital Employed*****}	0.06	0.07	(15)	
viii) Trade payables turnover - [no. of times] Total expenses less depreciation / Closing Trade payables	16.46	7.73	113	Due to decrease in trade payable.

** Interest expenses exclude notional interest and other finance charges.

*** Total debt represents Total borrowings + Interest accrued but not due.

****Short term borrowings represents current borrowings including current maturities of long term debt + Interest accrued but not due.

*****Earning before interest and taxes (EBIT) = EBT+ Interest)

*****Total Capital employed represents Tangible net worth + total debt + deferred tax liability.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

45 Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(Amount in Rs. '000)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	868	988
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act).	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-

Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.

Note:- This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of informations available with the company.

46 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed that there are no long-term contracts including derivative contracts for which there were any material foreseeable losses.

47 Pursuant to the provisions of the Companies Act, 2013 read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the shares pertaining to which dividend remains unclaimed/ unpaid for a period of seven years from the date of transfer to unpaid dividend account are mandatorily required to be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government.

48 Other information

Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company for the year/period.

49 Prior period comparatives

The figures for the previous year have been reentitied/ rearranged as necessary to conform to the current year's presentation.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**

Chartered Accountants

Firm's Registration No: 111184W

For and on behalf of the Board of Directors of

Mukta Arts Limited

CIN: L92110MH1982PLC028180

CA Subhash Jhunjunwala

Partner

Membership No: 016331

Subhash Ghai

Chairman Director

DIN: 00019803

Rahul Puri

Managing Director

DIN: 01925045

Date: 28th May, 2025

Place: Mumbai

Parvez A. Farooqui

Director

DIN: 00019853

Jabir Contractor

Chief Financial Officer

MUKTA ARTS LIMITED

Independent Auditor's Report on Consolidated Financial Results

To

The Board of Directors Mukta Arts Limited

Report on the Audit of the Consolidated Annual Financial Statement Qualified Opinion:

We have audited the accompanying consolidated annual financial results of Mukta Arts Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its Joint Ventures for the year ended 31st March, 2025, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulation').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries and joint venture, except the possible effects of the matters described in "Basis for Qualified Opinion" Para below, the aforesaid consolidated annual financial results:

- a) include the annual financial results of the following entities
 - i. Subsidiaries:
 - 1. Mukta Creative Ventures Limited
 - 2. Whistling Woods International Limited
 - 3. Mukta A2 Cinemas Pvt Limited (Formerly known as Mukta A2 Cinemas Limited)
 - 4. Mukta Tele Media Limited
 - 5. Connect.1 Limited
 - 6. Mukta A2 Multiplex WLL (incorporated in Bahrain)
 - 7. Whistling Woods International Education Foundation (100% Subsidiary of Whistling Woods International Limited)
 - ii. Joint Ventures:
 - 1. Mukta VN Films Limited
- b) are presented in accordance with requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as amended; and
- c) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, of the consolidated net loss, total comprehensive income (loss) and other financial information of the group and its joint venture, for the year ended 31st March, 2025.

Basis for Qualified Opinion:

- 1. As at 31st March, 2025, the company's investment in its subsidiary (including deemed investment), Whistling woods International Limited (WWIL) a joint venture between the company and Maharashtra Film, Stage and Cultural Development Corporation Limited (MFSCDCL), aggregates to Rs. 19,95,11,218/- and loans and advances, deposits, interest receivable and rent receivable aggregate to Rs. 64,13,83,146/- recoverable from WWIL. As fully explained in Note 43 to the accompanying audited financial statements, the Order of February 9, 2012 passed by the High Court of judicature at Bombay ('High Court'), had quashed the joint Venture Agreement ('JVA') between the company and Maharashtra Film Stage Cultural Development Corporation ('MFSCDCL'). Maharashtra Film Stage and Cultural Development Corporation ('MFSCDC') raised net demand of Rs. 59,19,66,210/- and asked WWIL to vacate the premises. WWIL's petition for special leave to appeal filed with the Supreme Court of India had also been dismissed. The Company and WWIL had filed application to review the said order with the High Court and an Interim stay was granted on July 30, 2014 which required deposit of Rs.10,00,38,000/- by January 2015 against payment of arrears of rent for the year 2000-01 to 2013-14 and payment of Rs.45,00,000/- per annum from Financial Year 2014-15 till the settlement of the case, to MFSCDCL. As per the terms of the said Order, till financial year 2016-17, Rs. 11,35,38,000/- has been paid by the Holding Company and for financial year 2017-18 to 2021-22 Rs. 45,00,000/- per annum has been paid by WWIL. The State Govt. of Maharashtra and MFSCDCL challenged the order of the High Court in the Supreme Court which was dismissed by the Supreme Court on September 22, 2014. The amount so paid / being paid by the Company have been accounted under Non - Current Other Financial Assets in the Consolidated Financial Statements to be adjusted on the settlement of the case. Management of WWIL informs that these will be accounted as an expense, if required, on the settlement of the case.

Additionally, without giving effect to the matter as stated above, WWIL's net worth stands fully eroded as at 31st March, 2025. Having regard to the circumstances explained above and pending final outcome of the matter under litigation, the Company has not made any adjustment to the carrying value of investment in and amounts due from WWIL and the deposit paid consequent to the High Court's Orders. Accordingly, the impact on the carrying value of investments, recoverability of loans and advances and consequential impact on loss for the year and reserves is not determinable.
- 2. The Ministry of Corporate Affairs (MCA) on March 30, 2019 notified Ind AS 116 "Leases" as part of Companies (Indian Accounting Standards) Amendment Rules, 2019. The new standard is effective from reporting periods beginning on or



Independent Auditors' Report (Continued)

after April 1, 2019. Pending final outcome of the matter under litigation as mentioned above, no adjustment has been made in WWIL's Financial Statements with respect to Ind AS 116 on the land rights.

Emphasis of Matter

1. During the year ended 31st March, 2025, Mukta A2 Cinemas Pvt Ltd (Subsidiary) has incurred loss before tax (including other comprehensive income) of Rs 15,15,88,097/- and has accumulated losses of Rs.98,37,17,972/- as on 31st March, 2025. Further the company's net worth has been fully eroded and there is a deficit of Rs.96,87,17,972/- in the shareholder's equity as on 31st March, 2025. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. However, management believes that it is appropriate to prepare financial statements on a going concern basis. In terms of operations, the Company is optimistic regarding the near-term future of the film exhibition business in India. The projected operating plans also reflect the same. The financials have therefore been prepared on the Going Concern Concept.
2. There is an emphasis of matter with regards to the financial statements of Mukta A2 Multiplex WLL on account of deficit in the Shareholder's Equity and the company's current liability exceeding its current assets as on 31st March, 2025. These conditions indicate the existence of material uncertainty which may cast a significant doubt about the Company's ability to continue as a going concern.

Our conclusion on the Statement is not modified in respect of the above matters.

Management's Responsibility for the audit of the Financial Statements:

These Consolidated annual financial results have been prepared on the basis of the Consolidated annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these Consolidated annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated annual financial results, the Management and the Board of Directors are 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

the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated annual financial results 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 consolidated annual financial results.

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

- Identify and assess the risks of material misstatement of the Consolidated annual financial results, 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 fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

MUKTA ARTS LIMITED

Independent Auditors' Report (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 Consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated annual financial results, including the disclosures, and whether the Consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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.

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.

Other Matter

- (a) The Statement include the audited financial results of five subsidiaries (excluding Mukta A2 Cinemas Pvt Ltd., which has been audited by us), whose financial statements reflect total assets of Rs.74,20,92,576/- as at 31st March, 2025, total revenue of Rs.82,57,58,644/- and total net profit/ (loss) after tax of Rs. (8,46,93,406)/- for the year ended 31st March, 2025 and for the period from 1 April 2024 to 31st March, 2025 respectively, as considered in the Statement, which have been audited by its independent auditors. The independent auditors' report on the financial statements/ results of this entity have been furnished to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

- (b) We did not audit the financial statements / financial information of one Joint Venture, for the year ended 31st March, 2025, as considered in the consolidated financial statements of Mukta Arts Limited. The consolidated financial statements also include the Group's share of net loss of Rs.2,26,301/- for the year ended 31st March, 2025, as considered in the consolidated financial statements. These financial statements / financial information are yet to be audited and the Independent Audited Report have not been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the same is solely based upon the management certified Financial Statements provided to us, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Joint Venture, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information is not material to the Group.

Our opinion on the statements is not modified in respect of above matters.



Independent Auditors' Report (Continued)

- (c) We report that the figures for the quarter ended 31st March, 2025 represent the derived figures between the audited figures in respect of the financial year ended 31st March, 2025 and the published unaudited year-to-date figures up to December 31, 2024 being the date of the end of the third quarter of the current financial year, which were subjected to a limited review by us.

For Uttam Abuwala Ghosh & Associates

Chartered Accountants

Firm Registration No. 111184W

CA Subhash Jhunjunwala

Partner

Membership No.: 016331

UDIN: 25016331BMJPPF6590

Date: 28th May, 2025

Place: Mumbai

MUKTA ARTS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note No.	As at 31 st March, 2025	As at 31 st March, 2024
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	6 (a)	603,063	644,976
(b) Right of use Asset	6 (d)	460,378	332,902
(c) Capital work-in-progress	6(b)	36,423	27,405
(d) Investment property	7	124,847	126,570
(e) Intangible assets	6 (c)	101,005	87,444
(f) Intangible Assets under Development	6 (e)	112,208	66,939
(g) Financial assets			
(i) Investments	8 (a)	44,551	40,631
(ii) Others financial assets	8 (b)	183,187	194,235
(h) Deferred tax assets (net)	9	17,598	29,301
(i) Other non-current assets	10	150,616	113,528
Total Non-current assets		1,833,876	1,663,930
Current assets			
(a) Inventories	11	13,459	11,500
(b) Financial assets			
(i) Current investments	12 (a)	20,601	9,500
(ii) Trade receivables	12 (b)	176,552	79,697
(iii) Cash and cash equivalents	12 (c)	23,447	27,130
(iv) Bank balances other than (iii) above	12 (d)	46,758	83,363
(v) Loans	12 (e)	126,778	141,218
(vi) Others financial assets	12 (f)	80,447	95,820
(c) Other current assets	13	102,172	124,818
Total Current assets		590,214	573,046
Total Assets		2,424,090	2,236,976
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	112,926	112,926
(b) Other Equity	15	(574,202)	(389,818)
Equity attributable to the owner of the Company		(461,276)	(276,892)
Non Controlling Interest		70,689	56,148
Total Equity		(390,587)	(220,744)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16 (a)	580,653	590,446
(ii) Lease liabilities	16 (b)	472,031	352,779
(iii) Other financial liabilities	16 (c)	177,565	194,152
(b) Long Term Provisions	17	65,172	55,816
(c) Other non-current liabilities	18	467,028	15,016
Total Non-Current Liabilities		1,762,449	1,208,209
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19 (a)	66,566	132,258
(ii) Lease liabilities	19 (b)	53,262	40,332
(ii) Trade payables	19 (c)	389,782	443,978
(iii) Other financial liabilities	19 (d)	140,326	156,660
(b) Other current liabilities	20	312,692	352,067
(c) Short Term Provisions	21	89,601	124,216
Total Current liabilities		1,052,229	1,249,511
Total Equity and Liabilities		2,424,090	2,236,976

