NOTICE

Notice is hereby given that the **34th Annual General Meeting (AGM)** of Mukta Arts Limited will be held on Friday, the 9th day of September, 2016 at 4.00 p.m. at the Whistling Woods Institute's Auditorium, Dada Saheb Phalke Chitra Nagari, Goregaon (East), Mumbai- 400 065 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt

   The Audited Financial Statements (including Audited Consolidated financial statement) of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon;

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

3. 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 other applicable provisions, if any, of the Companies Act, 2013 alongwith the Rules made thereunder, the re-appointment of M/s Uttam Abuwala & Co., Chartered Accountants (Firm Registration Number:111184W) as Statutory Auditors to hold office from the conclusion of the Thirty Fourth Annual General Meeting until the conclusion of the Thirty Eighth Annual General Meeting of the Company to be held in the year 2020, be and is hereby approved at a remuneration to be determined by the Audit Committee and Board of Directors of the Company and as may be mutually agreed upon by the Statutory Auditors in addition to the out of pocket expenses as may be incurred by them during the course of the Audit."

Special Business:

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

   "RESOLVED THAT pursuant to the recommendation made by Nomination and Remuneration Committee and provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactment thereof for the time being in force, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including Schedule V to the said Act, consent and approval of the Company be and is hereby accorded to the re-appointment of Mr. Subhash Ghai (DIN 00019803) as the Executive Chairman of the Company for a period of three years with effect from 30th May 2017 on such remuneration and terms and conditions as are contained in the agreement to be entered into between the Company and Mr. Subhash Ghai, as placed before the meeting and initialed by the Chairman for the sake of identification.

   RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any year, Mr. Subhash Ghai be paid minimum remuneration as specified in Section II of Part II of Schedule V to the Companies Act, 2013 as in force in each financial year.

   RESOLVED FURTHER THAT the terms and conditions of this appointment may be altered or varied from time to time by the Board (which term shall be deemed to include Nomination & Remuneration Committee of the Board) as it may in its discretion deem fit within the maximum amount payable to each Whole-time Director in accordance with Schedule V to the Act including any amendments thereto."

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

   "RESOLVED THAT pursuant to the recommendation made by Nomination and Remuneration Committee and provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactment thereof for the time being in force, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including Schedule V to the said Act, consent and approval of the Company be and is hereby accorded to the re-appointment of Mr. Rahul Puri (DIN 01925045) as Managing Director of the Company for a period of three years with effect from 30th May, 2017 on such remuneration and terms and conditions as are contained in the agreement to be entered into between the Company and Mr. Rahul Puri, as placed before the meeting and initialed by the Chairman for the sake of identification.

   RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any year, Mr. Rahul Puri be paid minimum remuneration as specified in Section II of Part II of Schedule V to the Companies Act, 2013 as in force in each financial year.

   RESOLVED FURTHER THAT the terms and conditions of this appointment may be altered or varied from time to time by the Board (which term shall be deemed to include Nomination & Remuneration Committee of the Board) as it may in its discretion deem fit within the maximum amount payable to each Whole-time Director in accordance with Schedule V to the Act including any amendments thereto."

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

   "**RESOLVED THAT** pursuant to the provisions of section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and subject to such other approvals, consents, sanctions of any of the authorities as may be necessary, consent of the Company be and is hereby accorded to appoint Mr. Siraj Farooqui, relative of Mr. Parvez A. Farooqui, Executive Director of the Company as "COO- Production & Studios" at a total remuneration of Rs. 274,667/- per month but not exceeding Rs. 5,00,000/- per month.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the above resolution."

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

"**RESOLVED THAT** in accordance with the provisions of Section 62 and other applicable provisions, if any, of The Companies Act, 2013 (including any amendment thereto or re-enactment thereof), Articles of Association of the Company, Regulation 30 of the SEBI (LODR) Regulations, 2015 and the rules/regulations/guidelines, notifications, circulars and clarifications, if any, issued by the Government of India(GOI), the Securities and Exchange Board of India (SEBI) and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board") which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution, the consent of the Company be and is hereby accorded to the Board in its absolute discretion to re-issue 4000 forfeited Equity Shares of Rs. 5/- each at a price not less than the price which is to be determined in accordance with the provisions of SEBI(Issue of capital and Disclosure Requirements) Regulations 2009.

RESOLVED FURTHER THAT the aforesaid Equity Shares shall rank pari-passu in all respect with the existing Equity Shares of the Company. The Equity Shares allotted on preferential basis shall be locked in from the date of their allotment for such period as prescribed in Regulation 78 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

RESOLVED FURTHER THAT the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the relevant date as per Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the determination of applicable price for the issue of Equity Shares shall be 9thAugust, 2016 i.e. 30 days prior to the date of this Meeting.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modifications in the proposal as may be required by the agencies involved in such issue but subject to such conditions as the Reserve Bank of India (RBI) / Securities and Exchange Board of India (SEBI) and/ or such other appropriate authority may impose at the time of their approval as agreed by the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to delegate any or all the powers, to any Committee formed thereof for the powers conferred upon it by this resolution, or to any individual so authorized by the Board.

