

Mukand Ltd.

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

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

11th August, 2021

| | | | |
|---|--|---|---|
| 1 | Department of Corporate Services BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. ISINCode: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. ISINCode:INE304A01026&INE304A04012 NSE Scrip Name: MUKANDLTD |
|---|--|---|---|

Dear Sir(s),

Sub: Outcome of Board meeting held on 11th August, 2021

a) Un-audited Financial Results for the quarter ended 30th June, 2021

In terms of the provisions of the Regulation 30 (read with Part A of Schedule III) and 33 of the SEBI Listing Regulations, 2015, we hereby inform you that the Board of Directors in its meeting held today, i.e. 11th August, 2021, inter alia, have, considered and approved the Un-audited Standalone and Consolidated Financial Results of the Company for the quarter ended 30th June, 2021.

We enclose herewith copy of the aforesaid Unaudited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2021, along with the Limited Review Report by the Statutory Auditors of the Company.

The said financial Results will also be made available on the Company's website i.e. www.mukand.com

The Meeting commenced at 4:00 p.m. and concluded at 5:20 p.m.

Kindly take the above on your record.

For **Mukand Limited**



K. J. Mallya
Company Secretary





CIN L 99999 MH 1937 PLC 002726

MUKAND LIMITED

Regd. Office : Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

Rs. Crores

| | Particulars | Quarter ended | | | Year ended |
|-------------|--|---------------|-----------------|-----------------|-----------------|
| | | 30-Jun-21 | 31-Mar-21 | 30-Jun-20 | 31-Mar-21 |
| | | Unaudited | Audited | Unaudited | Audited |
| I | TOTAL REVENUE | | | | |
| a) | Sale of Goods & Services | 781.30 | 921.71 | 299.49 | 2,656.05 |
| b) | Other Operating Revenue | 8.43 | 6.68 | 5.78 | 24.65 |
| I | Revenue from Operations | 789.73 | 928.39 | 305.27 | 2,680.70 |
| II | Other Income | | | | |
| a) | Interest Income | 5.12 | 4.55 | 8.47 | 27.64 |
| b) | Net Gain on Fair Valuation/Disposal of Investments | | 4.71 | | 4.82 |
| c) | Miscellaneous Income | 0.28 | 626.56 | 1.05 | 634.22 |
| II | Other Income | 5.40 | 635.82 | 9.52 | 666.68 |
| III | Total Revenue I+II | 795.13 | 1,564.21 | 314.79 | 3,347.38 |
| IV | EXPENSES | | | | |
| a) | Cost of materials consumed | 459.12 | 615.48 | 150.59 | 1,581.16 |
| b) | Purchase of Stock in Trade | 1.02 | 1.00 | | 1.00 |
| c) | Changes in inventories of finished goods and work-in-progress | (6.54) | 184.57 | 45.02 | 249.20 |
| d) | Employee benefits expense | 46.36 | 51.04 | 40.85 | 188.74 |
| e) | Finance Costs | 31.66 | 55.28 | 89.32 | 307.02 |
| f) | Depreciation | 11.26 | 12.34 | 18.59 | 68.52 |
| g) | Stores, Spares Components, Tools etc. consumed | 104.52 | 112.38 | 38.08 | 352.37 |
| h) | Other Expenditure | 146.16 | 155.35 | 80.16 | 512.84 |
| i) | Expenditure transferred to Capital Account / Capital Work-in-Progress | (0.01) | (0.47) | (0.23) | (1.26) |
| IV | Total Expenses | 793.55 | 1,186.97 | 462.38 | 3,259.59 |
| V | Profit / (Loss) before tax (III-IV) | 1.58 | 377.24 | (147.59) | 87.79 |
| VI | Tax Expense | | | | |
| | Excess/ (Short) Provision for tax for earlier years (net) | | | | (10.57) |
| | Deferred Tax (Charge) / Credit | 6.34 | (149.38) | 45.60 | (31.22) |
| | Total Tax | 6.34 | (149.38) | 45.60 | (41.79) |
| VII | Profit/(Loss) for the period/year | 7.92 | 227.86 | (101.99) | 46.00 |
| VIII | Other Comprehensive Income | | | | |
| | Items that will not be reclassified to Profit or loss- | | | | |
| a) | Actuarial Gain/(Loss) on defined benefit obligations | 0.30 | (5.23) | 0.14 | (4.43) |
| b) | Net Gains/(Loss) on Fair Value changes of Equity Instruments | | (3.36) | | (3.36) |
| c) | Less : Deferred tax on above | (0.08) | 2.26 | (0.04) | 2.07 |
| | Net | 0.22 | (6.33) | 0.10 | (5.72) |
| IX | Total Comprehensive Income (VII+VIII) | 8.14 | 221.53 | (101.89) | 40.28 |
| X | Paid-up equity share capital - Face value Rs.10/- per Share | 141.42 | 141.42 | 141.42 | 141.42 |
| XI | Reserves (excluding Revaluation Reserve) | | | | 755.91 |
| XII | Earnings per Share of Rs.10/- each Basic & Diluted (for continued and discontinued operations) (not annualised for the quarters) | | | | |
| | Basic and Diluted EPS (in Rs.) | 0.56 | 16.11 | (7.21) | 3.25 |



