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 2013

(Rs in lacs, except per share data)

S.No	Particulars	3 months ended 31 March 2013	Preceeding 3 months ended	Corresponding 3 months ended 31	Year ended		Consolidated year ended	
					31 March 2013 (Audited)	31 March 2012 (Audited)	31 March 2013 (Audited)	31 March 2012 (Audited)
		(Unaudited)	(Unaudited)	(Unaudited)				
1	**Income from operations**							
	(a) Net sales / Income from operations	**5,722.26**	7,094.55	4,225.07	**25,207.74**	19,537.70	**26,878.86**	21,109.46
	(b) Other operating income	**169.90**	119.86	162.97	**574.03**	643.97	**802.30**	859.03
	Total income from operations (net)	**5,892.16**	7,214.41	4,388.04	**25,781.77**	20,181.67	**27,681.16**	21,968.49
2	**Expenses**							
	a) (Increase)/ decrease in stock-in trade	**(4.69)**	(2.56)	(4.48)	**(7.25)**	(4.48)	**(7.25)**	(4.48)
	b) Purchase of food and beverage	**20.82**	14.83	6.84	**38.65**	20.03	**38.65**	20.03
	c) Distributor and producer's share	**5,373.11**	6,166.86	3,258.51	**23,374.06**	17,032.66	**23,409.24**	17,032.67
	d) Other direct operation expenses	**5.76**	0.03	10.52	**6.54**	344.37	**22.45**	356.87
	e) Employee benefits expense	**138.97**	112.36	90.53	**448.27**	394.84	**819.84**	716.75
	f) Amortisation of intangible assets (including films rights)	**69.73**	-	16.70	**69.73**	1,232.71	**69.73**	1,274.30
	g) Depreciation of tangible assets	**100.44**	97.76	92.48	**355.53**	329.06	**699.99**	710.84
	h) Other expenses	**486.51**	248.41	258.29	**1,075.95**	895.35	**2,312.26**	2,570.62
	i) Total expenditure	**6,190.65**	6,637.69	3,729.39	**25,361.48**	20,244.54	**27,364.91**	22,677.60
3	**Profit/ (loss) from operations before other income, finance costs and exceptional items**	**(298.49)**	576.72	658.65	**420.29**	(62.87)	**316.25**	(709.11)
4	Other Income (refer Note 6)	**133.73**	104.71	131.57	**481.11**	3,731.57	**224.59**	3,567.84
5	**Profit/ (loss) from ordinary activities before finance costs and exceptional items**	**(164.76)**	681.43	790.22	**901.40**	3,668.70	**540.84**	2,858.73
6	Finance costs	**128.21**	130.35	142.67	**503.09**	504.40	**569.49**	574.25
7	**Profit/ (loss) after finance costs but before exceptional items**	**(292.97)**	551.08	647.55	**398.31**	3,164.30	**(28.65)**	2,284.48
8	Exceptional item	**-**	-	-	**-**	-		-
9	**Profit/(loss) from ordinary activities before tax**	**(292.97)**	551.08	647.55	**398.31**	3,164.30	**(28.65)**	2,284.48
10	**Profit/(loss) from continuing operation before tax**	**(237.19)**	474.46	588.36	**232.42**	3,018.22	**(28.65)**	2,284.48
11	Tax expenses	**(26.19)**	92.81	96.03	**54.22**	559.68	**108.27**	638.98
12	**Profit/(loss) from continuing operation after tax**	**(211.00)**	381.65	492.33	**178.20**	2,458.54	**(136.92)**	1,645.50
13	**Profit/(loss) from discontinuing operation before tax (refer Note 4)**	**(55.78)**	76.62	59.19	**165.89**	146.08	**-**	-
14	Tax expenses (including MAT credit entitlement)	**(18.10)**	24.86	19.21	**53.83**	47.40		-
15	**Profit/(loss) from discontinuing operation after tax**	**(37.68)**	51.76	39.98	**112.06**	98.68	**-**	-
16	**Net profit/(loss) from ordinary activities after tax**	**(248.68)**	433.41	532.31	**290.26**	2,557.22	**(136.92)**	1,645.50
17	Extraordinary items (net of tax expenses)	**-**	-	-	**-**	-		-
18	**Net profit/(loss) for the period**	**(248.68)**	433.41	532.31	**290.26**	2,557.22	**(136.92)**	1,645.50
19	Minority Interest for current year (charge)/credit	**-**	-	-	**-**	-	0.01	0.01
20	**Net profit/(loss) after tax and minority interest for the period**	**(248.68)**	433.41	532.31	**290.26**	2,557.22	**(136.93)**	1,645.49
21	Paid-up equity share capital (face value of Rs. 5/- each)	**1,129.06**	1,129.06	1,129.06	**1,129.06**	1,129.06	**1,129.18**	1,129.18
22	Reserves excluding revaluation reserves	**-**	-	-	**10,942.04**	10,783.73	**4,883.47**	5,152.23
23	Earning per share (EPS) (not annualised) from continuing operation	**(0.93)**	1.69	2.18	**0.79**	10.89	**(0.61)**	7.29
24	Earning per share (EPS) (not annualised) from discontinuing operation	**(0.17)**	0.23	0.18	**0.50**	0.44	**-**	-

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	**Investor complaints**	**3 Months ended 31 March 2013**
	Particulars	
	Pending at the beginning of the quarter	**0**
	Received during the quarter	**1**
	Disposed off during the quarter	**1**
	Remaining unresolved at the end of the quarter	**0**