RESOLVED FURTHER THAT for the purpose of creating, issuing, offering and allotting Equity Shares of the Company as aforesaid, the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular, to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilizing the issue proceeds of the Equity Shares of the Company, as it may in its absolute discretion, deem fit and proper."

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

"**RESOLVED THAT** pursuant to the earlier resolutions passed by the members of the Company at their 23rd, 26th and 28th Annual General Meetings held on 29th September, 2005, 20th September, 2008 and 30th September, 2010 respectively under the provisions of Sections 198, 269,309, 310, 311, 309(1)(b) read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including statutory modification or re-enactment thereof, for the time being in force) and provisions of Section 197 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 (including statutory modification or re-enactment thereof, for the time being in force) and the applicable rules framed under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 subject to the approval of the Central Government and such other approvals wherever required, if necessary, consent of the members be and is hereby accorded for waiver of recovery of a sum of Rs. 590,06,159 as excess managerial remuneration and sum of Rs. 164,00,000 as professional fees for the movie "KAANCHI" as a Director, Producer and Writer.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard."

Registered Office:
Mukta House,
Behind Whistling Woods Institute
Filmcity Complex
Goregaon (East)
Mumbai- 400065

Place: Mumbai

Date: 26th May, 2016

By Order of the Board

Sd/-
Monika Shah
Company Secretary
Membership No: FCS 7964

NOTES:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice under Item Nos. 4, 5, 6, 7 and 8 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The Instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable.
4. Pursuant to the provision of Section 105 of the Companies Act, 2013 a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. The Company's Registrar and Transfer Agents for its Share Registry work (Physical and Electronic) are Link Intime India Private Limited having its office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400078.
6. The Register of Members and Share Transfer Books of the Company will remain closed **from Friday, the 2nd September, 2016 to Friday, the 9th September, 2016 (both days inclusive).**
7. All the documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all days, except Saturdays, Sundays and holidays until the date of the Annual General Meeting or any adjournment thereof. This notice and the Annual Report will also be available on the Company's website www.muktaarts.com for download.
8. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 2 of the Notice is annexed herewith as Annexure – I.
9. Members wishing to claim dividends, which remain unclaimed, are requested to send their claims directly to the Company or to Link Intime India Private Limited, the Company's Registrars and Transfer Agents (the R & T Agents). Members are requested to note that dividends which remain unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are required to be transferred to the Investor Education and Protection Fund established by the Central Government as per Section 124 of the Companies Act, 2013 (Section 205A and 205C of the erstwhile Companies Act, 1956), no claim shall lie against the Company or the said Fund for the amounts so transferred.

   Information in respect of each unclaimed dividend when due for transfer to the IEP Fund is given below:

Dividend Reference	Date of Declaration	Due Date for transfer to IEPF
Interim Dividend 2011	04-08-2011	06-09-2018
Final Dividend 2013	21-09-2013	24-10-2020

10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime India Private Limited.

    The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Private Limited.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Link Intime India Private Limited for assistance in this regard.
12. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Link Intime India Private Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
13. In case of joint holders attending the meeting, 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.

14. Members are requested to:
    a. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
    b. Complete the attendance slip and deliver the same at the entrance of the meeting hall.
    c. Send their questions atleast 7 days in advance before the Annual General Meeting on any further information on accounts so as to enable the Company to answer their question satisfactorily
15. In keeping with Ministry of Corporate Affairs' Green Initiative measures, soft copies of the Annual Report for the year ended 31st March 2016 are being sent to all members whose email IDs are registered with the Company / Depository Participant(s) for communication unless any member has requested for physical copies of the same. The Company hereby requests members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual reports, notices, etc. from the Company electronically.
16. The route map showing directions to reach the venue of the 34th Annual General Meeting of the Company is annexed.
17. Mr. Pratik M. Shah, Practising Company Secretary (Membership No. FCS 7431) has been appointed as the Scrutinizer to scrutinise the e-voting process in a fair and transparent manner.
18. **Procedure for remote E-voting**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The facility for voting through ballot paper will also be made available at the Annual General Meeting (AGM) and the members attending the AGM who have not already cast their votes by remote e-voting shall exercise their right to vote at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the Annual General Meeting but shall not be entitled to cast their votes again. The instructions for e-voting are given below.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 5th September, 2016 at 12.00 noon and ends on 8th September, 2016 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 2nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he / she shall not be allowed to change it subsequently or cast vote again.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID
    a. For CDSL: 16 digits beneficiary ID,
    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

(i) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on Cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting, as well as voting at the meeting through ballot.