| | | Quarter ended | | | Year ended |
|------------------------|---|------------------|------------------|------------------|------------------|
| | | 30-Jun-21 | 31-Mar-21 | 30-Jun-20 | 31-Mar-21 |
| | | Unaudited | Audited | Unaudited | Audited |
| SEGMENT REVENUE | | | | | |
| 1) | Specialty Steel | 778.27 | 1,545.62 | 301.83 | 3,281.87 |
| 2) | Industrial Machinery & Engineering Contracts | 11.55 | 9.02 | 3.55 | 26.52 |
| | Sub-total | 789.82 | 1,554.64 | 305.38 | 3,308.39 |
| | Less : Inter Segment Revenue | (0.09) | (0.07) | (0.11) | (1.51) |
| | Total Segment Revenue | 789.73 | 1,554.57 | 305.27 | 3,306.88 |
| SEGMENT RESULT | | | | | |
| 1) | Specialty Steel | 40.21 | 442.27 | (51.99) | 420.31 |
| 2) | Industrial Machinery & Engineering Contracts | (10.44) | (14.69) | (14.44) | (57.88) |
| | Less : Inter segment margin | | (0.09) | (0.02) | (0.25) |
| | Total Segment Result | 29.77 | 427.49 | (66.45) | 362.18 |
| | Add / (Less) : | | | | |
| | Other net un-allocable : | | | | |
| | Interest Income | 5.12 | 4.55 | 8.47 | 27.64 |
| | Income | 0.28 | 5.09 | 1.05 | 12.86 |
| | Expenditure | (1.93) | (4.61) | (1.34) | (7.87) |
| | Other net un-allocable (expenditure) / income | 3.47 | 5.03 | 8.18 | 32.63 |
| | Profit / (Loss) before Finance costs | 33.24 | 432.52 | (58.27) | 394.81 |
| | Less : Finance costs | 31.66 | 55.28 | 89.32 | 307.02 |
| | Profit / (Loss) before tax | 1.58 | 377.24 | (147.59) | 87.79 |
| | SEGMENT ASSETS / LIABILITIES | 30-Jun-21 | 31-Mar-21 | 30-Jun-20 | 31-Mar-21 |
| A | Segment Assets | | | | |
| 1) | Specialty Steel | 2,235.57 | 2,118.29 | 2,290.91 | 2,118.29 |
| 2) | Industrial Machinery & Engineering Contracts | 307.55 | 297.61 | 353.16 | 297.61 |
| 3) | Corporate - Unallocable | 467.27 | 960.80 | 1,762.93 | 960.80 |
| | | 3,010.39 | 3,376.70 | 4,407.00 | 3,376.70 |
| B | Segment Liabilities | | | | |
| 1) | Specialty Steel | 569.16 | 576.98 | 595.50 | 576.98 |
| 2) | Industrial Machinery & Engineering Contracts | 52.62 | 42.58 | 49.07 | 42.58 |
| 3) | Corporate - Unallocable | 1,483.14 | 1,859.81 | 3,007.27 | 1,859.81 |
| | | 2,104.92 | 2,479.37 | 3,651.84 | 2,479.37 |
| | Total Net Capital Employed | 905.47 | 897.33 | 755.16 | 897.33 |



Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th August 2021.
2. Post relaxation of lock down by the Government, the plants situated at Dighe, Thane in the State of Maharashtra and Ginigera, Koppal in the State of Karnataka became partially operational as per guidelines of the Government with effect from first week of May 2020. Company's steel production achieved near full capacity during FY 2020-21. However, from 2nd week of April 2021 on account of diversion of oxygen which was used by the Steel Industry for medical purposes to save human lives, the stainless steel long products at Company's steel plant at Dighe, Thane could not be cast from 9th April 2021 to 2nd June 2021. This has affected the performance of the Company during the Quarter under report. Since 2nd June 2021, Government has withdrawn the directive and the production has since improved.

The second COVID-19 wave poses a downside risk to economic activity in the first quarter of the year in progress. Its impact is expected to be muted compared with that of the first wave a year ago. Management expects that considering the nature of its business operations, existing customer and supplier relationships, impact on its business operations, if any, arising from COVID -19 pandemic may not be significant in the long run and would be able to recover carrying amount of all its assets as appearing in the financial statements and meet its entire financial obligations in the near future. The impact of COVID 19 pandemic may be different from that estimated as at the date of approval of these financial results. The Management will continue to monitor any material changes to future economic conditions.

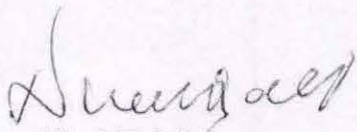
3. During the Quarter under report, Company:
 - i) Disposed off balance 21% of equity stake held by the Company in Mukand Sumi Special Steel Ltd, a Joint Venture of the Company to Jamnalal Sons Private Ltd., an entity belonging to the promoter group of the Company for a consideration of Rs.499.53 crore. As this investment was measured at fair value in earlier years, this disposal does not have any material impact on the financial results for the Quarter under report.
 - ii) Received Rs.8.07 crore in April 2021 from Mukand International FZE, Dubai (MIFZE), a wholly owned Subsidiary, towards 4 shares of 1 Million Dhiram each held by it in MIFZE. Amount towards balance 1 Share shall be received during the subsequent quarters of the year in progress.
 - iii) Signed an MOU for the sale of approximately 47 acres of surplus land at Thane for a total consideration of ₹752.11 crore and also received an advance of ₹10 crore. The entire sale process is expected to be completed in the next 4 to 5 months.

Amounts realized from above disposals, etc., have been / will be mainly utilized to repay debt / other interest bearing liabilities and this will entail substantial reduction in the debt, yearly interest costs and strengthen the financials of your Company.

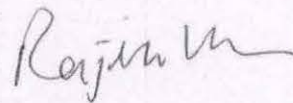


4. Petitions filed with NCLT for Scheme of amalgamation between Adore Traders and Realtors Private Limited, a wholly owned subsidiary of Mukand Global Finance Limited with the parent company MGFL, followed by the amalgamation of MGFL and Mukand Engineers Limited with the Company are yet to be approved by NCLT. The Scheme shall be effective from the appointed date 1st April,2019 on receipt of NCLT order and filing the same with Registrar of Companies and therefore the above results do not include effect of amalgamation of these Companies.
5. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2021:
 - a. The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs. 30.53 Crore (net of amounts written off) as at 30th June 2021 as against Rs. 31.57 Crore (net of amounts written off) as at 31st March 2021. The management, considering the value of unencumbered fixed assets of BFL, considers the balance dues to be 'Good' and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.
6. The figures of last quarter of the previous year are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the previous financial year, which were subjected to Limited Review.
7. Figures in respect of the previous period have been regrouped / recast wherever necessary in case of above results.

