

MUKTA ARTS LIMITED

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2010

Segment - wise Revenue, Results and Capital Employed

(Rs in Lacs except per share data)

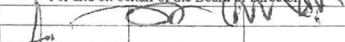
(Rs in Lacs except per share data)

| S.No | Particulars  | Quarter ended |            |             |            |            | S.No | Particulars   | Quarter ended |           |             |            |            |
|------|--|---------------|------------|-------------|------------|------------|------|---|---------------|-----------|-------------|------------|------------|
|      |  | 31 December   |            | 31 December |            | 31 March   |      |   | 31 December   |           | 31 December |            | 31 March   |
|      |  | 2010          | 2009       | 2010        | 2009       | 2010       |      |   | 2010          | 2009      | 2010        | 2009       | 2010       |
|      |  | Unaudited     | Unaudited  | Unaudited   | Unaudited  | Audited    |      | Unaudited   | Unaudited     | Unaudited | Unaudited   | Audited    |            |
| 1    | (a) Net sales / Income from operations   | 4,739.10      | 2,282.79   | 15,442.92   | 4,133.58   | 8,888.31   | 1    | SEGMENT REVENUE   |               |           |             |            |            |
|      | (b) Other operating income   | 138.69        | 16.44      | 420.18      | 23.94      | 86.60      |      | Software division                                       | 4,730.14      | 2,275.48  | 15,421.54   | 4,114.51   | 8,863.26   |
|      | (c) Total operating income   | 4,877.78      | 2,299.23   | 15,863.10   | 4,157.52   | 8,974.91   |      | Equipment division                                      | 8.97          | 7.55      | 27.97       | 21.23      | 60.68      |
| 2    | Expenditure  |               |            |             |            |            |      | Others  | 138.68        | 16.44     | 420.18      | 23.94      | 86.60      |
|      | a) Cost of distribution and exhibition (refer Note 3)                                    | 4,097.56      | 1,704.31   | 12,867.90   | 3,231.57   | 7,898.73   |      | Total   | 4,877.78      | 2,299.47  | 15,869.69   | 4,159.68   | 9,010.54   |
|      | b) Employees cost  | 105.26        | 112.62     | 396.30      | 298.24     | 388.89     |      | Less: Inter segment revenue                             | -             | 0.24      | 6.59        | 2.16       | 35.63      |
|      | c) Amortisation of intangible (Films rights) (refer Note 3)                              | 933.26        | 110.99     | 2,747.55    | 1,181.52   | 2,306.10   |      | Net Sales/Income from operation                         | 4,877.78      | 2,299.23  | 15,863.10   | 4,157.52   | 8,974.91   |
|      | d) Depreciation  | 72.38         | 50.22      | 189.21      | 137.14     | 186.53     |      |   |               |           |             |            |            |
|      | e) Other expenditure   | 134.26        | 120.73     | 744.17      | 395.13     | 692.95     |      |   |               |           |             |            |            |
|      | f) Total expenditure   | 5,342.72      | 2,098.87   | 16,945.13   | 5,243.60   | 11,473.20  |      |   |               |           |             |            |            |
| 3    | Profit from operations before other income, interest and exceptional items (1-2)         | (464.94)      | 200.36     | (1,082.03)  | (1,086.08) | (2,498.29) | 2    | SEGMENT RESULTS   |               |           |             |            |            |
| 4    | Other income   | 76.89         | 99.92      | 268.62      | 243.26     | 446.85     |      | Profit/(Loss) before tax and interest from each segment |               |           |             |            |            |
| 5    | Profit before interest and exceptional items (3+4)                                       | (388.05)      | 300.28     | (813.41)    | (842.82)   | (2,051.44) |      | Software division                                       | (587.17)      | 277.53    | (925.35)    | (739.67)   | (1,824.30) |
| 6    | Interest   | 135.47        | 153.03     | 428.34      | 352.31     | 370.46     |      | Equipment division                                      | (17.81)       | (23.16)   | (55.01)     | (70.18)    | (93.24)    |
| 7    | Profit after interest but before exceptional items (5-6)                                 | (253.52)      | 147.25     | (1,241.75)  | (1,195.13) | (2,421.90) |      | Others  | 133.75        | 16.44     | 392.63      | 23.94      | 86.60      |
