

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

27th June, 2020

1	Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. ISIN CODE : INE304A01026 INE304A04012 BSE Scrip Code : 500460	2	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)

**Sub.: Outcome of the Board Meeting
Audited Financial Results (Standalone and Consolidated) for Financial Year ended 31st March, 2020**

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 enclose the following statements for the quarter and year ended 31st March, 2020, which were approved and taken on record at the meeting of the Board of Directors held today, i.e. 27th June, 2020:

- a) Statement of Audited Standalone Financial Results for the quarter and year ended 31st March, 2020 along with Audit Report; and
- b) Statement of Audited Consolidated Financial Results for the quarter and year ended 31st March, 2020 along with Audit Report.

Statutory Auditors, M/s Haribhakti & Co. LLP, Chartered Accountants, have issued an Audit Report with unmodified opinion on the Annual Audited Financial Results of the Company (Standalone and Consolidated) for the Financial year ended 31st March, 2020 in terms of Regulation 33 (3) (d) of the Listing Regulations, Declaration confirming above, signed by CFO of the Company is enclosed.



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

The Company will not be publishing these financial results in the newspaper under Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in view of SEBI circular dated May 12, 2020 and on account of the lock-down restrictions imposed by the Government of India.

Other Matters:

- Board has recommended for approval of the members in the ensuing 82nd Annual General Meeting, appointment of M/s. DHC & Co. , Chartered Accountants, as new Statutory Auditors of the Company, for a period of 5 years, with effect from ensuing 82nd AGM of the Company, in place of the existing auditors M/s. Haribhakti & Co. LLP, Chartered Accountants, who have completed their maximum tenure, in terms of the provisions of the Companies Act, 2013, read with applicable rules.
- In view of Covid-19 situation, Company is working on AGM date, the final date of 82nd Annual General Meeting and Book closure/cut off date for e-voting etc. will be announced in due course.

The Meeting commenced at 12: 30 p.m. and concluded at 2: 25 p.m.

Kindly take the above on record.

Yours faithfully,
For **Mukand Limited**

Sd/-
K. J. Mallya
Company Secretary
(kjmallya@mukand.com)
Cell: 9820990922



Mukand Ltd.

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Dighe, Thane.
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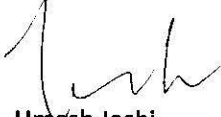
1. Department of Corporate Services Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. ISIN CODE : INE304A01026 INE304A04012 BSE Scrip Code : 500460	2. Listing Department National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai – 400051 ISIN CODE : INE304A01026 INE304A04012 NSE Scrip Name : MUKAND LTD.
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Sub Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, we hereby declare that the Statutory Auditors of Company i.e. M/s. Haribhkati & Co. LLP, Chartered Accountants, have submitted their Report with unmodified opinion on Audited Financial Results of the Company (both Standalone and Consolidated) for the financial year ended March 31, 2020, as approved by the Board in its Meeting held today i.e. June 27, 2020.

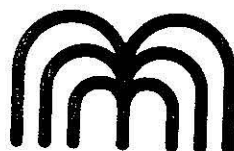
We request you to kindly take this in your record.

Yours faithfully,
For **Mukand Limited**



Umesh Joshi
Chief Financial Officer

Mumbai, 27th June, 2020





CIN L 99999 MH 1937 PLC 002726

MUKAND LIMITED

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

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & TWELVE MONTHS ENDED MARCH 31,2020

Rs. Crores

Particulars	Quarter ended			Twelve months ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
	Audited	Unaudited	Audited	Audited	Audited
I TOTAL REVENUE					
a) Sale of Goods & Services	723.09	617.28	830.94	2,797.51	3,547.98
b) Other Operating Revenue	3.56	5.07	8.70	20.87	39.66
I Revenue from Operations	726.65	622.35	839.64	2,818.38	3,587.64
II Other Income					
a) Interest Income	7.20	5.36	20.23	33.80	49.88
b) Net Gain on Fair Valuation/Disposal of Investments	6.17		23.67	6.17	23.67
c) Miscellaneous Income	0.27	0.24	0.84	12.26	5.79
II Other Income	13.64	5.60	44.74	52.23	79.34
III Total Revenue I+II	740.29	627.95	884.38	2,870.61	3,666.98
IV EXPENSES					
a) Cost of materials consumed	422.46	323.56	427.89	1,564.89	1,953.43
b) Purchase of Stock in Trade			0.48	0.03	11.60
c) Changes in inventories of finished goods and work-in-progress	3.01	5.91	22.64	(26.03)	(17.97)
d) Employee benefits expense	46.54	48.10	52.70	188.52	208.38
e) Finance Costs	87.43	86.74	82.51	338.11	303.30
f) Depreciation	20.08	18.95	14.09	75.41	58.30
g) Stores, Spares Components, Tools etc. consumed	102.52	84.40	134.52	418.78	589.68
h) Other Expenditure	138.17	130.27	186.60	569.67	694.40
i) Expenditure transferred to Capital Account / Capital Work-in-Progress	(1.00)	(0.67)	(0.42)	(4.17)	(1.81)
IV Total Expenses	819.21	697.26	921.01	3,125.21	3,799.31
V Profit / (Loss) before tax (III-IV)	(78.92)	(69.31)	(36.63)	(254.60)	(132.33)
VI Tax Expense					
Deferred Tax (Charge) / Credit	25.35	24.35	14.45	82.52	48.22
Total Tax	25.35	24.35	14.45	82.52	48.22
VII Profit/(Loss) for the period/year before tax adjustments pertaining to earlier years	(53.57)	(44.96)	(22.18)	(172.08)	(84.11)
Tax adjustments due to reversal of Deferred Tax credit taken in earlier years on account of lapsing of business loss	(23.49)			(23.49)	
VII Profit/(Loss) for the period/year	(77.06)	(44.96)	(22.18)	(195.57)	(84.11)
VIII Other Comprehensive Income					
Items that will not be reclassified to Profit or loss-					
a) Actuarial Gain on defined benefit obligations	(1.32)	1.00	0.71	1.48	3.20
b) Net gains on Fair Value changes of Equity Instruments	1.56		1.64	1.56	1.64
c) Less : Deferred tax on above	0.08	(0.31)	(0.56)	(0.79)	(1.34)
Net	0.32	0.69	1.79	2.25	3.50
IX Total Comprehensive Income (VII+VIII)	(76.74)	(44.27)	(20.39)	(193.32)	(80.61)
X Paid-up equity share capital – Face value Rs.10/- per Share	141.42	141.42	141.42	141.42	141.42
XI Reserves (excluding Revaluation Reserve)				715.63	912.03
XII Earnings per Equity Share (EPS) - Face Value Rs 10/- each					
Basic and Diluted EPS (in Rs.)	(5.45)	(3.18)	(1.57)	(13.83)	(5.95)

