

MUKAND
INFRASTRUCTURE

MUKAND LIMITED

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

STANDALONE FINANCIAL RESULTS (UNAUDITED) FOR THE THREE MONTHS ENDED JUNE 30,2010

Rs. in lakhs

Particulars	Three months ended		Year ended
	30-Jun-10	30-Jun-09	31-Mar-10
	Unaudited	Reviewed	Audited
(1) INCOME			
Net Sales and Other Operating Income			
a) Gross Sales	60,068.84	47,382.13	212,287.63
Less : Excise Duty Recovered	5,504.75	3,723.28	15,993.43
Net Sales	54,564.09	43,658.85	196,294.20
b) Other Operating Income	769.11	471.31	2,537.48
Net Sales and Other Operating Income	55,333.20	44,130.16	198,831.68
(2) EXPENDITURE			
a) (Increase)/Decrease in Stock in Trade	(7,301.98)	(4,621.41)	(10,098.99)
b) Consumption of Raw Materials	30,826.71	20,464.57	84,200.88
c) Purchase of Goods for Trade	328.98	856.04	4,479.19
d) Stores, Spares, Components, Tools, etc. consumed	8,270.03	7,986.24	33,563.74
e) Staff Costs	2,647.27	2,294.00	9,625.13
f) Power & Fuel	4,232.19	3,230.96	15,134.97
g) Other Expenditure	8,765.13	7,297.45	34,853.59
h) Depreciation	1,591.24	1,403.61	6,323.47
i) Expenditure Capitalised	(61.78)	(29.62)	(106.45)
Total Expenditure	49,297.79	38,881.84	177,975.53
(3) Profit from Operations after depreciation but before Loss / (Gain) on variation in foreign exchange rates (net), Other Income, Interest & Exceptional Items (1-2)	6,035.41	5,248.32	20,856.15
(4) Loss / (Gain) on variation in foreign exchange rates (net)	249.34	251.75	(65.20)
(5) Profit from Operations before Other Income, Interest & Exceptional Items (3-4)	5,786.07	4,996.57	20,921.35
(6) Other Income	154.78	21.08	519.47
(7) Profit before Interest & Exceptional Items (5+6)	5,940.85	5,017.65	21,440.82
(8) Finance and Lease Charges (net)	4,199.75	3,594.81	15,154.62
(9) Exceptional Items (Net)- Income / (Expenditure)			(86.02)
(10) Profit from ordinary activities before Tax (7-8+9)	1,741.10	1,422.84	6,200.18
(11) Tax Expense			
Current Tax (incl Wealth tax)	347.00	242.38	1,064.26
MAT CREDIT (Entitlement)	(347.00)	(242.38)	(1,058.01)
Deferred Tax	336.34		
(12) Profit from ordinary activities after Tax	1,404.76	1,422.84	6,193.93
(13) Prior Period Adjustments (net)		3.37	(6.41)
(14) Excess/(Short) Provision for tax for earlier years (net)	2.82	6.27	11.74
(15) Net Profit for the period	1,407.58	1,432.48	6,199.26
(16) Paid-up Equity Share Capital (Face value Rs 10/- per share)	7,312.57	7,312.57	7,312.57
(17) Reserves (excluding Revaluation Reserve)			43,348.08
(18) Earnings per Share (EPS) :	1.93	1.96	8.48
(19) Public Shareholding			
Number of Shares	32,880,745	34,045,339	32,880,745
Percentage of Shareholding	44.97%	46.56%	44.97%

MUKAND LIMITED

		Three months ended		Year ended
		30-Jun-10	30-Jun-09	31-Mar-10
		Unaudited	Reviewed	Audited
Disclosure in respect of pledged shares of Promoter and Promoter Group				
Shares held by Promoters & Promoter Group - Nos. (A)		40,233,384	39,068,790	40,233,384
Percentage of Total Share Capital		55.03%	53.44%	55.03%
Pledged / Encumbered - No. of Shares		15,965,975	16,120,715	16,395,975
Percentage of Total Share Capital		21.84%	22.05%	22.43%
Percentage of (A)		39.68%	41.26%	40.75%
Non Encumbered - No. of Shares		24,267,409	22,948,075	23,837,409
Percentage of Total Share Capital		33.19%	31.39%	32.60%
Percentage of (A)		60.32%	58.74%	59.25%
				<i>Rs. in lakhs</i>
SEGMENT REVENUE (net of Excise Duty)				
1)	Steel	47,818.34	35,820.80	163,310.79
2)	Industrial Machinery	6,371.20	7,217.38	30,310.50
3)	Road Construction	480.80	668.55	2,853.94
Sub-total		54,670.34	43,706.73	196,475.23
Less : Inter Segment Revenue		(106.25)	(47.88)	(181.03)
Total Segment Revenue (net of Excise Duty)		54,564.09	43,658.85	196,294.20
SEGMENT RESULT				
1)	Steel	4,080.74	3,042.63	16,241.07
2)	Industrial Machinery	1,758.48	2,035.67	7,357.01
3)	Road Construction	(64.35)	(89.28)	(1,986.31)
Less : Inter segment margin		(12.34)	(0.58)	(3.30)
Total Segment Result		5,762.53	4,988.44	21,608.47
Add / (Less) :				
Other net un-allocable (expenditure) / income		178.32	32.58	(174.06)
Profit before Interest and exceptional items		5,940.85	5,021.02	21,434.41
Add / (Less) :				
Finance / Lease charges (net)		(4,199.75)	(3,594.81)	(15,154.62)
Exceptional Items - (Net Expenditure) / Net Income				(86.02)
Profit after Prior period adjustments and before tax		1,741.10	1,426.21	6,193.77
Capital Employed as on				
		30-Jun-10	30-Jun-09	31-Mar-10
1)	Steel	280,585.97	255,043.62	276,538.92
2)	Industrial Machinery	33,616.55	28,277.98	30,392.83
3)	Road Construction	19,707.41	20,161.88	19,269.09
4)	Unallocable (net)	(147,042.89)	(122,271.67)	(141,077.72)
Total Net Capital Employed		186,867.04	181,211.81	185,123.12