(ii) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

(iii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.muktaarts.com and on the website of CDSL www.evotingindia.com immediately after the result is declared.

Registered Office:
Mukta House,
Behind Whistling Woods Institute
Filmcity Complex
Goregaon (East)
Mumbai- 400065

By Order of the Board

Monika Shah
Company Secretary
Membership No: ACS 7964

Place: Mumbai
Date: 26th May, 2016

Annexure - I to Notice

Additional Information to Item No. 2.

Name of Director	Mr. Rahul Puri
Date of Birth	19/09/1977
Date of first appointment	23/10/2007
Qualifications	Graduate of Kings College London
Expertise in specific functional areas and experience	Business Development, Administration and Finance Worked with UBS Warbarg in London in corporate finance on international transactions. Worked with Ambit Corporate Finance and Nimbus Communications after moving to India. Joined Mukta Arts Limited in 2003 as Vice President- Finance and Strategy and later promoted as Executive Director. Currently he is holding the position of Managing director of the Company.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1. Coruscant Tec Limited 2. Mukta V N Films Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Nil
Number of shares held in the Company	Nil

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of Mr. Rahul Puri, please refer to the Corporate Governance Report.

Annexure - II to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

Re-appointment of Mr. Subhash Ghai (DIN 00019803) as Executive Chairman for a period of 3 years and fixation of remuneration payable to him.

Mr. Subhash Ghai was appointed as Executive Chairman on 30th May, 2014 for a term of 3 years on the terms and conditions mentioned in the agreement entered into between Mr. Subhash Ghai and the Company which was duly approved by the Shareholders of the Company at Annual General Meeting held on 27th September, 2014.

The Nomination and Remuneration Committee in its meeting held on 26th May, 2016 had recommended his re-appointment on the terms and conditions contained in the agreement to be entered into between the Company and Mr. Subhash Ghai. Accordingly, the Board proposes re-appointment of Mr. Subhash Ghai as Executive Chairman of the Company for a period of 3 years commencing from 30thMay, 2017.

The Main terms of the said agreement are as under:-

SALARY:

Rs. 300,000/- per month with the liberty to the Board to review and increase the same from time to time upto a maximum of Rs. 5,00,000/- per month during the tenure of this contract.

PERQUISITES:

In addition to the aforesaid salary, the Executive Chairman shall be entitled to the following perquisites:

a) Fully furnished residential accommodation. Where no accommodation is provided by the Company, suitable house rent allowance in lieu thereof may be paid. The expenses on furnishings, gas, electricity, water and other utilities shall be borne by the Company.

b) Reimbursement of all medical expenses incurred for self and family.

c) Leave Travel assistance for self and family as per Company rules.

d) Fees of maximum of two clubs, which will include admission and life membership fees.

e) Personal accident insurance, premium whereof does not exceed Rs. 25,000/- per annum.

f) A car with driver for official purpose.

g) Telephones (including Mobile phones), fax and other communication facilities at residence for official purpose. All personal usage will be charged to his account.

h) Gratuity at rate not exceeding half a month's salary for each completed year of service, and

i) Leave at the rate of one month for every eleven month's of service. Leave not availed of may be encashed.

j) Other allowances will be paid as decided by the Board and as per the terms of the agreement.

k) Ex-gratia – One month basic per annum

Family for the above purpose means wife, dependent children and dependent parents of the Executive Chairman.

For the purpose of computation of the ceiling on remuneration, the following perquisites shall not be included.

Gratuity at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure.

None of the Directors or Key Managerial Personnel of the Company except, Mr. Subhash Ghai and Mr. Rahul Puri may be deemed to be concerned or interested in this resolution.

The agreement entered into between the Company and Mr. Subhash Ghai will be available for inspection by the Members at the Registered Office of the Company during business hours and will also be available at the meeting.

The other information as required under Schedule V (B) (iv) is as follows.

I GENERAL INFORMATION

1.	Nature of Industry	:	Production and entertainment
2.	Date of Commencement	:	07/09/1982
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not applicable.
4.	Financial Performance based on Given indicators	:	As per Financial Statements annexed
5.	Foreign investments of Collaborations, if any	:	NIL

II INFORMATION ABOUT THE APPOINTEE

1.	Background details	:	B. Com, Diploma in cinema from FTII, Pune.
2.	Past Remuneration	:	Rs. 33,37,400/- for 2015-2016
3.	Recognition or awards	:	Has won many awards as Film Director and Producer
4.	Job Profile and his suitability	:	Filmmaker (Writer, Director and Producer) He earned accolades from the guiding and making of 37 films in 34 years of his career, out of which 18 films proved to be the blockbusters of their times and got him laurels from the critics as well as the audiences. Looking at the reputation and vast experience Mr. Subhash Ghai is ideally suited for the position.
5.	Remuneration Proposed	:	As contained in the Explanatory Statement
6.	Comparative remuneration profile with respect to Industry etc.	:	NA
7.	Pecuniary Relationship directly or indirectly with the Company	:	NIL
8.	Relationship with managerial Personnel, if any	:	Father-in- law of Mr. Rahul Puri-Managing Director

III OTHER INFORMATION

1.	Reason of Loss or inadequate Profit	:	No new films released during the year
2.	Steps Taken or proposed to be Taken for improvement	:	Budgets for future films rationalized. : Additional Sources of income streamlined
3.	Expected increase in Productivity and profits in measurable terms	:	Not quantifiable

IV DISCLOSURE

1.	Remuneration package	:	Necessary information given in explanatory statement
2.	Disclosure in Corporate Governance if any	:	Necessary information given.