MUKAND LIMITED

Rs. Crores

		Quarter ended			Twelve months ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Unaudited	Audited	Audited	Audited
	SEGMENT REVENUE					
1)	Specialty Steel	700.84	596.44	794.90	2,713.96	3,451.36
2)	Industrial Machinery & Engineering Contracts	26.94	26.66	45.59	109.31	138.66
	Sub-total	727.78	623.10	840.49	2,823.27	3,590.02
	Less : Inter Segment Revenue	(1.13)	(0.75)	(0.85)	(4.89)	(2.38)
	Total Segment Revenue	726.65	622.35	839.64	2,818.38	3,587.64
	SEGMENT RESULT					
1)	Specialty Steel	7.06	23.31	14.18	88.36	130.62
2)	Industrial Machinery & Engineering Contracts	(7.11)	(6.44)	(6.05)	(29.67)	(13.26)
	Less : Inter segment margin	(0.17)	(0.09)	(0.05)	(0.67)	(0.20)
	Total Segment Result	(0.22)	16.78	8.08	58.02	117.16
	Add / (Less) :					
	Other net un-allocable :					
	Interest Income	7.20	5.36	20.23	33.80	49.88
	Income	6.43	0.23	24.51	18.43	29.46
	Expenditure	(4.90)	(4.94)	(6.94)	(26.74)	(25.53)
	Other net un-allocable (expenditure) / income	8.73	0.65	37.80	25.49	53.81
	Profit / (Loss) before Finance costs	8.51	17.43	45.88	83.51	170.97
	Less : Finance costs	87.43	86.74	82.51	338.11	303.30
	Profit / (Loss) before tax	(78.92)	(69.31)	(36.63)	(254.60)	(132.33)
	SEGMENT ASSETS / LIABILITIES	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
A	Segment Assets					
1)	Specialty Steel	2,345.94	2,372.73	2,220.48	2,345.94	2,220.48
2)	Industrial Machinery & Engineering Contracts	363.28	322.48	388.84	363.28	388.84
3)	Corporate - Unallocable	1,699.80	1,701.68	1,768.88	1,699.80	1,768.88
		4,409.02	4,396.89	4,378.20	4,409.02	4,378.20
B	Segment Liabilities					
1)	Specialty Steel	899.92	697.73	777.80	899.92	777.80
2)	Industrial Machinery & Engineering Contracts	57.00	60.77	80.92	57.00	80.92
3)	Corporate - Unallocable	2,595.05	2,704.60	2,466.03	2,595.05	2,466.03
		3,551.97	3,463.10	3,324.75	3,551.97	3,324.75
	Total Net Capital Employed	857.05	933.79	1,053.45	857.05	1,053.45

