



CIN L 99999 MH 1937 PLC 002726

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, 2018

Rs. Crores

	Particulars	Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		Unaudited	Audited	Unaudited	Audited
			Refer Note 7	Refer Note 6	
I	TOTAL REVENUE				
a)	Sale of Goods & Services	808.90	808.16	758.45	3,083.16
b)	Other Operating Income	11.50	9.85	2.73	23.49
I	Revenue from Operations	820.40	818.01	761.18	3,106.65
II	Other Income	9.73	283.14	7.14	300.93
III	Total Revenue I+II	830.13	1,101.15	768.32	3,407.58
IV	EXPENSES				
a)	Cost of materials consumed	477.28	440.64	447.37	1,772.18
b)	Purchase of Stock in Trade	4.07	11.73		11.73
c)	Changes in inventories of finished goods and work-in-progress	-42.28	67.93	-76.77	-54.47
d)	Excise Duty			35.94	36.83
e)	Employee benefits expense	51.40	48.12	43.63	182.47
f)	Finance Costs	71.62	69.36	64.98	267.25
g)	Depreciation and Amortisation expenses	14.18	15.65	13.46	56.47
h)	Other Expenditure	287.42	315.65	264.43	1,102.77
i)	Expenditure transferred to Capital Account / Capital Work-in-Progress	-0.25	-0.97	-4.30	-6.95
IV	Total Expenses	863.44	968.11	788.74	3,368.28
V	Profit / (Loss) before Exceptional items & tax (III-IV)	-33.31	133.04	-20.42	39.30
VI	Exceptional Income / (Expenses)		-4.41		-13.46
VII	Profit / (Loss) before tax (V-VI)	-33.31	128.63	-20.42	25.84
VIII	Tax Expense				
	Current Tax (MAT)		-5.09		-5.07
	Deferred Tax (Charge) / Credit & MAT Entitlement Credit	11.11	-7.60	3.87	23.29
	Total Tax	11.11	-12.69	3.87	18.22
IX	Profit/(Loss) for the period/year (VII - VIII)	-22.20	115.94	-16.55	44.06
X	Other Comprehensive Income				
	Items that will not be reclassified to Profit or loss-				
a)	Actuarial Gain on Employee defined benefit funds	0.83	3.00	0.10	3.30
	Changes in Fair Value of Equity Instruments		39.71		39.71
b)	Less : Deferred tax on above	-0.26	-12.21	-0.03	-12.30
	Net	0.57	30.50	0.07	30.71
XI	Total Comprehensive Income (IX+X)	-21.63	146.44	-16.48	74.77
XII	Earnings per Equity Share (EPS) - Face Value Rs 10/- each				
	Basic and Diluted EPS (in Rs.)	-1.57	8.20	-1.17	3.12

		Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		Unaudited	Audited	Unaudited	Audited
	SEGMENT REVENUE				
1)	Specialty Steel	794.63	797.17	736.93	3,033.40
2)	Industrial Machinery & Engineering Contracts	25.98	21.30	29.20	80.50
	Sub-total	820.61	818.47	766.13	3,113.90
	Less : Inter Segment Revenue	-0.21	-0.46	-4.95	-7.25
	Total Segment Revenue	820.40	818.01	761.18	3,106.65
	SEGMENT RESULT				
1)	Specialty Steel	35.94	-59.04	43.35	59.35
2)	Industrial Machinery & Engineering Contracts	-1.95	-6.23	-1.57	-24.55
	Less : Inter segment margin	-0.01	-0.06	-0.81	-1.14
	Total Segment Result	33.98	-65.33	40.97	33.66
	Add / (Less) :				
	Other net un-allocable :				
	Interest Income	9.23	9.97	6.85	25.25
	Income	0.50	273.23	0.29	275.74
	Expenditure	-5.40	-19.88	-3.55	-41.56
	Other net un-allocable (expenditure) / income	4.33	263.32	3.59	259.43
	Profit / (Loss) before Finance costs	38.31	197.99	44.56	293.09
	Less : Finance costs	71.62	69.36	64.98	267.25
	Profit / (Loss) before tax	-33.31	128.63	-20.42	25.84
	SEGMENT ASSETS / LIABILITIES	30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
A	Segment Assets				
1)	Specialty Steel	2,293.52	1,940.17	2,186.71	1,940.17
3)	Industrial Machinery & Engineering Contracts	396.77	372.48	397.21	372.48
5)	Corporate - Unallocable	1,646.33	1,935.87	570.48	1,935.87
		4,336.62	4,248.52	3,154.40	4,248.52
B	Segment Liabilities				
1)	Specialty Steel	921.47	1,031.60	932.95	1,031.60
3)	Industrial Machinery & Engineering Contracts	65.55	61.65	57.35	61.65
5)	Corporate - Unallocable	2,237.14	2,021.21	1,814.44	2,021.21
		3,224.16	3,114.46	2,804.74	3,114.46
	Total Net Capital Employed	1,112.46	1,134.06	349.66	1,134.06

