

218

HARIBHAKTI & CO.

Chartered Accountants

42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

Limited Review Report

Review Report to
The Board of Directors
Mukand Limited

1. We have reviewed the accompanying statement of unaudited financial results of Mukand Limited ('the Company') for the quarter ended June 30, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our report, we invite attention to :
Note No 1 (c) of the notes to the financial results, relating to the Exposures in Bombay Forging Limited (BFL) aggregating to Rs 7,491.58 lacs as at June 30, 2012 (Rs 6,955.25 lacs as at June 30, 2011), where the management has, barring any significant uncertainties in future, relied upon the projected future earnings from the business activities of BFL.
4. As stated in note 1(a), 1(b), 1(d) and 1(e) of the unaudited financial result as on June 30, 2012, no provision has been made with regard to :
 - a) The realisability of the 'Exposures' in Vidyavihar Containers Limited (VCL), a subsidiary company, aggregating Rs 7,637 lacs (net) as at June 30, 2012 (Rs 8,225.99 lacs as at June 30, 2011), due to significant uncertainties in recovering its investment and loans which is dependent on the ultimate realization of the assets of VCL;
 - b) The realisability of the 'Exposures' in Mukand Global Finance Limited (MGFL), a subsidiary Company, aggregating Rs 2,624.95 lacs as at June 30, 2012 (Rs 2,624.95 lacs as at June 30, 2011) where the management is in process of disposing its investments;

Our Offices :

Almeoabad • Bengaluru • Chennai • Coimbatore • Delhi • Hyderabad • Kolkata • Mumbai • Pune



3/8

HARIBHAKTI & CO.

Chartered Accountants

Continuation of

- c) *The realisability of the 'Exposures' in Stainless India Limited (SIL), an associate company, aggregating Rs 4,027.54 lacs (net) as at June 30, 2012 (Rs 3,929.26 lacs as at June 30, 2011), where the networth of SIL has been completely eroded and there is no significant activity being carried out by SIL.*
- d) *The company's outstanding claims of Rs 11,327 lacs as at June 30, 2012 (Rs 11,472.74 lacs as at June 30, 2011) for incremental jobs execution, escalations and time overruns for the road construction activity, where the outcome is dependent on the final settlement of the claims by National Highway Authority of India (NHAI).*

The overall impact of the matters stated in para 4(a) to 4(d), if any, on the unaudited financial results, is currently not ascertainable.

Our audit report on the financial statements for the year ended March 31, 2012 was qualified in respect of the matter stated above.

5. Based on our review conducted as above, *subject to the effects of the our observations given in Para 4, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards [Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 and/or Accounting Standards issued by Institute of Chartered Accountants of India] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.*

