

6<sup>th</sup> March, 2024

<b>To,</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 <b>Scrip Code: 532357 - EQ</b>	<b>To,</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 <b>Symbol: MUKTAARTS - EQ</b>
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**Kind Attn: Corporate Relations Department**

Dear Sir/Madam,

**SUB: POSTAL BALLOT NOTICE**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith Notice of Postal Ballot, seeking approval of the members for sale/ divestment/ dilution/ disposal of the Company's investment in material subsidiary.

Events of Postal Ballot as mentioned below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Date</b>
1.	Date of completion of dispatch of Notice (by electronic means) to members whose names appear in the Register of Members/List of Beneficial Owners as on Friday, 23 <sup>rd</sup> February, 2024	5 <sup>th</sup> March, 2024
2.	Commencement of remote e-voting	Wednesday, 6 <sup>th</sup> March, 2024 at 9:00 a.m. (IST)
3.	End of remote e-voting	Thursday, 4 <sup>th</sup> April, 2024 at 5:00 p.m. (IST)

The Postal Ballot Notice along with the Explanatory Statement, instructions and manner of e-voting process is also available on the Company's website: [www.muktaarts.com](http://www.muktaarts.com), on the websites of Stock Exchanges i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

Kindly take the same on your records.

Thanking you.

Yours faithfully,

For **Mukta Arts Limited****Hemal N. Pankhania**  
**Company Secretary & Compliance Officer****Encl.: as above**



**Registered Office:** Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (E), Mumbai-400065  
**Tel. No.:** 022-3364 9400 **Fax:** 022-3364 9401 **Email:** investorrelations@muktaarts.com  
**CIN:** L92110MH1982PLC028180 **Website:** www.muktaarts.com

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## **NOTICE OF POSTAL BALLOT**

*[Pursuant to Section 110 of the Companies Act, 2013 read with Rules 20 and 22 of Companies (Management and Administration) Rules, 2014]*

<b>E-voting Starts on</b>	<b>E-voting ends on</b>
Wednesday, 6 <sup>th</sup> March, 2024 at 9:00 a.m. (IST)	Thursday, 4 <sup>th</sup> April, 2024 at 5:00 p.m. (IST)

Dear Member(s),

**NOTICE** is hereby given pursuant to Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013 (**‘the Act’**) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (**‘Rules’**), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**‘SEBI Listing Regulations’**) and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (**‘SS-2’**) and in accordance with the requirements prescribed by the Ministry of Corporate Affairs (**‘MCA’**) vide its General Circulars dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as **‘MCA Circulars’**), to transact the special business as set out hereunder by passing Ordinary / Special Resolution, as applicable, by way of postal ballot only by voting through electronic means (remote e-voting).

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice (**‘Notice’**) is being sent by Mukta Arts Limited (**‘the Company’**) only through electronic mode to those Members whose e-mail addresses are registered with the Company / Registrar and Transfer Agent (**‘RTA’**) / Depository Participants (**‘DPs’**). Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot.

The process for registration of e-mail address is appended in the Notes to this Notice. In compliance with Regulation 44 of SEBI Listing Regulations and pursuant to the provisions of Section 108 and 110 of the Act read with the Rules, MCA Circulars and SS-2, the Company is providing remote e-voting facility to its Members, to enable them to cast their votes electronically



instead of submitting the Postal Ballot Form physically. The communication of assent or dissent of the Members would only take place through remote e-voting system. The Company has engaged the services of National Securities Depository Limited ('NSDL') for the purpose of providing remote e-voting facility to its Members.

The Explanatory Statement pursuant to Section 102 of the Act pertaining to the Resolutions setting out the material facts is annexed to this Notice.

Members desiring to exercise their vote through remote e-voting facility are requested to carefully read the instructions and follow the procedure as stated in the Notes forming part of this Notice for casting of votes not later than 5:00 p.m. (IST) on Thursday, 4<sup>th</sup> April, 2024. The remote e-voting facility will be disabled by NSDL thereafter and voting shall not be allowed beyond the said period.

The Board of Directors of the Company has appointed M/s. KDA & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

After completion of scrutiny of the votes casted, the Scrutinizer will submit his report to the Chairman or any other person authorized by the Board. The results declared, along with the Scrutinizer's Report, shall be announced by the Chairman or such person as authorized, within the stipulated timelines. The Scrutinizer's decision on the validity of votes casted will be final.

The said results will be available on the website of the Company at [www.muktaarts.com](http://www.muktaarts.com), website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and shall also be communicated to the Stock Exchanges viz. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com).

