

**Fax No. 2659 8237 / 38****Corporate Relations Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bnadra (E), Mumbai – 400 051****27th May, 2011****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, 2011 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., 27th May, 2011.

Thanking you,**Yours Faithfully,
For and on behalf
Mukta Arts Limited****Ravi B. Poplai
Company Secretary
Encl: As above.**

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

AUDITED FINANCIAL RESULTS FOR YEAR ENDED 31st March, 2011

(Rs in Lacs except per share data)

Segment - notes Revenue, Results and Capital Employed

(Rs in Lacs)

S.No.	PARTICULARS	3 months ended 31.03.2011 Unaudited	Corresponding 3 months in the previous year 31.03.2010 Unaudited	12 months ended 31.03.2011 Audited	Prev. Year ended 31.03.2010 Audited	Consolidated Year ended 31.03.2011 Audited	Consolidated Year ended 31.03.2010 Audited	S.No.	Particulars	3 months ended 31.03.2011 Unaudited	Corresponding 3 months in the previous year 31.03.2010 Unaudited	12 months ended 31.03.2011 Audited	Prev. Year ended 31.03.2010 Audited	Consolidated Year ended 31.03.2011 Audited	Consolidated Year ended 31.03.2010 Audited
1	(a) Net Sales / Income from Operations	3,167.85	4,754.73	18,610.77	8,888.31	20,270.46	10,664.44	1	SEGMENT REVENUE						
	(b) Other operating Income	230.39	108.93	622.59	111.64	691.00	91.40		Software Division	3,189.23	4,748.76	18,610.77	8,863.26	18,594.95	8,863.26
	(c) Total operating income	3,398.24	4,863.66	19,233.36	8,999.95	20,961.46	10,755.84		Equipment Division	14.33	39.45	42.30	60.68	109.50	25.04
2	Expenditure								Fees from students	-	-	-	-	1,675.51	1,770.13
	a) Cost of Distrib./Worldrights-Software etc.	2,794.58	4,667.16	15,652.48	7,898.73	15,652.48	7,898.73		Others	1,451.18	62.66	1,671.36	86.60	1,714.24	698.03
	b) Employees Cost	140.95	90.63	537.25	588.89	881.03	689.32		Total	4,654.72	4,850.87	20,524.42	9,010.54	22,094.20	11,362.46
	c) Amortisation of intangible (Films rights) (refer Note 3)	285.89	1,124.58	3,033.44	2,306.10	3,033.44	2,306.10		Less: Inter Segment Revenue	(3.05)	33.47	3.54	15.63	265.84	35.63
	d) Depreciation	115.99	49.34	305.20	186.53	756.00	745.14		Net Sales/Income From Operation	4,657.77	4,817.40	20,520.88	8,994.91	21,828.31	11,326.83
	e) Other expenditure	245.48	297.82	989.64	692.95	2,312.64	2,098.82								
	f) Total expenditure	3,572.89	6,229.60	20,518.01	11,473.20	22,633.59	13,738.11	2	SEGMENT RESULTS						
3	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	(174.65)	(1,365.94)	(1,284.65)	(2,473.25)	(1,674.13)	(2,982.27)		Profit/(Loss) before Tax and Interest from each Segment						
4	Other Income (refer Note 5)	994.48	157.32	1,291.06	421.81	1,132.74	606.63		Software Division	(158.05)	(1,084.63)	(1,083.40)	(1,824.30)	(1,083.40)	(1,341.52)
5	Profit before Interest and Exceptional Items (3+4)	819.83	(1,208.62)	6.41	(2,051.44)	(541.39)	(2,375.63)		Equipment Division	(1.86)	(23.06)	(56.87)	(93.24)	32.63	26.02
6	Interest	177.30	18.16	605.64	370.46	706.17	684.77		Fees from students	-	-	-	-	(926.80)	(624.06)
7	Profit after Interest but before Exceptional Items (5-6)	642.53	(1,226.78)	(599.23)	(2,421.90)	(1,247.56)	(3,060.41)		Others	107.72	62.66	500.35	86.60	457.48	698.03
8	Exceptional Items	-	-	-	-	-	-		Total	(52.19)	(1,045.03)	(639.92)	(1,830.94)	(999.30)	(1,241.57)
9	Profit/(Loss) from Ordinary Activities Before Tax	642.53	(1,226.78)	(599.23)	(2,421.90)	(1,247.56)	(3,060.41)		Less: Interest	177.30	18.16	605.64	370.46	706.17	684.77
10	Tax Expenses (including deferred tax) (refer Note 6)	-	2.70	17.89	3.58	17.36	3.26		Other unallocable expenditures- Net of unallocable income	872.00	(163.61)	646.32	(270.32)	(457.91)	1,134.06
11	Net Profit/(Loss) from Ordinary Activities After Tax	642.53	(1,229.48)	(616.32)	(2,424.48)	(1,264.92)	(3,063.67)		Total Profit/(Loss) Before Tax	642.53	(1,226.78)	(599.23)	(2,421.90)	(1,247.56)	(3,060.41)
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-	3	CAPITAL EMPLOYED						
13	Net Profit/(Loss) for the period before minority interest	642.53	(1,229.48)	(616.32)	(2,424.48)	(1,264.92)	(3,063.67)		Segment assets - Segment Liabilities						
14	Minority Interest for earlier years (charge)/credit	-	-	-	-	300.03	-		Software Division	3,838.97	2,851.55	28,38.97	2,851.55	3,838.97	2,851.55
15	Minority Interest for current year (charge)/credit	-	-	-	-	0.01	-		Equipment Division	663.61	731.17	663.61	731.17	663.61	731.17
16	Net Profit/(Loss) after tax for the period	642.53	(1,229.48)	(616.32)	(2,424.48)	(964.88)	(3,063.67)		Fees from students	-	-	-	-	(908.48)	(882.30)
17	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	1,129.06		Others	1,105.84	1,115.89	1,105.84	1,113.89	1,105.83	1,113.89
18	Reserves including Revaluation Reserves	-	-	8,488.95	9,105.34	3,769.18	4,731.56		Unallocable	4,009.71	3,535.95	4,009.71	3,535.95	198.51	1,440.21
19	Earnings Per Share (EPS)														
	Basic and diluted	2.85	(3.44)	(2.73)	(10.74)	(5.60)	(11.57)								
20	Public Shareholding														
	a) Number of Shares	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%								
21	Promoter and promoter group shareholding														
	a) Pledge / Encumbered														
	i) Number of Shares	-	-	-	-	-	-								
	ii) % of Shareholding (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-								
	iii) % of Shareholding (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								
	ii) % of Shareholding (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%								
	iii) % of Shareholding (as a % of the total share capital of the Company)	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%								

