

**Mukand Ltd.**

**Regd. Office :** Bajaj Bhavan, 3rd Floor  
Jamnalal Bajaj Marg  
226 Nariman Point, Mumbai, India 400 021  
Tel : 91 22 6121 6666 Fax : 91 22 2202 1174  
www.mukand.com

**Kalwe Works :** Thane-Belapur Road  
Post office Kalwe, Thane, Maharashtra  
India 400 605  
Tel : 91 22 2172 7500 / 7700 . Fax : 91 22 2534 8179  
CIN : L99999MH1937PLC002726

SEC/SE/  
8th August, 2016

1. Department of Corporate Services BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 021.  ISIN CODE : INE304A01026 INE304A04012  BSE Scrip Code : 500460	2. Listing Department National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai – 400051  ISIN CODE : INE304A01026 INE304A04012  NSE Scrip Name : MUKAND LTD.
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Dear Sir(s),

**Re : Un-audited Financial Results for the first quarter / three months ended June 30, 2016.**

With reference to the above and in accordance with the provisions of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Un-audited Financial Results for the first quarter / three months ended June 30, 2016, have been considered and approved at the meeting of the Board of Directors of the Company held today.

In this regard, we enclose the copy of Un-audited Financial Results in the prescribed format together with copy of Limited Review Report of the Statutory Auditors of the Company, M/s. Haribhakti & Co.,LLP, Chartered Accountants, for your information and records.

The above meeting commenced at 3.00 p.m. and concluded at 3.50 p.m.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,  
For **Mukand Limited**,



K. J. Mallya  
**Company Secretary**  
([kjmallya@mukand.com](mailto:kjmallya@mukand.com))

Encl : As above

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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, 2016

Rs. Crores

Part - I	Particulars	Quarter ended		Year ended
		30/Jun/16	30/Jun/15	31/Mar/16
		Unaudited	Unaudited	Audited
(1)	<b>INCOME FROM OPERATIONS</b>			
a)	Gross Sales	757.39	757.11	3,040.58
	Less : Excise Duty Recovered	84.00	82.07	337.05
	Net Sales	673.39	675.04	2,703.53
b)	Other Operating Income	4.20	5.51	27.46
	<b>Total Income from Operations</b>	<b>677.59</b>	<b>680.55</b>	<b>2,730.99</b>
(2)	<b>EXPENSES</b>			
a)	Cost of materials consumed	263.97	301.89	1,203.92
b)	Purchase of Stock in Trade			0.88
c)	Changes in inventories of finished goods and work-in-progress	(9.73)	13.19	(71.08)
d)	Stores, Spares, Components, Tools, etc. consumed	120.12	97.57	445.54
e)	Power & Fuel	46.89	43.91	197.32
f)	Employee benefits expense	43.24	41.68	171.26
g)	Depreciation and Amortisation expenses	17.24	18.22	73.99
h)	Other Expenditure	118.14	105.76	449.68
	<b>Total Expenses</b>	<b>599.87</b>	<b>622.22</b>	<b>2,471.51</b>
(3)	Profit from Operations before Other Income, Finance Costs, & Net Exceptional income/ (Expenditure)	77.72	58.33	259.48
(4)	Other Income	3.45	2.34	21.57
(5)	Profit from Ordinary Activities before Finance Costs & Net Exceptional income/ (Expenditure)	81.17	60.67	281.05
(6)	Less : Finance Costs (net)	68.28	68.87	278.91
(7)	Profit / (Loss) from ordinary activities before Net Exceptional income / (Expenditure)	12.89	(8.20)	2.14
(8)	Net Exceptional Income / (Expenditure)			
(9)	Profit / (Loss) from Ordinary Activities before Tax	12.89	(8.20)	2.14
(10)	Tax Expense / (Credit)	2.63	(2.51)	0.52
(11)	Profit / (Loss) from Ordinary Activities after Tax	10.26	(5.69)	1.62
(12)	Extraordinary item (net of tax expense Rs Nil lakhs)			
(13)	Net Profit / (Loss) for the period	10.26	(5.69)	1.62
(14)	Paid-up Equity Share Capital (Face value Rs 10/- per share)	141.41	141.41	141.41
(15)	Reserves (excluding Revaluation Reserve)			319.64
(16)	Earnings per Share (EPS) (not annualised) - (in Rs.)			
	Basic and Diluted EPS (in Rs.)			
	- Before Extra ordinary item	0.73	(0.40)	0.11
	- After Extra ordinary item	0.73	(0.40)	0.11



