MUKTA ARTS LIMITED

an entertainment company

Regd. Office : Mukta House, Behind Whistling Woods Institute, Filmcity Complex,
Goregaon (East), Mumbai 400 065. TEL.: 91-22-3364 9400

Fax No. 2659 8237 / 38

Corporate Relations Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai – 400 051.

29th May, 2012

Kind Attn: **Mr. Hari K – Manager**

Dear Sirs,

In pursuance to the clause 41 of the Listing Agreement, please find enclosed herewith the Audited Financial Results for the year ended 31st March, 2012 along with segment wise results of the Company as required by the said clause. The above have been taken on record in the Meeting of the Board of Directors held today viz., 29th May, 2012.

Thanking you,

Yours Faithfully,

For and on behalf of
Mukta Arts Limited

Parvez A. Farooqui
Executive Director

Encl: As above.

MUKTA ARTS LIMITED

Regd. Office: Mukta House, Behind Whistling Woods Institute, Film City Complex, Goregaon (E), Mumbai-400 065

Part 1 - Statement of audited financial results for the year ended 31 March 2012

(Rs in lacs, except per share data)

S.No	Particulars	3 months ended 31 March 2012 (Unaudited)	Preceding 3 months ended 31 December 2011 (Unaudited)	Corresponding 3 months ended 31 March 2011 (Unaudited)	Year ended		Consolidated Year ended	
					31 March 2012 (Audited)	31 March 2011 (Audited)	31 March 2012 (Audited)	31 March 2011 (Audited)
1	Income from Operations							
	(a) Net Sales / Income from Operations	4,225.07	5,366.51	3,210.14	19,555.95	18,653.07	21,109.46	20,312.75
	(b) Other operating Income	162.97	184.65	160.11	625.72	580.30	859.03	610.85
	Total income from Operations (net)	4,388.04	5,551.16	3,370.25	20,181.67	19,233.37	21,968.49	20,923.60
2	Expenses							
	a) (Increase)/ decrease in stock-in trade	(4.48)	(4.60)	-	(4.48)	-	(4.48)	-
	b) Purchase of raw materials (including traded goods)	6.84	10.99	-	20.03	-	20.03	-
	c) Distributer's share	3,258.51	4,956.80	2,987.47	17,020.16	15,582.36	17,032.67	15,584.59
	d) Other direct operation expenses	10.52	21.79	6.11	356.87	70.12	356.87	296.31
	e) Employee benefits expense	90.53	96.53	140.93	389.58	537.25	716.75	857.71
	f) Amortisation of intangible (Films rights)	16.70	18.27	7n.89	1,223.80	3,033.44	1,274.30	2,859.28
	g) Depreciation	92.48	86.26	115.99	337.98	305.20	710.84	722.69
	h) Other expenses	258.29	185.35	245.47	917.32	989.64	2,570.62	2,356.00
	i) Total Expenditure	3,729.39	5,371.39	3,572.86	20,261.26	20,518.01	22,677.60	22,676.58
3	Profit/ (loss) from Operations before Other Income, Finance costs and Exceptional Items (1-2)	658.65	179.77	(202.63)	(79.58)	(1,284.64)	(709.11)	(1,752.98)
4	Other Income (refer Note 6)	131.57	96.63	175.45	3,731.57	444.06	3,567.84	322.60
5	Profit/ (loss) from ordinary activities before Finance costs and Exceptional Items (3+4)	790.22	276.40	(27.18)	3,651.98	(840.58)	2,858.73	(1,410.38)
6	Finance costs	142.67	105.44	177.30	487.69	605.64	574.25	683.90
7	Profit/ (loss) after Finance costs but before Exceptional Items (5-6)	647.55	170.96	(204.48)	3,164.30	(1,446.22)	2,284.48	(2,094.28)
8	Exceptional Item (refer Note 7)	-	-	847.00	-	847.00	-	846.72
9	Profit/(Loss) from Ordinary Activities Before Tax (7-8)	647.55	170.96	642.52	3,164.30	(599.22)	2,284.48	(1,247.56)
10	Tax Expenses (including Deferred Tax) (refer Note 5)	115.24	46.55	-	607.08	17.09	638.98	17.36
11	Net Profit/(Loss) from Ordinary Activities After Tax (9-10)	532.31	124.41	642.52	2,557.22	(616.31)	1,645.50	(1,264.92)
12	Extraordinary Items (net of tax expenses)	-	-	-	-	-	-	-
13	Net Profit/(Loss) for the Period (11-12)	532.31	124.41	642.52	2,557.22	(616.31)	1,645.50	(1,264.92)
14	Minority Interest for earlier years (charge)/credit	-	-	-	-	-	-	300.03
15	Minority Interest for current year (charge)/credit	-	-	-	-	-	(0.01)	0.01
16	Net Profit/(Loss) after tax and Minority Interest for the period (13-(14+15))	532.31	124.41	642.52	2,557.22	(616.31)	1,645.49	(964.88)
14	Paid-up Equity Share Capital (Face Value of Rs. 2/- each)	1,129.06	1,129.06	1,129.06	1,129.06	1,129.06	1,129.15	1,129.06
15	Reserves excluding Revaluation Reserves	-	-	-	10,783.73	8,488.95	5,152.23	3,769.18
16	Earning Per Share (EPS) (not annualised) from Ordinary Activities							
	Basic and diluted (in rupees)	2.36	0.55	2.85	11.32	(2.73)	7.29	(5.60)