MUKAND LTD

		<i>Rs in crore</i>		<i>Rs in crore</i>	
		Year ended 31-Mar-20		Year ended 31-Mar-19	
A	CASH FLOW STATEMENT FOR	Audited		Audited	
	Cash Flow arising from Operating Activities				
	Profit / (Loss) before Tax & Other Comprehensive income		(254.60)		(132.32)
	Add back :				
	(1) Depreciation	75.41		58.30	
	(2) Other Non-cash Expenditure/(Income) -(net)	7.08		(26.28)	
	(3) Interest / Lease Charges (net)	299.04		253.41	
	(4) Actuarial Gain on defined benefit obligations	1.48		3.20	
			383.01		288.63
			128.41		156.31
	Deduct :				
	(1) Investment Income	1.42		2.34	
	(2) Surplus/(Loss) on sale of assets -(net)	1.46		6.88	
			2.88		9.22
	Operating Profit before Working Capital changes		125.53		147.09
	Adjustments for Working Capital Changes				
	(1) (Increase)/Decrease in Trade Receivables	7.77		(140.77)	
	(2) (Increase)/Decrease in Other Non Current Financial Assets	0.23		14.12	
	(3) (Increase)/Decrease in Other Non Current Assets	(13.75)		(5.18)	
	(4) (Increase)/Decrease in Short Term Loans	(45.82)		(21.45)	
	(5) (Increase)/Decrease in Current Financial Assets Others	84.66		307.66	
	(6) (Increase)/Decrease in Other Current Assets	15.20		(22.79)	
	(7) (Increase)/Decrease in Unpaid Dividend, Margin Money & Deposits	(7.18)		(11.42)	
	(8) (Increase)/Decrease in Inventories	(113.36)		(149.08)	
	(9) Increase/(Decrease) in Trade Payables	13.32		(216.64)	
	(10) Increase/(Decrease) in Current Financial Liabilities Others	(12.28)		(4.47)	
	(11) Increase/(Decrease) in Other Current Liabilities	66.95		(69.76)	
	(12) Increase/(Decrease) in Non Current Financial Liabilities Others	(3.90)		-	
	Net (Increase) / Decrease Working Capital changes		(8.16)		(319.78)
	Cash Flow from Operations		117.37		(172.69)
	Add / (Less) : Direct taxes Refund / (Paid) (net of refunds)		(1.73)		0.88
	Net Cash Inflow/(Outflow) from Operating Activities		115.64		(171.81)

MUKAND LTD

Rs in crore

Rs in crore

CASH FLOW STATEMENT FOR		Year ended		Year ended	
		31-Mar-20		31-Mar-19	
		Audited		Audited	
B	Cash Flow arising from Investing Activities Inflow				
	(1) Sale of Fixed Assets	1.52		16.81	
	(2) Dividends received	1.42		2.34	
	(3) Sale of Investments	32.21		-	
			35.15		19.15
	Deduct Outflow				
	(1) Acquisition of Fixed Assets	19.46		10.69	
	(2) Increase in Loans to Subsidiaries	0.10		-	
			19.56		10.69
	Net Cash Inflow/(Outflow) from Investing Activities		15.59		8.46
C	Cash Flow arising from Financing Activities Inflow				
	(1) Proceeds from issue of Preference Share Capital	1.13		-	
	(2) Increase in Term Loans (net)	137.26		-	
	(3) Increase in Other Unsecured Loans (net)	43.14		877.61	
			181.53		877.61
	Deduct Outflow				
	(1) Decrease in Term Loans - (net)	-		301.43	
	(2) Decrease in Working Capital Loans from Banks - (net)	19.88		154.34	
	(3) Redemption of Preference Share Capital	1.13		-	
	(4) Dividends paid	-		0.05	
	(5) Interest / Lease charges - (net)	262.20		268.74	
	(6) Payment towards Liability against Right of Use Assets	29.40		-	
			312.61		724.56
	Net Cash Inflow / (Outflow) from Financing Activities		(131.08)		153.05
	Net Increase / (Decrease) in Cash/Cash Equivalents		0.15		(10.30)
	Add : Balance at the beginning of the year		0.78		11.08
	Cash/Cash Equivalents at the close of the year		0.93		0.78

MUKAND LIMITED**Rs. Crores**

Statement of Assets and Liabilities as on		31-Mar-20	31-Mar-19
		Audited	Audited
I	Assets		
(A)	Non Current Assets		
(1)	Property Plant & Equipment, Capital Work in Progress & Intangible Assets		
a)	Property Plant & Equipment	466.60	505.19
b)	Capital Work in Progress	30.21	22.91
c)	Right of Use Assets	48.86	
d)	Intangible assets	0.08	0.09
		545.75	528.19
(2)	Financial Assets		
a)	Non Current Investments	1,428.63	1,453.10
b)	Other Non-Current Financial Assets	15.45	15.67
		1,444.08	1,468.77
(3)	Deferred tax Assets	18.17	
(4)	Income Tax Assets	50.57	48.84
(5)	Other non-current assets	67.01	78.31
		135.75	127.15
	Total (A)	2,125.58	2,124.11
(B)	Current Assets		
(1)	Inventories	1,367.46	1,254.10
(2)	Financial Assets		
a)	Trade Receivables	420.32	443.39
b)	Cash & Cash Equivalents and Other Bank Balances		
i)	Cash & Cash Equivalents	0.93	0.78
ii)	Bank Balances Other than (i) above	66.06	58.87
		66.99	59.65
c)	Short term loans	115.55	69.63
d)	Other Financial Assets	177.63	276.30
		293.18	345.93
(3)	Other current assets	135.49	151.02
	Total (B)	2,283.44	2,254.09
	TOTAL ASSETS	4,409.02	4,378.20

