

Mukand Ltd.

Regd. Office : Bajaj Bhawan, 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/STOCK EXCHANGE/BM-483
May 20, 2019

1.	Department of Corporate Services Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. 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 : Audited financial results for the quarter and year ended 31st March, 2019.

In terms of the provisions of the Regulation 30 (read with Part A of Schedule III) and 33 of the SEBI Listing Regulations, 2015, we enclose the following statements for the quarter and year ended 31st March, 2019, which were approved and taken on record at the meeting of the Board of Directors held today, i.e. 20th May, 2019:

- Statement of Audited Standalone Financial Results for the quarter and year ended 31st March, 2019 along with Audit Report; and
- Statement of Audited Consolidated Financial Results for the quarter and year ended 31st March, 2019 along with Audit Report.

The audit reports are submitted with unmodified opinion (free from any qualifications) and a declaration to that effect is enclosed.

Annual General Meeting of the Company will be held on Thursday, 8th August, 2019, at Kamalnayan Bajaj Hall, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021.

The meeting commenced at 12.30 p.m. and concluded at 2.30 p.m.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For **Mukand Limited**,



K. J. Mallya
Company Secretary
(kjmallya@mukand.com)

Encl : As above





CIN L 99999 MH 1937 PLC 002726

MUKAND LIMITED

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

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND TWELVE MONTHS ENDED MARCH 31, 2019

Rs. Crores

	Particulars	Quarter ended			Twelve months ended	
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		Audited	Unaudited	Audited	Audited	Audited
I	TOTAL REVENUE					
I	Revenue from Operations	839.64	934.64	818.01	3,587.64	3,106.65
II	Other Income					
a)	Interest Income	20.23	10.31	9.97	49.88	25.25
b)	Gain on Fair Valuation of Investments	23.67		263.59	23.67	263.59
c)	Miscellaneous Income	0.84	1.82	9.58	5.79	12.09
II	Other Income	44.74	12.13	283.14	79.34	300.93
III	Total Revenue I+II	884.38	946.77	1,101.15	3,666.98	3,407.58
IV	EXPENSES					
a)	Cost of materials consumed	427.89	499.22	440.64	1,953.43	1,772.18
b)	Purchase of Stock in Trade	0.48	2.47	11.73	11.60	11.73
c)	Changes in inventories of finished goods and work-in-progress	22.65	(9.80)	67.93	(17.96)	(54.47)
d)	Excise Duty					36.83
e)	Employee benefits expense	52.70	52.49	48.12	208.38	182.47
f)	Finance Costs	82.51	76.29	69.36	303.30	267.25
g)	Depreciation	14.09	15.95	15.65	58.30	56.47
h)	Stores, Spares Components, Tools etc. consumed	134.52	161.21	139.59	589.68	480.45
i)	Other Expenditure	186.59	183.38	176.06	694.39	622.32
j)	Expenditure transferred to Capital Account / Capital Work-in-Progress	(0.42)	(0.36)	(0.97)	(1.81)	(6.95)
IV	Total Expenses	921.01	980.85	968.11	3,799.31	3,368.28
V	Profit / (Loss) before Exceptional items & tax (III-IV)	(36.63)	(34.08)	133.04	(132.33)	39.30
VI	Exceptional Income / (Expenses)			(4.41)		(13.46)
VII	Profit / (Loss) before tax (V-VI)	(36.63)	(34.08)	128.63	(132.33)	25.84
VIII	Tax Expense					
	Current Tax (MAT)			(5.09)		(5.07)
	Deferred Tax (Charge) / Credit & MAT Credit Entitlement	14.45	13.85	(7.60)	48.22	23.29
	Total Tax	14.45	13.85	(12.69)	48.22	18.22
IX	Profit/(Loss) for the period/year (VII - VIII)	(22.18)	(20.23)	115.94	(84.11)	44.06
X	Other Comprehensive Income					
	Items that will not be reclassified to Profit or loss-					
a)	Actuarial Gain on defined benefit obligations	0.71	0.83	3.00	3.20	3.30
b)	Net gains on Fair Value changes of Equity Instruments	1.64		39.71	1.64	39.71
c)	Less : Deferred tax on above	(0.56)	(0.26)	(12.21)	(1.34)	(12.30)
	Net	1.79	0.57	30.50	3.50	30.71
XI	Total Comprehensive Income (IX+X)	(20.39)	(19.66)	146.44	(80.61)	74.77
XII	Paid-up equity share capital - Face value Rs.10/- per Share				141.42	141.42
XIII	Reserves excluding Revaluation Reserves				912.03	992.64
XIV	Earnings per Equity Share (EPS) - Face Value Rs 10/- each					
	Basic and Diluted EPS (in Rs.)	(1.57)	(1.43)	8.20	(5.95)	3.12



