

**BSR & Co.**  
(Registered)  
Chartered Accountants

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## Review report

# To the Board of Directors of Mukta Arts Limited

We have reviewed the accompanying Statement of un-audited (standalone) financial results of Mukta Arts Limited ('the Company') for the quarter ended 31 December 2011 and the year to date results for the period from 1 April 2011 to 31 December 2011 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us.

### *Management's Responsibility for the Financial Results*

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors on 6 February 2012. Our responsibility is to issue a report on these financial results based on our review.

### *Auditor's Responsibility*

We conducted our review 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 un-audited (standalone) financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### *Basis for Qualified Opinion*

As explained in Note 3 to the accompanying Statement of un-audited (standalone) financial results, the remuneration paid to the Managing Director of the Company for earlier years aggregating to Rs 87,628,769 was in excess of the limits prescribed under Section 198 of the Companies Act, 1956. The Company has made applications to the Central Government seeking post-facto approval, which is awaited. During the period from 1 April 2011 to 31 December 2011, the Company has received approval for part of the excess remuneration paid for the financial years 2005-06, 2006-07 and 2007-08. The Company has made an application to the 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 Statement of un-audited (standalone) financial results.

B S R and Co

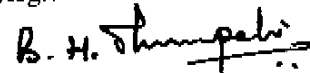
**Review report (Continued)**

**Mukta Arts Limited**

***Qualified Opinion***

Based on our review conducted as referred to above, *subject to the matter stated in the Basis of Qualified Opinion paragraph*, nothing has come to our attention that causes us to believe that the accompanying Statement of un-audited (standalone) financial results for the quarter ended 31 December 2011 and the year to date results for the period from 1 April 2011 to 31 December 2011 prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co.  
Chartered Accountants  
Firm's Registration No: 101248W



**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

Mumbai  
6 February 2012