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## MUKAND LIMITED

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

STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30,2011

Rs. in lakhs

	Particulars	Three months ended		Year ended
		30-Jun-11	30-Jun-10	31-Mar-11
		Unaudited	Unaudited	Audited
(1)	<b>INCOME</b>			
	Net Sales and Other Operating Income			
a)	Gross Sales	73,372.73	60,975.00	276,159.85
	Less : Excise Duty Recovered	6,435.34	5,504.75	24,131.48
	Net Sales	66,937.39	55,470.25	252,028.37
b)	Other Operating Income	1,128.08	782.66	3,544.10
	Net Sales and Other Operating Income	68,065.47	56,252.91	255,572.47
(2)	<b>EXPENDITURE</b>			
a)	(Increase) / Decrease in Stock in Trade	(6,348.17)	(7,463.78)	(16,941.86)
b)	Consumption of Raw Materials	39,731.51	31,893.10	137,913.94
c)	Purchase of Goods for Trade	234.53	328.98	3,496.00
d)	Stores, Spares, Components, Tools, etc. consumed	9,744.63	8,270.03	35,735.74
e)	Staff Costs	3,596.33	2,647.27	12,546.62
f)	Power & Fuel	5,335.47	4,233.65	17,904.20
g)	Other Expenditure	9,121.57	8,945.05	37,269.92
h)	Depreciation /Amortisation	1,606.94	1,598.99	6,780.69
	Total Expenditure	63,022.81	50,453.29	234,705.25
(3)	Profit from Operations before Write Offs, Other Income & Interest	5,042.66	5,799.62	20,867.22
(4)	Bad Debts / Advances written off			(2,801.26)
(5)	Profit from Operations before Other Income & Interest	5,042.66	5,799.62	18,065.96
(6)	Other Income :			
a)	Net Income from transfer of Land			3,849.90
b)	Other Income	58.81	141.23	484.21
(7)	Finance and Lease Charges (net)	(4,258.57)	(4,199.75)	(16,264.33)
(8)	Profit from ordinary activities before Tax	842.90	1,741.10	6,135.74
(9)	Less : Provision for Taxation	257.66	333.52	1,469.36
(10)	Profit from ordinary activities after Tax	585.24	1,407.58	4,666.38
(11)	Prior Period Adjustments (net)			(0.70)
(12)	Net Profit for the period	585.24	1,407.58	4,665.68

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## MUKAND LIMITED

Rs. in lakhs

	Three months ended		Year ended
	30-Jun-11	30-Jun-10	31-Mar-11
	Unaudited	Unaudited	Audited
(13) Paid-up Equity Share Capital (Face value Rs 10/- per share)	7,312.57	7,312.57	7,312.57
(14) Reserves (excluding Revaluation Reserve)			47,163.94
(15) Earnings per Share (EPS) - Rs	0.80	1.93	6.38
(16) Public Shareholding			
Number of Shares	32,832,001	32,880,745	32,832,001
Percentage of Shareholding	44.91%	44.97%	44.91%
(17) Disclosure in respect of pledged shares of Promoters and Promoter Group			
Shares held by Promoters & Promoter Group - Nos. (A)	40,282,128	40,233,384	40,282,128
Percentage of Total Share Capital	55.09%	55.03%	55.09%
Pledged / Encumbered - No. of	16,935,735	15,965,975	16,935,735
Percentage of Total Share Capital	23.16%	21.84%	23.16%
Percentage of (A)	42.04%	39.68%	42.04%
Non Encumbered - No. of Shares	23,346,393	24,267,409	23,346,393
Percentage of Total Share Capital	31.93%	33.19%	31.93%
Percentage of (A)	57.96%	60.32%	57.96%

