



## MUKAND LIMITED

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

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND TWELVE MONTHS ENDED MARCH 31, 2014

### Part - I

Rs. in lakhs

Particulars	Three months ended			Twelve months ended	
	31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
	Unaudited	Unaudited	Unaudited	Audited	Audited
(1) INCOME FROM OPERATIONS					
a) Gross Sales	76,820.07	67,875.49	56,781.84	278,702.87	228,052.57
Less : Excise Duty Recovered	7,667.81	6,292.35	5,338.31	27,259.75	22,128.22
Net Sales	69,152.26	61,583.14	51,443.53	251,443.12	205,924.35
b) Other Operating Income	641.26	412.08	473.47	2,513.38	6,699.84
Total Income from Operations	69,793.52	61,995.22	51,917.00	253,956.50	212,624.19
(2) EXPENSES					
a) Cost of materials consumed	34,970.38	35,706.75	25,050.94	131,564.71	112,123.18
b) Purchase of Stock in Trade	1,510.78	1,386.58		2,897.36	
c) Changes in inventories of finished goods and work-in-progress	(4,019.65)	(9,807.58)	(2,929.28)	(17,583.98)	(6,113.44)
d) Stores, Spares, Components, Tools, etc. consumed	10,713.68	10,672.31	8,573.54	41,438.23	32,315.13
e) Power & Fuel	5,077.31	5,427.27	4,477.25	20,382.28	17,820.10
g) Employee benefits expense	3,863.88	3,718.49	3,392.05	14,552.67	13,653.12
h) Foreign Exchange (Gain)/Loss (net)	234.85	179.19	6.97	3,902.75	2,284.28
i) Depreciation and Amortisation expenses	1,744.94	1,670.52	1,651.43	6,704.09	6,415.22
j) Other Expenditure	11,534.78	9,456.82	7,967.51	38,766.81	29,278.79
Total Expenses	65,630.95	58,410.35	48,190.41	242,624.92	207,776.38
(3) Profit/(Loss) from Operations before Other Income, Finance Costs, & Net Exceptional income/ (Expenditure)	4,162.57	3,584.87	3,726.59	11,331.58	4,847.81
(4) Other Income	439.62	2,297.27	302.38	3,330.59	1,087.41
(5) Profit/(Loss) from Ordinary Activities before Finance Costs & Net Exceptional income/ (Expenditure)	4,602.19	5,882.14	4,028.97	14,662.17	5,935.22
(6) Less : Finance Costs (net)	6,206.09	6,319.84	6,259.28	24,388.96	21,538.08
(7) (Loss) from ordinary activities before Net Exceptional income / (Expenditure)	(1,603.90)	(437.70)	(2,230.31)	(9,726.79)	(15,602.86)
(8) Net Exceptional Income / (Expenditure) [Refer Note 2]	(1,430.03)	(1,086.29)		(2,544.31)	10,832.63
(9) (Loss) before Tax	(3,033.93)	(1,523.99)	(2,230.31)	(12,271.10)	(4,770.23)
(10) Tax Expense	(2,154.85)	(192.89)		(3,469.74)	(824.08)
(11) (Loss) after Tax	(879.08)	(1,331.10)	(2,230.31)	(8,801.36)	(3,946.15)



## MUKAND LIMITED

Rs. in lakhs

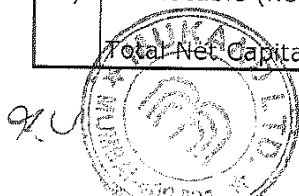
		Quarter ended			Twelve months ended	
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
		Unaudited	Unaudited	Unaudited	Audited	Audited
(12)	Paid-up Equity Share Capital (Face value Rs 10/- per share)	14,141.74	7,312.57	7,312.57	14,141.74	7,312.57
(13)	Reserves (excluding Revaluation Reserve)				32,480.22	33,871.71
(14)	Earnings per Share (EPS) - Rs Basic and Diluted EPS (in Rs.)					
	- Including exceptional items	(1.15)	(1.82)	(3.05)	(11.54)	(5.40)
	- Excluding exceptional items	0.72	(0.33)	(3.05)	(8.20)	(20.21)
<b>A</b>	<b>Part - II PARTICULARS OF SHAREHOLDING</b>					
(1)	Public Shareholding					
	Number of Shares	37,674,853	33,394,687	33,929,262	37,674,853	33,929,262
	Percentage of Shareholding	26.64%	45.67%	46.41%	26.64%	46.41%
(2)	Disclosure in respect of pledged shares of Promoters and Promoter Group					
	Shares held by Promoters & Promoter Group - Nos. (A)	103,731,008	39,719,442	39,184,867	103,731,008	39,184,867
	Percentage of Total Share Capital	73.36%	54.33%	53.59%	73.36%	53.59%
	Pledged / Encumbered - No. of Shares	16,090,431	14,377,431	15,705,431	16,090,431	15,705,431
	Percentage of Total Share Capital	11.38%	19.66%	21.48%	11.38%	21.48%
	Percentage of (A)	15.51%	36.20%	40.08%	15.51%	40.08%
	Non Encumbered - No. of Shares	87,640,577	25,342,011	23,479,436	87,640,577	23,479,436
	Percentage of Total Share Capital	61.98%	34.67%	32.11%	61.98%	32.11%
	Percentage of (A)	84.49%	63.80%	59.92%	84.49%	59.92%
<b>B</b>	<b>INVESTOR COMPLAINTS</b>					
	Pending at the beginning of the quarter	Nil				
	Received during the quarter	20				
	Disposed off during the quarter	20				
	Remaining unresolved at the end of the quarter	Nil				