MUKAND LIMITED

Rs. Crores

		Quarter ended			Twelve months ended	
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		Audited	Unaudited	Audited	Audited	Audited
	SEGMENT REVENUE					
1)	Specialty Steel	794.90	902.02	797.17	3,451.36	3,033.40
2)	Industrial Machinery & Engineering Contracts	45.59	32.96	21.30	138.66	80.50
	Sub-total	840.49	934.98	818.47	3,590.02	3,113.90
	Less : Inter Segment Revenue	(0.85)	(0.34)	(0.46)	(2.38)	(7.25)
	Total Segment Revenue	839.64	934.64	818.01	3,587.64	3,106.65
	SEGMENT RESULT					
1)	Specialty Steel	14.18	41.64	(59.05)	130.62	59.35
2)	Industrial Machinery & Engineering Contracts	(6.05)	(3.25)	(6.23)	(13.26)	(24.55)
	Less : Inter segment margin	(0.05)	(0.02)	(0.06)	(0.20)	(1.14)
	Total Segment Result	8.08	38.37	(65.34)	117.16	33.66
	Add / (Less) :					
	Other net un-allocable :					
	Interest Income	20.23	10.31	9.97	49.88	25.25
	Income	24.51	1.81	273.23	29.46	275.74
	Expenditure	(6.94)	(8.28)	(19.87)	(25.53)	(41.56)
	Other net un-allocable (expenditure) / income	37.80	3.84	263.33	53.81	259.43
	Profit / (Loss) before Finance costs	45.88	42.21	197.99	170.97	293.09
	Less : Finance costs	82.51	76.29	69.36	303.30	267.25
	Profit / (Loss) before tax	(36.63)	(34.08)	128.63	(132.33)	25.84
	SEGMENT ASSETS / LIABILITIES	31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
A	Segment Assets					
1)	Specialty Steel	2,220.48	2,276.44	2,022.42	2,220.48	2,022.42
2)	Industrial Machinery & Engineering Contracts	388.84	377.34	372.48	388.84	372.48
3)	Corporate - Unallocable	1,768.88	1,750.13	1,986.41	1,768.88	1,986.41
		4,378.20	4,403.91	4,381.31	4,378.20	4,381.31
B	Segment Liabilities					
1)	Specialty Steel	819.24	865.74	1,076.39	819.24	1,076.39
2)	Industrial Machinery & Engineering Contracts	80.92	65.35	61.65	80.92	61.65
3)	Corporate - Unallocable	2,424.59	2,398.94	2,109.21	2,424.59	2,109.21
		3,324.75	3,330.03	3,247.25	3,324.75	3,247.25
	Total Net Capital Employed	1,053.45	1,073.88	1,134.06	1,053.45	1,134.06