Segment - wise Revenue, Results and Capital Employed

(Rs in lacs)

S.No	Particulars	3 months ended 31 March 2013	Preceeding 3 months ended 31	Corresponding 3 months	Year ended		Consolidated year ended	
					31 March 2013 (Audited)	31 March 2012 (Audited)	31 March 2013 (Audited)	31 March 2012 (Audited)
		(Unaudited)	(Unaudited)	(Unaudited)				
1	**SEGMENT REVENUE**							
	Software division	**5,453.92**	6,841.10	4,162.23	**24,646.56**	19,250.89	**24,713.20**	19,438.22
	Equipment division	**5.64**	7.13	23.62	**36.73**	63.81	**36.73**	63.82
	Theatrical exhibition division	**262.70**	246.32	39.22	**524.46**	241.25	**524.46**	241.25
	Fees from students						**1,832.75**	1,704.59
	Others	**169.89**	119.86	162.97	**574.02**	625.72	**574.02**	674.09
	Total	**5,892.15**	7,214.41	4,388.04	**25,781.77**	20,181.67	**27,681.16**	22,121.97
	Less: Inter segment revenue	**-**	-	-	**-**	-	**-**	153.48
	Net sales/ Income from operation	**5,892.15**	7,214.41	4,388.04	**25,781.77**	20,181.67	**27,681.16**	21,968.49
2	**SEGMENT RESULTS**							
	Profit/(Loss) before tax and finance costs from each Segment							
	Software division	**20.58**	673.58	751.15	**810.25**	101.00	**774.79**	135.03
	Equipment division	**(14.70)**	(15.91)	(6.02)	**(45.69)**	(32.07)	**(45.68)**	(32.07)
	Theatrical exhibition division	**(7.29)**	14.13	(2.66)	**(6.63)**	(7.42)	**(6.64)**	(7.42)
	Fees from students	**-**	-	-	**-**	-	**(62.21)**	(645.46)
	Others	**152.28**	99.21	141.88	**494.15**	549.83	**494.15**	566.54
	Total	**150.87**	771.01	884.35	**1,252.08**	611.34	**1,154.41**	16.62
							-	
	Less: Finance costs	**128.21**	130.35	142.67	**503.09**	504.40	**569.49**	574.25
	Other un-allocable expenditure							
	Net of unallocable income	**315.63**	89.58	94.13	**350.67**	(3,057.36)	**613.58**	(2,842.11)
	Total profit/(loss) before tax	**(292.97)**	551.08	647.55	**398.32**	3,164.30	**(28.66)**	2,284.48
3	**CAPITAL EMPLOYED**							
	(Segment assets - Segment liabilities)							
	Software division	**3,011.57**	3,298.27	3,863.75	**3,011.57**	3,863.75	**3,440.51**	2,869.17
	Equipment division	**684.40**	627.85	654.24	**684.40**	654.24	**380.02**	654.24
	Theatrical exhibition division	**1,445.67**	1,158.71	1,098.56	**1,445.67**	1,098.56	**1,332.39**	1,098.56
	Fees from students	**-**	-	-	**-**	-	**2,031.24**	(880.00)
	Others	**1,029.91**	1,100.84	1,191.62	**1,029.91**	1,191.62	**1,210.27**	1,160.47
	Unallocable	**5,918.75**	6,266.21	5,104.74	**5,918.75**	5,104.62	**(2,381.77)**	1,379.02

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 28 May 2013.

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 April 2012 along with interest amounting to Rs 79.95 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, which has not yet come up for hearing. During the year, the PWD Engineer has given his valuation report based on the Balance Sheet of WWIL as at 31 March 2011. The said valuation report specifically mentions that market price is not considered. Further, MAL has made an application to the Government of Maharashtra in February 2013 to appoint expert valuers to determine the market price which in its view is the price to be determined by reading the directions in their proper perspective. Pending final disposal of the review petition and resolution of the above, 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 continue to modify their report on the said matter.

3 Remuneration paid to the managing director of the Company for the year ended 31 March 2013 and for earlier financial years from 2005-06 to 2011-2012 is in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956. The Company made applications to the Central Government seeking post-facto approval for earlier years, which is awaited; application for the current year is proposed to be made. During the previous year, the Company had received approval for part of the excess remuneration paid. The Company had made applications to the authorities requesting reconsideration/ approval for the balance excess remuneration. Pending final communication from the authorities in this regard and application for the current year, no adjustment has been made in these financial results. The auditors continue to modify their report on the said matter.

4 During the quarter ended 31 March 2013, the Board of Directors approved the formation, with another venturer, of a company as a subsidiary of Mukta Arts Limited to conduct the business of exhibition and programming currently being carried on by Mukta Arts Limited. The results of the said business have been disclosed separately as Discontinuing operations. Previous quarter's/period's figures have also been recast for comparative purposes.

5 WWIL has disputed the demand from income tax authorities aggregating to Rs 36.30 lakhs for the financial years ended 31 March 2004 to 31 March 2006, for which no provision has been made. The auditors of WWIL continue to modify their report on the said matter.

6 Other income for the year ended 31 March 2012 includes proceeds from the maturity of Keyman policy taken from LIC in an earlier year amounting to Rs. 327,600,000.

7 The Board of Directors in their meeting held on 28th May, 2013 have recommended Dividend at the rate of 10% (Rs. 0.50 per share) subject to approval of shareholders at the forthcoming Annual General Meeting.

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

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

Parvez A. Farooqui
Executive Director

Date : 28 May 2013
Place : Mumbai