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**
Chartered Accountants
Firm's Registration No: 111184W

For and on behalf of the Board of Directors of
Mukta Arts Limited
CIN: L92110MH1982PLC028180

CA Subhash Jhunjunwala
Partner
Membership No: 016331

Subhash Ghai
Chairman Director
DIN: 00019803

Rahul Puri
Managing Director
DIN: 01925045

Date: 28th May, 2025
Place: Mumbai

Parvez A. Farooqui
Director
DIN: 00019853

Jabir Contractor
Chief Financial Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

(Amount in Rs. '000)

	Notes	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
(I) Revenue from operations	22	1,667,236	1,945,468
(II) Other income	23	131,481	140,578
(III) Total Income (I+II)		1,798,717	2,086,046
(IV) Expenses			
(a) Changes in inventory of food & beverages	24	(1,801)	781
(b) Purchase of food & beverages		69,157	74,832
(c) Cost of production, distribution, exhibition and theatrical operation	25	372,990	528,206
(d) Other direct operation expenses	26	7,215	8,467
(e) Employee benefits expense	27	404,591	398,607
(f) Finance costs (net)	28	135,183	147,626
(g) Depreciation and amortisation expenses	29	189,170	197,815
(h) Other expenses	30	772,332	793,384
Total Expenses		1,948,838	2,149,718
(V) Profit/(Loss) before share in joint venture and tax (III - IV)		(150,121)	(63,672)
(VI) Share in Joint Venture		(226)	1,345
(VII) Profit/(Loss) before tax (V + VI)		(150,347)	(62,328)
Tax expense			
Current tax		8,700	11,100
Deferred tax		10,497	(7,862)
Taxes for earlier years		3,565	1,025
(VIII) Profit/(Loss) for the year		(173,109)	(66,590)
(IX) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Less : Remeasurement gain on defined benefit plan		1,481	733
Other comprehensive income for the year		1,481	733
(X) Total comprehensive income for the year (VII+VIII)		(171,628)	(65,857)
Profit/(Loss) is attributable to :			
Owners		(173,109)	(66,590)
Non Controlling Interest		-	-
		(173,109)	(66,590)
Other comprehensive income is attributable to :			
Owners		1,481	733
Non Controlling Interest		-	-
		1,481	733
Total comprehensive income is attributable to :			
Owners		(171,628)	(65,857)
Non Controlling Interest		-	-
		(171,628)	(65,857)
(X) Earnings per share	32		
Basic (nominal value Rs. 5)		(7.60)	(2.92)
Diluted (nominal value Rs. 5)		(7.60)	(2.92)

The above consolidated profit and loss account should be read in conjunction with the accompanying notes.
This is the profit and loss account referred to in our report of even date.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**
Chartered Accountants
Firm's Registration No: 111184W

For and on behalf of the Board of Directors of
Mukta Arts Limited
CIN: L92110MH1982PLC028180

CA Subhash Jhunjunwala
Partner
Membership No: 016331

Subhash Ghai
Chairman Director
DIN: 00019803

Rahul Puri
Managing Director
DIN: 01925045

Date: 28th May, 2025
Place: Mumbai

Parvez A. Farooqui
Director
DIN: 00019853

Jabir Contractor
Chief Financial Officer

MUKTA ARTS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH, 2025

	Number	Amount
Balance as at 1st April, 2023	22,585,200	112,926
Add: Changes in equity share capital	-	-
Balance as at 31st March, 2024	22,585,200	112,926
Add: Changes in equity share capital	-	-
Balance as at 31st March, 2025	22,585,200	112,926

	Reserves & Surplus					Total other equity
	Securities Premium	General Reserve	Capital Reserve	Foreign Currency Reserve	Retained Earnings	
Balance as at 1st April, 2023	973,605	83,145	12	2,197	(1,377,985)	(319,027)
Profit/(loss) for the year	-	-	-	-	(66,590)	(66,590)
Transfer during the year	-	-	-	433	-	433
Other comprehensive income for the year	-	-	-	-	733	733
Other adjustment	-	-	-	-	(5,367)	(5,367)
Total Comprehensive income for the year	-	-	-	433	(71,224)	(70,791)
Dividend and dividend tax	-	-	-	-	-	-
Employee stock option compensation expense	-	-	-	-	-	-
Balance as at 31st March, 2024	973,605	83,145	12	2,630	(1,449,209)	(389,818)
Profit for the year	-	-	-	-	(173,109)	(173,109)
Transfer during the year	-	-	-	53	-	53
Other comprehensive income for the year	-	-	-	-	1,481	1,481
Other adjustment	-	-	-	-	(12,809)	(12,809)
Total Comprehensive income for the year	-	-	-	53	(184,437)	(184,384)
Transfer from/to share option outstanding account	-	-	-	-	-	-
Employee stock option compensation expense	-	-	-	-	-	-
Balance as at 31st March, 2025	973,605	83,145	12	2,683	(1,633,646)	(574,202)

The above consolidated statement of changes in equity account should be read in conjunction with the accompanying notes.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**
Chartered Accountants
Firm's Registration No: 111184W

For and on behalf of the Board of Directors of
Mukta Arts Limited
CIN: L92110MH1982PLC028180

CA Subhash Jhunjhunwala
Partner
Membership No: 016331

Subhash Ghai
Chairman Director
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Rahul Puri
Managing Director
DIN: 01925045

Date: 28th May, 2025
Place: Mumbai

Parvez A. Farooqui
Director
DIN: 00019853

Jabir Contractor
Chief Financial Officer



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(Amount in Rs. '000)

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Cash flow from operating activities		
Loss before tax	(150,121)	(63,672)
Non-cash adjustments to reconcile Profit before tax to net cash flows		
Depreciation and amortisation	189,170	197,815
Bad debts/ advances/ intangible assets under development written-off	14,982	16,856
Finance costs	135,183	147,626
Interest income	(16,342)	(14,312)
(Gain) on sale of tangible assets (net)	(1,876)	(8,873)
Operating profit before working capital changes	170,996	275,441
Movements in working capital:		
Increase/(Decrease) in other current liabilities	(34,615)	16,983
Increase/(Decrease) in other financial liabilities	(16,334)	18,562
Increase/(Decrease) in other non current liabilities	452,012	(37,493)
Increase/(Decrease) in other non current lease liabilities	119,253	(30,231)
Increase/(Decrease) in other non current financial liabilities	(16,588)	(98,553)
Increase/(Decrease) in lease liabilities	12,930	(19,095)
Increase/(Decrease) in trade payables	54,197	(57,276)
Increase/(Decrease) in Current Provisions	(39,376)	33,428
Increase/(Decrease) in Non current Provisions	9,356	6,092
(Increase)/Decrease in inventories	(1,959)	1,331
(Increase)/Decrease in trade receivables	(96,854)	10,389
(Increase) /Decrease in other non- current assets	(37,087)	20,283
(Increase)/Decrease in short-term loans and advances	14,440	851
(Increase)/Decrease in other non current financial assets	11,047	(9,730)
(Increase) /Decrease in other current assets	22,645	16,595
(Increase)/Decrease in other current financial assets	15,373	(22,400)
Cash generated from (used in) operations	639,436	125,176
Taxes paid (net)	(404,547)	(20,575)
Net cash generated from (used in) operating activities (A)	234,889	104,602
Cash flow from investing activities		
Investments in equity shares of subsidiaries	(15,020)	(9,500)
Purchase of fixed assets (tangible and intangible)	(78,562)	(71,504)
Proceeds from maturity/ (reinvestment) of fixed deposits, net	36,763	(2,403)
Proceeds from sale of fixed assets	12,574	21,546
Interest income	16,342	14,312
Net cash used in investing activities (B)	(27,904)	(47,550)
Cash flow from financing activities		
Secured loan (repaid)/taken, net	17,007	(12,885)
Unsecured loan (repaid)/taken , net	(92,492)	51,158
Finance charges (net)	(135,183)	(147,626)
Net cash flow from / (used in) financing activities (C)	(210,668)	(109,352)
Net increase /(decrease) in cash and cash equivalents (A + B + C)	(3,682)	(52,298)
Cash and cash equivalents at the beginning of the year	26,908	79,206
Cash and cash equivalents at the end of the year (Refer note (b) below)	23,226	26,908

MUKTA ARTS LIMITED

Reconciliation of cash and cash equivalents as per the cash flow statement

(Amount in Rs. '000)

	31 st March, 2025	31 st March, 2024
Notes:		
(a) 'The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 prescribed in the Companies (Accounting Standards) Rules, 2006, which continue to apply under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules 2014.		
(b) 'Cash and cash equivalents at year-end comprises:		
(i) Cash on hand	2,302	4,234
(ii) Balances with scheduled banks in -in current accounts	20,924	22,674
Balances per statement of cash flows	23,226	26,908

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**

Chartered Accountants

Firm's Registration No: 111184W

For and on behalf of the Board of Directors of

Mukta Arts Limited

CIN: L92110MH1982PLC028180

CA Subhash Jhunjunwala

Partner

Membership No: 016331

Subhash Ghai

Chairman Director

DIN: 00019803

Rahul Puri

Managing Director

DIN: 01925045

Date: 28th May, 2025

Place: Mumbai

Parvez A. Farooqui

Director

DIN: 00019853

Jabir Contractor

Chief Financial Officer



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Notes to the consolidated financial statements (*Continued*)

1 Corporate information

Mukta Arts Limited ('Mukta' or 'the Company') is a company incorporated in India under the Companies Act, 1956. The Company was incorporated on 7 September 1982 as Mukta Arts Private Limited and was converted to a public limited company on 30 September 2000 and renamed as Mukta Arts Limited. The Company is promoted by Mr. Subhash Ghai who holds 55.34% of the outstanding equity share capital as at 31st March, 2025.