MUKAND LIMITED			
Statement of Assets and Liabilities as on		31-Mar-20	31-Mar-19
		Audited	Audited
II.	EQUITY AND LIABILITIES		
II.1	Equity		
a)	Share Capital	141.42	141.42
b)	Other Equity	715.63	912.03
		857.05	1,053.45
II.2	Liabilities		
A	Non Current Liabilities		
(1)	Financial Liabilities		
a)	Borrowings	1,894.16	1,564.47
b)	Other Financial liabilities	0.10	4.00
		1,894.26	1,568.47
(2)	Provisions	33.42	32.93
(3)	Deferred tax Liabilities		41.44
	Total (A)	1,927.68	1,642.84
(B)	Current Liabilities		
(1)	Financial Liabilities		
a)	Short Term Borrowings	566.73	664.69
b)	Trade Payables due to		
	Micro Enterprises and Small Enterprises	4.81	3.67
	Other than Micro Enterprises and Small Enterprises	770.60	760.17
	Sub-total (b)	775.41	763.84
c)	Other Financial Liabilities	131.67	198.22
		1,473.81	1,626.75
(2)	Other Current Liabilities	140.44	45.63
(3)	Short Term provisions	10.04	9.53
	Total (B.2)	1,624.29	1,681.91
	TOTAL EQUITY AND LIABILITIES	4,409.02	4,378.20

Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 27th June 2020.
2. The Company has adopted Ind AS 116 "Leases" effective 1st April 2019, as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard), Amendment Rules, 2019, using the retrospective approach as specified under Para C5(b) of IND AS 116. The adoption of this Standard does not have any material impact on the loss for the quarter/year ended 31st March,2020. Accordingly, the amounts of depreciation, finance costs and Other Expenditure are not comparable with those of the previous year.
3. During the month of March 2020, Company divested 9.07% of equity Share capital held by it in Mukand Sumi Metal Processing Ltd., (MSMPL) to its Joint Venture partner Sumitomo Corporation, Japan. Company now holds 51% in the equity capital of MSMPL. The results of the year of the Company include loss of Rs.8.34 Crore being the difference between sales consideration and the fair value as at 31st March,2019.
4. In March 2020, the WHO declared COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March 2020, the Government of India declared this pandemic a health emergency and ordered temporary closure of all non-essential business, imposed restrictions on movement of goods/material, travel, etc. This outbreak is causing significant disturbances and slowdown of economic activity worldwide and economic slowdown may have its eventual impact on the Company. The Company suspended production at its plants situated at Dighe, Thane in the state of Maharashtra and Ginigera, Koppal in the state of Karnataka with effect from last week of March 2020 till first week of May 2020. Post relaxation of lock down by the Government, both the plants have become partially operational as per guidelines of the Government.

Management has made detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and has concluded that there are no material impact or adjustments required in the standalone financial statements. The stress on liquidity position has been partially mitigated by the relief given by the Government, RBI, Electricity Distribution Companies, etc.

Management has assessed likely impact of known events till the date of approval of its financial statements arising from COVID-19 pandemic in the preparation of the standalone financial statements. 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. 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.

5. 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 with the Company.
6. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2020:
 - a) The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs.38.18 Crore (net of provision for expected credit loss) as at 31st March 2020 as against Rs.44.23 Crore (net of provision for expected credit loss) as at 31st March 2019. The management, considering the value of unencumbered fixed assets and current 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.
7. The figures of last quarter 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 current 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.,**

---Sd---

---Sd---

**Niraj Bajaj
Chairman & Managing Director**

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

Place : **Mumbai**

Date : **27th June 2020**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mukand Limited

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone annual financial results of **Mukand Limited** ("the Company") for the year ended March 31, 2020 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

(i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Statement under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the notes to the Statement:

- I. Note 4 to the Statement, which explains the uncertainties and the management's evaluation of the operational and financial impact on the Company due to lockdown and other restrictions on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.
- II. Note 6(a) to the Statement, relating to exposures in Bombay Forging Limited ("BFL") aggregating Rs. 38.18 crores (net of provision for expected credit loss) as at March 31, 2020. The management, barring any significant uncertainties in future, has considered the value of unencumbered fixed assets and current assets of BFL for the balance portion of exposure in BFL.

Our opinion is not modified in respect of these matters.

Board of Directors' Responsibility for the Standalone Financial Results

This Statement has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to

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draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

- a) Due to the COVID-19 related lockdown restrictions imposed by the government, management was able to perform year end physical verification of inventory only at selected location. However, we were unable to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternate audit procedures to obtain comfort over the existence of inventory at year end, as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items", and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on this Statement.

Our report is not modified in respect of this matter.

