

11<sup>th</sup> November, 2020

<b>BSE Limited</b> Phiroze Jeejeeboy Towers Dalal Street, Fort, Mumbai 400 001 BSE Scrip Code: 532357	<b>National Stock Exchange of India Limited</b> Exchange Plaza, 5th Floor Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 NSE Scrip Symbol: MUKTAARTS
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Kind Attn: **Corporate Relations Department**

Dear Sirs,

**Subject: Outcome of the Board Meeting and Results for quarter and half year ended 30<sup>th</sup> September 2020**

Further to our letter dated 4<sup>th</sup> November, 2020 and pursuant to the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at its meeting held today viz., 11<sup>th</sup> November, 2020 considered and approved the Unaudited Standalone and Consolidated Financial Results along with segment wise results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2019, Limited Review Report in pursuance to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Statement of Cash Flow as at that date.

A press release for the quarter is also enclosed herewith for your reference along with the copy of the aforesaid unaudited financial results. The Board Meeting commenced at 12.00 p.m. and concluded at 2.00 pm.

Please take the same on records accordingly and oblige.

Thanking you,

Yours Faithfully,  
For and on behalf of  
**Mukta Arts Limited**

Monika Shah  
**Company Secretary**  
Encl: As above.

Part 1 - Statement of Unaudited Financial Results for the Quarter and Half year ended September 30 2020