For Haribhakti & CO.
Chartered Accountants
Firm Registration No: 103523W

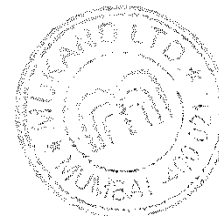


Sumant Sakhardande
Partner

Membership No.: 34828

Mumbai

Date: 13 August, 2012



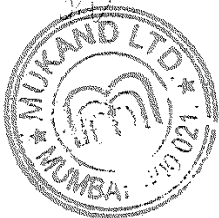
4/8



MUKAND LIMITED

Regd. Office : Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2012

	Particulars	Quarter ended			Year ended
		30-Jun-12	31-Mar-12	30-Jun-11	31-Mar-12
		Unaudited	Unaudited	Unaudited	Audited
(1)	INCOME FROM OPERATIONS				
a)	Gross Sales	68,417.40	71,167.66	73,372.73	277,853.32
	Less : Excise Duty Recovered	6,775.53	5,946.74	6,435.34	23,445.30
	Net Sales	61,641.87	65,220.92	66,937.39	254,408.02
b)	Other Operating Income	1,112.88	1,655.00	1,128.08	4,703.88
	Total Income from Operations	62,754.75	66,875.92	68,065.47	259,111.90
(2)	EXPENSES				
a)	Cost of materials consumed	37,795.83	30,248.73	39,731.51	139,420.49
b)	Changes in inventories of finished goods and work-in-progress	(4,090.38)	6,734.68	(6,348.17)	(4,452.05)
c)	Stores, Spares, Components, Tools, etc. consumed	9,671.61	9,568.56	9,979.16	37,818.46
d)	Power & Fuel	4,931.82	4,806.10	5,335.47	20,653.49
e)	Employee benefits expense	3,538.06	3,102.77	3,596.33	13,185.23
f)	Depreciation and Amortisation expenses	1,587.41	1,661.25	1,606.94	6,572.33
g)	Other Expenditure	8,109.61	10,911.35	9,123.53	37,147.15
	Total Expenses	61,543.96	67,033.44	63,024.77	250,345.10
(3)	Profit from Operations before Other Income and Finance costs	1,210.79	(157.52)	5,040.70	8,766.80
(4)	Other Income	74.80	33.34	58.81	250.55
(5)	Profit from Ordinary Activities before Finance Costs	1,285.59	(124.18)	5,099.51	9,017.35
	<i>Less:</i>				
(6)	Unrealised Foreign Exchange Loss / (Gain) [Refer Note No. 2]	1,711.23	(946.18)	(1.96)	1,668.18
(7)	Finance Costs (net)	4,965.81	4,982.37	4,258.57	18,186.66
(8)	Profit/(Loss) from ordinary activities before Tax	(5,391.45)	(4,160.37)	842.90	(10,837.49)
(9)	Less : Tax Expense (Deferred Tax)	(1,623.26)		257.66	(1,457.81)
(10)	Net Profit / (Loss) from ordinary activities after Tax	(3,768.19)	(4,160.37)	585.24	(9,349.68)



MUKAND LIMITED		Quarter ended			Rs. in lakhs
		30-Jun-12 Unaudited	31-Mar-12 Unaudited	30-Jun-11 Unaudited	Year ended 31-Mar-12 Audited
(11)	Paid-up Equity Share Capital (Face value Rs 10/- per share)	7,312.57	7,312.57	7,312.57	7,312.57
(12)	Reserves (excluding Revaluation Reserve)				37,814.18
(13)	Earnings per Share (EPS) - Rs	(5.15)	(5.69)	0.80	(12.79)
A	PARTICULARS OF SHAREHOLDING				
(1)	Public Shareholding				
	Number of Shares	32,246,815	32,360,026	32,832,001	32,360,026
	Percentage of Shareholding	44.10%	44.26%	44.91%	44.26%
(2)	Disclosure in respect of pledged shares of Promoters and Promoter Group				
	Shares held by Promoters & Promoter Group - Nos. (A)	40,867,314	40,754,103	40,282,128	40,754,103
	Percentage of Total Share Capital	55.90%	55.74%	55.09%	55.74%
	Pledged / Encumbered - No. of Shares	18,328,179	18,328,179	16,935,735	18,328,179
	Percentage of Total Share Capital	25.07%	25.07%	23.16%	25.07%
	Percentage of (A)	44.85%	44.97%	42.04%	44.97%
	Non Encumbered - No. of Shares	22,539,135	22,425,924	23,346,393	22,425,924
	Percentage of Total Share Capital	30.83%	30.67%	31.93%	30.67%
	Percentage of (A)	55.15%	55.03%	57.96%	55.03%
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter	Nil			
	Received during the quarter	15			
	Disposed of during the quarter	15			
	Remaining unresolved at the end of the quarter	Nil			