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MUKAND LIMITED		Rs. in lakhs		
		Three months ended		
		30-Jun-11	30-Jun-10	31-Mar-11
		Unaudited	Unaudited	Audited
SEGMENT REVENUE (net of Excise Duty)				
1)	Steel	61,456.52	48,724.50	223,993.37
2)	Industrial Machinery	5,840.77	6,371.20	26,929.38
3)	Road Construction		480.80	1,462.14
4)	Other Products	435.06		306.93
	Sub-total	67,732.35	55,576.50	252,691.82
	Less : Inter Segment Revenue	(794.96)	(106.25)	(663.45)
	Total Segment Revenue (net of Excise Duty)	66,937.39	55,470.25	252,028.37
SEGMENT RESULT				
1)	Steel	3,948.97	4,080.74	13,352.68
2)	Industrial Machinery	1,123.59	1,758.48	8,022.48
3)	Road Construction	(121.54)	(64.35)	(1,144.02)
4)	Other Products	197.65		143.87
	Less : Inter segment margin	(45.27)	(12.34)	(25.72)
	Total Segment Result	5,103.40	5,762.53	20,349.29
	Add / (Less) :			
	Other net un-allocable (expenditure) / income	(1.93)	178.32	2,050.08
	Profit before Interest	5,101.47	5,940.85	22,399.37
	Add / (Less) :			
	Finance / Lease charges (net)	(4,258.57)	(4,199.75)	(16,264.33)
	Profit after Prior period adjustments and before tax	<b>842.90</b>	<b>1,741.10</b>	<b>6,135.04</b>
Capital Employed as on				
		# 30-Jun-11	30-Jun-10	# 31-Mar-11
1)	Steel	313,860.55	255,043.62	308,577.79
2)	Industrial Machinery	40,123.44	28,277.98	39,334.81
3)	Road Construction	18,294.78	20,161.88	18,108.19
4)	Other Products	5,225.89		5,337.51
5)	Unallocable (net)	(152,823.94)	(122,271.67)	(147,520.48)
	Total Net Capital Employed	224,680.72	181,211.81	223,837.82

# Includes further revaluation made in Mar'11

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**Notes :**

1. Management's response to the qualifications of the auditors on the financial statements for the year ended 31.03.2011 :
  - a. Advances due from and investments made in Vidyavihar Containers Limited (VCL), aggregating Rs.10,975.99 Lakhs as at 31<sup>st</sup> March 2011 has reduced to Rs.8,225.99 Lakhs as at 30<sup>th</sup> June 2011. 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. Investments made in Mukand Global Finance Limited (MGFL), aggregate Rs. 2,624.95 Lakhs as at 31<sup>st</sup> March 2011. The Company is in the process of disposing off this investment and is negotiating the sale;
  - c. The debts due from Bombay Forgings Ltd. (BFL), aggregating Rs.6,697.94 Lakhs as at 31<sup>st</sup> March 2011 has reduced to Rs.6,692.74 Lakhs as at 30<sup>th</sup> June 2011. During the quarter, Company has given advances towards procurement of scrap aggregating (net) Rs.262.51 Lakhs. The Company, considering its long-term view on the Exposures, barring any significant uncertainties in future relies upon the valuation of unencumbered assets of BFL as at 31<sup>st</sup> March 2011 at Rs.7,557.00 Lakhs and the projected future earnings from the business activities of BFL which are considered by the management to be adequate.
  - d. The debts and advances due from Stainless India Ltd. (SIL), aggregating Rs.3,965.99 Lakhs as at 31<sup>st</sup> March 2011 has reduced to Rs.3,929.96 Lakhs as at 30<sup>th</sup> June 2011. The Company, barring any significant uncertainties in future relies upon the estimated realizable value of the unencumbered assets of SIL as at 31<sup>st</sup> March 2011 at Rs.4,949.69 Lakhs 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.11,472.74 Lakhs as at 31<sup>st</sup> March 2011, (Rs.11,472.74 Lakhs as at 30<sup>th</sup> June 2011) 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 to be settled progressively by 31<sup>st</sup> March 2012.

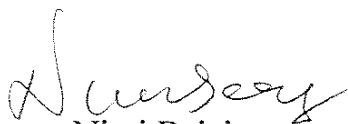
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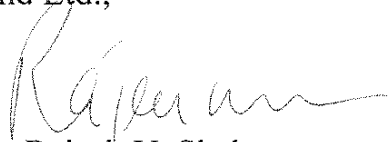
2. Provision for taxation includes provision for current tax, deferred tax and wealth tax.
3. Figures in respect of previous quarter / year have been regrouped / recast wherever necessary.
4. During the quarter, 32 complaints were received from investors which have been resolved. No complaints of investors 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 27<sup>th</sup> July 2011. Statutory Auditors have carried out a "Limited Review" of the financial results shown above.

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 : 27<sup>th</sup> July, 2011.

For MUKAND LIMITED

K.J. MALLYA  
COMPANY SECRETARY

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