		Standalone						Consolidated					
S.No	Particulars	For the quarter ended			For the half year ended			For the quarter ended			For the half year ended		
		September 30, 2020	September 30, 2019	June 30, 2020	September 30, 2020	September 30, 2019	March 31, 2020	September 30, 2020	September 30, 2019	June 30, 2020	September 30, 2020	September 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(Rs in lakhs, except per share data)													
1	Revenue from operations	281.72	326.63	506.50	788.22	1,363.16	2,160.81	1,458.55	4,330.06	1,825.28	3,283.83	8,901.05	17,168.89
2	Other Income	261.00	272.14	228.88	489.88	567.95	1,097.62	343.86	178.83	339.80	683.66	401.33	857.47
3	<b>Total Revenue</b>	<b>542.72</b>	<b>598.77</b>	<b>735.38</b>	<b>1,278.10</b>	<b>1,931.11</b>	<b>3,258.43</b>	<b>1,802.41</b>	<b>4,508.89</b>	<b>2,165.08</b>	<b>3,967.49</b>	<b>9,302.38</b>	<b>18,026.36</b>
4	<b>Expenses</b>												
	a) (Increase)/ decrease in stock in trade	-	-	-	-	-	-	3.54	(20.88)	43.29	46.83	(26.07)	(19.11)
	b) Purchase of food and beverage	-	-	-	-	-	-	20.90	163.51	0.55	21.45	294.00	554.96
	c) Distributor and producer's share	-	-	-	-	-	-	17.48	912.15	0.10	17.58	2,102.94	3,764.77
	d) Other direct operation expenses	-	-	-	-	353.85	372.59	14.60	45.40	3.77	18.37	84.14	220.87
	e) Employee benefits expense	80.98	136.74	92.03	173.01	275.16	557.15	502.82	795.84	581.42	1,084.24	1,526.96	3,298.03
	f) Amortisation of intangible assets (including films rights)	-	-	-	-	-	-	30.32	15.29	32.78	63.10	23.18	66.55
	g) Depreciation of tangible assets	56.51	68.71	56.49	113.00	123.70	231.67	456.59	593.10	453.37	909.96	864.70	1,849.78
	h) Finance costs	138.40	228.78	139.70	278.11	386.84	689.29	300.62	514.74	314.10	614.73	788.82	1,564.34
	i) Other expenses	179.15	253.71	90.59	269.73	486.45	954.66	960.81	1,609.03	705.74	1,666.55	3,589.10	7,507.58
	<b>Total expenditure</b>	<b>455.04</b>	<b>687.94</b>	<b>378.81</b>	<b>833.85</b>	<b>1,626.00</b>	<b>2,805.36</b>	<b>2,307.69</b>	<b>4,628.18</b>	<b>2,135.12</b>	<b>4,442.80</b>	<b>9,247.77</b>	<b>18,807.77</b>
5	<b>Profit/ (loss) before tax (3-4)</b>	<b>87.68</b>	<b>(891.7)</b>	<b>35 57 6</b>	<b>444.25</b>	<b>305.11</b>	<b>453.07</b>	<b>(505.28)</b>	<b>(119.28)</b>	<b>29.96</b>	<b>(475.31)</b>	<b>54.61</b>	<b>(781.41)</b>
6	<b>Tax Expenses</b>												
	Current tax	3.50	-	18.00	21.50	26.00	26.00	3.54	-	18.04	21.59	26.00	41.15
	Deferred tax	(1.04)	(66.22)	9.80	9.15	(61.96)	(90.23)	(0.41)	(39.07)	(0.65)	(11.06)	(17.74)	14.08
7	<b>Profit/ (loss) from ordinary activities after tax</b>	<b>85.22</b>	<b>(22.95)</b>	<b>328.77</b>	<b>413.60</b>	<b>341.07</b>	<b>517.30</b>	<b>(498.42)</b>	<b>(80.21)</b>	<b>12.57</b>	<b>(485.84)</b>	<b>46.36</b>	<b>(836.64)</b>
8	Extraordinary Items	-	-	-	-	-	-	-	-	-	-	-	-
9	<b>Share of profit/(loss) in Joint ventures</b>							<b>(13.83)</b>	<b>(5.75)</b>	<b>(13.09)</b>	<b>(26.92)</b>	<b>1.85</b>	<b>(11.99)</b>
10	<b>Net profit/ (loss) for the period</b>	<b>85.22</b>	<b>(22.95)</b>	<b>328.77</b>	<b>413.60</b>	<b>341.07</b>	<b>517.30</b>	<b>(512.24)</b>	<b>(85.96)</b>	<b>(0.53)</b>	<b>(512.76)</b>	<b>48.21</b>	<b>(848.63)</b>
11	Other Comprehensive Income (net of tax)	-	-	-	-	-	(13.80)	(6.87)	3.79	(6.87)	(13.75)	(14.10)	(56.65)
12	<b>Total Comprehensive Income for the period (transferred to BS- Other Equity)</b>	<b>85.22</b>	<b>(22.95)</b>	<b>328.77</b>	<b>413.60</b>	<b>341.07</b>	<b>503.50</b>	<b>(519.12)</b>	<b>(82.17)</b>	<b>(7.40)</b>	<b>(526.51)</b>	<b>34.11</b>	<b>(905.28)</b>
13	Basic and diluted earning per share (EPS) (not annualised)	0.38	(0.10)	1.46	1.83	1.51	2.23	(2.30)	(0.36)	(0.03)	(2.33)	0.15	(4.01)
Part II													
<b>A Particulars of shareholdings</b>													
1	<b>Public shareholding</b>												
	a) Number of shares	6,691,910	6,691,910	6,691,910	6,691,910	6,691,910	6,691,910	6,691,910	6,691,910	6,691,910	6,691,910	6,691,910	6,691,910
	b) Percentage of shareholding	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%
2	<b>Promoter and promoter group shareholding</b>												
	a) Pledge / encumbered												
	i) Number of shares	-	-	-	-	-	-	-	-	-	-	-	-
	ii) % of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-	-	-	-	-	-	-
	iii) % of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	-	-	-	-	-	-
	b) Non encumbered												
	i) Number of shares	15,893,290	15,893,290	15,893,290	15,893,290	15,893,290	15,893,290	15,893,290	15,893,290	15,893,290	15,893,290	15,893,290	15,893,290
	ii) % of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	iii) % of shares (as a % of the total share capital of the Company)	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%
<b>B Investor complaints</b>													
	<b>Particulars</b>												
	Pending at the beginning of the quarter	Nil											
	Received during the quarter	Nil											
	Disposed off during the quarter	Nil											
	Remaining unresolved at the end of the quarter	Nil											