The Company is primarily engaged in the business of film production, distribution and film exhibition (wherein it provides film content to multiplexes and single screens across India and also manages/ runs theatres). The Company also provides production facilities to other production houses and independent producers. The Company has six subsidiaries, Whistling Woods International Limited (which is an education institute which imparts training in various skills related to films, television and media industry), Mukta Creative Ventures Ltd (which is a wireless solutions company with a focus on wireless content), Connect1 Limited (which is involved in marketing of film content), Mukta Tele Media Limited (which is involved in production of television serials) and one Joint venture, Mukta V N Films Limited (which is involved in the business of distribution and exhibition of films), Mukta A2 Cinemas Pvt Limited (which is involved in business of exhibition of films) and Mukta A2 Multiplex WLL (which is involved in business of exhibition of films).

The shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

2 Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements relate to Mukta Arts Limited ('the Company/ Parent Company') and its subsidiary companies. The Company along with its subsidiaries constitute 'the Group'.

The audited financial statements of the subsidiaries used for the purpose of consolidation are drawn upto the same reporting period as that of the parent Company, i.e. 31st March, 2025. These financial statements are audited by the auditors of the respective entities.

The consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards ('AS') prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, to the extent notified and applicable and guidelines issued by the Securities and Exchange Board of India ('SEBI'). The consolidated financial statements are presented in Indian Rupees, except where mentioned otherwise. 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.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

(i) Compliance with Indian Accounting Standard (Ind AS)

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The group adopted Ind AS from April 1, 2016.

(ii) Historical Cost Convention

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain financial assets and liabilities and defined benefit plan assets which have been measured at fair value.

2.2 Current versus non-current classification

The assets and liabilities reported in the balance sheet are classified as current or non-current. Current assets, which include cash and cash equivalents, are assets that are intended to be realised during the normal operating cycle of the Group or within 12 months of the balance sheet date; current liabilities are expected to be settled during the normal operating cycle of the Group or within 12 months of balance sheet date. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker of the Group assesses the financial performance and position of the Group and makes strategic decisions on the advice of the Managing Director of the Group.

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

2.4 Foreign Currency Transactions

The financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Group.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss. In case of Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.5 Revenue Recognition

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaced the existing revenue recognition requirements. Under the modified retrospective approach there were no adjustments required to the retained earnings at April 1, 2018. The application of Ind AS 115 has been considered and transactions entered into during the current year have been recorded accordingly.

Film/content production and related income

Revenue from sale of content/ motion pictures is recognised on assignment/sale of the rights in the concerned content/ motion picture from the date of their availability for exploitation or on the date of release of the content/ movie, as applicable.

Revenue from other rights in motion pictures such as satellite rights, overseas rights, music rights, video rights, etc., is recognised on assignment/ sale of the rights in the concerned motion picture from the date of their availability for exploitation.

Income from distribution and exhibition

Distribution/ sub-distribution commission is recognised as it is earned based on intimation by the theatre owners/ distributors.

Revenue from management of theatres is recognised on an accrual basis as per the contractual arrangement entered into with the theatre owners.

Theatrical exhibition and related income

Sale of tickets

Revenue from theatrical exhibition is recognised on the date of the exhibition of the films and comprises proceeds from sale of tickets, net of entertainment tax. As the Group is the primary obligor with respect to exhibition activities, the share of distributors in these proceeds is separately disclosed as distributors' share.

Sale of food and beverages

Revenue from sale of food and beverages is recognised upon sale and delivery at the counter.

Advertisement/ sponsorship revenue

Revenue from advertisements, sponsorship and events is recognised on the date of the exhibition of the advertisement/ event, over the period of the contract or on completion of the Group's obligations, as applicable.

Revenue from equipment hire/ facility rental

Income from equipment hire/ facility rental is recognised on a straight-line basis over the period of the relevant agreement/ arrangement.

Revenue from business support service

Revenue from business support service is recognised on rendering of service as per the terms and conditions of the agreement.

Consultancy fees/ tuition fees income/ infrastructure fees/ facilitation charges

- (a) Revenue from Non-refundable acceptance fees is recognised equally over the period of services rendered (i.e. course duration).
- (b) Revenue from tuition fees and infrastructure fees are recognised equally over the period of services rendered (i.e. course duration)
- (c) Revenue from institutional affiliation is recognised over the period of the course as per the contractual agreement.
- (d) Revenue from Business Support Services is recognised over the period as per the contractual agreement.
- (e) Revenue from sale of prospectus and application forms is recognised on delivery to the student.
- (f) Royalty fees from content usage is recognised as per the terms of the agreement.
- (g) Revenue from hire of premises and equipment is recognised over the period of hire.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

The student pays the fees based on a payment schedule. If the services rendered by the Company exceeds the payment, balance is disclosed as Contract Assets. If the payments exceed the services rendered, balance is disclosed as Deferred Revenue/ Advance fees received from students under Contract Liabilities.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The Company does not expect to have any contracts where the period between the transfer of the promised services to the customer/ student and payment by the customer/ student exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money

Dividend & Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is recorded using the Effective Interest rate.

2.6 Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salaries and wages, bonus, Compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is charged to the Statement of profit and loss in the period in which such services are rendered.

Post-employment benefits

Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity/fund and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards Provident Fund. The Group's contribution is recognised as an expense in the Statement of profit and loss during the period in which employee renders the related service.

Defined benefit plan:

The Group has calculated the gratuity liability for fifteen days per month based on the last basic salary drawn by the employee for every completed year of service or part thereof in excess of six months. The gratuity liability recognised in the Balance sheet represents the gratuity liability and as reduced by the fair value of the said assets. The scheme is funded with an insurance Group in form of qualify insurance policy.

Contributions are made to LIC in respect of gratuity based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit Method'. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted in the statement of profit and loss.

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The Group calculates the liability based on the total leave hour balance as at the year end restricted to forty two days and the last salary drawn by the employees.

2.7 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

2.8 Leases

Assets taken on operating lease

The Group has various operating leases, principally for office space, with various renewal options. Rental expense in agreements with scheduled rent increases is recorded on a straight-line basis over the lease term.

In case of certain cinema properties, rent is accounted as a certain percentage of revenue generated from the cinema property or fixed minimum guarantee amount, whichever is higher, as provided for in the lease agreements.

Assets given on operating lease

Lease rentals in respect of assets given on operating lease are recognised on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit received.

2.9 Taxation

Income-tax expense comprises current tax expense and deferred tax charge or credit.

Current tax

Provision for current tax is recognised in accordance with the provisions of the Income-tax Act, 1961 and is made based on the tax liability after taking credit for tax allowances and exemptions.

Minimum Alternative Tax Credit entitlement

Minimum Alternative Tax ('MAT') credit is recognised only to the extent there is convincing evidence that the Group will pay normal income tax in excess of MAT during the specified period.

MAT credit entitlement is reviewed as at each Balance sheet date and written down to the extent there is no longer convincing evidence that the Group will pay normal income tax during the specified period.

Deferred tax

Deferred tax liability or asset is recognised for timing differences between the profits or losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities and the corresponding deferred tax credit or charge are measured using the tax rates and tax laws that have been enacted or substantively enacted as at the Balance sheet date.

Deferred tax asset is recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realised.

2.10 Property, plant and equipment (PPE)

Items of Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes freight, duties, taxes (other than those recoverable from tax authorities) and other expenses directly attributable to the acquisition/ construction and installation of the fixed assets for bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Cost incurred on fixed assets not ready for their intended use is disclosed under capital work-in-progress. Capital work-in-progress includes estimates of work completed, as certified by the management.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, except for certain properties, the fair market value of which had appreciated substantially and the increase in their carrying amounts, supported by reports of independent valuers, was therefore recognised in profit and loss account and accumulated in reserves in shareholders' equity.

Depreciation methods, estimated useful lives and residual value

The Group applies depreciation rates as per the useful lives of the assets as specified in Part 'C' of Schedule II to the Companies Act 2013, except for the following class of assets where the useful life is higher than the useful life prescribed in Schedule II based on management estimates which is supported by assessment carried out by technical experts. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset class	Useful life
Plant and equipment	10-14 years
Furniture and fixtures	5 years



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

Cinematography equipment	10 years
Computers and IT equipment	6 years

Leasehold improvements/ premises are depreciated at the lower of the estimated useful lives of the assets and the lease term, on a straight-line basis.

2.11 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably.

Investment properties are depreciated using the written down value method over their estimated useful lives. Investment properties generally have a useful life of 30 years. The useful life has been determined based on technical evaluation performed by technical experts.

Transition to Ind AS

On transition to Ind AS, the entity has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties, the fair value of investment property is disclosed in notes.

2.12 Intangible assets

Film rights comprising negative rights and distribution rights

Negative film rights are generally exploited through media such as theatrical exhibition, television/ satellite, cable, etc. Negative film rights in respect of films produced are recorded at cost, which is determined on specific identification basis. Acquired negative rights are recorded at the purchase price paid to acquire the rights plus any additional cost incurred which is determined on specific identification basis. Cost incurred on films-in-progress is reported as Intangible assets under development.

Distribution rights in films are for a contractually specified mode of exploitation, period and territory and are stated at cost. Cost of distribution comprises original purchase price/ minimum guarantee, which is ascertained on specific identification basis. In case multiple films/ rights are acquired for a consolidated amount, cost is allocated to each film/ right based on the agreement or where it is not specified in the agreement, based on management's best estimates. In respect of unreleased films, payments towards distribution rights are classified under capital advances as the amounts are refundable in the event of non-release of the film.

Costs are amortised in the proportion that gross revenue realised bears to management's estimate of total gross revenue expected to be received. If estimates of the total revenue and other events or changes in circumstances indicate that the realisable value of a right is less than its unamortised cost, a loss is recognised for the excess of unamortised cost over the film rights' realisable value.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.13 Impairment of Non Financial Asset

In accordance with Ind AS 36 – intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit to which it belongs exceeds its recoverable amount. Impairment loss is recognised in the Statement of profit and loss or against revaluation surplus, where applicable.

If at the Balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciated historical cost.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

2.14 Inventory

Inventories of food and beverages are valued at the lower of cost and net realisable value. Cost of inventories comprises all cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on First-In, First-Out ('FIFO') basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

2.15 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments 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.

2.16 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

The entity classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, and transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets that are carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

Subsequent measurement of financial asset depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its financial assets as below:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial Assets measured at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met.