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 : 11th August, 2021





MUKAND LIMITED

Regd. Office : Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021

CIN : L99999MH1937PLC002726

Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2021

| Particulars | Rs. In Crores | | | |
|--|---------------|-----------|-----------|------------|
| | Quarter ended | | | Year ended |
| | 30-Jun-21 | 31-Mar-21 | 30-Jun-20 | 31-Mar-21 |
| | Unaudited | Audited | Unaudited | Audited |
| I. Revenue from Operations | 792.11 | 923.60 | 311.91 | 2,725.99 |
| II. Other income | 77.02 | 638.76 | 0.37 | 721.06 |
| III. Interest Income | 5.18 | (2.03) | 10.55 | 27.35 |
| IV. Total Revenue (I + II + III) | 874.31 | 1,560.33 | 322.83 | 3,474.40 |
| V. Expenses: | | | | |
| (a) Cost of materials consumed | 459.12 | 619.02 | 146.58 | 1,580.71 |
| (b) Purchases of Stock-in-Trade | 1.02 | (1.12) | 5.68 | 35.30 |
| (c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | (6.54) | 184.57 | 45.02 | 249.20 |
| (d) Employee benefits expense | 46.89 | 51.65 | 41.15 | 190.31 |
| (e) Finance costs | 38.91 | 59.25 | 95.47 | 332.41 |
| (f) Depreciation and amortization expense | 11.26 | 12.34 | 18.59 | 68.52 |
| (g) Stores, Spares, Components, Tools, etc. consumed | 104.52 | 112.38 | 38.08 | 352.37 |
| (h) Other Expenses | 146.30 | 407.46 | 80.40 | 768.13 |
| (i) Expenditure transferred to Capital Accounts / Capital Work-in-Progress | (0.01) | (0.47) | (0.23) | (1.26) |
| Total expenses | 801.47 | 1,445.08 | 470.74 | 3,575.69 |
| VI. Profit/(loss) before exceptional items and tax (IV-V) | 72.84 | 115.25 | (147.91) | (101.29) |
| Less : Exceptional Items(net) | - | - | - | - |
| VII. Profit/(loss) before tax and Share in Profits of Associates and Joint Ventures | 72.84 | 115.25 | (147.91) | (101.29) |
| Add: Share in Profits/(Loss) of Associates and Joint Ventures | (2.86) | (25.73) | (20.77) | (53.42) |
| VIII. Profit/(loss) before tax | 69.98 | 89.52 | (168.68) | (154.71) |
| IX. Tax expense: | | | | |
| Current tax | - | 0.71 | (0.48) | - |
| Deferred Tax (Charge) / Credit | 6.76 | (151.61) | 45.22 | (38.50) |
| Excess / (Short) provision for tax in respect of earlier years | - | - | - | (10.57) |
| Total Tax Expense | 6.76 | (150.90) | 44.74 | (49.07) |
| Profit/(Loss) for the period/year | 76.74 | (61.38) | (123.94) | (203.78) |
| X. Other Comprehensive income (net) | | | | |
| 1 Items that will not be reclassified to Statement of Profit or Loss :- | | | | |
| Actuarial Gain on Employee defined benefit funds | 0.30 | (5.23) | 0.14 | (4.43) |
| Less : Deferred tax on above | (0.08) | 1.31 | (0.04) | 1.12 |
| Share of other comprehensive income of Associates & Joint ventures accounted for using the equity method | (0.01) | (0.42) | (0.01) | (0.43) |
| 2 Items that will be reclassified to Statement of Profit or Loss :- | | | | |
| Exchange Fluctuation on Translating Foreign Operations | 0.14 | - | (0.04) | (0.60) |
| Total Other Comprehensive income (net) | 0.35 | (4.34) | 0.05 | (4.34) |
| XI. Total Comprehensive Income (X+XI) | 77.09 | (65.72) | (123.89) | (208.12) |
| XII. Paid-up equity share capital - Face value Rs. 10/- per share | 141.42 | 141.42 | 141.42 | 141.42 |
| XIII. Reserves excluding Revaluation Reserves | - | - | - | 321.12 |
| XIV. Earning per share - Face value Rs. 10/- per share | | | | |
| Basic and diluted earnings per share (in Rs.) | 5.43 | (4.34) | (8.77) | (14.41) |



