

Mukand Ltd.

Regd. Office : Bajaj Bhawan, 3rd Floor
Jamnalal Bajaj Marg
226 Nariman Point, Mumbai, India 400 021
Tel : 9122 6121 6666 Fax : 91 22 2202 1174
www.mukand.com

SEC/STOCK EXCHANGE/BM-480

August 13, 2018

Kalwe Works : Thane-Belapur Road
Post office Kalwe, Thane, Maharashtra
India 400 605
Tel : 91 22 2172 7500 / 7700 Fax : 91 22 2534 8179
CIN : L99999MH1937PLC002726

1. Department of Corporate Services BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 021. ISIN CODE : INE304A01026 INE304A04012 BSE Scrip Code : 500460	2. Listing Department National Stock Exchange of India Ltd., Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai – 400051. ISIN CODE : INE304A01026 INE304A04012 NSE Scrip Name : MUKAND LTD.
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Dear Sir(s),

Re : Un-audited Financial Results for the first quarter / three months ended June 30, 2018.

With reference to the above and in accordance with the provisions of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Un-audited Financial Results for the first quarter / three months ended June 30, 2018, have been considered and approved at the meeting of the Board of Directors of the Company held today.

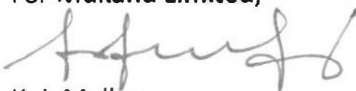
In this regard, we enclose the copy of Un-audited Financial Results in the prescribed format together with copy of Limited Review Report of the Statutory Auditors of the Company, M/s. Haribhakti & Co., LLP, Chartered Accountants, for your information and records.

The above meeting commenced at 3.15 p.m. and concluded at 3.55 p.m.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For **Mukand Limited,**



K. J. Mallya
Company Secretary
(kjmallya@mukand.com)

Encl : As above



CIN L 99999 MH 1937 PLC 002726

MUKAND LIMITED

Regd. Office : Bajaj Bhawan, Jammalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2018

Rs. Crores

Particulars	Quarter ended			Year ended
	30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
	Unaudited	Audited	Unaudited	Audited
		Refer Note 7	Refer Note 6	
I TOTAL REVENUE				
a) Sale of Goods & Services	808.90	808.16	758.45	3,083.16
b) Other Operating Income	11.50	9.85	2.73	23.49
I Revenue from Operations	820.40	818.01	761.18	3,106.65
II Other Income	9.73	283.14	7.14	300.93
III Total Revenue I+II	830.13	1,101.15	768.32	3,407.58
IV EXPENSES				
a) Cost of materials consumed	477.28	440.64	447.37	1,772.18
b) Purchase of Stock in Trade	4.07	11.73	—	11.73
c) Changes in inventories of finished goods and work-in-progress	(42.28)	67.93	(76.77)	(54.47)
d) Excise Duty	—	—	35.94	36.83
e) Employee benefits expense	51.40	48.12	43.63	182.47
f) Finance Costs	71.62	69.36	64.98	267.25
g) Depreciation and Amortisation expenses	14.18	15.65	13.46	56.47
h) Other Expenditure	287.42	315.65	264.43	1,102.77
i) Expenditure transferred to Capital Account / Capital Work-in-Progress	(0.25)	(0.97)	(4.30)	(6.95)
IV Total Expenses	863.44	968.11	788.74	3,368.28
V Profit / (Loss) before Exceptional items & tax (III-IV)	(33.31)	133.04	(20.42)	39.30
VI Exceptional Income / (Expenses)	—	(4.41)	—	(13.46)
VII Profit / (Loss) before tax (V-VI)	(33.31)	128.63	(20.42)	25.84
VIII Tax Expense				
Current Tax (MAT)	—	(5.09)	—	(5.07)
Deferred Tax (Charge) / Credit & MAT Entitlement Credit	11.11	(7.60)	3.87	23.29
Total Tax	11.11	(12.69)	3.87	18.22
IX Profit/(Loss) for the period/year (VII - VIII)	(22.20)	115.94	(16.55)	44.06
X Other Comprehensive Income				
Items that will not be reclassified to Profit or loss-				
a) Actuarial Gain on Employee defined benefit funds	0.83	3.00	0.10	3.30
Changes in Fair Value of Equity Instruments	—	39.71	—	39.71
b) Less : Deferred tax on above	(0.26)	(12.21)	(0.03)	(12.30)
Net	0.57	30.50	0.07	30.71
XI Total Comprehensive Income (IX+X)	(21.63)	146.44	(16.48)	74.77
XII Earnings per Equity Share (EPS) - Face Value Rs 10/- each				
Basic and Diluted EPS (in Rs.)	(1.57)	8.20	(1.17)	3.12