Your directors recommend the resolution for your approval.

Item No. 5:

Re-appointment of Mr. Rahul Puri (DIN 01925045) as Managing Director for a period of 3 years and fixation of remuneration payable to him.

Mr. Rahul Puri was appointed as Managing Director on 30th May, 2014 for a term of 3 years on the terms and conditions mentioned in the agreement entered into between Mr. Rahul Puri and the Company which was duly approved by the Shareholders of the Company at Annual General Meeting held on 27th September, 2014.

The Nomination and Remuneration Committee in its meeting held on 26th May, 2016 had recommended his re-appointment on the terms and conditions contained in the agreement to be entered into between the Company and Mr. Rahul Puri. Accordingly, the Board proposes re-appointment of Mr. Rahul Puri as Managing Director of the Company for a period of 3 years commencing from 30th May, 2017.

The Main terms of the said agreement are as under:-

SALARY:

Rs. 2,00,000/- per month with the liberty to the Board to review and increase the same from time to time upto a maximum of Rs. 5,00,000/- per month during the tenure of this contract.

PERQUISITES:

In addition to the aforesaid salary, the Managing Director shall be entitled to the following perquisites:

a) Fully furnished residential accommodation. Where no accommodation is provided by the Company, suitable house rent allowance in lieu thereof may be paid. The expenses on furnishings, gas, electricity, water and other utilities shall be borne by the Company.

b) Reimbursement of all medical expenses incurred for self and family.

c) Leave Travel assistance for self and family as per Company rules.

d) Fees of maximum of two clubs, which will include admission and life membership fees.

e) Personal accident insurance, premium whereof does not exceed Rs. 25,000/- per annum.

f) A car with driver for official purpose.

g) Telephones (including Mobile phones), fax and other communication facilities at residence for official purpose. All personal usage will be charged to his account.

h) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

i) Gratuity at rate not exceeding half a month's salary for each completed year of service, and

j) Leave at the rate of one month for every eleven month's of service. Leave not availed of may be encashed.

k) Other allowances will be paid as decided by the Board and as per the terms of the agreement.

l) Exgratia – One month basic per annum

Family for the above purpose means wife, dependent children and dependent parents of the Managing Director

For the purpose of computation of the ceiling on remuneration, the following perquisites shall not be included.

Gratuity at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure.

None of the Directors or Key Managerial Personnel of the Company except, Mr. Subhash Ghai and Mr. Rahul Puri may be deemed to be concerned or interested in this resolution.

The agreement entered into between the Company and Mr. Rahul Puri will be available for inspection by the Members at the Registered Office of the Company during business hours and will also be available at the meeting.

The other information as required under Schedule V (B) (iv) is as follows.

I GENERAL INFORMATION

1.	Nature of Industry	:	Production and Exhibition of Films
2.	Date of Commencement	:	07/09/1982
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions in the prospectus	:	Not applicable.
4.	Financial Performance based on Given indicators	:	As per financial statements annexed
5.	Foreign investments of Collaborations, if any	:	NIL

II	**INFORMATION ABOUT THE APPOINTEE**			
	1.	Background details	:	Graduate of Kings College London
	2.	Past Remuneration	:	Rs. 35,54,340/- for 2015-2016
	3.	Recognition or awards	:	NIL
	4.	Job Profile and his suitability	:	Incharge of overall Business Development and Administration Worked with UBS Warbarg in London in corporate finance on international transactions and has several years of rich experience in India & abroad. Looking at the overall exposure and experience Mr. Rahul Puri is ideally suited for the position.
	5.	Remuneration Proposed	:	As contained in the Explanatory Statement
	6.	Comparative remuneration profile with respect to Industry etc.	:	NA
	7.	Pecuniary Relationship directly or indirectly with the Company	:	NIL
	8.	Relationship with managerial Personnel, if any	:	Son-in-law of Executive Chairman, Mr. Subhash Ghai
III	**OTHER INFORMATION**			
	1.	Reason of Loss or inadequate Profit	:	No new films released during the year
	2.	Steps Taken or proposed to be Taken for improvement	:	Budgets for future films rationalized. Additional Sources of income streamlined.
	3.	Expected increase in productivity and profits in measurable terms	:	Not quantifiable
IV	**DISCLOSURE**			
	1.	Remuneration package	:	Necessary information given in explanatory statement
	2.	Disclosure in Corporate Governance if any	:	Necessary information given

Your directors recommend the resolution for your approval.