	Quarter ended		Year ended
	30-Jun-16	30-Jun-15	31-Mar-16
	Unaudited	Unaudited	Audited
<b>SEGMENT REVENUE (net of Excise Duty)</b>			
1) Specialty Steel	631.39	647.65	2,599.44
2) Power Generation	16.21	9.62	39.96
3) Industrial Machinery & Engineering Contracts	47.52	33.20	132.96
4) Others			
Sub-total	695.12	690.47	2,772.36
Less : Inter Segment Revenue	(17.53)	(9.92)	(41.37)
Total Segment Revenue (net of Excise Duty)	677.59	680.55	2,730.99
<b>SEGMENT RESULT</b>			
1) Specialty Steel	66.25	52.87	239.33
2) Power Generation	14.81	8.03	33.75
3) Industrial Machinery & Engineering Contracts	(0.03)	(0.04)	(1.83)
4) Others	(0.67)	(0.29)	(1.86)
Less : Inter segment margin	(0.21)		(0.13)
Total Segment Result	80.15	60.57	269.26
Add / (Less) :			
Other net un-allocable : Income	3.45	2.34	21.57
Expenditure	2.43	2.24	9.78
Other net un-allocable (expenditure) / income	1.02	0.10	11.79
Profit /(Loss) before Finance costs	81.17	60.67	281.05
Less : Finance costs (net)	68.28	68.87	278.91
Profit / (Loss) before tax	12.89	(8.20)	2.14
<b>SEGMENT ASSETS / LIABILITIES</b>			
	30-Jun-16	30-Jun-15	31-Mar-16
<b>A Segment Assets</b>			
1) Specialty Steel	4,745.76	4,636.22	4,693.01
2) Power Generation	43.51	43.16	44.17
3) Industrial Machinery & Engineering Contracts	655.75	599.53	646.93
4) Others	122.01	128.50	121.48
5) Corporate - Unallocable	453.91	434.49	451.06
	6,020.94	5,841.90	5,956.65
<b>A Segment Liabilities</b>			
1) Specialty Steel	950.30	956.66	923.77
2) Power Generation	0.44	0.61	0.42
3) Industrial Machinery & Engineering Contracts	87.44	63.14	89.42
4) Others			
Corporate - Unallocable	2,855.52	2,707.43	2,824.96
	3,893.70	3,727.84	3,838.57



**Notes:**

1. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2016:
  - a. Advances due from and investments made in Vidyavihar Containers Limited (VCL), aggregating Rs. 47.13 Crore as at 30<sup>th</sup> June 2016 was same at Rs.47.13 Crore as at 31<sup>st</sup> March 2016. The Company, barring unforeseen circumstances, relies upon the estimation of future realizable values of the financial assets of VCL to recover its Exposures;
  - b. The investments in and debts / advances due from Bombay Forgings Limited (BFL) has increased marginally to Rs.78.99 Crore as at 30<sup>th</sup> June 2016 as against Rs.78.28 Crore as at 31<sup>st</sup> March 2016 due to increase in supplies. Recovery towards current supplies will be made on due dates. 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, 2015 which was at Rs.66.94 Crore and value of current assets. It further relies upon future earnings from the ongoing business of BFL. The management considers the balance 'Exposures' to be 'Good' and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.
  - c. Debts / advances recoverable from Stainless India Limited (SIL), which aggregated Rs.7.27 Crore as at 30<sup>th</sup> June 2016 as compared to Rs.7.31 Crore as at 31<sup>st</sup> March 2016. The management relies upon the realization from Land of SIL. The management considers the balance 'Exposures' to be 'Good' and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.
  - d. 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 30<sup>th</sup> June 2016 aggregated Rs.120.54 Crore and was at Rs.120.00 Crore as at 31<sup>st</sup> March 2016. 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.298.93 Crore (as at 31.03.2016, Rs.298.93 Crore). Bulk of these claims are now being processed at various appellate fora. It is the opinion of the management that in view of the substantially large claims to be settled progressively over a period of next 2 to 3 years, losses currently expected are already recognized till the close of the quarter.



**Contd....**

2. Figures in respect of previous year / quarter have been regrouped / recast wherever necessary.
3. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 8<sup>th</sup> August 2016. 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 : 8<sup>th</sup> August 2016

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## 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, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standards and other recognised accounting practices and policies, have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015, including the manner in which it is to be disclosed or that it contains any material misstatement.



4. We draw attention to the following :

- a) Note 1(a) to the Statement, relating to the exposures in Vidyavihar Containers Limited (VCL), a subsidiary company, aggregating Rs. 47.13 crores (net) as at June 30, 2016 (Rs. 47.13 crores (net) as at March 31, 2016), where the management has, barring any significant uncertainties in future, relied upon the future realizable values of financial assets of VCL to recover its exposures.
- b) Note 1(b) to the Statement, relating to the exposures in Bombay Forging Limited (BFL) aggregating Rs. 78.99 crores as at June 30, 2016 (Rs. 78.28 crores as at March 31, 2016), where the management has, barring any significant uncertainties in future, relied upon the valuation of unencumbered fixed assets, the value of current assets and projected future earnings from the business activities of BFL.
- c) Note 1(c) to the Statement, relating to the exposures in Stainless India Limited (SIL), an associate company, aggregating Rs. 7.27 crores as at June 30, 2016 (Rs. 7.31 crores as at March 31, 2016), where the net worth of SIL has been fully eroded and there are no significant activities being carried out by SIL. The management has, barring any significant uncertainties in future, relied upon the valuation of land held by SIL.
- d) Note 1(d) to the Statement, relating to the exposures aggregating Rs. 120.54 crores as at June 30, 2016 (Rs. 120.00 crores as at March 31, 2016), in respect of road construction activity and our reliance on the management's expectation of its realisability.

Our report is not modified in respect of these matters.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Sumant Sakhardande

Partner



Membership No.: 034828

Place : Mumbai

Date : August 08, 2016