- a) Asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised 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. EIR amortisation is included in finance income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial Assets measured at fair value through other comprehensive income (FVTOCI)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual cash flows of the assets represent SPPI: Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Financial Assets measured at fair value through profit and loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109, "Financial Instruments" are measured at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. The Group makes such election



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

on an instrument-by-instrument basis. The classification is made on initial recognition which is irrevocable. If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. The Group has elected to measure its investment in subsidiaries at its previous GAAP carrying value which shall be the deemed cost as at the date of transition.

Derecognition of Financial Assets

A financial asset is primarily derecognised when: a) Rights to receive cash flows from the asset have expired, or b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset, where the entity retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets :

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Trade receivables

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers operate in largely independent markets and their credit worthiness is monitored at periodical intervals. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and is rated as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit loss(%)
0 - 1 years	0%
1 - 2 years	25%
2 - 3 years	40%
More than 3 years	100%

Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described herein:

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial Liabilities measured at amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised 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 amortisation is included as finance costs in the statement of Profit and Loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

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 the Statement of Profit and Loss.

Offsetting :

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.17 Measurement of fair values

The Group measures financial instruments, such as derivatives, at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied. Other financial instruments are valued using a discounted cash flow method based on assumptions supported, where possible, by observable market prices or rates.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes on financial instruments.

2.18 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of funds will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

4 Earnings per share ('EPS')

The basic earnings per equity share is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which may be issued on the conversion of all dilutive potential shares, unless the results would be anti-dilutive.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

5 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, may not equal the actual results. Management also needs to exercise judgement in applying the entity's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

Estimation of useful life:

Useful lives of PPE and intangible assets are based on the estimation by the management. The useful lives as estimated are the same as prescribed in Schedule II of the Companies Act, 2013. In such cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimates, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacement. Assumptions also need to be made, when the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets.

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

6 (a) Property, plant and equipment

	Tangible assets									
	Land rights	Ownership premises	Institute building	Leasehold premises	Plant and machinery	Motor vehicles	Furniture fixtures and office equipment	Library books	Computers	Total
Gross block										
As at 1st April, 2023	30,000	114,264	188,075	542,482	421,728	122,876	168,062	6,041	142,232	1,735,760
Additions	-	-	1,077	4,292	32,852	20,179	22,920	833	18,535	100,688
Disposals	-	-	-	58	984	8,902	976	-	-	10,920
Other adjustment	-	-	-	12,465	664	-	1,410	-	117	14,656
As at 31st March, 2024	30,000	114,264	189,151	559,180	454,260	134,153	191,417	6,873	160,884	1,840,184
Additions	-	-	1,986	5,389	24,920	1,705	17,969	721	10,985	63,675
Disposals	-	-	2,126	-	5,837	-	24	-	-	7,987
Other adjustment	-	(1,099)	-	(12,092)	937	-	2,138	-	157	(9,959)
As at 31st March, 2025	30,000	113,165	189,011	552,477	474,280	135,858	211,501	7,594	172,026	1,885,913
Accumulated Depreciation/ Amortisation										
As at 1st April, 2023	-	64,282	53,288	245,260	381,775	94,185	115,465	5,001	117,988	904,539
Charge for the year	-	3,794	6,693	28,401	17,338	12,666	19,928	1,323	16,633	106,776
Deduction	-	-	-	-	8	177	-	-	-	184
Other adjustment	-	(22)	-	13,281	(517)	-	(1,369)	-	-	11,373
As at 31st March, 2024	-	68,054	59,981	286,942	398,588	106,675	134,024	6,324	134,621	1,195,208
Charge for the year (refer note 5)	-	3,370	6,521	23,244	22,550	8,072	22,311	549	10,722	97,340
Deduction	-	-	717	263	5,075	2,926	607	-	110	9,698
Other adjustment	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2025	-	71,424	65,785	309,924	416,063	111,821	155,728	6,873	145,232	1,282,850
Net block										
As at 1st April, 2023	30,000	49,982	134,787	297,222	39,953	28,691	52,597	1,039	24,244	658,516
As at 31st March, 2024	30,000	46,210	129,171	272,238	55,672	27,478	57,394	549	26,264	644,976
As at 31st March, 2025	30,000	41,741	123,227	242,554	58,217	24,037	55,772	721	26,794	603,063

6 (b) Capital Work-in-progress

As at 1 st April, 2023	20,840
Additions (net)	6,565
As at 31st March, 2024	27,405
As at 1 st April, 2024	27,405
Additions (net)	9,018
As at 31st March, 2025	36,423



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

6 (c) Intangible assets

	Intangible assets					Total
	Distribution rights	Negative rights	Exhibition rights	Intellectual property rights (Course curriculum)	Computer software	
Gross block						
<i>As at 1st April, 2023</i>	243,349	809,728	2,500	102,544	12,852	1,170,973
Additions	-	-	-	44,502	-	44,502
Disposals	-	-	-	-	(119)	(119)
Other adjustment	-	-	-	-	(150)	(150)
<i>As at 31st March, 2024</i>	243,349	809,728	2,500	147,046	12,821	1,215,444
Additions	-	-	-	38,813	1,695	40,508
Disposals	-	-	-	-	-	-
Other adjustment	-	-	-	-	(14)	(14)
<i>As at 31st March, 2025</i>	243,349	809,728	2,500	185,859	14,502	1,255,938
Accumulated Depreciation/ Amortisation						
<i>As at 1st April, 2023</i>	243,349	809,728	2,500	40,573	10,743	1,106,893
Charge for the year	-	-	-	22,002	111	22,113
Deduction	-	-	-	-	-	-
Other adjustment	-	-	-	-	(1,005)	(1,005)
<i>As at 31st March, 2024</i>	243,349	809,728	2,500	62,575	9,849	1,128,001
Charge for the year (refer note 4)	-	-	-	25,667	1,304	26,971
Deduction	-	-	-	-	38	38
Other adjustment	-	-	-	-	-	-
<i>As at 31st March, 2025</i>	243,349	809,728	2,500	88,242	11,115	1,154,934
Net block						
<i>As at 31st March, 2024</i>	(0)	0	-	84,471	2,972	87,444
<i>As at 31st March, 2025</i>	(0)	0	-	97,617	3,387	101,005

6 (d) Right of use Asset

Gross block	
<i>As at 1st April, 2023</i>	678,144
Additions	43,047
Disposals	-
Other adjustment	111,532
<i>As at 31st March, 2024</i>	609,660
Additions	147,266
Disposals	-
Other adjustment	-
<i>As at 31st March, 2025</i>	756,926
Accumulated Depreciation/Amortisation	
<i>As at 1st April, 2023</i>	210,931
Charge for the year	65,827
Deduction	-
Other adjustment	-
<i>As at 31st March, 2024</i>	276,758
Charge for the year	19,790
Deduction	-
Other adjustment	-
<i>As at 31st March, 2025</i>	296,548
Net block	
<i>As at 31st March, 2024</i>	332,902
<i>As at 31st March, 2025</i>	460,378

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

6 (e) Intangible assets under development

As at 1 st April, 2023	78,038
Additions (net)	-
Disposals	11,099
Other Adjustments	-
As at 31st March, 2024	66,939
As at 1 st April, 2024	66,939
Additions (net)	306,130
Disposals	260,861
Other Adjustments	-
As at 31st March, 2025	112,208

- During the year ended on 31st March, 2025 and 31st March, 2024, there is no impairment loss determined at each level of CGU. The recoverable amount was based on value in use and was determined at the level of CGU.
- Refer Note - 16(a) for information on moveable property, plant and equipment pledged as security by the Company
- The Company has availed the deemed cost exemption and used the previous GAAP net carrying amount of property, plant and equipment as deemed cost.
- Tangible/Intangible assets are subject to first charge to secure the Company's term loan and cash credit loans (refer note 16(a) and 19(a))

7 Investment property

Particular	Building	Land	Total
As at 1st April, 2023	128,634	66,389	195,023
Additions	-	-	-
Disposals	-	-	-
Other adjustment	-	-	-
As at 31st March, 2024	128,634	66,389	195,023
As at 1st April, 2024	128,634	66,389	195,023
Additions	-	-	-
Disposals	-	-	-
Other adjustment	1,099	-	1,099
As at 31st March, 2025	129,733	66,389	196,122
Accumulated Depreciation/Amortisation			
As at 1 April 2023	65,539	-	65,539
Charge for the year	2,915	-	2,915
Deduction	-	-	-
Other adjustment	-	-	-
As at 31st March, 2024	68,453	-	68,453
As at 1st April, 2024	68,453	-	68,453
Charge for the year	2,822	-	2,822
Deduction	-	-	-
Other adjustment	-	-	-
As at 31st March, 2025	71,275	-	71,275
Carrying amounts (Net)			
At 1st April, 2023	63,095	66,389	129,484
At 31st March, 2024	60,181	66,389	126,570
At 31st March, 2025	58,458	66,389	124,847



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

(i) Information regarding Income and expenditure of Investment properties

	As at 31 st March, 2025	As at 31 st March, 2024
Rental income derived from Investment properties	57,108	53,354
Direct operating expenses	3,814	3,785
Profit arising from investment properties before depreciation and indirect expenses	53,294	49,569
Less: Depreciation	2,821	2,915
Profit arising from investment properties before indirect expenses	50,473	46,654

(ii) Fair Value

Particulars	Valuation Techniques (See note below)	Fair Value Hierarchy (See note below)	As at 31 st March, 2025	As at 31 st March, 2024
Investment properties	Stamp duty Reckoner rate	Level 2	972,650	1,301,375

Estimation of fair value

The Company has obtained independent valuation of its flats located at Bandra West and Andheri West based on current prices in an active market for properties of similar nature. The fair values of such investment flats have been determined by an independent valuer during 2024-25. The main inputs used are the rental growth rates and a study of the micro market in discussion with industry experts. Resulting fair value estimate for investment property are included in level 2.