## MUKAND LIMITED

Rs. in lakhs

		Quarter ended			Twelve months ended	
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
		Unaudited	Unaudited	Unaudited	Audited	Audited
<b>SEGMENT REVENUE (net of Excise Duty)</b>						
1)	Steel	64,105.71	59,089.37	44,840.08	237,067.95	191,181.89
2)	Power Generation	1,097.05	1,285.17	666.02	4,548.57	2,213.39
3)	Industrial Machinery	5,029.31	2,997.79	6,114.99	16,500.24	16,250.03
4)	Road Construction	811.75	0.05	1,258.32	940.66	5,750.94
	Sub-total	71,043.82	63,372.38	52,879.41	259,057.42	215,396.25
	Less : Inter Segment Revenue	(1,250.30)	(1,377.16)	(962.41)	(5,100.92)	(2,772.06)
	Total Segment Revenue (net of Excise Duty)	69,793.52	61,995.22	51,917.00	253,956.50	212,624.19
<b>SEGMENT RESULT</b>						
1)	Steel	2,537.95	1,837.78	2,376.39	4,297.72	2,728.26
2)	Power Generation	992.86	1,167.70	525.40	4,075.86	1,677.88
3)	Industrial Machinery	1,021.25	1,060.96	1,514.03	4,674.59	2,768.29
4)	Road Construction	(169.71)	(169.39)	(507.75)	(673.03)	(1,041.68)
	Less : Inter segment margin	(21.61)	(9.89)	(44.38)	(73.83)	(69.97)
	Total Segment Result	4,360.74	3,887.16	3,863.69	12,301.31	6,062.78
	Add / (Less) :					
	Other net un-allocable : Income	439.63	2,297.27	302.37	3,330.60	1,087.41
	Expenditure	198.18	302.29	137.09	969.74	1,214.97
	Other net un-allocable (expenditure) / income	241.45	1,994.98	165.28	2,360.86	(127.56)
	Profit /(Loss) before Finance costs	4,602.19	5,882.14	4,028.97	14,662.17	5,935.22
	Less : Finance costs (net)	6,206.09	6,319.84	6,259.28	24,388.96	21,538.08
	Net Exceptional - Income / (Expenditure)	(1,430.03)	(1,086.29)		(2,544.31)	10,832.63
	Profit / (Loss) before tax	(3,033.93)	(1,523.99)	(2,230.31)	(12,271.10)	(4,770.23)
<b>Capital Employed as on</b>						
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
1)	Steel	336,671.76	330,407.08	327,250.87	336,671.76	327,250.87
2)	Power Generation	4,622.01	4,603.00	4,838.26	4,622.01	4,838.26
3)	Industrial Machinery	51,545.15	49,902.76	42,213.22	51,545.15	42,213.22
4)	Road Construction	13,624.87	13,802.74	14,269.77	13,624.87	14,269.77
5)	Unallocable (net)	(193,262.53)	(195,317.13)	(180,369.63)	(193,262.53)	(180,369.63)
	Total Net Capital Employed	213,201.26	203,398.45	208,202.49	213,201.26	208,202.49