| Sr. No. | Particulars | Quarter ended | | | Year ended |
|---------|--|------------------|------------------|------------------|------------------|
| | | 30-Jun-21 | 31-Mar-21 | 30-Jun-20 | 31-Mar-21 |
| | | Unaudited | Audited | Unaudited | Audited |
| 1 | Segment Revenue | | | | |
| | Specialty Steel | 778.27 | 1,547.59 | 303.99 | 3,319.44 |
| | Industrial Machinery & Engineering Contracts | 11.55 | 9.02 | 3.55 | 26.52 |
| | Others | 2.38 | (6.77) | 4.48 | 7.72 |
| | Less : Inter Segment Revenue | (0.09) | (0.06) | (0.11) | (1.51) |
| | Total Segment Revenue | 792.11 | 1,549.78 | 311.91 | 3,352.17 |
| 2 | Segment Result | | | | |
| | Specialty Steel | 39.54 | 352.27 | (52.09) | 330.34 |
| | Industrial Machinery & Engineering Contracts | (10.44) | (14.69) | (14.44) | (57.88) |
| | Others | (1.88) | (211.85) | (8.27) | (210.73) |
| | Less : Inter Segment Revenue | - | (0.09) | (0.02) | (0.25) |
| | Total Segment Result | 27.22 | 125.64 | (74.82) | 61.48 |
| | Add : Interest Income | 5.18 | (2.03) | 10.55 | 27.35 |
| | Other Income | 77.02 | 12.58 | 0.37 | 94.88 |
| | Share in Profits/(Loss) of Associates and Joint Ventures | (2.86) | (25.73) | (20.77) | (53.42) |
| | Less : Unallocable Expenditure | (1.93) | 35.89 | 8.18 | 32.63 |
| | Profit / (Loss) before Finance costs | 104.63 | 146.35 | (76.49) | 162.92 |
| | Less : Finance Costs | (34.66) | (56.83) | (92.19) | (317.63) |
| | Profit / (Loss) before Tax | 69.97 | 89.52 | (168.68) | (154.71) |
| 3 | Segment Assets / Liabilities | As at | As at | As at | As at |
| (i) | Segment Assets | 30-Jun-21 | 31-Mar-21 | 30-Jun-20 | 31-Mar-21 |
| | Specialty Steel | 2,234.81 | 2,120.52 | 2,285.38 | 2,120.52 |
| | Industrial Machinery & Engineering Contracts | 307.55 | 294.22 | 353.16 | 294.22 |
| | Others | 11.58 | 29.44 | 170.75 | 29.44 |
| | Un-allocated Assets | 387.86 | 793.16 | 1,628.30 | 793.16 |
| | Total Assets | 2,941.79 | 3,237.34 | 4,437.59 | 3,237.34 |
| (ii) | Segment Liabilities | | | | |
| | Specialty Steel | 568.81 | 582.08 | 577.60 | 582.08 |
| | Industrial Machinery & Engineering Contracts | 52.62 | 39.42 | 49.07 | 39.42 |
| | Others | 150.24 | 166.31 | 141.68 | 166.31 |
| | Un-allocated Liabilities | 1,630.48 | 1,986.98 | 3,121.69 | 1,986.98 |
| | Total Liabilities | 2,402.15 | 2,774.79 | 3,890.04 | 2,774.79 |
| 4 | Total Net Capital Employed | 539.65 | 462.55 | 547.55 | 462.55 |



Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th August 2021.
2. Post relaxation of lock down by the Government, the plants situated at Dighe, Thane in the State of Maharashtra and Ginigera, Koppal in the State of Karnataka became partially operational as per guidelines of the Government with effect from first week of May 2020. Company's steel production achieved near full capacity during FY 2020-21. However, from 2nd week of April 2021 on account of diversion of oxygen which was used by the Steel Industry for medical purposes to save human lives, the stainless steel long products at Company's steel plant at Dighe, Thane could not be cast from 9th April 2021 to 2nd June 2021. This has affected the performance of the Company during the Quarter under report. Since 2nd June 2021, Government has withdrawn the directive and the production has since improved.