8 Non Current Financial Asset

8(a) Investments

	As at 31 st March, 2025	As at 31 st March, 2024
A Non current investments		
Unquoted equity shares		
i) Investment in equity shares of joint venture accounted at FVTPL		
Mukta VN Films Limited		
27,500 (2024: 27,500) equity shares of ₹ 10 each, fully paid-up	33,000	33,000
Deemed Investment in Joint venture	5,185	5,185
Total (i)	38,185	38,185
ii) Investment in equity instruments-others at FVTPL (un-quoted)		
Bashiron Co. Op. Housing Society Limited 10 Shares (2024: 10) of Rs 50 each	1	1
Bait-Ush-Sharaf Co. Op. Housing Society Limited 10 Shares (2024: 10) of Rs 50 each	1	1
Others	6,365	2,445
Total (ii)	6,366	2,446
Total (i+ii)	44,551	40,631

8(b) Other financial assets

	As at 31 st March, 2025	As at 31 st March, 2024
Security deposits to		
- Others	48,980	59,196
Other advances	134,207	135,039
Total	183,187	194,235

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

9 Deferred tax assets (net)

	As at 31 st March, 2025	As at 31 st March, 2024
Deferred tax liability on		
Arising on account of timing differences in:	-	-
Total	-	-
Deferred tax asset on		
Provision for leave encashment and gratuity	6,252	8,265
Provision for doubtful debts and advances	1,086	1,296
Property, Plant and Equipment and intangible assets	9,452	13,947
Others	808	5,794
Total	17,598	29,301
Deferred tax assets (net)	17,598	29,301

Movement in deferred tax assets	Employee Benefits Obligations	Allowance for doubtful debts – trade receivables	Property, Plant and Equipment and intangible assets	Others	Total
At 1st April, 2023	3,789	553	8,823	5,836	19,001
(Charged)/credited:					
- to profit or loss	4,476	742	5,124	(42)	10,300
- to other comprehensive income	-				
At 31st March, 2024	8,265	1,296	13,947	5,794	29,301
(Charged)/credited:					
- to profit or loss	(2,013)	(210)	(4,495)	4,986	(1,731)
- to other comprehensive income					
At 31st March, 2025	6,252	1,086	9,452	808	17,598

10 Other non- current assets

	As at 31 st March, 2025	As at 31 st March, 2024
Capital advances	2,164	4,676
Advance tax (including TDS)	146,919	108,098
Deferred Income Account	299	416
Prepaid Expenses	1,233	338
Total	150,616	113,528

11 Inventories

	As at 31 st March, 2025	As at 31 st March, 2024
Food & Beverages	13,459	11,500
Total	13,459	11,500

12 Current Financial Assets

12(a) Current Investments

	As at 31 st March, 2025	As at 31 st March, 2024
Investment in Mutual Funds (Unquoted)	20,601	9,500
Total	20,601	9,500



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

12(b) Trade receivables

	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, considered good	186,576	93,765
Doubtful	28,656	31,904
Total	215,232	125,669
Less: Loss allowance		
Unsecured, considered good	10,024	14,068
Doubtful	28,656	31,904
	38,680	45,971
Net trade receivable	176,552	79,697

As on 31st March, 2025

Particulars	Outstanding for the following periods from due date of payment						Total
	Unbilled	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered good	-	78,953	44,501	45,628	24,586	21,564	215,232
Undisputed Trade Receivables-Which have significant credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables-Which have significant credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
Gross trade receivables	-	78,953	44,501	45,628	24,586	21,564	215,232
Loss allowance	-	-	-	14,526	10,586	13,568	38,680
Net trade receivables	-	78,953	44,501	31,102	14,000	7,996	176,552

As on 31st March, 2024

Particulars	Outstanding for the following periods from due date of payment						Total
	Unbilled	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered good	18	36,582	15,582	37,526	18,526	17,435	125,669
Undisputed Trade Receivables-Which have significant credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables-Which have significant credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
Gross trade receivables	18	36,582	15,582	37,526	18,526	17,435	125,669
Loss allowance	-	-	-	18,652	11,528	15,791	45,971
Net trade receivables	18	36,582	15,582	18,874	6,998	1,644	79,698

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

12(c) Cash and cash equivalents

	As at 31 st March, 2025	As at 31 st March, 2024
a. Cash on hand	2,302	4,234
b. Balances with banks		
In current account	20,924	22,674
Balance in dividend account	221	223
Total cash and cash equivalents in balance sheet	23,447	27,130

12(d) Bank balances other than 'Cash and cash equivalents

	As at 31 st March, 2025	As at 31 st March, 2024
Interest accrued on FD	1,352	1,195
Deposits with original maturity of more than 3 months and less than 12 months	45,406	82,169
Total Bank balances other than above	46,758	83,363

12(e) Loans and advances

	As at 31 st March, 2025	As at 31 st March, 2024
Staff Advances	7,448	6,107
Inter-corporate deposit to others	119,330	135,112
Total	126,778	141,218

12(f) Other financial assets

	As at 31 st March, 2025	As at 31 st March, 2024
Security deposits	57,555	42,233
Interest Accrued on Investments:	7,217	23,302
Unbilled revenue	15,449	30,059
Other receivable	226	227
Total	80,447	95,820

13 Other current assets

	As at 31 st March, 2025	As at 31 st March, 2024
Prepaid expenses	30,451	29,685
Advances	45,618	66,622
Balance with Government Authorities	3,005	8,652
Service Tax / GST input	23,099	19,858
Total	102,172	124,818

14 Equity share capital

	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of ₹ 5 each	24,000,000	120,000	24,000,000	120,000
	24,000,000	120,000	24,000,000	120,000
Issued, subscribed and fully paid- up				
Equity shares of ₹ 5 each	22,585,200	112,926	22,585,200	112,926
Total	22,585,200	112,926	22,585,200	112,926



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 5 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to shareholding.

Reconciliation of paid-up share capital (Equity Shares)

	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the year	22,585,200	112,926	22,585,200	112,926
Add: Issued during the year	-	-	-	-
Add: Acquisition of a subsidiary	-	-	-	-
Balance at the end of the year	22,585,200	112,926	22,585,200	112,926

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

	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹ 5 each				
1. Mr. Subhash Ghai	12,497,990	55.34%	12,497,990	55.34%
2. Ms. Meghna Ghai Puri	1,650,000	7.31%	1,650,000	7.31%
3. Ms. Mukta Ghai	1,650,000	7.31%	1,650,000	7.31%

15 Other equity

	As at 31 st March, 2025	As at 31 st March, 2024
Securities premium		
Balance at the beginning of the year	973,605	973,605
Add: Transfer during the year	-	-
Balance at the end of the year	973,605	973,605
General reserve		
Balance at the beginning of the year	83,145	83,145
Add: Transfer during the year	-	-
Balance at the end of the year	83,145	83,145
Capital reserve		
Balance at the beginning of the year	12	12
Add: Transfer during the year	-	-
Balance at the end of the year	12	12
Foreign Currency Reserve		
Balance at the beginning of the year	2,630	2,197
Add: Transfer during the year	53	433
Balance at the end of the year	2,683	2,630
Retained earnings		
Balance at the beginning of the year	(1,449,209)	(1,377,985)
Add: Net profit/(Loss) after tax for the year	(173,109)	(66,590)
Other comprehensive income	1,481	733
Other adjustment	(13,721)	(2,156)
Retained earnings(IND AS)	913	(3,211)
Balance at the end of the year	(1,633,646)	(1,449,209)
Total	(574,202)	(389,818)

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

16 Non Current Financial Liabilities

16(a) Long-term borrowings

	As at 31 st March, 2025	As at 31 st March, 2024
Secured		
Term loan from banks and others		
Indian Bank*	486,441	527,887
Yes Bank Ltd**	-	32,368
ICICI Bank Ltd***	27,164	-
Hero Fincorp Ltd****	57,142	17,610
Motor vehicle finance loans*****	29,514	37,651
Loan from related parties	-	26,800
Less : Current maturities of long term borrowings	(19,607)	51,869
Total	580,653	590,446

* Loan against property is secured against entire Commercial Property located at Sharyans Audeus, Survey No.41, Fun Republic Cinema, Off Veera Desai Road, Oshiwara Village, Andheri West, Mumbai 400053. Repayable in 180 monthly installments. Interest rate 9.50%.

**Mukta A2 Cinemas Pvt Limited has obtained on November 9 2020, term loans from Bank along with an overdraft facility and an additional term loan facility under the Guaranteed Emergency Credit Line. These facilities are secured against all current assets, Plant and machinery & exclusive charge by way of Mortgage on property located at Flat no 1207 and 1208, 12th floor, F wing, Bldg no 1, Oberoi Splendor, JVLR road, Jogeshwari (East), Mumbai-400 060 owned by Mukta Arts & Mukta Tele Arts Pvt Ltd respectively.

***WWIL has obtained Term loan from ICICI bank carries a spread of 3.25% over and above the repo rate of 1 year (for the financial year 2024-25 the repo rate was 6.00 to 6.25% (for financial year 2023-24 the repo rate was 6.5%)) with monthly repayments until August 5, 2040 and is secured by an exclusive charge of Holding Company's property valued at INR 4.65 Crores.

**** Term loan against property is secured against two flats of the Company by way mortgage of the property located in Bandra West. Repayable in 180 monthly installments of Rs. 6,89,232/- (December 2024 to November 2039).

***** The motor vehicle finance loans taken by the Company are secured against the related vehicles. Repayment schedule is as detailed below:

Lendor	Repayment schedule and other terms
Axis Bank Ltd	Outstanding amount of loan Rs. 1,10,06,382/- (2024: Rs 87,09,197/-) is repayable in 48 equated monthly installments of Rs 384,966 till Aug 2027 and Rs. 127,920 from Sept 27 to Aug 2029. Interest rate 14.25%.
BMW India Financial Services Pvt Ltd	Outstanding amount of loan Rs. 1,34,54,924/- (2024:Rs 1,55,57,835/-) is repayable in 48 monthly installments of Rs 3,00,050/- May 2027. Interest rate 10.30%
HDFC Bank Limited	Outstanding amount of loan Rs. 18,80,130/- (2024: Rs 54,16,709/-) is repayable in 60 equated monthly installments of Rs 64,165/- till August 2028. Interest rate 10.50%

16(b) Lease liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Lease liabilities	472,031	352,779
Total	472,031	352,779

16(c) Other financial liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Security deposits	177,565	194,152
Total	177,565	194,152



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

17 Long Term Provisions

	As at 31 st March, 2025	As at 31 st March, 2024
Provision for Leave Salary	19,575	16,684
Provision for gratuity	45,598	39,132
Total	65,172	55,816

18 Other non-current liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Income Received in advance	453,821	2,571
Deferred Expense Account	13,207	12,445
Total	467,028	15,016

19 Current Financial Liabilities

19(a) Short-term borrowings

	As at 31 st March, 2025	As at 31 st March, 2024
Secured		
Yes Bank - Bank Overdraft and others	-	41,770
Unsecured		
From Banks and Institutions	-	14,038
Inter corporate deposits - Others	66,566	76,450
Total	66,566	132,258

19(b) Lease liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Lease liabilities	53,262	40,332
Total	53,262	40,332

19(c) Trade payable

	As at 31 st March, 2025	As at 31 st March, 2024
Trade payable - Other than micro and small enterprises	383,389	437,230
Trade payable - Micro and small enterprises	6,393	6,748
Total	389,782	443,978