The Company is on the growth track to utilize the additional steel making and rolling capacity created and has recorded higher net sales and other operating income for the quarter by 25% at Rs.553 crore as against Rs.441 crore in the corresponding quarter of the previous year. The Industrial Machinery Division has orders on hand aggregating Rs.413 crore as at the end of the quarter.

The profit before tax was higher by 22% at Rs.17.41 crore as compared to Rs. 14.23 crore in the corresponding quarter of the previous year. The profits however, have not improved in tandem with increase in turnover on account of higher input prices and time gap in passing on these cost increases to customers.

Notes :

1. Company has entered into a Memorandum of Understanding during June 2010 with an intending buyer for transfer and assignment of its lease hold rights in land admeasuring approx. 20,000 Sq. Mtrs. situated at MIDC, TTC Industrial Area, within the village limits of Dighe, Thane. The formalities to complete the transaction and execute a deed of assignment are in process. Income will be accounted for on completion of the transaction.
2. Management's response to the qualifications / reservations of the auditors on the financial statements for the year ended 31.03.2010 :
 - a) In respect of advances due from and investments made in Vidyavihar Containers Limited (VCL) aggregating Rs. 11,063.79 lakhs (Rs 10,975.99 lakhs as at 30.06.2010), the Company, barring any significant uncertainties in future, relies upon the VCL management's estimation of realizable values of the financial assets of VCL, and the Company also relies upon VCL management's estimation of its additional expected realization from its real estate development arrangement with a developer, to be able to recover its Exposures;
 - b) As regards the investments and outstanding loans made in Mukand Global Finance Limited (MGFL) aggregating Rs. 2,684.95 lakhs (Rs. 2,684.95 lakhs as at 30.06.2010), the Company is in the process of disposing off this investment and is negotiating the sale;
 - c) As regards the debts due from Bombay Forgings Ltd. (BFL) aggregating Rs 8,033.36 lakhs (Rs 8,341.72 lakhs as at 30.06.2010) , the Company, considering its long term view on the Exposures, barring any significant uncertainties in future, relies upon the projected future earnings from the business activities of BFL which are considered by the management to be adequate;
 - d) As regards the debts and advances due from Stainless India Ltd. (SIL) aggregating Rs 5,869.90 lakhs (Rs 5,870.48 lakhs as at 30.06.2010), the Company, barring any significant uncertainties, relies upon the estimated realizable value of the unencumbered assets of SIL as at 30th June, 2010 which are considered by the management to be adequate;
 - e) In view of the substantially large outstanding claims by the Company for incremental jobs executed, escalations and time-overruns for Road Construction Division, amounting to Rs. 11,919.33 lakhs (Rs. 11,919.33 lakhs as at 30.06.2010) losses currently expected are recognized as per the judgment of the management and the shortfall, if any, will be adjusted only on final settlement of claims which is expected by 30th September 2011.

The status of the above continue to remain the same as at 30th June,2010, except for minor changes in certain amounts.

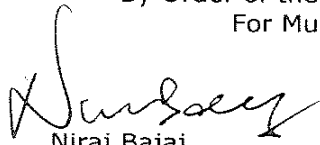
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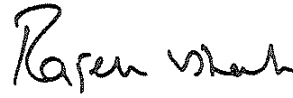
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3. Figures in respect of previous quarter / year have been regrouped / recast wherever necessary.
4. During the quarter, 24 complaints were received from investors which have been resolved. No complaints of investors were pending at the beginning of the quarter as well as at the end of the quarter.
5. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 28th July, 2010.

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 : 28th July, 2010.