### **SPECIAL BUSINESS**

#### **1) TO APPROVE SALE/ DIVESTMENT/ DILUTION/ DISPOSAL OF THE COMPANY'S INVESTMENT IN MATERIAL SUBSIDIARY**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 24 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and



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Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 (“**the Act**”) and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company and subject to requisite statutory/regulatory and other appropriate approvals, if any, as may be required, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “**Board**”, which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute) to cede its control over, and dilute its shareholding in Mukta A2 Cinemas Limited (“**MA2**”), Material Unlisted Subsidiary of the Company to below 50%, on account of investment by Maverick Media Private Limited incorporated under Companies Act, 1956 (“**Investor**”) for an amount aggregating to Rs.21,00,00,000 (Rupees Twenty One Crores only) in Class B Equity Shares to be issued by MA2 to the Investor for 41.176% stake and voting rights in equity share capital of Mukta A2.

**RESOLVED FURTHER THAT** the Board of Directors, be and are hereby severally authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or expedient in the interest of the Company and to settle any questions, difficulties or doubts that may arise in this regard and incidental thereto without requiring the Board to secure any further consent or approval of the Members of the Company and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other Officer(s) of the Company, as may be deemed necessary.”

**Notes:**

- 1) The Explanatory Statement pursuant to the provisions of Section 102 of the Act read with Section 110 of the Act and Rule 22 of Companies (Management and Administration) Rules, 2014, as amended from time to time, setting out the material facts relating to the aforesaid resolution and the reasons thereof is annexed hereto and forms part of this Notice.
- 2) In compliance with the MCA Circulars, the Company is sending this Notice only in electronic form to those Members whose names appear in the Register of Members/List of Beneficial Owners as received from Link Intime India Private Limited, Company’s RTA / Depositories as on 23<sup>rd</sup> February, 2024 (**‘Cut-off date’**) and whose e-mail addresses are registered with the Company/ RTA/ Depositories (in case of electronic shareholding) or who will register their e-mail address in accordance with the process outlined in this Notice. The voting rights of the Members shall be in proportion of paid-up equity share capital as on the Cut-off date.



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- 3) The Company is pleased to provide remote e-voting facility to its Members, to enable them to cast their votes electronically. The instructions for remote e-voting are mentioned in this Notice.
- 4) Only those Members whose name appears in the Register of Members / List of Beneficial Owners as on the Cut-off date shall be eligible to cast their votes through postal ballot by remote e-voting. A person who is not a Member on the Cut-off date should treat this Notice for information purposes only.

It is however clarified that, all the Members of the Company as on the Cut-off date (including those Members who may not have received this Notice due to non-registration of their email addresses with the Company / RTA / Depositories) shall be entitled to vote in relation to the aforementioned resolution in accordance with the process specified in this Notice.

- 5) The remote e-voting shall commence on Wednesday, 6<sup>th</sup> March, 2024 at 9:00 a.m. (IST) and shall end on Thursday, 4<sup>th</sup> April, 2024 at 5:00 p.m. (IST). During this period, Members of the Company holding shares in physical or electronic form as on the Cut-off date may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter.
- 6) A copy of this Postal Ballot Notice is available on the website of the Company at [www.muktaarts.com](http://www.muktaarts.com), NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com), BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com).
- 7) Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's RTA, at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- 8) The Resolution, if passed by the requisite majority, will be deemed to have been passed on the last date specified for remote e-voting. Further, resolution passed by the Members through postal ballot are deemed to have been passed as if they are passed at a General Meeting of the Members.



9) Remote e-voting Instructions for Members:

**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 for Individual Members holding securities in demat mode:**

In terms of SEBI circular dated December 09, 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 Depository Participants. Members 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 Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li data-bbox="613 1192 1450 1728">1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ 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 “<b>Access to e-voting</b>” under e-voting services and you will be able to see e-voting page. Click on Company name or <b>e-voting service provider i.e. NSDL</b> and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period.</li> <li data-bbox="613 1780 1450 1843">2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select</li> </ol>



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	<p><b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon <b>“Login”</b> 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 <b>e-voting service provider i.e. NSDL</b> and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>       <b>Google Play</b></p> <p>      </p>
Individual Members holding securities in demat mode with CDSL	<p>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p>



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	<ol style="list-style-type: none"><li>2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible Companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting 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. 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.</li><li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li><li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li></ol>
Individual Members (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.

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022-4886 7000.
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.

**B) Login Method for Members other than Individual Members holding securities in demat mode and Members 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:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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 Members other than Individual Members are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) 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.
- c) How to retrieve your 'initial password'?
  - (i) 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'.



- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Members 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:
    - a) 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](http://www.evoting.nsdl.com).
    - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) 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 on NSDL e-voting system.**

**How to cast your vote electronically on NSDL e-voting system?**

1. 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.
2. Select “**EVEN**” of the Company for which you wish to cast your vote during the remote e-voting period.
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 Members**

1. Institutional Members (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](mailto:kaushaldalalcs@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional Members (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](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download Section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022-4886 7000 or send a request to at [evoting@nsdl.com](mailto:evoting@nsdl.com).

**Process for those Members whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolution set out in this notice:**



1. In case shares are held in physical mode please provide Folio No., Name of the Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) by email to [investorrelations@muktaarts.com](mailto: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), Aadhaar (self attested scanned copy of Aadhaar Card) to [investorrelations@muktaarts.com](mailto:investorrelations@muktaarts.com). If you are an Individual Member 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 for Individual Members holding securities in demat mode.**
3. Alternatively, Shareholder/Members may send a request to [evoting@nsdl.com](mailto: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 09, 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 Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

**By Order of the Board of Directors**

**Sd/-**

**Hemal N. Pankhania**

**Company Secretary and Compliance Officer**

**ICSI Membership Number: ACS31426**

**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](mailto:investorrelations@muktaarts.com)

**Date:** 26/02/2024

**Place:** Mumbai



## **EXPLANATORY STATEMENT**

*[Pursuant to Section 102 of the Companies Act, 2013]*

The following Statement sets out all material facts relating to the business mentioned under Item No. 1 of the accompanying Notice:

### **ITEM NO.1**

The Company continuously keeps exploring opportunities to raise funds from time to time to meet business requirements of its subsidiaries. In this regard, it is proposed that the Company dilute its shareholding in Mukta A2 Cinemas Limited (“MA2”), a Material Unlisted Subsidiary of the Company, on account of investment by Maverick Media Private Limited incorporated under the Companies Act, 1956 (“Investor”) for an amount aggregating to Rs.21,00,00,000 (Rupees Twenty One Crores only) in Class B Equity Shares for 41.176% stake and voting rights in equity share capital of MA2, and consequently MA2 will cease to be the subsidiary of the Company as the shareholding of the Company in MA2 will reduce to below 50% and the Company will cede its control over MA2.

Upon completion of the investment in MA2, where the Company presently holds majority stake, MA2 will transition from being a subsidiary to an associate of the Company.

It is proposed that the Investor will inject Rs.21,00,00,000 (Rupees Twenty One Crores only) into MA2 through subscription to Class B Equity Shares. Additionally, the Investor has agreed to invest Rs.100,00,00,000 (Rupees Hundred Crores only) in Redeemable Preference Shares or other financial instruments agreed mutually between the Parties over a period of 3-4 years. Furthermore, interest accrued on loans provided by the Company to MA2 will be converted into Redeemable Preference Shares or other financial instruments/securities as mutually agreed between the parties.

In terms of Regulation 24(5) of SEBI Listing Regulations, a Listed Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent or cease the exercise of control over the subsidiary without passing a special resolution.

In terms of Regulation 24(6) of SEBI Listing Regulations, selling, disposing and leasing of assets amounting to more than 20% (twenty percent) of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of the Members by way of a Special Resolution.



Further, Section 180(1)(a) of the Act inter alia provides that the Board of Directors of a Company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings without the consent of the Company by way of a Special Resolution.

Therefore, as per the aforesaid provisions, it would be necessary to obtain the approval of the Members of the Company by way of Special Resolution. The Board recommends the Resolution as set out in Item No. 1 of the Notice for the approval of the Members as a Special Resolution.

Mr. Subhash Ghai and Mr. Parvez Farooqui, Directors and Members of the Company are also Directors in MA2 and are deemed to be interested or concerned in the Resolution including their relatives to the extent of their shareholding in the Company.

Save and except above, none of the other Directors and Key Managerial Personnels of the Company and their respective relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 1 of this Notice.

**By Order of the Board of Directors**

**Sd/-**

**Hemal N. Pankhania**

**Company Secretary and Compliance Officer**

**ICSI Membership Number: ACS31426**

**Registered Office:**

Mukta House, Behind Whistling Woods Institute,

Filmcity Complex, Goregaon (E), Mumbai-400065

**CIN:** L92110MH1982PLC028180

**Tel. No.:** 022-3364 9400

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**Date:** 26/02/2024

**Place:** Mumbai