The second COVID-19 wave poses a downside risk to economic activity in the first quarter of the year in progress. Its impact is expected to be muted compared with that of the first wave a year ago. Management expects that considering the nature of its business operations, existing customer and supplier relationships, impact on its business operations, if any, arising from COVID -19 pandemic may not be significant in the long run and would be able to recover carrying amount of all its assets as appearing in the financial statements and meet its entire financial obligations in the near future. The impact of COVID 19 pandemic may be different from that estimated as at the date of approval of these financial results. The Management will continue to monitor any material changes to future economic conditions.

3. During the Quarter under report, Company:
 - i) Disposed off balance 21% of equity stake held by the Company in Mukand Sumi Special Steel Ltd, a Joint Venture of the Company to Jamnalal Sons Private Ltd., an entity belonging to the promoter group of the Company for a consideration of Rs.499.53 crore. As this investment was measured at fair value in earlier years, this disposal does not have any material impact on the financial results for the Quarter under report.
 - ii) Received Rs.8.07 crore in April 2021 from Mukand International FZE, Dubai (MIFZE), a wholly owned Subsidiary, towards 4 shares of 1 Million Dhiram each held by it in MIFZE. Amount towards balance 1 Share shall be received during the subsequent quarters of the year in progress.
 - iii) Signed an MOU for the sale of approximately 47 acres of surplus land at Thane for a total consideration of ₹752.11 crore and also received an advance of ₹10 crore. The entire sale process is expected to be completed in the next 4 to 5 months.

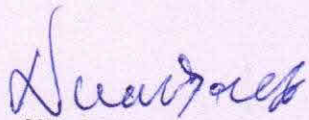
Amounts realized from above disposals, etc., have been / will be mainly utilized to repay debt / other interest bearing liabilities and this will entail substantial reduction in the debt, yearly interest costs and strengthen the financials of your Company.

4. Petitions filed with NCLT for Scheme of amalgamation between Adore Traders and Realtors Private Limited, a wholly owned subsidiary of Mukand Global Finance Limited with the parent company MGFL, followed by the amalgamation of MGFL and Mukand Engineers Limited with the Company are yet to be approved by NCLT. The Scheme shall be effective from the appointed date 1st April,2019 on receipt of NCLT order and filing the same with Registrar of Companies and therefore the above results do not include effect of amalgamation of these Companies.

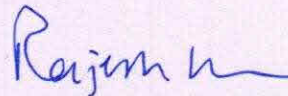


5. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2021:
- The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs. 30.53 Crore (net of amounts written off) as at 30th June 2021 as against Rs. 31.57 Crore (net of amounts written off) as at 31st March 2021. The management, considering the value of unencumbered fixed assets of BFL, considers the balance dues to be 'Good' and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.
 - In accordance with the Scheme of Amalgamation as sanctioned by the NCLT, Mukand Sumi Special Steel Ltd., a joint venture, has recognized goodwill on amalgamation amounting to Rs. 1,834.84 Crore which is amortized over its useful life. Depreciation and amortization charge upto 30.04.2021 under report on this account is Rs. 7.54 Crore (PQ Rs. 22.61 Crore). This accounting treatment is different from that prescribed under Indian Accounting Standard (Ind AS 103) - 'Business Combinations' for business combination of entities under common control.
6. As regards Mukand Engineers Ltd (MEL), an associate company, the Company had filed Company Scheme Petition seeking sanction of the NCLT, Mumbai bench and the same was admitted by NCLT Special Bench, Mumbai on 23rd April, 2020. Final hearing on the petition and approval of the Scheme by NCLT is awaited. The Scheme is also subject to requisite approval of other Statutory or Regulatory authorities as may be applicable. On implementation of the Scheme, the Company will cease to exist and all the assets and liabilities of the Company will be transferred to Mukand Limited w.e.f. the Appointed Date on a going concern basis without any further act, instrument, deed, matter or thing by virtue of and in the manner provided in the Scheme. In view of this the financial statements have been prepared on a going concern basis. The statutory Auditor of MEL have referred this note as a matter of emphasis in its report on the results for the quarter ended 30th June 2021.
7. The figures of last quarter of the previous year are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the previous financial year, which were subjected to Limited Review.
8. Figures in respect of the previous period have been regrouped / recast wherever necessary in case of above results.

