

MUKTA ARTS LIMITED					Segment - wise Revenue, Results and Capital Employed					
Regd. Office: Mukta House, Behind Whistling Woods Institute, Film City Complex, Goregaon (E), Mumbai-400 065										
Part 1 - Statement of unaudited financial results for the quarter ended 30 June 2013										
					(Rs in lacs, except per share data)					
S.No	Particulars	3 months ended	3 months ended	Corresponding	S.No	Particulars	3 months ended	3 months ended	Corresponding	Year ended 31
		June 2013	31 March 2013	3 months ended 30 June 2012			March 2013	30 June 2013	31 March 2013	
		(Unaudited)	(Unaudited)	(Unaudited)			(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations				1	SEGMENT REVENUE				
	(a) Net sales / Income from operations	6,973.21	5,722.26	4,898.26	25,207.74	Software division	6,592.30	5,453.92	4,886.34	24,646.56
	(b) Other operating income	171.37	169.90	162.99	574.03	Equipment division	31.20	5.64	11.92	36.73
	Total income from operations (net)	7,144.58	5,892.16	5,061.25	25,781.77	Theatrical exhibition division	368.01	262.70	-	324.46
2	Expenses					Others	171.37	169.90	162.99	374.03
	a) (Increase) / decrease in stock in trade	(5.31)	(4.69)	1.11	(7.25)	Total	7,162.88	5,892.16	5,061.25	25,781.77
	b) Purchase of food and beverage	28.21	20.82	-	38.65	Less: Inter segment revenue	18.30	-	-	-
	c) Distributor and producer's share	6,494.12	5,373.11	4,631.53	23,374.06	Net sales/ Income from operation	7,144.58	5,892.16	5,061.25	25,781.77
	d) Other direct operation expenses	18.41	5.76	0.63	6.54					
	e) Employee benefits expense	148.42	138.97	98.20	448.27					
	f) Amortisation of intangible assets (including films rights)	5.27	69.73	-	69.73					
	g) Depreciation of tangible assets	90.56	100.44	77.86	355.53					
	h) Other expenses	254.35	486.51	129.21	1,075.95					
	Total expenditure	7,034.03	6,190.65	4,938.54	25,361.48	2	SEGMENT RESULTS			
3	Profit (loss) from operations before other income, finance costs and exceptional items	110.55	(298.49)	122.71	420.29		Profit/(Loss) before tax and finance costs			
4	Other Income	112.27	133.73	97.62	481.11		from each Segment			
5	Profit (loss) from ordinary activities before finance costs and exceptional items	222.82	(164.76)	220.33	901.40		Software division	69.29	20.58	154.00
6	Finance costs	132.47	128.21	139.91	503.09		Equipment division	(5.75)	(14.70)	(7.43)
7	Profit (loss) after finance costs but before exceptional items	90.35	(292.97)	80.42	398.31		Theatrical exhibition division	8.10	(7.29)	(9.29)
8	Exceptional item	-	-	-	-		Others	140.64	152.28	145.41
9	Profit/(loss) from ordinary activities before tax	90.35	(292.97)	80.42	398.31		Total	212.28	150.87	282.69
10	Profit (loss) from continuing operation before tax	32.04	(237.19)	27.94	232.43		Less: Finance costs	132.47	128.21	139.91
11	Tax expenses (including MAT credit entitlement)	4.66	(26.19)	7.32	54.22		Other un-allocable expenditure			
12	Profit (loss) from continuing operation after tax	27.39	(211.00)	20.62	178.21		Net of unallocable income	(10.54)	315.63	62.36
13	Profit (loss) from discontinuing operation before tax (refer Note 4)	58.31	(55.78)	52.48	165.89		Total profit/(loss) before tax	90.35	(292.97)	80.42
14	Tax expenses (including MAT credit entitlement)	11.44	(18.10)	13.76	53.83	3	CAPITAL EMPLOYED			
15	Profit (loss) from discontinuing operation after tax	46.87	(37.68)	38.72	112.06		(Segment assets - Segment liabilities)			
16	Net profit (loss) from ordinary activities after tax	74.26	(248.68)	59.34	290.26		Software division	2,703.27	3,011.57	3,805.29
17	Extraordinary items (net of tax expenses)	-	-	-	-		Equipment division	679.93	684.40	632.31
18	Net profit (loss) for the period	74.26	(248.68)	59.34	290.26		Theatrical exhibition division	1,545.35	1,445.67	1,144.39
19	Paid-up equity share capital (face value of Rs. 5/- each)	1,129.06	1,129.06	1,129.06	1,129.06		Others	1,520.99	1,029.91	1,262.75
20	Reserves excluding revaluation reserves	-	-	-	10,942.04		Unallocable	5,715.02	5,918.75	5,127.51
21	Basic and diluted earning per share (EPS) (not annualised) from continuing operation	0.12	(0.93)	0.09	0.79					
22	Basic and diluted earning per share (EPS) (not annualised) from discontinuing operation	0.21	(0.17)	0.17	0.50					
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					
	b) Percentage of shareholding	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					
	ii) % of shares (as a % of the total shareholding of promoter and promoter group)	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%					
B Investor complaints					3 Months ended 30 June 2013					
Particulars										
Pending at the beginning of the quarter					-					
Received during the quarter					-					
Disposed off during the quarter					-					
Remaining unresolved at the end of the quarter					-					
NOTES:										
1 The above unaudited financial results have been reviewed by the audit committee and approved by the Board of Directors at the meeting held on 8 August 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 (MFSDCDL) and ordered Whistling Woods International (WWI) to return the 14.5 acre vacant land immediately and balance 5.5 acre land with structure by July 2014. Court also asked WWI to pay rent along with interest 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 & WWI have filed review petitions in Bombay High Court, which have not yet come up for hearing. MFSDCDL had demanded Rs 83.21 crores vide letter dated 3 December 2012, which has not been accounted for in view of the pending review petition referred to above. During the year 2012-13, the PWD Engineer has given his valuation report based on the Balance Sheet of WWI 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 to 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 year 2012-13 is proposed to be made. 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 of the said business have been disclosed as Discontinuing operations. Previous quarter's/ period's figures have also been recast for comparative purposes.										
4 During the quarter ended 31 March 2013, the Board of Directors approved the formation, with another venture, 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 as Discontinuing operations. Previous quarter's/ period's figures have also been recast for comparative purposes.										
5 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 : 8 August 2013										
Place : Mumbai										