	Part II							
A	Particulars of Shareholdings							
1	Public Shareholding							
	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
	b) Percentage of Shareholding	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%	29.63%
2	Promoter and promoter group shareholding							
	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	15,889,290	15,889,290	15,889,290	15,889,290	15,889,290	15,889,290	15,889,290
	ii) % of Shares (as a % of the total shareholding of promoter and promoter group)	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%

B	Invester complaints	
	Particulars	3 Months ended 31 March 2012
	Pending at the beginning of the quarter	-
	Received during the quarter	-
	Disposed off during the quarter	-
	Remaining unresolved at the end of the quarter	-

Segment - wise Revenue, Results and Capital Employed

(Rs in lacs)

S.No	Particulars	3 months ended 31 March 2012 (Unaudited)	Preceding 3 months ended 31 December 2011 (Unaudited)	Corresponding 3 months ended 31 March 2011 (Unaudited)	Year ended		Consolidated Year ended	
					31 March 2012 (Audited)	31 March 2011 (Audited)	31 March 2012 Audited	31 March 2011 Audited
1	SEGMENT REVENUE							
	Software division	4,162.23	5,275.18	3,189.23	19,250.89	18,610.77	19,438.22	18,641.32
	Equipment division	23.62	12.37	22.73	63.81	43.84	63.82	42.30
	Theatrical exhibition division	39.22	98.96	-	241.25	-	241.25	-
	Fees from students	-	-	-	-	-	1,704.59	1,675.51
	Others	162.97	164.65	160.11	625.72	580.30	674.09	581.50
	Total	4,388.04	5,551.16	3,372.07	20,181.67	19,236.91	22,121.97	20,940.63
	Less: Inter Segment Revenue	-	-	1.82	-	3.54	153.48	17.03
	Net Sales/ Income From Operation	4,388.04	5,551.16	3,370.25	20,181.67	19,233.37	21,968.49	20,923.60
2	SEGMENT RESULTS							
	Profit/ (Loss) before Tax and Finance costs from each Segment							
	Software division	751.15	222.92	(158.03)	101.00	(1,063.40)	135.03	(1,072.92)
	Equipment division	(6.02)	(8.89)	(1.86)	(32.07)	(56.87)	(32.07)	(56.87)
	Theatrical exhibition division	(2.66)	4.26	-	(7.42)	-	(7.42)	-
	Fees from students	-	-	-	-	-	(645.46)	(408.53)
	Others	141.88	146.24	107.73	549.83	500.35	566.54	501.04
	Total	884.35	364.53	(52.18)	611.35	(639.92)	16.62	(1,037.28)
	Less: Finance costs	142.67	105.44	177.30	487.69	605.64	574.25	683.90
	Other un-allocable expenditure							
	Net of unallocable income	94.13	88.13	(972.00)	(3,040.65)	(646.34)	(2,842.11)	(473.62)
	Total Profit/ (Loss) Before Tax	647.55	170.96	642.32	3,164.30	(599.22)	2,284.48	(1,247.56)
3	CAPITAL EMPLOYED							
	(Segment Assets - Segment Liabilities)							
	Software division	3,863.75	3,047.47	3,838.97	3,863.75	3,899.12	2,869.17	3,838.97
	Equipment division	654.24	657.34	663.61	654.24	663.61	654.24	663.61
	Theatrical exhibition division	1,098.56	846.73	-	1,098.56	-	1,098.56	-
	Fees from students	-	-	-	-	-	(880.00)	(908.48)
	Others	1,191.62	1,129.35	1,105.84	1,191.62	1,105.84	1,160.47	1,105.83
	Unallocable	5,104.74	6,190.34	4,009.71	5,104.74	3,949.56	1,379.02	198.51