- b) The Statement includes the results for the quarter ended March 31, 2020, being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

UDIN: 20034828AAAADF5105

Place: Mumbai

Date: June 27, 2020

INDEPENDENT AUDITOR'S REPORT**To the Board of Directors of Mukand Limited****Report on the Audit of the Consolidated Financial Results****Opinion**

We have audited the accompanying consolidated annual financial results of Mukand Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the year ended March 31, 2020 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements/financial results/financial information of the subsidiaries, associates and joint ventures, the aforesaid Statement:

(i) includes the annual financial results of the following entities:

Sr. No.	Name of the Entity	Relationship
1	Mukand Limited	Holding Company
2	Mukand Global Finance Limited	Subsidiary
3	Vidyavihar Containers Limited	Subsidiary
4	Mukand International FZE	Subsidiary
5	Adore Traders and Realtors Private Limited	Step-down Subsidiary
6	Mukand Sumi Special Steel Limited	Joint Venture
7	Mukand Sumi Metal Processing Limited	Joint Venture
8	Hospet Steel Limited	Joint Venture
9	Mukand Engineers Limited	Associates
10	Stainless India Limited	Associates
11	Bombay Forgings Limited	Associates

(ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive income and other financial information of the Group, its associates and joint ventures for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the

ethical requirements that are relevant to our audit of the Statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the notes to the Statement:

- I. Note 4 to the Statement, which explains the uncertainties and the management's evaluation of the operational and financial impact on the Group, its associates and joint ventures due to lockdown and other restrictions on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.
- II. Note 6(a) to the Statement, relating to exposures in Bombay Forgings Limited ("BFL") aggregating Rs. 38.18 crores (net of provision for expected credit loss) as at March 31, 2020. The management, barring any significant uncertainties in future, has considered the value of unencumbered fixed assets and current assets of BFL for the balance portion of exposure in BFL.
- III. Note 6(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, 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 year ended March 31, 2020, in the books of MSSSL includes Rs. 91.74 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 as well as loss before tax for the year ended March 31, 2020 would have been lower by Rs. 91.74 crores.
- IV. Note 7 to the Statement, wherein the Statutory Auditor of an associate company, Mukand Engineers Limited ("MEL"), have drawn following para in their audit report:

We draw your attention to Note No. 3 of the Statement, which states that the Company has incurred a net loss of Rs. 3,018 lakhs (loss after tax) during the year ending 31st March, 2020 and as of that date, the Company's current liabilities exceeded its total assets by Rs. 817 lakhs and has accumulated losses amounting to Rs. 5,039 lakhs (loss after tax), up to 31st March, 2020 resulting in to erosion of the Net Worth of the Company. During the period under review, Fund flow of the Company has been impacted on account of general slow-down in the business, which may also seriously impair Company's financial position. This indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. However, keeping in mind the ongoing restructuring exercise by the Company, it is believed that the business will be able to generate sufficient profits in future to meet its financial obligations, these annual financial results have been prepared using going concern basis of accounting.

Our opinion is not modified in respect of these matters.

Board of Directors' Responsibility for the Consolidated Financial Results

This Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group including its associates and joint ventures in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its associates and joint ventures or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its associates and joint ventures to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

- a) Due to the COVID-19 related lockdown restrictions imposed by the government, management of the Holding Company was able to perform year end physical verification of inventory only at selected location. However, we were unable to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternate audit procedures to obtain comfort over the existence of inventory at year end, as per the guidance

provided in SA 501 “Audit Evidence - Specific Considerations for Selected Items”, and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on this Statement. Our report is not modified in respect of this matter.

- b) The Statement includes the audited financial results of three (3) subsidiaries whose financial statements reflect Group’s share of total assets of Rs. 233.02 crores as at March 31, 2020, Group’s share of total revenues of Rs. 71.05 crores and Rs. 265.92 crores, Group’s share of total net profit/(Loss) after tax of Rs. (1.41) crores and Rs. 4.18 crores for the quarter and year ended March 31, 2020 respectively and net cash inflows amounting to Rs. 1.96 crores for the year ended March 31, 2020, as considered in the Statement, which have been audited by their respective independent auditors. The Statement also includes Group’s share of net loss after tax of Rs. 2.79 crores and Rs. 10.90 crores for the quarter and year ended March 31, 2020 respectively, as considered in the Statement, in respect of One (1) associate, whose financial statements has been audited by their respective independent auditors. The independent auditors’ reports on financial statements of these entities have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of the such auditors and the procedures performed by us are as stated in section above.

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

- c) The Statement include the unaudited financial results of One (1) Step down subsidiary whose financial statements reflect Group’s share of total assets of Rs. 96.34 crores as at March 31, 2020, Group’s share of total revenues of Rs. 3.24 crores and Rs. 16.15 crores and Group’s share of total net loss after tax of Rs. 0.64 crores and Rs. 2.73 crores for the quarter and year ended March 31, 2020 respectively and net cash inflows amounting to Rs. 0.12 crores for year ended March 31, 2020, as considered in the Statement. The Statement also includes Group’s share of net loss after tax of Rs. 4.04 crores and Rs.10.50 crores for the quarter and year ended March 31, 2020 respectively, as considered in the Statement, in respect of two (2) associates, whose financial statements have not been audited by us. These unaudited financial statements have been furnished to us by the Board of Directors and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these step down subsidiary, associates is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matters in b) & c) with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Board of Directors.