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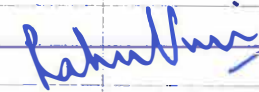
Segment - wise Revenue, Results, Assets and Liabilities													(Rs in lakhs)
S.No	Particulars	Standalone					Consolidated						
		For the quarter ended			For the half year ended		Year Ended	For the quarter ended			For the half year ended		Year Ended
		September 30, 2020	September 30, 2019	June 30, 2020	September 30, 2020	September 30, 2019	March 31, 2020	September 30, 2020	September 30, 2019	June 30, 2020	September 30, 2020	September 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>SEGMENT REVENUE</b>												
	Software division	71.45	73.59	329.16	400.60	846.70	1,168.87	517.54	73.59	329.16	846.70	846.70	1,173.13
	Equipment division (including other income)	2.10	1.80	-	2.10	6.69	15.16	6.69	1.80	-	6.69	6.69	15.16
	Theatrical exhibition division	-	-	-	-	-	-	368.34	2,642.81	276.79	645.13	5,102.11	9,993.88
	Education	-	-	-	-	-	-	1,110.92	1,467.95	1,359.16	2,470.08	2,678.33	5,578.46
	Others	208.17	251.24	177.35	385.52	509.78	1,301.81	332.43	251.24	177.35	509.78	509.78	1,301.81
	Total	281.72	326.63	506.51	788.23	1,363.17	2,485.84	2,335.90	4,437.39	2,142.46	4,478.37	9,143.61	18,062.44
	Less: Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
	Net sales/ Income from operation	281.72	326.63	506.51	788.23	1,363.17	2,485.84	2,335.90	4,437.39	2,142.46	4,478.37	9,143.61	18,062.44
<b>2</b>	<b>SEGMENT RESULTS</b>												
	Profit/ (loss) before tax and finance costs from each Segment												
	Software division	(19.99)	(82.26)	227.13	207.14	200.28	200.58	(26.86)	(82.26)	227.13	200.28	200.28	204.84
	Equipment division	(3.12)	(7.39)	(7.45)	(10.57)	(11.56)	(36.35)	(4.11)	(7.39)	(7.45)	(11.56)	(11.56)	(36.35)
	Theatrical exhibition division	-	-	-	-	-	-	(465.53)	46.79	(448.08)	(913.61)	(4116)	(927.15)
	Education	-	-	-	-	-	-	90.05	266.87	351.30	441.36	309.34	796.32
	Others	133.57	154.76	135.29	268.86	336.68	846.02	201.40	154.76	135.29	336.68	336.68	846.02
	Total	110.46	65.11	354.97	465.43	525.40	1,010.23	(205.04)	378.77	258.19	53.15	793.58	883.67
	Less: Finance costs	138.41	228.78	139.70	278.11	386.84	689.29	300.62	514.74	314.10	614.73	788.82	1,564.34
	Other un-allocable expenditure												
	Net of unallocable income	(115.64)	(74.50)	(141.31)	(256.94)	(166.54)	(132.13)	(0.39)	(16.71)	(85.87)	(86.26)	(49.84)	100.74
	Total profit before tax	87.68	(89.17)	356.58	444.25	305.11	453.07	(505.28)	(119.26)	29.96	(475.31)	54.60	(781.41)
	Add : Share of profit/(loss) in Joint ventures	-	-	-	-	-	-	(13.83)	(5.75)	(13.09)	(26.92)	1.85	(11.99)
	Total profit before tax and after share in Joint venture	87.68	(89.17)	356.57	444.25	305.11	453.07	(519.11)	(125.01)	16.86	(502.23)	56.45	453.07
<b>3</b>	<b>SEGMENT ASSETS</b>												
	Software division	2,310.49	2,750.04	2,528.26	2,310.49	2,750.04	1,941.69	2,750.04	2,750.04	2,528.26	2,750.04	2,750.04	1,941.69
	Equipment division	123.57	138.36	127.06	123.57	138.36	130.46	138.36	138.36	127.06	138.36	138.36	130.46
	Theatrical exhibition division	540.11	540.11	944.23	540.11	540.11	610.28	9,323.02	10,367.87	9,976.42	9,323.02	10,367.87	10,039.33
	Education	-	-	-	-	-	-	5,833.91	4,946.81	4,837.27	5,833.91	4,946.81	4,908.51
	Others	2,076.22	2,062.53	2,154.78	2,076.22	2,062.53	2,382.97	2,062.53	2,062.53	2,154.78	2,062.53	2,062.53	2,382.97
	Unallocable	18,744.27	16,934.83	17,492.65	18,744.27	16,934.83	16,867.83	4,375.20	4,299.42	2,893.74	4,375.20	4,299.42	4,947.28
<b>4</b>	<b>SEGMENT LIABILITIES</b>												
	Software division	489.59	257.94	276.63	489.59	257.94	365.23	257.94	257.94	276.63	257.94	257.94	365.23
	Equipment division	2.17	0.41	1.32	2.17	0.41	105.30	0.41	0.41	1.32	0.41	0.41	105.30
	Theatrical exhibition division	875.87	875.87	875.87	875.87	875.87	876.08	5,516.82	7,490.67	6,006.87	5,516.82	7,490.67	6,687.16
	Education	-	-	-	-	-	-	4,815.65	4,305.06	5,975.97	4,815.65	4,305.06	4,169.45
	Others	534.58	925.38	546.62	534.58	925.38	547.82	925.38	925.38	546.62	925.38	925.38	547.82
	Unallocable	7,393.62	6,443.50	7,113.58	7,393.62	6,443.50	5,953.58	12,566.92	9,674.40	8,470.35	12,566.92	9,674.40	11,607.70