NOTES:

- The above audited financial results have been reviewed by the audit committee and approved by the Board of Directors at the meeting held on 27 May 2011.
- Information on investor complaints for the quarter (Nil). Opening balance -0, New -0, Disposed -0, Closing balance -0.
- Movie rights and films under production which were hitherto classified as inventories have been classified as intangibles and correspondingly Cost of production charged off has been classified as Amortisation of intangibles (Film rights).
- The managerial remuneration paid to the whole time director for the period 1 April 2010 to 31 March 2011 is in excess of the limits prescribed under Section 198 of the Act. The Company has made an application to the Central Government seeking post-fact approval, which is awaited. Approvals for earlier years are also awaited. The auditors have modified their audit report on this account. Further in respect of consolidated accounts, their report is modified also on account of tax matter under dispute relating to a subsidiary.
- During the year, the Company recognized Rs. 847 Lacs being profit on redevelopment of property (possession obtained during the year) pursuant to agreement entered into on 20-01-2006.
- Tax expense includes charge of Rs. 112.11 Lacs pertaining to earlier years.
- Figures for the previous quarter/period have been regrouped/ rearranged to conform to current quarter/period presentation.

For Mukta Arts Limited

For and behalf of the Board of Directors

Sudhanshu Ghai

Chairman & Managing Director

Date: 27-05-2011

Place: Mumbai

MUKTA ARTS LIMITED

AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2011

				(Rs. in Lacs)
S.No	Particulars	STANDALONE		CONSOLIDATED
		31 March	31 March	31 March
		2011	2010	2011
		Audited	Audited	Audited
(A)	SOURCES OF FUNDS			
1)	Shareholders' Funds			
a)	Share Capital	1,129.18	1,129.18	1,129.18
b)	Reserve and Surplus	8,488.95	9,105.28	3,769.18
c)	Minority Interest	-	-	0.09
2)	Loan funds			
a)	Secured	6,294.70	4,900.87	6,945.10
b)	Unsecured	-	200.00	-
3)	Deferred Tax Liability (Net)	-	95.02	-
4)	TOTAL	15,912.83	15,430.35	11,843.55
(B)	APPLICATION OF FUNDS			
1)	Fixed Assets (including intangible assets) (Net)	5,909.43	3,959.08	9,663.53
2)	Investments	7,318.21	3,970.66	3,582.31
3)	Current assets, Loans and Advances			
a)	Inventories (refer Note 3)	-	-	-
b)	Sundry Debtors	2,505.73	2,128.53	2,615.38
c)	Cash and Bank Balances	375.39	418.90	392.45
d)	Other Current Assets	476.17	475.38	517.88
e)	Loans and Advances	6,003.30	8,593.60	2,654.50
	Total	9,360.59	11,616.41	6,180.21
4)	Less : Current Liabilities and Provisions			
a)	Current Liabilities	5,103.11	2,798.92	5,974.77
b)	Provisions	1,572.29	1,316.88	1,607.75
		6,675.40	4,115.80	7,582.52
	Net Current Assets	2,685.19	7,500.61	(1,402.30)
5)	Profit and Loss Account	-	-	-
6)	Misc. Expenditure not written off	-	-	-
7)	TOTAL	15,912.83	15,430.35	11,843.55