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- d) The Statement includes the results for the quarter ended March 31, 2020, being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W/W100048

Sumant Sakhardande

Partner

Membership No.: 034828

UDIN: 20034828AAAADG5747

Place: Mumbai

Date: June 27, 2020



MUKAND LIMITED

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

CIN : L99999MH1937PLC002726

Statement of Audited Consolidated Financial Results for the quarter & Year ended March 31, 2020

Rs. In Crores

Particulars	Quarter ended			Year ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
	Audited	Unaudited	Unaudited	Audited	Audited
I. Revenue from Operations	765.67	646.17	868.62	2,922.69	3,689.46
II. Other income	13.37	0.32	0.19	24.07	5.29
III. Interest Income	9.24	7.41	21.54	44.17	54.84
IV. Total Revenue (I + II + III)	788.28	653.90	890.35	2,990.93	3,749.59
V. Expenses:					
(a) Cost of materials consumed	405.48	318.75	418.80	1,520.58	1,916.87
(b) Purchases of Stock-in-Trade	47.26	22.61	31.20	119.01	119.18
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	3.01	5.91	22.65	(26.03)	(17.96)
(d) Employee benefits expense	46.84	48.45	53.02	189.92	209.68
(e) Finance costs	94.03	93.41	87.85	363.97	326.51
(f) Depreciation and amortization expense	20.08	18.95	0.76	75.41	58.30
(g) Stores, Spares, Components, Tools, etc. consumed	102.52	84.40	134.52	418.78	589.68
(h) Other Expenses	144.46	131.60	211.02	580.14	726.29
(i) Expenditure transferred to Capital Accounts / Capital Work-in-Progress	(1.00)	(0.67)	(0.42)	(4.17)	(1.81)
Total expenses	862.68	723.41	959.40	3,237.61	3,926.74
VI. Profit/(loss) before exceptional items and tax (IV-V)	(74.40)	(69.51)	(69.05)	(246.68)	(177.15)
Less : Exceptional Items(net)	-	-	-	-	-
VII. Profit/(loss) before tax and Share in Profit of Associates and Joint Ventures	(74.40)	(69.51)	(69.05)	(246.68)	(177.15)
Add: Share in Profits of Associates and Joint Ventures	(11.68)	(19.61)	11.86	(49.77)	18.87
VIII. Profit/(loss) before tax	(86.08)	(89.12)	(57.19)	(296.45)	(158.28)
IX. Tax expense:					
Current tax	0.66	(0.32)	(0.07)	(0.29)	(0.07)
Deferred Tax (Charge) / Credit	25.48	23.39	7.43	80.35	42.87
Total Tax Expense	26.14	23.07	7.36	80.06	42.80
Profit/(Loss) for the period/year before tax adjustment pertaining to earlier years	(59.94)	(66.05)	(49.83)	(216.39)	(115.48)
Tax adjustments due to reversal of Deferred Tax credit taken in earlier years on account of lapsing of business loss	(23.49)	-	-	(23.49)	-
X. Profit/(Loss) for the period/year (VIII-IX)	(83.43)	(66.05)	(49.83)	(239.88)	(115.48)
XI. Other Comprehensive income (net)					
1 Items that will not be reclassified to Statement of Profit or Loss :-					
Actuarial Gain on Employee defined benefit funds	(1.32)	1.00	0.71	1.48	3.20
Less : Deferred tax	0.40	(0.31)	(0.22)	(0.47)	(1.00)
Share of other comprehensive income of Associates & Joint ventures accounted for using the equity method	(0.08)	-	(0.25)	(0.61)	(0.19)
2 Items that will be reclassified to Statement of Profit or Loss :-					
Exchange Fluctuation on Translating Foreign Operations	1.03	0.11	(0.16)	1.53	0.85
Total Other Comprehensive income (net)	0.03	0.80	0.08	1.93	2.86
XII. Total Comprehensive Income (X+XI)	(83.40)	(65.25)	(49.75)	(237.95)	(112.62)
XIII. Paid-up equity share capital - Face value Rs. 10/- per share	141.42	141.42	141.42	141.42	141.42
XIV. Reserves excluding Revaluation Reserves	-	-	-	529.27	773.54
XV. Earning per share - Face value Rs. 10/- per share					
Basic and diluted earnings per share (in Rs.)	(5.90)	(4.67)	(3.52)	(16.96)	(8.17)