**NOTES:**

- 1 The above financial results have been reviewed by the audit committee and approved by the Board of Directors at the meeting held on 11 November 2020.
- 2 In terms of order dated 9.02.2012 passed by the High Court of Judicature at Bombay ('High Court'), Maharashtra Film Stage and Cultural Development Corporation ('MFSCDC') raised net demand of Rs. 591,966,210 and asked Whistling Woods International Limited (WWIL) to vacate the premises. The Company's and WWIL's Review Petitions were heard by High Court and a stay was granted on 30 July 2014. However, the High Court ordered the Company/WWIL to pay Rs 100,038,000 by January 2015 against arrears of rent for the years 2000-01 to 2013-14 and Rs 4,500,000 per annum from the financial year 2014-15. As per the terms of the said Order, till 30 September 2020 Rs 113,538,000 has been paid by the Company and Rs 13,500,000 has been paid by WWIL. The State Government of Maharashtra and MFSCDC challenged the Order of the High Court in the Supreme Court which was dismissed by the court on 22 September 2014 with recourse to the State Government of Maharashtra to make an application to Bombay High Court. The Maharashtra State Cabinet has on 25 September 2018 approved allotment of 5.5 acres of land on lease basis to the Company. However the matter is sub-judice and is subject to final disposal by the Honorable Bombay High Court. The auditors continue to modify their report on the said matter.
- 3 The business of the Mukta Group has been affected by the ongoing CoVID-19 pandemic. During the time the lockdown is in effect and social distancing norms are in place, the Entertainment Industry shall be adversely impacted. The Mukta Group has assessed the impact on its operations including revenue and the carrying value of its assets. For all the Group Companies, wherever applicable, steps have been taken to mitigate future losses by cutting operational costs, including by reduction of employee costs and by invoking force majeure for rental payments. For assessing future impacts, all available information has been disseminated. While the impact that is possible to assess till the date of approval of these accounts has been considered, the Group is continuously monitoring the situation as it evolves. The short term impact is expected to be severe; however, the long term impact is not expected to be substantial.
- 4 Figures for the corresponding quarter of the previous year have been regrouped / rearranged to conform to current quarter's presentation.

For and on behalf of the Board of directors



Rahul Puri

Managing Director

DIN:01925045

Date : 11 November 2020

Place : Mumbai

**MUKTA ARTS LIMITED**

Statement of assets and liabilities as at 30 September 2020

(Rs in lacs)