Trade payables due for payment

31 st March, 2025	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME vendors	-	6,393	-	-	-	6,393
Other vendors	-	356,811	23,584	1,942	1,052	383,389
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
Total	-	363,204	23,584	1,942	1,052	389,782
31 st March, 2024	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME vendors	-	1,982	-	-	-	1,982
Other vendors	-	421,297	17,854	1,485	1,360	441,996
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
Total	-	423,279	17,854	1,485	1,360	443,978

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

19(d) Other financial liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Current maturities of long term borrowings	21,986	31,161
Interest accrued but not due on borrowings		
Interest on loan taken	2,385	2,960
Employee benefits expense payable		
Employee benefits expense	1,713	9,609
Creditors for fixed assets	1,853	970
Sundry advances received	61,236	55,497
Unclaimed dividend	221	223
Security deposits received	50,934	56,242
Total	140,326	156,660

20 Other current liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Advances from customers- others	14,417	48,591
Deferred Expense Account	194,586	168,616
Advance billing	55,657	92,414
Others payable	26,167	8,694
Statutory dues payable*		
Provident fund	5,366	7,994
ESIC	3	2
TDS payable	7,296	19,277
Profession tax	11	9
ET/INR/Show tax/GST	9,190	6,471
Total	312,692	352,068

21 Short Term Provisions

	As at 31 st March, 2025	As at 31 st March, 2024
Provision For Taxation	-	-
Provision For Expenses	69,882	95,966
Provision For Employee benefit:		
Provision for leave salary	13,357	18,574
Provision for gratuity	6,362	9,676
Total	89,601	124,216

22 Revenue from operations (net)

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
(a) Sale of products/ film rights /Services		
Own Film/ Content production	113,745	185,539
Food and beverages	222,341	276,496
Acceptance fees	77,055	83,335
Tuition fees	117,474	128,137
Infrastructure fees	317,576	279,821
Income from institutional affiliations	20,147	19,862
	868,337	973,191



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
(b) Distribution, Exhibition, Theatrical and Film Production Income		
Distribution and exhibition	25	40
Equipment hire income	3,345	2,082
Box office collection		
Sale of tickets, net	609,043	770,289
	612,413	772,411
(c) Other operating revenue		
Rent and amenities charges	61,021	64,207
Business support services	6,120	6,120
Other income from theatrical operations	104,696	120,205
Sale of prospectus/application forms	3,809	3,209
Amortisation of deferred security	5,633	5,611
Other income	5,207	513
	186,486	199,865
Total	1,667,236	1,945,468
23 Other income		
	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Other income		
Interest income on bank deposits	6,087	4,658
Interest income on others	11,470	9,525
Other Non Operating Income		
Interest on income tax refund	4,872	4,787
Profit on sale of assets, (net)	1,876	8,873
Miscellaneous income (net)	84,601	92,572
Sundry balances written back	22,575	20,163
Total other income	131,481	140,578
24 Changes in Inventories of food and beverages		
	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening stock		
Food and Beverages	10,713	12,044
Closing stock		
Finished goods	12,672	10,713
Total changes in inventories of food and beverages	(1,959)	1,331
25 Distributor and producer's share		
	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Cost of Production of films / Content	52,622	111,753
Films Distributor's Share	319,847	411,913
Expenses for old Films	520	4,541
Total Distributor and producer's share	372,990	528,206

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

26 Other direct operation expenses

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Other direct cost of theatrical operations	7,215	8,467
Total Other direct operation expenses	7,215	8,467

27 Employee benefits expense

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Salaries and bonus	367,118	349,274
Contribution to provident and other funds	14,809	20,823
Gratuity and Leave expense	11,584	14,834
Staff welfare expenses	11,080	13,676
Total employee benefit expense	404,591	398,607

(i) Defined Contribution Plan

The Company's contributions to Defined Contribution Plans namely Employees Provident Fund and Employee's State Insurance Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952), which are Defined Contribution Plans, are charged to Statement of Profit and Loss on accrual basis. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Amount of Rs. 14,809,247 (Previous year : Rs. 20,822,664) is recognised as expense and included in the above Note 27

(ii) Post Employment Obligations:

Gratuity : The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and it is recognised by the Income-tax authorities and administered through LIC. Liability for Gratuity is provided on the basis of Valuations, as at Balance Sheet date, carried out by an independent actuary.

The assumptions used for the actuarial valuation are as under:

	Gratuity	
	31 st March, 2025	31 st March, 2024
Discount Rate (per annum)	6.80% to 7.20%	6.90% to 7.25%
Salary growth rate	8% to 9.00%	8% to 9.00%

(A) Present Value of Obligation as at Balance Sheet date

	Gratuity	
	31 st March, 2025	31 st March, 2024
Present Value of Obligation as at the beginning	54,257	47,395
Interest cost	3,452	3,223
Current Service Cost	4,708	4,956
Past Service cost	-	-
Total amount recognised in statement of profit and loss	8,160	8,179
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumption	-167	(184)
change in financial assumption	(604)	(688)
experience changes	1,484	1,524
Total amount recognised in Other Comprehensive Income	713	652
Benefits Paid	(1,423)	-1,970
Liabilities assumed / (settled)	-	-
Present Value of Obligation as at the end	61,707	54,257



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

(B) Changes in the Fair value of Plan Assets

	Gratuity	
	31 st March, 2025	31 st March, 2024
Fair Value of Plan Assets as the beginning	3,787	3,787
Interest on plan assets	304	292
Total amount recognised in statement of profit and loss	304	292
Re-measurement (or Actuarial) gain / (loss) arising from:		
Actual return on plan assets less interest on plan assets	-143	-125
Total amount recognised in Other Comprehensive Income	-143	-125
Employer's contribution	1,765	2,058
Benefits Paid	(1,423)	-1,970
Transfer In / (Out)	-	-
Fair value of plan assets at the end	4,290	4,042

(C) Amount recognised in the Balance sheet

	Gratuity	
	31 st March, 2025	31 st March, 2024
Present Value of obligations as at Balance Sheet date	61,707	54,257
Fair Value of Plan Assets as at the end of the period	4,290	4,042
Net (asset)/ liability recognised as at year end	57,417	50,215

(D) Constitution of Plan Assets

	Gratuity	
	31 st March, 2025	31 st March, 2024
Administered by Life insurance Corporation of India	100%	100%
Total of the Plan Assets	100%	100%

(E) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Defined benefit obligation (base) As on 31 st March, 2025	Gratuity	
	Decrease	Increase
Discount Rate (- / + 0.5%)	1,882	1,709
(% change compared to base due to sensitivity)	3.05%	3.15%
Salary Growth Rate (- / + 0.5%)	-1,259	-1,232
(% change compared to base due to sensitivity)	-2.04%	-2.27%

Defined benefit obligation (base) As on 31 st March, 2024	Gratuity	
	Decrease	Increase
Discount Rate (- / + 0.5%)	1,709	1,519
(% change compared to base due to sensitivity)	3.15%	2.80%
Salary Growth Rate (- / + 0.5%)	-1,232	1,210
(% change compared to base due to sensitivity)	-2.27%	2.23%

The above sensitivity analyses is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected contributions to post employment benefit plan for the year ending 31st March, 2025 is Rs. 250 Lakhs (31st March, 2024 : Rs. 240 Lakhs)

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

(F) Defined benefit liability and employer contributions

The weighted average duration of the Benefit Obligation is 6.72 to 16 years

Weighted average duration (based on discounted cashflows)	Gratuity	
	31 st March, 2025	31 st March, 2024
Year 1	15,874	14,634
Year 2	6,404	6,531
Year 3	3,251	3,410
Year 4	3,866	3,752
Year 5	2,947	3,267
Thereafter	73,652	76,450

(iii) Other Long Term Benefit Plans:

Compensated absences : The leave obligations cover the Company's liability for earned leave. The amount of provision of Rs. 10,430,584/- (31st March, 2024: Rs. 11,254,320/-)

Liability for Leave Obligation is provided on the basis of Valuations, as at Balance Sheet date, carried out by an independent actuary.

(G) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility - The plan liabilities are calculated on the basis of the market yields at the valuation date on government bonds for the expected term. If plan assets underperform this yield, this will create a deficit.

Changes in bond yields - A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's assets.

28 Finance costs

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest cost on:		
Car loan	4,457	3,511
Term loan	56,189	55,856
Cash credit \ demand loan facilities	3,002	12,723
Inter corporate deposits	13,359	4,788
Lease Liability	5,032	4,948
Others	51,730	64,931
Processing cost and other charges	1,415	869
Total Finance Cost	135,183	147,626

29 Depreciation and amortisation expense

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Depreciation of property, plant and equipment	159,993	172,787
Depreciation on investment property	2,821	2,915
Amortisation of intangible assets	26,356	22,113
Total Finance Cost	189,170	197,815



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

30 Other expenses

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Power and fuel	125,833	141,692
Rent	59,833	75,221
Repairs and maintenance	68,604	73,462
Insurance	11,682	8,319
Rates and taxes	21,167	33,818
Legal and professional	49,884	57,187
Communication expenses	5,716	6,358
Faculty Fees	131,216	115,740
Travelling and conveyance	19,294	17,956
Bad debts/ advances/ intangibles under development written-off	14,982	16,856
Security charges	25,439	27,461
Digital Equipment Hire Charges	1,124	1,539
Business promotion	67,199	64,465
CSR Activity Expenses	2,959	2,791
Motor vehicle expenses	4,714	5,076
Sets/ student practicals	15,566	12,354
Printing and stationery	6,819	6,483
Bank charges	1,567	1,054
Brokerage and commission	21,693	9,678
Share in Profit	67,334	69,483
Payment to auditor (Refer details below)	4,722	4,575
Miscellaneous expenses	44,982	41,816
Total	772,330	793,382

30 a - Payment to auditor

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Audit Fees	3,845	3,771
Reimbursement of Expenses	877	804
	4,722	4,575

31 Income Tax

(A) Income Tax Expense

This note provides an analysis of the Company's income tax expense and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions

	31 st March, 2025	31 st March, 2024
Income Tax Expense		
Current tax		
Current tax on profits for the year	8,700	11,100
Total Current Tax Expense	8,700	11,100
Deferred Tax		
Decrease (increase) in deferred tax assets	10,497	(7,862)
(Decrease) increase in deferred tax liabilities	-	-
Total Deferred Tax Expense	10,497	(7,862)
Income Tax Expense	19,197	3,238

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

32 Earnings per equity share:

	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Net (loss)/ profit after tax attributable to shareholders	(171,628)	(65,857)
Weighted average number of equity shares outstanding during the year for basic EPS	22,581,200	22,581,200
Weighted average number of equity shares outstanding during the year for dilutive EPS	22,581,200	22,581,200
Basic EPS	(7.60)	(2.92)
Dilutive EPS	(7.60)	(2.92)
Nominal value per share	5	5

33 Fair value measurement

The carrying value/ Fair value of the Financial instruments by category

	31 st March, 2025			31 st March, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Other Financial Assets	-	-	263,635	-	-	290,055
Trade Receivables	-	-	176,552	-	-	79,697
Cash and cash equivalents	-	-	23,447	-	-	27,130
Loans	-	-	126,778	-	-	141,218
Investment	44,551	-	-	40,631	-	-
Othe bank balance	-	-	46,758	-	-	83,363
Total financial assets	44,551	-	637,169	40,631	-	621,464
Financial liabilities						
Borrowings	-	-	647,219	-	-	722,704
Trade Payables	-	-	389,782	-	-	443,978
Other Financial Liabilities	-	-	317,891	-	-	350,813
Total financial liabilities	-	-	1,354,891	-	-	1,517,495

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three level prescribed under the accounting standard. An explanation each level follows underneath the table.