Notes:

- 1.** The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13th August 2018. Statutory Auditors of the Company have conducted Limited Review of these Financial Results.
- 2.** During the quarter under review, Company concluded a Wage Settlement with Kalwe Mukand Employees Union which is valid for a period of 5 years from 1st April 2018. Under the settlement, Union has agreed to various commitments with regard to productivity norms, multi-tasking, rationalization of workforce, reduction in subsidies, etc.
- 3.** The Board of Directors of the Company, on 16th July 2018 has considered and approved a scheme of amalgamation amongst the Company, Mukand Global Finance Ltd (MGFL) (a wholly owned subsidiary of the Company), Adore Traders and Realtors Pvt Ltd (a wholly owned subsidiary of MGFL) and Mukand Engineers Ltd, a listed Company and their respective shareholders and creditors under the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013. The appointed date for Amalgamation under the Scheme is 1st April 2019. The scheme is subject to approval of the Shareholders, creditors and other competent Statutory / Regulatory Authorities.
- 4.** The Company has adopted revenue recognition in accordance with Ind AS 115 'Revenue from Contracts with Customers' which is effective from April 1 2018. This did not have any material impact on the financial results for the period upto March 31, 2018 and for the quarter ended June 30, 2018.
- 5.** Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2018:
 - a. The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs.94.79 Crore (Gross) as at 30th June 2018 as against Rs.86.49 Crore (Gross) as at 31st March 2018. The management, considering its long-term view on the 'Exposures', the valuation of unencumbered fixed assets of BFL, value of current assets and future earnings from the ongoing business of BFL considers the balance 'Exposures' to be 'Good' and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.

- b. 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 30th June 2018 aggregated Rs.121.41 Crore as compared to Rs.123.97 Crore as at 31st March 2018. The outcome of the Road Construction activity cannot be estimated with certainty at present. The amount of total claims excluding interest with NHAI now aggregates Rs.287.98 Crore (as at 31.03.2018: Rs.288.23 Crore). Considering the bulk of these claims are now being processed at various appellate fora and all the losses expected are already recognized till the close of the period, in the opinion of the management, all the claims are fully realizable as also opined by a legal Consultant. These claims are likely to be realized progressively over a period of next 2 to 3 years.
6. Result for the quarter ended June 30, 2017 has been restated to give effect to the Scheme of Arrangement & Amalgamation for transfer of Alloy Steel Rolling & Finishing Business (ASRFB), as Company gave effect to the Scheme in the Financial Statements of FY 2017-18 with effect from January 1, 2017, being the Appointed date under the Scheme.
7. The figures of the Quarter ended 31st March 2018 are the balancing figures between audited figures in respect of full financial year ended on 31st March 2018 and the published year to date figures upto Third Quarter of FY 2017-18.
8. Figures in respect of the previous period have been regrouped / recast wherever necessary.

**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 2018**