## MUKAND LIMITED

Statement of Assets and Liabilities as on		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
<b>A</b>	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Shareholders' Funds</b>					
	(a) Share Capital	14,704.37	7,875.20	7,875.20	14,704.37	7,875.20
	(b) Reserves and surplus	198,496.89	192,023.25	200,327.29	198,496.89	200,327.29
	<b>Sub-total Shareholders' Funds</b>	<b>213,201.26</b>	<b>199,898.45</b>	<b>208,202.49</b>	<b>213,201.26</b>	<b>208,202.49</b>
(2)	<b>Share Application Money Pending Allotment</b>		3,500.00			
(3)	<b>Non Current Liabilities</b>					
	(a) Long-term borrowings	110,809.04	103,623.28	85,672.22	110,809.04	85,672.22
	(b) Deferred tax liabilities (net)					
	(b) Other long term liabilities	1,386.44	1,424.93	1,202.67	1,386.44	1,202.67
	(c) Long-term provisions	3,567.57	3,248.16	3,004.91	3,567.57	3,004.91
	<b>Sub total Non Current Liabilities</b>	<b>115,763.05</b>	<b>108,296.37</b>	<b>89,879.80</b>	<b>115,763.05</b>	<b>89,879.80</b>
(4)	<b>Current Liabilities</b>					
	(a) Short-term borrowings	78,763.95	81,814.72	88,460.54	78,763.95	88,460.54
	(b) Trade payables	85,023.83	90,286.54	65,585.04	85,023.83	65,585.04
	(c) Other current liabilities	64,702.41	67,502.52	63,931.28	64,702.41	63,931.28
	(d) Short-term provisions	428.79	366.92	291.06	428.79	291.06
	<b>Sub total Current Liabilities</b>	<b>228,918.98</b>	<b>239,970.70</b>	<b>218,267.92</b>	<b>228,918.98</b>	<b>218,267.92</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>557,883.29</b>	<b>551,665.52</b>	<b>516,350.21</b>	<b>557,883.29</b>	<b>516,350.21</b>
<b>B</b>	<b>ASSETS</b>					
(1)	<b>Non Current Assets</b>					
	(a) Fixed Assets	253,622.22	253,813.40	255,362.86	253,622.22	255,362.86
	(b) Non-current investments	25,098.15	25,347.61	22,780.44	25,098.15	22,780.44
	(c) Deferred tax assets (net)	4,215.52	2,138.97	824.08	4,215.52	824.08
	(d) Long-term loans and advances	12,559.44	11,794.25	11,248.56	12,559.44	11,248.56
	(e) Other non-current assets	4,828.09	4,828.26	4,828.26	4,828.09	4,828.26
	<b>Non Current Assets</b>	<b>300,323.42</b>	<b>297,922.49</b>	<b>295,044.20</b>	<b>300,323.42</b>	<b>295,044.20</b>
(2)	<b>Current Assets</b>					
	(a) Inventories	123,516.75	119,328.43	103,464.14	123,516.75	103,464.14
	(b) Trade receivables	90,223.47	108,227.95	79,230.88	90,223.47	79,230.88
	(c) Cash and Bank Balances	8,488.37	6,173.18	7,480.48	8,488.37	7,480.48
	(d) Short-term loans and advances	19,254.76	17,941.54	16,642.11	19,254.76	16,642.11
	(e) Other Current Assets	16,076.52	2,071.93	14,488.40	16,076.52	14,488.40
	<b>Sub total Current Assets</b>	<b>257,559.87</b>	<b>253,743.03</b>	<b>221,306.01</b>	<b>257,559.87</b>	<b>221,306.01</b>
	<b>TOTAL ASSETS</b>	<b>557,883.29</b>	<b>551,665.52</b>	<b>516,350.21</b>	<b>557,883.29</b>	<b>516,350.21</b>