MUKAND LIMITED		Quarter ended			Rs. Crores
		30-Jun-18	31-Mar-18	30-Jun-17	Year ended 31-Mar-18
		Unaudited	Audited	Unaudited	Audited
SEGMENT REVENUE					
1)	Specialty Steel	794.63	797.17	736.93	3,033.40
2)	Industrial Machinery & Engineering Contracts	25.98	21.30	29.20	80.50
	Sub-total	820.61	818.47	766.13	3,113.90
	Less : Inter Segment Revenue	(0.21)	(0.46)	(4.95)	(7.25)
	Total Segment Revenue	820.40	818.01	761.18	3,106.65
SEGMENT RESULT					
1)	Specialty Steel	35.94	(59.04)	43.35	59.35
2)	Industrial Machinery & Engineering Contracts	(1.95)	(6.23)	(1.57)	(24.55)
	Less : Inter segment margin	(0.01)	(0.06)	(0.81)	(1.14)
	Total Segment Result	33.98	(65.33)	40.97	33.66
	Add / (Less) :				
	Other net un-allocable :				
	Interest Income	9.23	9.97	6.85	25.25
	Income	0.50	273.23	0.29	275.74
	Expenditure	(5.40)	(19.88)	(3.55)	(41.56)
	Other net un-allocable (expenditure) / income	4.33	263.32	3.59	259.43
	Profit / (Loss) before Finance costs	38.31	197.99	44.56	293.09
	Less : Finance costs	71.62	69.36	64.98	267.25
	Profit / (Loss) before tax	(33.31)	128.63	(20.42)	25.84
SEGMENT ASSETS / LIABILITIES		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
A	Segment Assets				
1)	Specialty Steel	2,293.52	1,940.17	2,186.71	1,940.17
3)	Industrial Machinery & Engineering Contracts	396.77	372.48	397.21	372.48
5)	Corporate - Unallocable	1,646.33	1,935.87	570.48	1,935.87
		4,336.62	4,248.52	3,154.40	4,248.52
B	Segment Liabilities				
1)	Specialty Steel	921.47	1,031.60	932.95	1,031.60
3)	Industrial Machinery & Engineering Contracts	65.55	61.65	57.35	61.65
5)	Corporate - Unallocable	2,237.14	2,021.21	1,814.44	2,021.21
		3,224.16	3,114.46	2,804.74	3,114.46
	Total Net Capital Employed	1,112.46	1,134.06	349.66	1,134.06



Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13th August 2018. Statutory Auditors of the Company have conducted Limited Review of these Financial Results.
2. During the quarter under review, Company concluded a Wage Settlement with Kalwe Mukand Employees Union which is valid for a period of 5 years from 1st April 2018. Under the settlement, Union has agreed to various commitments with regard to productivity norms, multi-tasking, rationalization of workforce, reduction in subsidies, etc.
3. The Board of Directors of the Company, on 16th July 2018 has considered and approved a scheme of amalgamation amongst the Company, Mukand Global Finance Ltd (MGFL) (a wholly owned subsidiary of the Company), Adore Traders and Realtors Pvt Ltd (a wholly owned subsidiary of MGFL) and Mukand Engineers Ltd, a listed Company and their respective shareholders and creditors under the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013. The appointed date for Amalgamation under the Scheme is 1st April 2019. The scheme is subject to approval of the Shareholders, creditors and other competent Statutory / Regulatory Authorities.
4. The Company has adopted revenue recognition in accordance with Ind AS 115 'Revenue from Contracts with Customers' which is effective from April 1 2018. This did not have any material impact on the financial results for the period upto March 31, 2018 and for the quarter ended June 30, 2018.
5. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2018:
 - a. The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs.94.79 Crore (Gross) as at 30th June 2018 as against Rs.86.49 Crore (Gross) as at 31st March 2018. The management, considering its long-term view on the 'Exposures', the valuation of unencumbered fixed assets of BFL, value of current assets and future earnings from the ongoing business of BFL considers the balance 'Exposures' to be 'Good' and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.
 - b. The Company in previous years executed road construction projects in the state of Uttar Pradesh with National Highway Authority of India



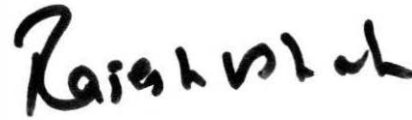
(NHAI) along with Centrodorstroy (CDS), Russia. The exposure on this account as at 30th June 2018 aggregated Rs.121.41 Crore as compared to Rs.123.97 Crore as at 31st March 2018. The outcome of the Road Construction activity cannot be estimated with certainty at present. The amount of total claims excluding interest with NHAI now aggregates Rs.287.98 Crore (as at 31.03.2018: Rs.288.23 Crore). Considering the bulk of these claims are now being processed at various appellate fora and all the losses expected are already recognized till the close of the period, in the opinion of the management, all the claims are fully realizable as also opined by a legal Consultant. These claims are likely to be realized progressively over a period of next 2 to 3 years.

6. Result for the quarter ended June 30, 2017 has been restated to give effect to the Scheme of Arrangement & Amalgamation for transfer of Alloy Steel Rolling & Finishing Business (ASRFB), as Company gave effect to the Scheme in the Financial Statements of FY 2017-18 with effect from January 1, 2017, being the Appointed date under the Scheme.
7. The figures of the Quarter ended 31st March 2018 are the balancing figures between audited figures in respect of full financial year ended on 31st March 2018 and the published year to date figures upto Third Quarter of FY 2017-18.
8. Figures in respect of the previous period have been regrouped / recast wherever necessary.

**By Order of the Board of Directors
For Mukand Ltd.,**



**Niraj Bajaj
Chairman & Managing Director**



**Rajesh V. Shah
Co-Chairman & Managing Director**

Place : **Mumbai**

Date : **13th August 2018**

9/10/18



Limited Review Report on the Unaudited Financial Results for the quarter ended June 30, 2018 pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors
Mukand Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Mukand Limited ('the Company') for the quarter ended June 30, 2018 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/ 62/2016 dated July 5, 2016. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement 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 Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standard and other recognised accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations



and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We draw attention to the following:


- a. Note 5(a) to the Statement, relating to the exposures in Bombay Forging Limited (BFL) aggregating Rs. 94.79 crores (gross) as at June 30, 2018 (Rs. 86.49 crores as at March 31, 2018), where the management has, barring any significant uncertainties in future, relied upon the valuation of unencumbered fixed assets, the value of current assets and projected future earnings from the business activities of BFL.
- b. Note 5(b) to the Statement, relating to the exposures aggregating Rs. 121.41 crores as at June 30, 2018 (Rs. 123.97 crores as at March 31, 2018), in respect of road construction activity, the claims for which are being processed at various appellate fora and our reliance on the management's expectation backed by the legal opinion, of its realisibility of balances over a period of next 2 to 3 years.

Our report is not modified in respect of these matters.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Sumant Sakhardande
Partner
Membership No.: 034828



Place: Mumbai

Date: August 13, 2018