Sr. No.	Particulars	Quarter ended			Year ended	Year ended
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Unaudited	Unaudited	Audited	Audited
1	Segment Revenue					
	Specialty Steel	733.48	615.76	818.26	2,795.62	3,533.53
	Industrial Machinery & Engineering Contracts	26.94	26.66	45.59	109.31	138.66
	Others	6.38	4.50	5.62	22.65	19.65
	Less : Inter Segment Revenue	(1.13)	(0.75)	(0.85)	(4.89)	(2.38)
	Total Segment Revenue	765.67	646.17	868.62	2,922.69	3,689.46
2	Segment Result					
	Specialty Steel	7.69	23.35	14.21	89.53	133.48
	Industrial Machinery & Engineering Contracts	(7.11)	(6.44)	(6.05)	(29.67)	(13.26)
	Others	(54.45)	0.54	(9.27)	(50.78)	(14.23)
	Less : Inter Segment Revenue	(0.16)	(0.10)	(0.05)	(0.67)	(0.20)
	Total Segment Result	(54.03)	17.35	(1.16)	8.41	105.79
	Add : Interest Income	9.24	7.41	21.54	44.17	54.84
	Other Income	13.37	0.32	0.19	24.07	5.29
	Share in Profits of Associates and Joint Ventures	(11.68)	(19.61)	11.86	(49.77)	18.87
	Less : Unallocable Expenditure	47.33	(4.95)	(6.94)	25.49	(38.86)
	Profit / (Loss) before Finance cost	4.23	0.52	25.49	52.37	145.93
	Less : Finance Cost	(90.31)	(89.64)	(82.68)	(348.82)	(304.21)
	Profit / (Loss) before Tax	(86.08)	(89.12)	(57.19)	(296.45)	(158.28)
3	Segment Assets / Liabilities	As at	As at	As at	As at	As at
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
(i)	Segment Assets					
	Specialty Steel	2,339.68	2,352.38	2,227.35	2,339.68	2,227.35
	Industrial Machinery & Engineering Contracts	363.28	322.48	388.84	363.28	388.84
	Others	166.33	164.39	182.50	166.33	182.50
	Un-allocated Assets	1,590.62	1,599.12	1,669.18	1,590.62	1,669.18
	Total Assets	4,459.91	4,438.37	4,467.87	4,459.91	4,467.87
(ii)	Segment Liabilities					
	Specialty Steel	887.17	667.85	811.99	887.17	811.99
	Industrial Machinery & Engineering Contracts	57.00	60.77	80.92	57.00	80.92
	Others	137.27	134.69	158.83	137.27	158.83
	Un-allocated Liabilities	2,707.78	2,820.97	2,501.17	2,707.78	2,501.17
	Total Liabilities	3,789.22	3,684.28	3,552.91	3,789.22	3,552.91
4	Total Net Capital Employed	670.69	754.09	914.96	670.69	914.96



MUKAND LIMITED

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

CIN : L99999MH1937PLC002726

Audited Consolidated Balance Sheet as at March 31, 2020

Rs. In Crores

Particulars	As at	As at
	31st March, 2020	31st March, 2019
	Audited	Audited
I ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	466.62	505.22
(b) Capital work-in-progress	30.21	22.91
(c) Right of Use Assets	48.86	-
(d) Other Intangible assets	0.08	0.09
(e) Investment in Joint Ventures and Associates	1,213.71	1,286.14
(f) Financial Assets		
i) Investments	0.47	0.67
ii) Other financial assets	15.46	15.68
(g) Deferred tax assets(net)	12.11	2.56
(h) Income Tax Assets (net)	51.50	49.91
(i) Other non-current assets	67.01	78.31
Total Non-current assets	1,906.03	1,961.49
2 Current Assets		
(a) Inventories	1,367.44	1,254.04
(b) Financial Assets		
i) Trade receivables	418.31	455.03
ii) Cash and cash equivalents	10.00	7.80
iii) Bank balances other than (ii) above	68.16	60.92
iv) Loans	339.15	273.14
v) Other financial assets	215.36	306.12
(c) Income Tax Assets (net)	2.16	-
(d) Other current assets	133.30	149.33
Total Current assets	2,553.88	2,506.38
Total Assets	4,459.91	4,467.87
II EQUITY AND LIABILITIES		
Equity		
(a) Share capital	141.42	141.42
(b) Other equity	529.27	773.54
Total Equity	670.69	914.96
LIABILITIES		
1 Non-Current Liabilities		
(a) Financial liabilities		
i) Borrowings	1,894.16	1,567.78
ii) Other financial liabilities	0.10	4.00
(b) Provisions	34.69	33.94
(c) Deferred tax liabilities (Net)	-	48.21
(d) Other non-current liabilities	-	-
Total Non-current liabilities	1,928.95	1,653.93
2 Current liabilities		
(a) Financial liabilities		
i) Borrowings	784.67	860.07
ii) Trade payables due to :		
Micro and Small Enterprises	4.81	3.67
Other than Micro and Small Enterprises	756.95	758.13
iii) Other financial liabilities	155.90	213.57
(b) Other current liabilities	147.90	54.01
(c) Provisions	10.04	9.53
(d) Current tax liabilities(Net)	-	-
Total Current liabilities	1,860.27	1,898.98
Total Equity and Liabilities	4,459.91	4,467.87