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 : 11th August, 2021



DHC & Co.
Chartered Accountants

Independent Auditor's Review Report on quarterly Unaudited Standalone Financial Results of Mukand Limited 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 Standalone Financial Results of Mukand Limited ("the Company") for the quarter ended June 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters in the notes to the Statement:
 - a) Note 2 to the Statement, which explains the management evaluation on the impact of COVID-19 pandemic situation on the operational and financial position of the Company which is further dependent upon the circumstances as they evolve in the subsequent period.
 - b) Note 5(a) to the Statement, relating to exposures in Bombay Forging Limited ("BFL") aggregating Rs. 30.53 crores (net of amount written off) as at June 30, 2021. The management, barring any significant uncertainties in future, has considered the value of unencumbered fixed assets of BFL for the balance portion of exposure in BFL.

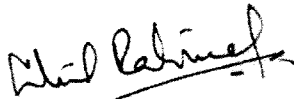
Our report is not modified in respect of these matters.



DHC & Co
Chartered Accountants

6. The comparative financial information of the Company for the previous reporting period ended June 30, 2020 prepared in accordance with Ind AS included in financial information have been reviewed by the predecessor auditor. The report of predecessor auditor on these comparative financial information expressed an un-modified conclusion. Our report is not modified in respect of this matter.

For DHC & Co.
Chartered Accountants
ICAI Firm Registration No. 103525W



Atul Paliwal
Partner

Membership No.: 401969

UDIN: 21401969AAAAA84561

Place: Jaipur

Date: August 11, 2021



Chartered Accountants

Independent Auditor's Review Report on Quarterly Unaudited Consolidated Financial Results of Mukand Limited 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 Consolidated Financial Results of Mukand Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax and total comprehensive loss of its associates and joint ventures for the quarter ended June 30, 2021 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

| Sr. | Name of the Entity | Relationship |
|-----|--|-------------------------------------|
| 1 | Mukand Limited | Parent Company |
| 2 | Mukand Global Finance Limited | Subsidiary |
| 3 | Mukand International FZE | Subsidiary |
| 4 | Adore Traders and Realtors Private Limited | Step-down Subsidiary |
| 5 | Mukand Sumi Special Steel Limited | Joint Venture (upto April 30, 2021) |
| 6 | Mukand Sumi Metal Processing Limited | Joint Venture |
| 7 | Hospet Steel Limited | Joint Venture |
| 8 | Mukand Engineers Limited | Associate |
| 9 | Stainless India Limited | Associate |
| 10 | Bombay Forgings Limited | Associate |