Particulars	Standalone		Consolidated	
	As at 30 Sept 2020 (Unaudited)	As at 31 March 2020 (Audited)	As at 30 Sept 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1,418.16	1,506.63	7,129.22	7,687.52
Right-of-use assets	96.53	103.40	2,689.72	3,125.46
Capital work-in-progress	12.87	12.87	443.70	373.69
Investment property	1,389.31	1,406.79	1,416.07	1,434.72
Other Intangible assets	89.65	444.87	548.46	969.85
Intangible Assets under Development	1,022.92	589.64	1,307.01	858.14
Financial assets				
Investments	2,706.64	2,678.28	384.40	394.33
Loans	3,494.06	3,494.06	-	-
Others	3,295.01	3,576.75	1,810.99	2,171.76
Deferred income tax assets ( net)	285.16	294.32	201.07	190.01
Other non-current assets	1,125.05	1,174.11	1,277.47	1,364.06
<b>Current assets</b>				
Inventories	-	-	69.16	116.07
Financial assets				
Trade receivables	1,269.60	1,133.38	1,989.67	1,583.46
Cash and cash equivalents	367.81	170.08	1,250.11	321.32
Bank balances other than above	256.18	461.54	256.18	461.54
Loans	4,434.49	3,799.24	1,254.01	1,213.45
Others	797.65	700.87	1,587.72	853.53
Other Current assets	396.56	386.39	1,069.18	1,421.32
<b>Total Assets</b>	<b>22,457.68</b>	<b>21,933.23</b>	<b>24,684.12</b>	<b>24,540.23</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	1,129.26	1,129.26	1,132.78	1,129.26
Other Equity	13,369.57	12,956.12	(732.84)	(261.69)
Minority Interest	-	-	374.62	391.63
<b>Non-current liabilities</b>				
Financial liabilities				
Borrowings	4,565.52	4,627.05	6,526.98	6,195.17
Other financial liabilities	406.97	426.98	5,358.25	4,180.61
Provisions	147.21	126.81	563.00	495.11
Other non-current liabilities	491.49	503.00	250.74	241.60
<b>Current liabilities</b>				
Financial liabilities				
Borrowings	820.00	820.00	1,590.83	1,335.27
Trade payables	290.61	258.98	3,714.99	3,412.54
Other financial liabilities	703.31	591.63	1,628.60	3,046.81
Other current liabilities	310.42	225.89	3,292.80	3,324.14
Provisions	223.32	267.51	983.36	1,049.78
<b>Total Equity and Liabilities</b>	<b>22,457.68</b>	<b>21,933.23</b>	<b>24,684.12</b>	<b>24,540.23</b>



**Mukta Arts Limited**

Cash Flow Statement for the six months ended 30 September 2020

(In Rupees)