| 8    | Exceptional items  | -             | -          | -           | -          | -          |      | Total   | (471.23)      | 270.81    | (587.73)    | (785.91)   | (1,830.94) |
| 9    | Profit/(Loss) from ordinary activities before tax  | (523.52)      | 147.25     | (1,241.75)  | (1,195.13) | (2,421.90) |      | Less: Interest  | 135.47        | 153.03    | 428.34      | 352.31     | 370.46     |
| 10   | Tax expenses (including Deferred tax)  | -             | (1.21)     | 17.09       | (0.12)     | 2.58       |      | Other unallocable expenditure                           |               |           |             |            |            |
| 11   | Net Profit/(Loss) from ordinary activities after tax                                     | (523.52)      | 148.46     | (1,258.84)  | (1,195.01) | (2,424.48) |      | Net of unallocable income                               | 83.18         | 29.45     | (225.68)    | (56.91)    | (220.52)   |
| 12   | Extraordinary Items (net of tax expenses)  | -             | -          | -           | -          | -          |      | Total Profit/(Loss) before tax                          | (523.52)      | 147.24    | (1,241.75)  | (1,195.12) | (2,421.92) |
| 13   | Net Profit/(Loss) for the period   | (523.52)      | 148.46     | (1,258.84)  | (1,195.01) | (2,424.48) |      |   |               |           |             |            |            |
| 14   | 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   |      |   |               |           |             |            |            |
| 15   | Reserves excluding Revaluation reserves as per Balance Sheet of previous accounting year | -             | -          | -           | -          | 9,105.24   |      |   |               |           |             |            |            |
| 16   | Earning per share (EPS)  |               |            |             |            |            | 3    | CAPITAL EMPLOYED  |               |           |             |            |            |
|      | Basic and diluted (in rupees)  | (2.32)        | 0.66       | (5.57)      | (5.29)     | (10.74)    |      | (Segment Assets - Segment Liabilities)                  |               |           |             |            |            |
| 17   | Public shareholding  |               |            |             |            |            |      | Software division                                       | 3,835.54      | 5,019.05  | 3,835.54    | 5,019.05   | 2,851.55   |
|      | a) Number of shares  | 6,691,910     | 6,691,910  | 6,691,910   | 6,691,910  | 6,691,910  |      | Equipment division                                      | 696.74        | 749.98    | 696.74      | 749.98     | 731.17     |
|      | b) Percentage of shareholding  | 29.63%        | 29.63%     | 29.63%      | 29.63%     | 29.63%     |      | Others  | 329.51        | (32.89)   | 329.51      | (32.89)    | 1,115.89   |
| 18   | Promoter and promoter group shareholding   |               |            |             |            |            |      | Unallocable   | 4,852.37      | 5,727.61  | 4,852.37    | 5,727.61   | 5,535.95   |
|      | 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 |      |   |               |           |             |            |            |
|      | ii) % of Shareholding (as a % of the total shareholding of promoter and promoter group)  | 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%     |      |   |               |           |             |            |            |

NOTES:

- The financial results of the Company for the quarter and nine months ended 31 December 2010 have been reviewed by the audit committee and approved by the Board of Directors at the meeting held on 8 February 2011. These have been subjected to limited review by the Statutory auditors of the Company. The above financial results pertain to Mukta Arts Limited as a standalone entity.
- Information on investor complaints for the quarter (Nos) Opening balance -0, New -0, Disposal -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 December 2010 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 review report on this account.
- Figures for the previous quarter/ period have been regrouped/ rearranged to conform to current quarter's presentation.

For and on behalf of the Board of Directors



Subhash Ghai  
Chairman & Managing Director

Date : 8 February 2011

Place : Mumbai