**Notes :**

1. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2014 :
  - a. Advances due from and investments made in Vidyavihar Containers Limited (VCL), aggregating Rs. 7,637 Lakhs as at 31<sup>st</sup> March 2013 now stand at Rs.6,713 Lakhs as at 31<sup>st</sup> March 2014 on account of provision for diminution in the value of investments amounting to Rs.924 Lakhs made during the year. After close of the year, an amount of Rs.1,500 Lakhs has been realized towards the advances due from VCL. The Company, barring unforeseen circumstances, relies upon the estimation of future realizable values of the financial assets of VCL to recover its Exposures;
  - b. As regards investments made in Mukand Global Finance Limited (MGFL), aggregating Rs.2,625 Lakhs, the recovery is dependent upon realization of the financial assets that MGFL stands invested into at the close of the year and future earnings from the business activities of MGFL. The management considers the 'Exposure' to be 'Good' and adequately covered. Any ultimate shortfall if any, in the realization is not determinable at present.
  - c. The investments in and debts / advances due from Bombay Forgings Limited (BFL), which stood at Rs.7,651 Lakhs as at 31.03.2013 has increased to Rs.7,990 Lakhs as at 31.03.2014 due to supply on credit. Recovery towards these supplies will be made by 30<sup>th</sup> June 2014. The management, considering its long term view on the 'Exposures' relies upon the valuation of unencumbered fixed assets of BFL as at 31<sup>st</sup> March, 2014 which is at Rs.7,034 Lakhs. It further relies upon the value of current assets and future earnings from the ongoing business of BFL. The management considers the balance 'Exposures' to be 'Good' at the close of the year and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.
  - d. Debts / advances recoverable from Stainless India Limited (SIL), which aggregated Rs.1,411 Lakhs as at 31<sup>st</sup> March 2013, has reduced to Rs.725 Lakhs as at 31.03.2014. The management relies upon the realization from Land of SIL as at 31.03.2014. The management considers the balance 'Exposures' to be 'Good' at the close of the year and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.
  - e. The Company in previous years executed road construction projects in the state of Uttar Pradesh with National Highway Authority of India (NHAI) along with Centrodorstroy (CDS), Russia. The exposure on this account as at 31.03.2013 aggregated Rs.14,168 Lakhs and is now at Rs.13,478 Lakhs as at 31.03.2014. The outcome of the Road Construction activity cannot be estimated with certainty at present. During the year further claims amounting to Rs.6,095 Lakhs have been raised taking the amount of total claims to Rs.22,528 Lakhs (amount as at 31.03.2013 Rs.16,433 Lakhs). Bulk of these claims are now being processed from the level of consulting engineers in the previous year at the level of Tribunal. It is the opinion of the management that in view of the substantially large claims aggregating Rs.22,528 Lakhs as at 31.03.2014 of CDS for incremental jobs executed, escalations and time over-runs to be settled progressively over a period of 2 to 3 years, losses currently expected are already recognized till the close of the year.



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2. Net Exceptional Expenditure of Rs.1,430 Lakhs for the quarter represents :

i) Adhoc amount payable to CDR Lenders amounting to Rs.311 Lakhs :

During the quarter ended 30<sup>th</sup> June 2013, the Company arrived at settlement with the Corporate Debt Restructuring members for an adhoc amount of Rs.2,490 Lakhs payable in monthly installments till the maturity of the loans without any further interest thereon. This settlement was arrived at to compensate the Lenders for the lower interest charged by them during the period FY 2002-03 to FY 2011-12. A proportionate charge of Rs.311 Lakhs has been made in the current Quarter.

ii) Provision for diminution in value of investment in the shares of Vidyavihar Containers Limited amounting to Rs.925 Lakhs.

iii) Bad debts of Rs.194 Lakhs written off on account of dues from Ispat Group (now. JSW Steel Ltd.) of balance consideration towards purchase of shares.

3. In respect of issue of equity shares on a Rights basis at an issue price of Rs.21/- per share in the ratio of 1:1 to the existing equity shareholders of the Company, an amount of Rs.143.41 crores was mobilized by allotment of 68,291,732 equity shares on 15<sup>th</sup> March 2014. The net proceeds have been utilized towards (i) payment of dues to secured lenders Rs.70 crores and (ii) working capital Rs.73.41 crores.

4. Consolidated accounts include: (i) the audited results of the five wholly owned subsidiaries, Mukand Global Finance Ltd., Vidyavihar Containers Ltd., Mukand Vijaynagar Steel Ltd., Mukand International FZE and Mukand International Ltd., (ii) the audited results of the subsidiary, Mukand Sumi Metal Processing Ltd., (iii) the pro-rata share in the audited results of associate companies, Mukand Engineers Ltd. and Hospet Steels Ltd. and Joint Venture, Mukand Vini Mineral Ltd., (iv) the pro-rata share in the unaudited results of an associate companies, Bombay Forgings Ltd. and Stainless India Ltd.,

5. 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.

6. A figure for the previous year includes business of cold finished bars and wires upto 30<sup>th</sup> September 2012, which was subsequently transferred to the subsidiary and hence the figures are not comparable.

7. Figures in respect of previous year / quarter have been regrouped / recast wherever necessary.

8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 29<sup>th</sup> May, 2014.

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

  
Niraj Bajaj

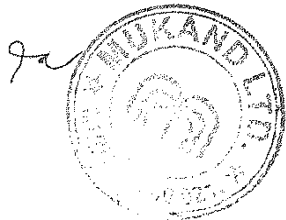
Chairman & Managing Director

  
Rajesh V. Shah

Co-Chairman & Managing Director

Place : Mumbai.

Date : 29<sup>th</sup> May, 2014.