Sr. No.	Particulars	Standalone		Consolidated	
		30/Sep/2020	30/Sep/2019	30/Sep/2020	30/Sep/2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
A.	Cash flow from operating activities				
	Net Profit before tax	44,425,742	30,510,758	(47,531,267)	5,460,647
	Adjustments for:				
1	Depreciation and amortisation	11,299,993	12,370,487	97,305,841	88,787,840
2	Bad debts/ advances/ intangible assets under development written-off	122,494	4,636,231	444,530	5,901,929
3	Finance costs	27,810,653	38,683,824	61,472,663	78,882,047
4	Interest income	(37,828,498)	(36,557,675)	(5,631,685)	(6,295,143)
4	Interest on income tax refund	(482,915)	(482,915)	(234,516)	(626,313)
6	(Gain) on sale of tangible assets (net)	-	(546,736)	(1,497,182)	(546,736)
	Operating profit before working capital changes	45,347,469	48,613,973	104,328,385	171,564,270
	Movements in working capital:				
1	Increase/(Decrease) in other current liabilities	8,452,939	(9,205,535)	(3,133,470)	(79,143,881)
2	Increase/(Decrease) in other financial liabilities	18,465,562	5,543,852	(115,587,746)	263,682,158
3	Increase/(Decrease) in other non current liabilities	(1,150,982)	3,943,799	913,929	(1,354,751)
4	Increase/(Decrease) in trade payables	3,162,634	2,752,470	30,244,933	(5,297,511)
5	Increase/(Decrease) in Current Provisions	(4,419,310)	(17,137,995)	(6,642,703)	7,557,497
6	(Increase)/Decrease in inventories	-	-	4,691,402	(1,625,239)
7	(Increase)/Decrease in trade receivables	(13,621,905)	(4,185,612)	(40,621,650)	2,571,165
8	(Increase) /Decrease in other non- current assets	4,906,306	8,882,332	8,659,697	10,622,693
9	(Increase)/Decrease in short-term loans and advances	(63,525,174)	(13,112,992)	(4,055,655)	(4,387,835)
10	(Increase)/Decrease in other financial assets	28,174,074	22,379,064	36,076,728	(7,599,680)
11	(Increase) /Decrease in other current assets	(1,017,410)	(7,169,430)	35,213,533	(10,161,384)
12	(Increase)/Decrease in other current financial assets	(9,677,725)	(6,859,643)	(73,418,529)	(30,554,211)
	Cash generated from (used in) operations	37,693,584	34,444,283	(23,331,146)	315,873,291
	Taxes paid (net)	(7,545,665)	(1,279,854)	(9,855,624)	
	Net cash generated from (used in) operating activities (A)	30,147,919	33,164,429	(33,186,770)	315,873,291
B	Cash flow from investing activities				
1	Investments in equity shares of subsidiaries	(2,835,925)	(2,161,012)	993,156	(1,811,085)
2	Purchase of fixed assets (tangible and intangible)	(7,825,183)	(9,883,005)	144,993,701	(272,944,309)
3	Proceeds from maturity/ (reinvestment) of fixed deposits, net	(6,378,469)	(14,544,056)	(25,618,049)	(33,783,636)
4	Proceeds from sale of fixed assets	2,800,000	2,800,000	2,800,000	2,800,000
5	Interest income	37,828,498	36,557,675	5,631,685	6,295,143
	Net cash used in investing activities (B)	23,588,921	12,769,602	128,800,494	(299,443,887)
C	Cash flow from financing activities				
1	Secured loan (repaid)/taken, net	(6,152,743)	555,916	33,181,369	13,509,220
2	Unsecured loan (repaid)/taken , net	-	-	25,556,736	22,666,038
3	Finance charges (net)	(27,810,653)	(38,683,824)	(61,472,663)	(78,882,047)
	Net cash flow from / (used in) financing activities (C)	(33,963,396)	(38,127,908)	(2,734,558)	(42,706,789)
	Net increase /(decrease) in cash and cash equivalents (A + B + C)	19,773,444	7,806,123	92,879,165	(26,277,385)
	Cash and cash equivalents at the beginning of the period	17,007,780	6,910,295	32,131,577	61,224,602
	Cash and cash equivalents at the end of the period	36,781,224	14,716,418	125,010,742	34,947,218



**Uttam Abuwala Ghosh & Associates**

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**Chartered Accountants**

**Independent Auditor's Review Report on quarterly unaudited standalone financial results of Mukta Arts Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

To  
The Board of Directors of  
Mukta Arts Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **M/s Mukta Arts Limited** ("the Company") for the **quarter and half year ended September 30, 2020** ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') as amended.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. As at September 30, 2020, 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 and interest receivable Rs.58,58,25,371/- recoverable from WWIL. As fully explained in Note 2 to the accompanying unaudited 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 2019-20 Rs. 45,00,000/- per annum has been paid by WWIL. The State Govt. of Maharashtra and

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*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 September 30, 2020. 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.*

5. Based on our review conducted as above, except for the matters relating to the investment in and loans and advances and interest recoverable from WWIL referred to in paragraph 4 above, the outcome and consequent adjustment to the unaudited financial results of which cannot be presently determined, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

*Prerak*



**CA Prerak Agarwal**  
(Partner)  
Membership No.: 158844  
UDIN: 20158844AAAABR2352

Date: November 11, 2020  
Place: Mumbai

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**Uttam Abuwala Ghosh & Associates**Website: <http://www.uttamabuwala.com>**Chartered Accountants****Independent Auditor Review Report on quarterly unaudited consolidated financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.****To The Board of Directors of  
Mukta Arts Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Mukta Arts Limited** ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of net profit after tax and total comprehensive loss of its joint venture for the quarter ended September 30, 2020 ("the statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as amended ('the Regulations').
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

4. The statement includes the results of the following entities:
  - a. **Parent Company**
    - i. Mukta Arts Limited
  - b. **Subsidiaries:**
    - i. Mukta A2 Cinemas Limited
    - ii. Whistling Woods International Limited

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- iii. Whistling Woods International Foundation (100% Subsidiary of Whistling Woods International Limited)
- iv. Mukta A2 Multiplex SPC (incorporated in Bahrain)
- v. Mukta Creative Ventures Limited
- vi. Mukta Tele Media Limited
- vii. Connect.1 Limited

and

**c. Joint Venture:**

- i. Mukta VN Films Limited

5. As at September 30, 2020 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. 58,58,25,371/- recoverable from WWIL. As fully explained in Note 2 to the accompanying unaudited 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 Parent Company and for financial year 2017-18 to 2019-20 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 September 30, 2020. 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.