Item No. 6:

Holding of office or place of Profit by Mr. Siraj Farooqui, a relative of Executive Director, under Section 188 of the Companies Act, 2013.

The Board of Directors of the Company have appointed Mr. Siraj Farooqui, relative of Mr. Parvez A. Farooqui, Executive Director of the Company as “COO- Production & Studios” in the Company with effect from 1st November, 2015 with the remuneration at Cost to Company basis at Rs. 32,96,000/- per annum. Mr. Siraj A. Farooqui has experience of over 30 years in Film Industry. He has been associated with Mukta Arts Limited since its inception and has had good experience in production including editing, special effects, art direction etc. His continued association with the Company would prove to be an asset for the Company.

Therefore, the Board of Directors seeks approval of members pursuant to the provisions of section 188 of the Companies Act, 2013, to pay remuneration of Rs. 274,667/- per month but not exceeding Rs. 5,00,000/- per month to Mr. Siraj A. Farooqui holding or continuing to hold office or place of profit under the Company, being relative of Mr. Parvez A. Farooqui, Executive Director of the Company.

None of the Directors or Key Managerial Personnel of the Company except, Mr. Parvez A. Farooqui may be deemed to be concerned or interested in this resolution.

Your directors recommend the resolution for your approval.

Item No. 7:

Your Directors at their meeting held on 9thMarch, 2002 had forfeited 4000 Equity Shares belonging to 24 shareholders for non-payment of allotment money due. Prior to the forfeiture, your Company had sent forfeiture notices to shareholders in respect of 4000 Equity Shares but have not remitted the outstanding allotment money due and therefore their shares were forfeited. Article 35 of the Articles of Association of the Company provides that any shares forfeited, shall be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. Further, the Board of the Directors of the Company at its meeting held on 26th May, 2016consented the reissue and allotment of the 4000 forfeited Equity Shares of face value of Rs. 5/each to Mr. Subhash Ghai with the permission of the members by way of Special Resolution at the Annual General Meeting.

As the Board has consented to reissue the forfeited shares of the Company, it seeks to obtain your approval for the same. Pursuant to Section 62 (1) of the Companies Act, 2013; the Equity Shares may be offered by the Company to such persons in the manner whatsoever, if a special resolution to that effect is passed by the Company in the General Meeting. Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 62(1) and other applicable provisions of the Companies Act, 2013, Chapter VII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 and in terms of the provisions of the SEBI (LODR) Regulations, 2015 to re-issue and allot Equity Shares as stated in the Special Resolution and on the terms as stated herein below:

(The question of additional fund does not arise in case of issue of shares as they are to be taken by the person at the price fixed in accordance with SEBI (ICDR) Regulation, 2009)

I. The Object of the re-issue of forfeited shares:-It is intended not to cancel the forfeited shares of the Company and hence promoters decided to pay and subscribe to the forfeited shares and reissue the same to them.

II. Intention of the Promoters/Directors/Key management persons to subscribe to the offer:- The Promoters/Directors/Key Management of the Company intend to subscribe to the re- issue of forfeited shares being offered which is proposed under the special resolution of the Notice for shareholders' approval at this meeting.

III. Shareholding pattern before and after the reissue of forfeited shares: Shareholding pattern before and after the re-issue of 4000 forfeited Equity Shares:

Name of Promoter/ Shareholder	No .of shares held before re-issue	% of shareholding before re-issue (Keep in 4 decimal Point)	Preferential Issue of Forfeited Shares	Total holding after Issue of Forfeited Shares	% holding after Issue of Forfeited Shares (Keep in 4 decimal point)
Subhash Ghai	12417990	54.9926	4000	12421990	55.00057559
Total	**15889290**	**70.3652**	**4000**	**15893290**	**70.38284059**

IV. The proposed allotment of forfeited Equity Shares has already been approved by the Board at the Board meeting held on 26th May, 2016.

V. Auditor's Certificate:- A copy of the certificate of the Auditors of the Company certifying the adherence in SEBI's Regulations for Preferential Issues, being Chapter VII to the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 by the proposed issue shall be laid before the shareholders at the Annual General Meeting.

Lock-in:-The Equity Shares allotted pursuant to reissue of forfeited Equity Shares will be locked in from the date of their allotment i.e. from 9th September, 2016 to 8th September, 2019, i.e. for a period of 3 years as prescribed in Regulation 78 of SEBI (ICDR) Regulations, 2009.