## MUKAND LTD. (CONSOLIDATED)

## AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2014

	Rupees in lakhs	
	Year ended 31-Mar-14 Audited	Year ended 31-Mar-13 Audited
<b>1 INCOME FROM OPERATIONS</b>		
a) Gross Sales	281,558	230,531
Less : Excise Duty Recovered	31,597	22,129
Net Sales	249,961	208,402
b) Other Operating Income	3,223	5,398
<b>Total Income from Operations</b>	<b>253,184</b>	<b>213,800</b>
<b>2 EXPENSES</b>		
a) Cost of Raw Materials Consumed	129,285	112,604
b) Purchases of stock-in-trade	1,665	278
c) Changes in inventories of finished goods and work-in-progress	(18,272)	(6,113)
d) Stores, Spares, Components, Tools, etc. consumed	41,452	32,329
e) Power & Fuel	20,397	17,828
f) Employee benefits expense	14,665	13,728
g) Depreciation and Amortization expense	6,772	6,452
h) Other Expenditure	45,690	32,788
<b>Total Expenses</b>	<b>241,654</b>	<b>209,894</b>
<b>Profit from Operations before Other Income, Finance Costs &amp;</b>		
<b>3 Exceptional Items</b>	<b>11,530</b>	<b>3,906</b>
4 Other Income	3,340	1,074
<b>5 Profit from ordinary activities before Finance Costs &amp; Exceptional Items</b>	<b>14,870</b>	<b>4,980</b>
6 Finance Costs (net)	(25,396)	(22,602)
<b>7 (Loss) from ordinary activities before Exceptional Items</b>	<b>(10,526)</b>	<b>(17,622)</b>
8 Exceptional Items - Expenditures	(1,259)	(5,777)
<b>9 (Loss) from ordinary activities before tax</b>	<b>(11,785)</b>	<b>(23,399)</b>
10 Tax Expense	3,345	842
<b>11 (Loss) from ordinary activities after tax</b>	<b>(8,440)</b>	<b>(22,557)</b>
12 Prior Period Adjustments (including Share in Associates/Joint Venture)	-	-
13 Share of Profit / (Loss) in Associates (net)	69	134
14 Minority Interest	(54)	21
<b>15 (Loss) for the period</b>	<b>(8,425)</b>	<b>(22,402)</b>
16 Paid-up Equity Share Capital (Face value Rs. 10/- per Share)	14,142	7,312
17 Reserves excluding revaluation reserve	6,618	7,548
<b>18 Basic and Diluted EPS - (in Rs.)</b>		
- Including exceptional items - (in Rs.)	(11.04)	(30.64)
- Excluding exceptional items- (in Rs.)	(9.39)	(22.74)



## MUKAND LTD. (CONSOLIDATED)

STATEMENT OF ASSETS AND LIABILITIES AS ON		31-Mar-14	31-Mar-13
		Audited	Audited
Rupees in lakhs			
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' funds</b>		
(a)	Capital	14,705	7,875
(b)	Reserves and Surplus	172,634	174,003
	<b>Sub-Total - Shareholders' Funds</b>	<b>187,339</b>	<b>181,878</b>
<b>2</b>	<b>Minority Interest</b>	<b>10,881</b>	<b>8,032</b>
<b>3</b>	<b>Non-Current Liabilities</b>		
(a)	Long Term Borrowings	116,158	85,672
(b)	Other Long Term Liabilities	1,386	1,203
(c)	Long Term Provisions	3,579	3,012
	<b>Sub-Total - Non-Current Liabilities</b>	<b>121,123</b>	<b>89,887</b>
<b>4</b>	<b>Current Liabilities</b>		
(a)	Short Term Borrowings	79,299	96,858
(b)	Trade Payables	85,422	65,700
(c)	Other Current Liabilities	78,578	77,564
(d)	Short Term Provisions	459	331
	<b>Sub-Total - Current Liabilities</b>	<b>243,758</b>	<b>240,453</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>563,101</b>	<b>520,250</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
(a)	Fixed Assets	255,248	256,442
(b)	Non-Current Investments	3,932	5,358
(c)	Deferred Tax Assets (net)	4,146	850
(d)	Long Term Loans and Advances	14,589	12,749
(e)	Other Non-Current Assets	12,287	4,828
	<b>Sub-Total - Non-Current Assets</b>	<b>290,202</b>	<b>280,227</b>
<b>2</b>	<b>Current Assets</b>		
(a)	Inventories	125,912	103,463
(b)	Trade Receivables	93,285	78,410
(c)	Cash and Bank Balances	9,804	8,717
(d)	Short Term Loans and Advances	34,248	33,937
(e)	Other Current Assets	9,650	15,496
	<b>Sub-Total - Current Assets</b>	<b>272,899</b>	<b>240,023</b>
	<b>TOTAL - ASSETS</b>	<b>563,101</b>	<b>520,250</b>