6/8

Rs. in lakhs

MUKAND LIMITED		Quarter ended			31-Mar-12 Audited
		30-Jun-12 Unaudited	31-Mar-12 Unaudited	30-Jun-11 Unaudited	
SEGMENT REVENUE (net of Excise Duty)					
1)	Steel	54,024.64	58,307.76	61,456.52	229,065.98
2)	Power Generation	812.52	589.71	497.25	1,998.85
3)	Industrial Machinery	3,202.50	7,033.98	5,840.77	26,038.00
4)	Road Construction	4,444.42	---	---	---
	Sub-total	62,484.08	65,931.45	67,794.54	257,102.83
	Less : Inter Segment Revenue	(842.21)	(710.53)	(857.15)	(2,694.81)
	Total Segment Revenue (net of Excise Duty)	61,641.87	65,220.92	66,937.39	254,408.02
SEGMENT RESULT					
1)	Steel	(28.57)	(2,076.89)	3,699.90	1,520.84
2)	Power Generation	684.48	434.12	259.84	1,362.97
3)	Industrial Machinery	755.38	1,257.58	1,123.59	5,860.58
4)	Road Construction	(177.08)	(137.80)	(121.54)	(434.90)
	Less : Inter segment margin	---	(12.17)	(45.27)	(76.00)
	Total Segment Result	1,234.21	(535.16)	4,916.52	8,233.49
	Add / (Less) :				
	Other net un-allocable (expenditure) / income	51.38	410.98	182.99	783.86
	Profit before Finance costs	1,285.59	(124.18)	5,099.51	9,017.35
	Less :				
	Unrealised Foreign Exchange Loss / (Gain)	1,711.23	(946.18)	(1.96)	1,668.18
	Finance costs (net)	4,965.81	4,982.37	4,258.57	18,186.66
	Profit / (Loss) after Prior period adjustments and before tax	(5,391.45)	(4,160.37)	842.90	(10,837.49)
Capital Employed as on		30-Jun-12	31-Mar-12	30-Jun-11	31-Mar-12
1)	Steel	317,967.26	314,026.65	313,860.55	314,026.65
2)	Other Products	5,014.06	5,087.70	5,225.89	5,087.70
3)	Industrial Machinery	40,530.88	39,970.58	40,123.44	39,970.58
4)	Road Construction	17,385.00	18,434.82	18,294.78	18,434.82
5)	Unallocable (net)	(173,814.50)	(164,935.88)	(152,823.94)	(164,935.88)
	Total Net Capital Employed	207,082.70	212,583.87	224,680.72	212,583.87



7/8

Notes :

1. Management's response to the qualifications / observations of the auditors on the financial statements for the year ended 31.03.2012 :
 - a. Advances due from and investments made in Vidyavihar Containers Limited (VCL), aggregating Rs.7,637 Lakhs as on 31st March 2012 stands at Rs.7,637 Lakhs as on 30th June 2012. 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 investments made in Mukand Global Finance Limited (MGFL), aggregating Rs.2,624.95 Lakhs, the Company is in the process of disposing off this investment;
 - c. The debts and advances due from and investments made in Bombay Forgings Ltd.(BFL), aggregating Rs.7,085.59 Lakhs as at 31st March 2012 has increased to Rs.7,491.58 Lakhs as at 30th June 2012. 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 31st March 2012 at Rs.7,992.00 Lakhs and the projected future 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.4,027.68 Lakhs as at 31st March 2012 has reduced to Rs.4,027.54 Lakhs as at 30th June 2012. The Company, barring any significant uncertainties relies upon the estimated realizable value of the unencumbered assets of SIL as at 31st March 2012 at Rs.4,535.00 Lakhs which is 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, aggregating Rs.11,327 Lakhs as at 31st March 2012 which stands at Rs. 11,327 Lakhs as at 30th June 2012, losses currently expected are recognized as per the judgment of the management and the shortfall, if any in future, will be adjusted only on final settlement of claims which is expected to be settled progressively by 31st March 2013.

.....2/-



8/8

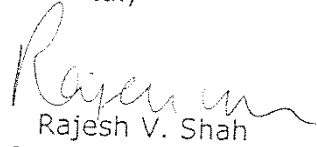
Page 2

2. Represents net unrealized foreign exchange loss of Rs. 1,711.23 Lakhs on account of restatement of foreign currency monetary items as at the end of the quarter.
3. Figures in respect of previous year / quarter have been regrouped / recast wherever necessary.
4. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 13th August, 2012. 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 : 13th August, 2012.