Item No. 8:

Waiver of the recovery of excess amount paid as managerial remuneration and professional fees to Mr. Subhash Ghai as the erstwhile Chairman and Managing Director of the Company:

Mr. Subhash Ghai was appointed as Chairman and Managing Director of the Company for the period of three years w.e.f. 1st April, 2011 vide special resolution passed by the members of the Company in the 28th Annual General Meeting of the Company held on September 30, 2010 as per the recommendation of the Nomination and Remuneration Committee (Remuneration Committee as per Companies Act 1956) and as approved by the Board of Directors in their meeting held on August 12, 2010.

Any sums paid in excess of the said statutory limits become refundable to the Company and until such sums become refundable, are held in trust for the Company, unless the Company waives recovery of the said amount by way of a Special Resolution passed by the Members and such waiver is approved by the Central Government. Hence pending the necessary approval from Central Government, the excess remuneration so paid is being held in trust by the Chairman.

The Company had made various applications to the Central Government for payment of aforesaid remuneration. The Company received the approval from Central Government for part of the excess remuneration paid (approval received for remuneration aggregating to Rs 25,200,000 for the financial years 2005-06, 2006-07 and 2007-08 vide their letter dated 20th April, 2011) and the Company made applications to the authorities requesting reconsideration/ approval for the balance excess remuneration and for recognition of the erstwhile managing director as a professionally qualified person under the Companies Act, 1956. Through its various communications, the Ministry of Corporate Affairs had directed the Company to recover the excess remuneration paid during the financial years 2008-09 to 2011-12. The Company has requested the authorities to reconsider their orders in respect of the above.

The details of the excess Managerial Remuneration paid to Mr. Subhash Ghai during the preceding financial years are given herein below:

(Amount in Rupees)

Financial year	Remuneration paid	Entitlement	Remuneration allowed by CG	Excess to be recovered	Professional Fees paid
2005-06	Rs.1,08,95,000/-	42,00,000/-	84,00,000/-	24,95,000/-	-
2006-07	1,10,58,546/-	80,08,316/-	84,00,000/-	26,58,546/-	-
2007-08	1,15,90,741/-	83,48,169/-	84,00,000/-	31,90,741/-	-
2008-09	15,640,620/-	42,00,000/-	-	114,40,620/-	-
2009-10	15,234,145/-	42,00,000/-	-	110,34,145/-	-
2010-11	23,209,717/-	42,00,000/-	-	190,09,717/-	-
2011-12	12,997,900/-	42,00,000/-	-	87,97,900/-	-
2012-13	45,79,490/-	42,00,000/-	-	3,79,490/-	54,00,000/-
2013-14	41,38,588/-	42,00,000/-	-	-	110,00,000/-

Hence, a sum of Rs. 590,06,159 as managerial remuneration was in excess of the remuneration sanctioned by the Central Government and is liable to be refunded to the Company unless permission of the Central Government for waiver of recovery of excess remuneration under Section 197 of the Companies Act, 2013 is obtained. The Company had made an application to Central Government in pursuance to section 309(1) (b) of the Companies Act, 1956 stating that Mr. Subhash Ghai is qualified in the field of Film Direction and other aspects of production of films. The application was rejected by the Central Government vide its letter dated 18th September, 2014.

The Company then applied for a consideration of all the applications made as above on the terms as explained therein for a sum of Rs. 590,06,159 as managerial remuneration and for a sum of Rs. 164, 00,000 as professional fees to Mr. Subhash Ghai for the movie "KAANCHI" being a Director, Producer and Writer for the same which was rejected by the Central Government.

As an explanation to their rejection, the Company stated that Mr. Subhash Ghai was fully involved in the making of his movie "KAANCHI" as a Director, Producer and Writer due to which he could not take up any other project during the said financial year. The talented persons in that field like Mr. Subhash Ghai are required to be adequately remunerated for their talent and hard work. When Actors/Stars are being paid huge amount as remuneration, Mr. Subhash Ghai being the Producer/Director/ Scriptwriter and also the erstwhile Managing Director and Chairman of the Company he had to be adequately compensated as per his status and recognition in the Indian Film Industry.

Mr. Subhash Ghai is the Promoter and Managing Director of the Company, he has been associated with the Mukta Arts Limited since its inception. He is responsible for the management of the overall operations of the Company, including Group Companies hence has been instrumental in enabling the Group to diversify and expand its operations in India. During the last 30 years, the company has produced over 30 films and growing, all of which have generated tremendous profits for the company. He was the first Indian film producer who took his company into a corporate public company in 2000 as Mukta Arts Pvt Ltd. and expanded it's business from education to exhibition in movies and multi-media. He is actively involved in long term strategy formulations and in exploring new growth avenues for Mukta Arts Group companies. During the F.Y. 2007-08 and 2008-09, he directed two films "Black & White" and "Yuvraaj" for Company without charging any directorial fees. Also, from F.Y. 2013-14 he has voluntarily reduced his remuneration considerably.