Particulars	For the year ended			
	31-Mar-2020 Audited		31-Mar-2019 Audited	
A CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before exceptional items and tax		(246.68)		(177.15)
<i>Adjustments for:</i>				
Depreciation/amortisation/Impairment	75.41		71.96	
Surplus on account of sale of Assets/Land	(1.49)		(7.07)	
Loss on sale of assets	0.03		0.20	
Net gains on Fair value changes/Disposal of Equity Instruments	(13.22)		(0.18)	
Interest expense (Net)	319.23		381.35	
Dividend Income	(0.01)		-	
Credit balances apporpriated	(0.08)		(7.24)	
Excess provisions written back (net)	(4.21)		(2.39)	
Provision/(write back) for doubtful debts and advances (net)	13.87		13.95	
Provision for warranty	0.21		(0.19)	
Provision for Long Term & Short Term Employee Benefits	1.05		(0.69)	
Loss on variation in foreign exchange rate (net)	2.82	393.61	24.00	473.70
Cash Generated from operations before working capital changes		146.93		296.55
<i>Adjustments for:</i>				
(Increase)/decrease in inventories	(113.40)		(149.06)	
(Increase)/Decrease in trade receivables	21.56		(189.75)	
(Increase)/Decrease in other non-current & current financial assets	54.36		305.63	
(Increase)/Decrease in other non-current & current assets	0.62		(36.31)	
Increase/(Decrease) in trade payables	4.25		(211.48)	
Increase/(Decrease) in other non-current & current financial liabilities	(53.88)		(25.51)	
Increase/(Decrease) in other non-current & current liabilities	93.89		(45.69)	
Increase/(Decrease) in non-current & Current provisions	1.48	8.88	3.52	(348.65)
Cash generated from operations		155.81		(52.10)
Taxes paid (net of refunds)		(4.04)		(2.00)
Net cash (used in) / generated from operating activities - [A]		-	151.77	(54.10)
B CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Property, Plant & Equipment	(22.46)		(11.25)	
Sale proceeds of Property, Plant & Equipment	1.52		16.81	
Sale of Investments	32.20		-	
Dividend Income	0.01		-	
Net cash (used in) / generated from investing activities - [B]		11.27		5.56
C CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of Preference Shares	1.13		-	
Payment towards part redemption of Preference Shares	(1.13)		-	
Increase/(Decrease) in working capital loans from bank	(19.88)		(154.34)	
Increase/(Decrease) in other unsecured loans (net)	59.13		787.51	
Increase/(Decrease) in Term loans (Net)	186.52		(114.19)	
Increase/(Decrease) in Fixed Deposits taken	(47.27)		(68.77)	
Payment towards Liability against Right to Use Assets	(29.08)		-	
Interest paid/Expenses related to issue of shares	(310.26)		(410.69)	
Net cash (used in) / generated from financing activities - [C]		(160.84)		39.52
Net increase/(decrease) in cash and cash equivalents - [A+B+C]		2.20		(9.02)
Add: Cash and cash equivalents at the beginning of the period/year		7.80		16.82
Cash and cash equivalents at the end of the period/year		10.00		7.80

Notes:

- 1.** The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 27th June 2020.
- 2.** The Group has adopted Ind AS 116 "Leases" effective 1st April 2019, as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard), Amendment Rules, 2019, using the retrospective approach as specified under Para C5(b) of IND AS 116. The adoption of this Standard does not have any material impact on the loss for the quarter/year ended 31st March, 2020. Accordingly, the amounts of depreciation, finance costs and Other Expenditure are not comparable with those of the previous year.
- 3.** During the month of March 2020, Company divested 9.07% of equity Share capital held by it in Mukand Sumi Metal Processing Ltd., (MSMPL) to its Joint Venture partner Sumitomo Corporation, Japan. Company now holds 51% in the equity capital of MSMPL. The results of the year of the Company include loss of Rs.8.34 Crore being the difference between sales consideration and the fair value as at 31st March, 2019.
- 4.** In March 2020, the WHO declared COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March 2020, the Government of India declared this pandemic a health emergency and ordered temporary closure of all non-essential business, imposed restrictions on movement of goods/material, travel, etc. This outbreak is causing significant disturbances and slowdown of economic activity worldwide and economic slowdown may have its eventual impact on the Company. The Company suspended production at its plants situated at Dighe, Thane in the state of Maharashtra and Ginigera, Koppal in the state of Karnataka with effect from last week of March 2020 till first week of May 2020. Post relaxation of lock down by the Government, both the plants have become partially operational as per guidelines of the Government.

Management has made detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and has concluded that there are no material impact or adjustments required in the standalone financial statements. The stress on liquidity position has been partially mitigated by the relief given by the Government, RBI, Electricity Distribution Companies, etc.

Management has assessed likely impact of known events till the date of approval of its financial statements arising from COVID-19 pandemic in the preparation of the standalone financial statements. 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. 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.

5. 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 with the Company.
6. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2020:
 - a. The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs.38.18 Crore (net of provision for expected credit loss) as at 31st March 2020 as against Rs.44.23Crore (net of provision for expected credit loss)asat31st March 2019.The management, considering the value of unencumbered fixed assets and current assets of BFL, considers the balance dues to be 'Good' and adequately covered and barring unforeseencircumstances expects full realisability of the same in future.
 - b. 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 for the quarter and year under report on this account is Rs.22.82 crore and Rs. 91.74 crore (PY 91.74 crore) respectively. 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.
7. As regards Mukand Engineers Ltd, an associate company, the statutory auditor vide their report dated 27th June 2020 have observed as follows :

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.

- 8.** The figures of last quarter 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 current financial year, which were subjected to Limited Review.
- 9.** Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company published its consolidated financial results for the first-time effective quarter ended 30th June 2019. The Consolidated financial statement for the quarter ended 31st March 2019 are as compiled by the Management.
- 10.** 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.,**

Sd/-	Sd/-
Niraj Bajaj	Rajesh V. Shah
Chairman & Managing Director	Co-Chairman & Managing Director

Place : **Mumbai**

Date : **27th June 2020**