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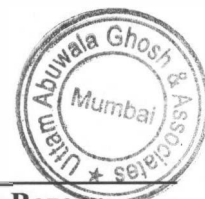
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6. The Ministry of Corporate Affairs (MCA) on March 30, 2019 notified Ind AS 116 "Leases" as part of Companies (Indian Accounting Standards) Amendment Rules, 2019. The New standard is effective from reporting period beginning on or after April 1, 2019. Pending final outcome of the matter under litigation as mentioned in paragraph above, no adjustments has been made in the financial information with respect to Ind AS 116 on land rights.
7. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 9 below and management certified accounts referred to in paragraph 10 below, except for the matters relating to the investment in and loans and advances and interest recoverable from WWIL referred to in paragraph 5 above and for matter relating to Ind AS 116 "Leases" referred to in paragraph 6 above, the outcome and consequent adjustment to the unaudited financial results of which cannot be presently determined, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
8. We draw your attention to following matters
- a) As described in financial statement, the group has considered the effect of uncertainties due to Covid-19 pandemic on the operations of the group. However, the actual impact may be significantly different than estimated as it is not possible to completely evaluate and quantify the impact of Covid-19 on the future operations of the group.
- b) As described in financial Statement, Mukta A2 Cinema Limited (Subsidiary) has invoked the Force Majeure clause under various lease arrangements for its premises and informed the landlords that no rent would accrue for the period impacted by Covid-19 pandemic. The amount of reduction in lease liability which is yet to be confirmed in writing for the quarter and half year ended September 30, 2020 is Rs.413.45 lakhs has been recognized as concessional lease income.
- c) During the quarter & half year ended September 30, 2020, the company has incurred loss before tax (including other comprehensive income) of Rs. 911.77 lakhs and has accumulated losses of Rs. 3,003.63 lakhs as on September 30, 2020. Further the company's net worth has been fully eroded and there is a deficit of Rs. 2,853.63 lakhs in the shareholder's equity as on September 30, 2020. 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, the company's unaudited financial results have been prepared on a going concern basis on the reporting date.

Our conclusion on the Statement is not modified in respect of the above matters.



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9. We did not review the interim financial results of One subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 24,72,42,075/-, total net profit after tax and total comprehensive profit of Rs. 2,25,24,888/- for the quarter ended September 30, 2020 as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

10. The consolidated unaudited financial results include the interim financial results of Four subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 1,72,77,948/-, total net loss after tax of and total comprehensive loss of Rs. 2,46,88,217/- for the quarter ended September 30, 2020, respectively. The consolidated unaudited financial results also include the Group's share of net loss after tax of and total comprehensive loss of Rs 26,92,156/- for the quarter ended September 30, 2020 respectively, as considered in the consolidated unaudited financial results, in respect of one joint ventures, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us.

Our conclusion on the Statement is not modified in respect of the above matters.

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

*Prerak*



**CA. Prerak Agarwal**  
(Partner)

Membership No.: 158844  
UDIN: 20158844AAAABQ4048

Date: November 11, 2020

Place: Mumbai

**PRESS RELEASE**

11<sup>th</sup> November 2020, Mumbai

Mukta Arts Limited continued the year on an encouraging note with Standalone Q2 PAT of Rs 85 lakhs continuing the positive trend. The Company also surpassed the previous half-year PAT by 21% at Rs 414 lakhs.

Whistling Woods International, its subsidiary in the education space enrolled 413 new students and returned a topline of Rs 1,112 lakhs but owing to the delayed start of the session on account of the pandemic, the fee accruals were substantially pushed to the two coming quarters resulting in a small loss of Rs 11 lakhs for the current quarter. The half year PAT, at Rs 225 lakhs, was however double that of the previous half year.

The subsidiaries in the cinema space prepare for a return to operations post end of the pandemic related closures. They are taking stringent cost control measures and the Bahrain entity has in the meanwhile, launched a drive in cinema.