Review Report

To the Board of Directors of Mukta Arts Limited

1. We have reviewed the accompanying Statement of un-audited financial results ('the Statement') of Mukta Arts Limited ('the Company') for the quarter ended 30 June 2013, 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. This statement is the responsibility of the Company's management and has been approved by the Board of Directors on 8 August 2013. Our responsibility is to issue a report on these financial results based on our review.
2. 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 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.
3. *As explained in Note 3 to the accompanying Statement of un-audited financial results, the remuneration paid to the Managing Director of the Company for earlier financial years from 2005-06 to 2012-13 was in excess of the limits prescribed under Schedule XIII to 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 year 2012-13 seeking post facto approval for excess remuneration is proposed to be made. During the year 2011-12, the Company had received approval 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). The Company had made an application to authorities requesting reconsideration/ approval for the balance excess remuneration. Pending final communication from the authorities in this regard and application for the year 2012-13, no adjustment has been made in these financial results.*
4. *As explained in Note 2 to the accompanying Statement of un-audited financial results, the High Court of Judicature at Bombay ('High Court') has quashed the Joint Venture Agreement ('JVA') between the Company and Maharashtra Film, Stage and Cultural Development Corporation Limited ('MFSCDCL') relating to Whistling Woods International ('WWI') and passed consequential orders. WWI's petition for special leave to appeal filed with the Supreme Court of India has been dismissed. However, the Company and WWI have filed applications to review the said Order with the High Court, which have not yet come up for hearing. Management is also evaluating future plans for WWI. 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 investments in and amounts due from WWI. Accordingly, the impact on the un-audited financial results is not determinable.*

B S R & Co.

Review Report (Continued)

Mukta Arts Limited

5. Based on our review conducted as referred to above, *except for the matter relating to the investment in and loans and advances recoverable from WWI referred to in paragraph 4 above, the outcome and consequent adjustments to the un-audited financial results of which cannot be presently determined, and for the matter relating to the remuneration to the managing director referred to in paragraph 3 above*, nothing has come to our attention that causes us to believe that the accompanying Statement of un-audited financial results for the quarter ended 30 June 2013 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

B. H. Dhurpelia

Bhavesh Dhurpelia
Partner
Membership No: 042070

Mumbai
8 August 2013