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5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to following matters in the notes to the Statement:
- Note 2 to the Statement, which explains the management evaluation on the impact of COVID 19 pandemic situation on the operational and financial position of the Group which is further dependent upon the circumstances as they evolve in the subsequent period.
 - Note 5(a) to the Statement, relating to exposures in Bombay Forging Limited ("BFL") aggregating Rs. 30.53 crores (net of amounts written off) as at June 30, 2021. The management, barring any significant uncertainties in future, has considered the value of unencumbered fixed assets of BFL for the balance portion of exposure in BFL.
 - Note 5(b) to the Statement, relating to the accounting treatment of goodwill amounting to Rs. 1,834.84 crores in the books of Mukand Sumi Special Steel Limited ("MSSSL"), a Joint Venture (upto April 30, 2021), which is amortised over its useful life in accordance with the scheme of Amalgamation as sanctioned by the National Company Law Tribunal ("NCLT"). As a consequence, depreciation and amortisation expense for the period ended April 30, 2021, in the books of MSSSL includes Rs. 7.54 crores on account of amortisation of goodwill. This accounting treatment is different from that prescribed under Indian Accounting Standard (Ind AS 103) 'Business Combinations' for business combinations of entities under common control. Had the accounting treatment prescribed under Ind AS 103 been followed, the depreciation and amortisation expense for the period ended April 30, 2021 in the books of MSSSL would have been lower by Rs. 7.54 crores and profit before tax would have been higher by Rs. 7.54 crores.
 - Note 6 to the Statement, wherein the Statutory Auditor of an associate company, Mukand Engineers Limited ("MEL"), have drawn reference to following para in their review report:

Note 4 of the financial result of MEL, which states that the MEL has incurred a net loss of Rs. 6.52 crores during the quarter ending June 30, 2021 and has accumulated losses amounting to Rs. 88.43 crores, as on June 30, 2021 resulting in to erosion of the Net worth of MEL. During the period under review, Fund flow of MEL has been impacted on account of general slow-down in the business, which may also seriously impair MEL's financial position. This indicates that a material uncertainty exists that may cast significant doubt on the MEL's ability to continue as going concern. However, keeping in mind the ongoing restructuring exercise by the MEL, it is believed that the business will be able to generate sufficient profits in future to meet its financial obligations, these financial results have been prepared using going concern basis of accounting.

Our report is not modified in respect of these matters.



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7. We did not review the interim financial statements of 2 (two) subsidiaries included in the unaudited consolidated financial results, whose interim financial statements reflect total revenues of Rs. 2.66 crores, total net loss after tax of Rs. 2.67 crores and total comprehensive loss of Rs. 3.38 crores, for the quarter ended June 30, 2021, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of net loss after tax of Rs. 3.86 crores and total comprehensive loss of Rs. 3.97 crores for the quarter ended June 30, 2021, as considered in the unaudited consolidated financial results, in respect of 1 (one) associate and 2 (two) joint ventures, whose interim financial statements have not been reviewed by us. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

One (1) of above subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective country and which have been reviewed by other auditor under generally accepted auditing standards applicable in their respective country. The Parent's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our report in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Parent and reviewed by us.

Our report on the Statement is not modified in respect of the above matter.

8. The unaudited consolidated financial results includes the interim financial results of 1 (one) step down subsidiary which have not been reviewed by their auditor, whose interim financial results reflect total revenue of Rs. 0.17 crores, total net loss after tax of Rs. 3.06 crores and total comprehensive loss of Rs. 3.06 crores for the quarter ended June 30, 2021, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of net profit after tax and total comprehensive profit of Rs. 0.91 crores for the quarter ended June 30, 2021, in respect of 1 (one) associate and 1 (one) joint venture, based on their interim financial results which have not been reviewed by their auditor. As informed to us by the Management, these interim financial results are not material to the Group including its associates and joint ventures. In respect of 1 (one) associate, financial result/financial information for the quarter ended June 30, 2021 (group's share of net loss for quarter ended March 31, 2021 and June 30, 2020 was Rs. 2.16 crores and Rs. 0.29 crores respectively) have not been made available to us. As informed to us by the Management, these interim financial results/financial information are not material to the Group.

Our report on the Statement is not modified in respect of the above matter.



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9. The comparative consolidated financial information for the previous reporting period ended June 30, 2020 prepared in accordance with Ind AS included in the Statement have been reviewed by the predecessor auditor. The report of predecessor auditor on these comparative financial information expressed an un-modified conclusion. Our report on the Statement is not modified in respect of this matter.

For DHC & Co.
Chartered Accountants
ICAI Firm Registration No. 103525W



Atul Paliwal
Partner
Membership No.: 401969
UDIN: 21401969AAAAAR5599



Place: Jaipur
Date: August 11, 2021