Financial instruments measured at Fair value

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise 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.

There are no recurring fair value measurements for any financial instruments as at 31st March, 2025 and 31st March, 2024.

34 Financial risk management

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the group is exposed to and how it manages those risks.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including cash and cash equivalents and deposits with banks.

(i) Credit risk management

(a) Trade receivable related credit risk

The group evaluates the concentration of risk with respect to trade receivables as low. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group provides for expected credit loss on trade receivables based on expected credit loss method. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification.

Reconciliation of loss allowance provision

	Amount
Loss allowance on April 1, 2024	45,971
Provision for allowances & Written-off	-7,291
Loss allowance on 31 st March, 2025	38,680

(b) Others Financial Asset

Credit risk from balances with banks is managed by group in accordance with the group policy. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

(B) Liquidity risk

The group manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The group ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management

(i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

	31 st March, 2025	31 st March, 2024
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	-	41,770
	-	41,770

(i) Maturities of financial liabilities

The following tables detail the group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to pay. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the group may be required to pay.

The amounts disclosed in the table are the undiscounted contractual cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 year	More than 1 year	Total
as at 31 st March, 2025			
Borrowings	66,566	580,653	647,219
Trade payables	389,782	-	389,782
Other financial liabilities	140,326	177,565	317,891
Total liabilities	596,674	758,218	1,354,891

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

Contractual maturities of financial liabilities	Less than 1 year	More than 1 year	Total
as at 31st March, 2024			
Borrowings	132,258	590,446	722,704
Trade payables	443,978	-	443,978
Other financial liabilities	156,660	194,152	350,813
Total liabilities	732,896	784,598	1,517,495
Contractual maturities of financial Assets	Less than 1 year	More than 1 year	Total
as at 31st March, 2025			
Trade Receivables	176,552	-	176,552
Cash & bank balance	23,447	-	23,447
Other bank Balance	46,758	-	46,758
Loans	126,778	-	126,778
Investments	-	44,551	44,551
Other financial assets	80,447	183,187	263,635
Total Assets	453,982	227,738	681,720
Contractual maturities of financial Assets	Less than 1 year	More than 1 year	Total
as at 31st March, 2024			
Trade Receivables	79,697	-	79,697
Cash & bank balance	27,130	-	27,130
Other bank Balance	83,363	-	83,363
Loans	141,218	-	141,218
Investments	-	40,631	40,631
Other financial assets	95,820	194,235	290,055
Total Assets	427,229	234,866	662,096

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risks – interest rate risk & currency risk. Financial instrument affected by market risks includes loans and borrowings, deposits and other financials assets.

The group has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

(i) Foreign currency risk

The Indian Rupee is the group's functional and reporting currency. The group has limited foreign currency exposure which are mainly in cash. Foreign currency transaction exposures arising on internal and external trade flows are not material and therefore not hedged. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. This is the risk that the group may suffer losses as a result of adverse exchange rate movement during the relevant period.

(ii) Interest rate risk exposure

The group manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, group has issued fixed rate bonds and loans taken from banks are linked to MCLR rate of the bank, which are variable. The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows.

Below are borrowings excluding debt component of compound financial instruments and including current maturity of non current borrowings:

	31 st March, 2025	31 st March, 2024
Variable rate borrowings	-	41,770
Fixed rate borrowings	561,046	642,315
Total Borrowing	561,046	684,085



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

As at the end of the reporting period, the entity had the following variable rate borrowings outstanding:

	31 st March, 2025			31 st March, 2024		
	Weighted Average Interest Rate	Balance	% of Total Loans	Weighted Average Interest Rate	Balance	% of Total Loans
Bank Overdraft	100%	-	0.00%	100%	41,770	6.11%

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase / decrease in basis points	Net effect on profit before tax (Incremental amount)
31 st March, 2025	INR	+50	676
	INR	-50	(676)
31 st March, 2024	INR	+50	738
	INR	-50	(738)

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

35 Capital management

For the purpose of the group's capital management, equity includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to maximise the shareholder value. The group's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The group is monitoring capital using debt equity ratio as its base, which is debt to equity. The group's policy is to keep debt equity ratio below three and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management. In order to achieve the aforesaid objectives, the group has not sanctioned any major capex on new expansion projects in last two to three years. There is constant endeavour to reduce debt as much as feasible and practical by improving operational and working capital management.

Particulars	31 st March, 2025	31 st March, 2024
Net debt	671,589	756,824
Total equity attributable to owners	-390,587	-220,744
Net Debt to equity ratio	(1.72)	(3.43)

Risk management

The group's objective when managing capital are to:

- (i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
 - (ii) Maintain an optimal capital structure to reduce the cost of capital
- The group currently has loans from holding group and banks.
- (i) Loan covenants:

Under the terms of its major borrowing facilities, the group is required to comply with the following financial covenants:

 - all collections should be routed through the bank of the provider of the facility.

The group has complied with the covenants throughout the reporting period. As at 31st March, 2025.

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

36 Segment information

Particulars	31 st March, 2025	31 st March, 2024
Segment revenue		
Software division	119,890	191,678
Equipment division	3,345	2,082
Education	1,003,230	544,808
Theatrical exhibition	582,912	1,225,653
Others	79,935	81,400
Total	1,789,311	2,045,621
Less : Inter segment revenue	-	-
Net sales/ Income from operations	1,789,311	2,045,621
Segment results		
(Loss)/ profit before tax, interest and exceptional items from each segment		
Software division	30,588	39,351
Equipment division	2,714	1,479
Education	(111,145)	(25,262)
Theatrical exhibition	(36,042)	(46,707)
Others	60,640	61,579
Total	(53,245)	30,439
Less: Finance costs	135,183	147,626
Unallocated expenses, net of unallocable income	(38,307)	(53,515)
Total (loss) before tax	(150,121)	(63,672)
Depreciation and amortization		
Software division	3,856	4,043
Equipment division	687	875
Education	64,248	63,127
Theatrical exhibition	102,201	110,700
Others	5,652	5,542
Unallocable	12,526	13,528
Capital employed		
(Segment assets - Segment liabilities)		
Software division	(283,493)	(26,228)
Equipment division	10,953	9,667
Education	1,245,580	66,173
Theatrical exhibition division	89,883	1,041,299
Others	111,343	108,490
Unallocable (includes minority interest)	712,991	1,152,456

Segment Reporting:

The Management has identified business segments by taking into account the nature of the business, the differing risks and returns, the organisation structure and internal reporting system. The Management monitors performance of these segments on a periodic basis.

On this basis the Management has identified five business segments:-

- 1 Software division
- 2 Equipment division
- 3 Education



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

4 Theatrical exhibition division and

5 Others

Software division :

This primarily comprises film/ TV production and distribution operations. Production operations represent production/ co-production of movies, Television content and allied services. Distribution operations represent acquisition of movie rights for overseas as well as Indian distribution for a fixed period and exploitation thereof.

Equipment division :

This comprises of the activity of providing equipment on hire to outsiders.

Education :

This comprises of the operations of an education, research and training institute imparting training in various skills related to films, television and the media industry in general.

Theatrical exhibition division :

These comprise of various services offered at theatres including sale of tickets, catering of food and beverages, providing advertising services at theatres and related services.

Others :

This comprises mainly rental income.

The Group caters mainly to the domestic market and since the risks and rewards are similar across the market, it is treated as one reportable geographical segment

Segment revenue, Segment results, Segment assets and Segment liabilities include the respective amounts identifiable to each segment as also amounts allocable on a reasonable basis. Income and expenses which are not directly attributable to any business segment are shown as unallocated corporate income and expenses respectively. Assets and liabilities that cannot be allocated between the segments are shown as a part of unallocated assets and liabilities respectively

37 Related party disclosures

Details of related parties including summary of transactions entered into by the Company during the year ended 31st March, 2025 are summarized below:

A) Parties where control exists

(i) Shareholders holding more than 50%

- Subhash Ghai

(ii) Key management personnel and relatives of such personnel

- Subhash Ghai - Chairman (and shareholder)
- Parvez Farooqui - Non-Executive Director (and shareholder)
- Rahul Puri - Managing Director
- Mukta Ghai - Wife of Subhash Ghai (and shareholder)
- Ashok Ghai - Brother of Subhash Ghai
- Siraj Farooqui - Brother of Parvez Farooqui
- Sameer Farooqui - Brother of Parvez Farooqui
- Meghna Ghai Puri - Daughter of Subhash Ghai, wife of Rahul Puri (and shareholder)
- Muskaan Ghai - Daughter of Subhash Ghai

(iii) Enterprise over which key management personnel have control/ substantial interest/ significant influence

- Mukta Arts – Proprietary concern of Subhash Ghai
- Mukta Tele Arts Private Limited – Enterprise in which Subhash Ghai exercises significant influence

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

B Transactions with related parties for the year ended 31st March, 2025 are as follows:-