The Nomination & Remuneration Committee and the Board of Directors at their respective meetings held on 26th May, 2016 have recommended the waiver of the recovery of excess Managerial Remuneration paid to Mr. Subhash Ghai during the period from financial years 2005-06 to 2013-14 as per above details for the said financial years and Professional Fees paid during the financial years 2012-13 and 2013-14 subject to approval of the Central Government.

The Board recommends the said resolutions for your approval.

Mr. Subhash Ghai is deemed to be concerned or interested in the said resolutions mentioned in Item No. 8 of this notice.

Mr. Parvez Farooqui and Mr. Rahul Puri, being relatives of Mr. Subhash Ghai, are also deemed to be interested in the said Resolutions.

Save and except the above, none of the other Directors or any key managerial personnel or any other relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolutions.

The Board, therefore, recommends the approval of the Special Resolution by the shareholders.
A copy of the resolution passed by the Nomination and Remuneration Committee of the Board of Directors and Board of Directors at its meeting held on 26th May, 2016 is available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays and holidays up to the date of Annual General Meeting.

Registered Office:
Mukta House,
Behind Whistling Woods Institute
Filmcity Complex
Goregaon (East)
Mumbai- 400065

By Order of the Board

Monika Shah
Company Secretary
Membership No: ACS 7964

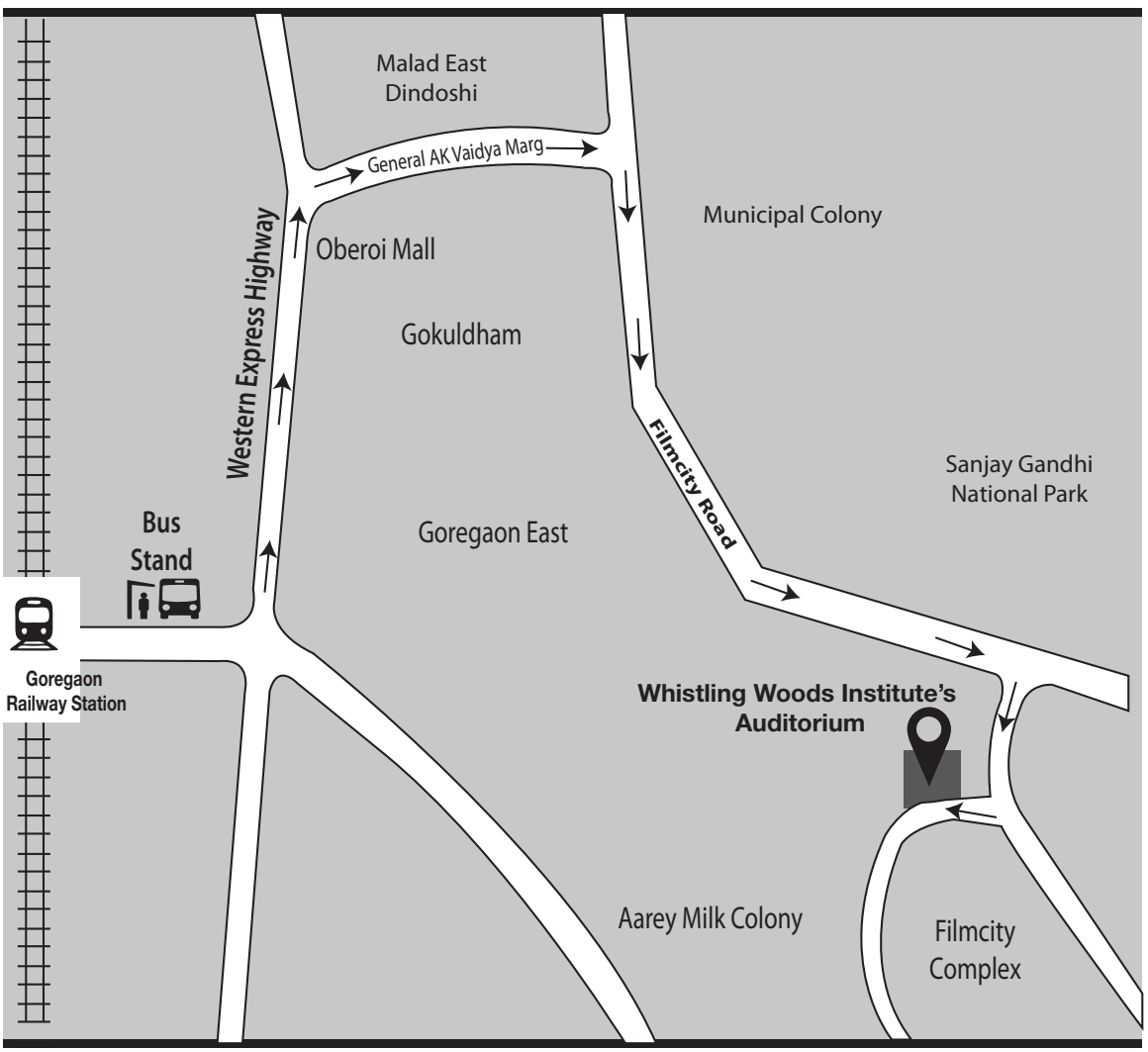
Place: Mumbai

Date: 26th May, 2016

Note:

Shareholders are requested to avail services of the Company's bus outside Goregaon (East) Station near Bus Depot at 3.30 p.m. to reach the AGM Venue.