NOTES:

1 The above audited financial results have been reviewed by the audit committee and approved by the Board of Directors at the meeting held on 29 May 2012. The figures for the quarter ended 31 March 2012 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

2 In the matter of two PIL's filed in the Bombay High Court, the Bombay High Court quashed the J. V. Agreement between Mukta Arts Limited (MAL) and Maharashtra Film Stage & Cultural Development Corporation Limited (MFSCDCL) and ordered Whistling Woods (WWIL) to return the 14.5 acre vacant land immediately and balance 5.5 acre land with structure in July 2014. Court also asked WWIL to pay rent from October 2000 till date along with interest amounting to Rs 79.89 crores but allowed the same to be set off against market price of the building to be paid by Government as per valuation to be done. After Supreme Court of India dismissed the SLP filed by MAL against the impugned order, MAL & WWIL have filed review petitions in Bombay High Court. Pending final disposal of the review petition and valuation of the building, and in view of the future plans for WWI which are being evaluated, management believes that the Company's investments in WWI and amounts due therefrom are good and recoverable as management is hopeful of reliefs based on the issues involved and on merits of the case, as also of a high valuation of the building. The auditors have commented in their report on the said matter.

3 The remuneration paid to the managing director of the Company / Parent Company for the period 1 April 2011 to 31 March 2012 and for earlier financial years 2005-06, 2006-07, 2007-08, 2009-2010 and 2010-11 is in excess of the limits prescribed under Section 198 of the Companies Act, 1956. Application to the Central Government seeking post-facto approval for earlier years, is awaited; application of the current year is being made. During the year, the Company has received approval for part of the excess remuneration paid for the financial year 2005-06, 2006-07 and 2007-08. The company has made an application to authorities requesting reconsideration/ approval for the balance excess remuneration. Pending final communication from the authorities in this regard, no adjustment has been made in the accompanying financial results. The auditors have commented in their report on the said matter.

4 Figures for the previous quarter/ period have been regrouped/ rearranged to conform to current quarter's/ period's presentation.

5 Tax expense for the year ended 31 March 2011 includes Rs 112.11 lacs in respect of earlier years.

6 Other income for the year ended 31 March 2012 (quarter ended 31 March 2012: Rs Nil) includes proceeds from the maturity of Keyman policy taken from LIC in an earlier year amounting to Rs 3,276 lacs.

7 Exceptional item for the year ended 31 March 2011 includes Rs 847 lacs being profit on redevelopment of property (possession obtained in 2010-11) pursuant to an agreement entered into on 29.01.2006.

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

Subhash Ghai
Chairman and Managing Director

Date : 29 May 2012
Place : Mumbai