Transactions	Key Management Personnel and relatives of such personnel		Enterprises over which key management personnel have control/ substantial interest/ significant influence	
	2025	2024	2025	2024
Receiving of services				
Ashok Ghai - Professional fees paid	3,849	3,849	-	-
Muskaan Ghai - Professional fees paid	85	-		
Rent expenses				
Subhash Ghai	2,225	2,400	-	-
Lease rentals of subsidiary company				
Subhash Ghai	3,000	3,000	-	-
Salaries and other benefits				
Siraj Farooqui	5,393	5,116	-	-
Sameer Farooqui	1,455	1,380	-	-
Ishaan Farooqui	482	461		
Managerial remuneration				
Subhash Ghai	8,587	8,587	-	-
Subhash Ghai - Professional Fees - Janaki	15,300	5,500		
Rahul Puri	6,612	6,280	-	-
Remuneration/Faculty fees to director of subsidiary company				
Subhash Ghai	3,000	3,000		
Rahul Puri	4,368	3,450		
Meghna Ghai Puri	8,263	7,858		
Parvez A. Farooqui	6,163	6,073		
Corporate Guarantee Commission Expenses				
Subhash Ghai	171	711		
Loan taken by subsidiary company during the year				
Subhash Ghai	9,000	-		
Loan repaid by subsidiary company during the year				
Subhash Ghai	35,800	500		
Interest on Loan during the year				
Subhash Ghai	1,986	2,705		

38 Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for aggregate to Rs Nil (31st March, 2024: Rs Nil).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

39 Contingent liabilities

	31 st March, 2025	31 st March, 2024
Claims not acknowledged as debt		
-Service tax matters (note 1)	1,675	1,675
-Local levies	18,245	18,245

* Notes

- 1) Unless specified, the amounts are excluding penalty and interest, if any, that would be levied at the time of final conclusion.
- 2) The companies in the group are party to various legal proceedings in the normal course of business and do not expect the outcome of these proceedings to have any adverse effect on the financial conditions, results of operations or cash flows.
- 3) In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its financial statements. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Company's results of operations or financial condition.

The Company has availed the benefit of payment of customs duty and other duties at a concessional rate on import of capital goods, under the Export Promotion Capital Goods ('EPCG') Scheme, against fulfillment of export commitment over eight years from the date of issue of the license. The Company's bankers have provided guarantees amounting to Rs 17,632,440 (31st March, 2024: Rs 18,070,385) to the Customs and other statutory authorities, on behalf of the Company, towards fulfillment of these commitments. The Company believes that the export commitment obligations will be fulfilled and accordingly does not expect any custom and other duties, penalty or interest to be levied with respect to non-fulfillment of the terms and conditions of the EPCG scheme.

40 Disclosure of Ratios

Particulars	As at 31 st March, 2025	As at 31 st March, 2024	% of Variance	Reason for variance for more than 25%
i) Debt Equity ratio - [no. of times]	(1.72)	(3.43)	(50)	Due to decrease in total equity as on 31 st March, 2025
Total debt/ Total equity				
ii) Debt service coverage ratio ('DSCR') - [no. of times]	1.11	1.58	(30)	Due to decrease in EBITDA for the year 2024-25.
EBITDA / (Interest expenses** + Principal repayments of long term borrowings due within 12 months from the balance sheet date)				
iii) Current ratio [no. of times]	0.60	0.51	17	
(Total current assets - Derivatives financial assets) / (Total current liabilities - Short term borrowings****)				
iv) Trade receivables turnover ratio (times)	9.44	24.41	(61)	Due to decrease in sales during FY 2024-25.
(Sale of services/ Closing trade receivables)				
v) Net profit/(loss) margin [%]	(0.10)	(0.03)	203	Due to decrease in loss in current year.
Profit/(Loss) after tax / Revenue from operations				
vi) Return on Equity Ratio [%]	0.44	0.30	47	Due to decrease in total equity as on 31 st March, 2025
Profit/(Loss) after tax / Total equity				

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

vii) Net Capital Turnover Ratio [no. of times] (Total revenue from operations / (Total current asset- Derivative financial asset)- (Total current liability- Short term borrowings****))	(4.22)	(3.57)	18	
viii) Return on Capital Employed Ratio [%] {Earnings before Interest & Taxes (EBIT)}***** / Total Capital Employed*****)	(0.01)	0.05	(126)	Due to increase in loss in current year.
ix) Trade payables turnover - [no. of times]	4.51	4.40	3	

Total expenses less depreciation / Closing Trade payables

** Interest expenses exclude notional interest and other finance charges.

*** Total debt represents Total borrowings + Interest accrued but not due.

****Short term borrowings represents current borrowings including current maturities of long term debt + Interest accrued but not due.

*****Earning before interest and taxes (EBIT) = EBT+ Interest)

*****Total Capital employed represents Tangible net worth + total debt + deferred tax liability.

- 41 Impact of the CoVID-19 pandemic on the business of Mukta A2 Cinemas Pvt Limited :** The main operations of the Company have repeatedly been halted owing to the COVID-19 pandemic. Its Net Worth has been eroded, because of the small capital base and because it is funded mainly by shareholder's debt. In terms of operations, the Company is optimistic regarding the near term future of the film exhibition business in India. The projected operating plans also reflect the same. Financial support from its holding company, Mukta Arts Limited, is also expected. The financials have therefore been prepared on the Going Concern Concept.

	31st March, 2025	31st March, 2024
Claims against the company not acknowledged as debt pertaining to local levies in case of WWIL	18,245,277	18,245,277

42 Dues to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises (MSE). On the basis of the information and records available with the Management, none of the Group's suppliers are covered.

	31st March, 2025	31st March, 2024
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
-Principal	6,393	1,982
-Interest	356	572
The amount of interest paid by the Company as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)		-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	2,451	488
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	356	572
The amount of interest accrued and remaining unpaid at the end of each accounting year	356	572



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.

- 43** Public Interest Litigations ('PIL') had been filed alleging that the Maharashtra Film, Stage and Cultural Development Corporation Limited ('MFSCDCL') had not followed proper procedure while entering into a Joint Venture Agreement ('JVA') with the Company and in the subsequent allotment of 20 acres of land to the said joint venture, Whistling Woods International Limited ('WWI'), a subsidiary of the Company. During the year 2011-2012, pursuant to the Order of the Hon'ble High Court of Judicature at Bombay ('High Court') dated 9 February 2012, inter-alia, the JVA with MFSCDCL was quashed / rendered cancelled, WWI was ordered to return the land to MFSCDCL and pay rent (and interest on arrears) retrospectively on the entire land since the date of the JVA. Of the total land admeasuring 20 acres, 14.5 acres vacant unused land was handed over to MFSCDCL on 18 April 2012 and the balance was to be handed over on or before 31 July 2014. Pending discussion and / or agreement with MFSCDCL and / or clarifications to be sought from the concerned parties, no adjustments have been made to the Share Capital structure of WWI and the carrying value of the land rights in its books of account. However, in terms of the Order of the High Court, the said amount together with future rent till the date of vacation of the premises is adjustable against the market price of the Institute building of WWI on the said land. The valuation is to be carried out by an expert valuer to be appointed by the Government. During the year 2013-2014, the PWD Engineer has given his valuation report based on the Balance Sheet of WWI as at 31st March, 2011. Further, the Company made an application to the Government of Maharashtra in February 2013 to appoint expert valuers to determine the market price. WWI's petition for special leave to file appeal with the Supreme Court of India was dismissed. However, the Company and WWI filed review petitions with the High Court. In terms of Order dated 9 February 2012 passed by the High Court, MFSCDC raised net demand of Rs. 591,966,210 and asked WWI to vacate the premises. The Company's and WWI's Review Petitions were heard by High Court and a stay was granted on 30 July 2014. The High Court ordered the Company / WWI to pay arrears of rent for the years 2000-2001 to 2013-2014 aggregating to Rs 100,038,000 by January 2015 and to pay rent of Rs 4,500,000 per annum from the financial year 2014-2015. As per the terms of the said Order, till 31st March, 2025 Rs 113,538,000 has been paid by the Company and Rs 36,000,000 has been paid by WWI. The State Government of Maharashtra and MFSCDCL challenged the Order of the Bombay High Court in the Supreme Court which was dismissed by the court on 22nd September 2014 with recourse to the State Government of Maharashtra to make an application to the High Court. Pending final disposal of the review petitions and valuation of the building, and in view of the future plans for WWI which are being evaluated, management believes that the Company's investments in WWI aggregating Rs 399,511,218 and amounts due therefrom aggregating Rs 441,290,157 are good and recoverable as management is hopeful of reliefs based on the issues involved and on merits of the case, as also of a high valuation of the building. The amounts so paid/ being paid by the Company have been treated as Deposits in the standalone financial statements to be adjusted on the settlement of the case.

44 Disclosure pursuant to Section 186 of the Companies Act, 2013

a) Details of loan given:

Name of the the entity and relation with the Company, if applicable	Terms and conditions of the loan and purpose for which it will be utilised
Om Films Private Limited	Unsecured loan given for the purpose of financial assistance in connection with the release of a feature film which is repayable on demand.

Movement of loan during the financial years ended 31st March, 2025 and 31st March, 2024 is given below:

Name of Party	Financial year	Opening balance (excluding accrued interest)	Loan given	Loan repaid/ Adjustment	Closing balance (excluding accrued interest)
Om Films Private Limited	Year ended 31 st March, 2025	17,600	-	-	17,600
	Year ended 31 st March, 2024	17,600	-	-	17,600

- 45** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed that there are no long-term contracts including derivative contracts for which there were any material foreseeable losses.

MUKTA ARTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (CONTD.)

(₹ in '000)

- 46** Pursuant to the provisions of the Companies Act, 2013 read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the shares pertaining to which dividend remains unclaimed/ unpaid for a period of seven years from the date of transfer to unpaid dividend account are mandatorily required to be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government.

Accordingly, during the year, the Company has transferred to the IEPF an amount of Rs. Nil (2024 : Rs. Nil) on account of unclaimed dividend and Nil (2024 : Nil) shares to which this dividend relates.

47 Prior period comparatives

Previous year's figures have been regrouped/ reclassified, wherever necessary.

As per our report of even date.

For **Uttam Abuwala Ghosh & Associates**

Chartered Accountants

Firm's Registration No: 111184W

For and on behalf of the Board of Directors of

Mukta Arts Limited

CIN: L92110MH1982PLC028180

CA Subhash Jhunjhunwala

Partner

Membership No: 016331

Subhash Ghai

Chairman Director

DIN: 00019803

Rahul Puri

Managing Director

DIN: 01925045

Date: 28th May, 2025

Place: Mumbai

Parvez A. Farooqui

Director

DIN: 00019853

Jabir Contractor

Chief Financial Officer



Music Masterclass on Lyrics v/s Song Composition at WWIL



Masterclass with the Team of 'Ziddi Girls' at WWIL



Convocation Event of the Class of 2024 at WWIL



MUKTA ARTS LIMITED

Registered Office

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