Route Map to the Venue of the AGM



Whistling Woods Institute's Auditorium,
Dada Saheb Phalke Chitra Nagari, Goregaon (East), Mumbai- 400 065

MUKTA ARTS LIMITED

(CIN: L92110MH1982PLC028180)

Regd. Office: Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (East), Mumbai-400065.
Tel. +91 22 33649400 Fax: 91 22 33649401 Website: www.muktaarts.com

ENTRANCE PASS/ ATTENDANCE SLIP

(To be presented at the entrance)

34th Annual General Meeting on September 9, 2016

SERIAL NO.

1. Name and Registered Address of the sole/ first named Member :

   Name(s) of the Joint Member 1 :

   Name(s) of the Joint Member 2 :

2. Registered Folio No./ DP ID/ Client ID :
3. No. of Shares held :

I certify that I am the member/ proxy for the member of the Company. I hereby record my presence at the 34th Annual General Meeting of the Company to be held at Whistling Woods Institute's Auditorium, Dada Saheb Phalke Chitra Nagari, Goregaon (East), Mumbai- 400 065 on Friday, the 9th day of September, 2016 at 4.00 p.m.

Member's / Proxy's name in Block Letters

Member's/Proxy's signature

Note:

1. Please fill up the Attendance Slip and hand it over at the entrance of the Meeting hall.
2. Members are requested to bring their copy of the Annual Report to the Meeting.

E-Voting particulars

Mukta Arts Limited
Mukta House, Behind Whistling Woods Institute,
Filmcity Complex, Goregaon (East),
Mumbai- 400065.
Telephone No. - (022) 33649400
Fax No. - (022) 33649401
Website: www.muktaarts.com
CIN : L92110MH1982PLC028180

ELECTRONIC VOTING PARTICULARS

EVSN (E-Voting Sequence Number)	Default PAN / Sequence Number
160811034	

PROXY FORM

MUKTA ARTS LIMITED

CIN: L92110MH1982PLC028180
Regd. Office: Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (East), Mumbai-400065.
Tel. +91 22 33649400 Fax: 91 22 33649401 Website: www.muktaarts.com

Form No. MGT-11

PROXY FORM

Proxy form [Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):

Registered address:

E-mail Id:

Folio / DP ID-Client ID No.

I/We, being the member (s) of ……. shares of the above named company, hereby appoint:

(1) Name _____

Address _____

E-mail Id: _____ Signature _____ or failing him

(2) Name _____

Address _____

E-mail Id: _____ Signature _____ or failing him

(3) Name _____

Address _____

E-mail Id: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company, to be held on Friday the 9th day of September, 2016 at 4:00 p.m. at Whistling Woods Institute's Auditorium, Dada Saheb Phalke Chitra Nagari, Goregaon (East), Mumbai- 400 065 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	OPTIONAL*	
ORDINARY BUSINESS		**For**	**Against**
1.	To receive, consider and adopt the Audited Financial Statement (including Audited Consolidated Financial Statement) of the Company for the Financial Year ended 31st March, 2016 and the Report of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Mr. Rahul Puri (DIN 01925045) as Managing Director who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Re-appointment of M/s Uttam Abuwala & Co., Chartered Accountants (Firm Registration Number: 111184W) as Statutory Auditors to hold office until the conclusion of the Thirty Eighth Annual General Meeting of the Company to be held in the year 2020 and approve their remuneration.		
SPECIAL BUSINESS			
4.	Re-appointment of Mr. Subhash Ghai (DIN 00019803) as the Executive Chairman of the Company for a period of three years with effect from 30th May 2017		
5.	Re-appointment of Mr. Rahul Puri (DIN 01925045) as Managing Director of the Company for a period of three years with effect from 30th May, 2017		
6.	To appoint Mr. Siraj Farooqui, relative of Mr. Parvez A. Farooqui, Executive Director of the Company as "COO-Production and Studios"		
7.	To re-issue 4000 forfeited Equity Shares at a price not less than the price which is to be determined in accordance with the provisions of SEBI (Issue of capital and Disclosure Requirements) Regulations 2009		
8.	Waiver of the recovery of excess amount paid as managerial remuneration and professional fees to Mr. Subhash Ghai as the erstwhile Chairman and Managing Director of the Company.		

Signed this…….....……. Day of…….. 2016

Affix 1 Re. Revenue Stamp

Signature of shareholder…….

Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to put 'X' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all the details including details of member(s)in the above box for submission.