MUKAND LIMITED

Rs. Crores

Statement of Assets and Liabilities as on		31-Mar-19	31-Mar-18
		Audited	Audited
I	Assets		
(A)	Non Current Assets		
(1)	Property Plant & Equipment, Capital Work in Progress & Intangible Assets		
a)	Property Plant & Equipment	505.19	561.98
b)	Capital Work in Progress	22.91	23.40
c)	Intangible assets	0.09	0.12
		528.19	585.50
(2)	Financial Assets		
a)	Non Current Investments	1,453.10	1,427.79
b)	Other Non-Current Financial Assets	15.36	29.79
		1,468.46	1,457.58
(3)	Deferred tax Assets		
(4)	Income Tax Assets	48.84	49.72
(5)	Other non-current assets	78.31	73.46
		127.15	123.18
	Total (A)	2,123.80	2,166.26
(B)	Current Assets		
(1)	Inventories	1,254.10	1,105.02
(2)	Financial Assets		
a)	Trade Receivables	443.39	310.16
b)	Cash & Cash Equivalents and Other Bank Balances		
i)	Cash & Cash Equivalents	0.78	11.08
ii)	Bank Balances Other than (i) above	59.18	47.46
		59.96	58.54
c)	Short term loans	69.63	48.18
d)	Other Financial Assets	276.30	564.92
		345.93	613.10
(3)	Other current assets	151.02	128.23
	Total (B)	2,254.40	2,215.05
	TOTAL ASSETS	4,378.20	4,381.31



MUKAND LIMITED

Statement of Assets and Liabilities as on		31-Mar-19	31-Mar-18
II. EQUITY AND LIABILITIES			
II.1 Equity			
a)	Share Capital	141.42	141.42
b)	Other Equity	912.03	992.64
		1,053.45	1,134.06
II.2 Liabilities			
A Non Current Liabilities			
(1) Financial Liabilities			
a)	Borrowings	1,564.47	779.09
b)	Other Financial liabilities	4.00	4.00
		1,568.47	783.09
(2)	Provisions	32.93	35.17
(3)	Deferred tax Liabilities	41.44	88.32
	Total (A)	1,642.84	906.58
(B) Current Liabilities			
(1) Financial Liabilities			
a)	Short Term Borrowings	664.69	879.32
b)	Trade Payables due to Micro Enterprises and Small Enterprises Other than Micro Enterprises and Small Enterprises	3.67 760.17	2.97 985.58
	Sub-total (b)	763.84	988.55
c)	Other Financial Liabilities	198.22	349.06
		1,626.75	2,216.93
(2)	Other Current Liabilities	45.63	115.38
(3)	Short Term provisions	9.53	8.36
	Total (B.2)	1,681.91	2,340.67
	TOTAL EQUITY AND LIABILITIES	4,378.20	4,381.31



Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 20th May 2019.
2. Loss before Tax for the year is higher at Rs.132.33 Crore as against profit before tax (PBT) of Rs.25.84 Crore in the previous year. PBT of previous year included net gains on fair value changes of equity instruments and exceptional items amounting to Rs.250.13 Crore as compared to Rs.23.67 Crore for the year under report. The resulting loss before such fair value gains and tax for the year would be Rs.156.00 Crore and is lower by Rs.68.29 Crore as compared to loss before fair value gains and tax of Rs.224.29 Crore for the previous year.
3. On 16th July 2018, on the recommendation of the Audit Committee, the Board of Directors of the Company, has considered & approved the Scheme of Amalgamation between Adore Traders and Realtors Private Limited ("**Adore**"), a wholly owned subsidiary of Mukand Global Finance Limited ("**MGFL**") with the parent company MGFL followed by the amalgamation of MGFL and Mukand Engineers Limited ("**MEL**") with the Company. The Appointed Date for the amalgamation is 1st April, 2019. The Company has filed an application for directions with National Company Law Tribunal (NCLT) Mumbai on receipt of the no-objection letters to the Scheme from BSE Limited and National Stock Exchange of India Limited. The Scheme is subject to requisite approvals of respective shareholders, creditors, NCLT and other Statutory or Regulatory authorities as may be applicable.
4. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2019:
 - a. The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs.92.23 Crore (Gross) as at 31st March 2019 as against Rs.86.49 Crore (Gross) as at 31st March 2018. Adequate provision of Rs.48 Crore (approx.) against trade receivables has been made in the accounts by way of expected credit loss. The management, considering the valuation of unencumbered fixed assets and value of current assets of BFL, considers the balance 'net 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 31st March 2019 aggregated Rs.121.47 Crore as compared to Rs.123.97 Crore as at 31st March 2018. Arbitral Tribunals gave its awards on all the claims in favour of CDS and NHAI has appealed against the said awards. The outcome of the Road Construction activity cannot be estimated with certainty at present. The amounts awarded by Arbitral Tribunals exceed Company's exposure on these projects. The total amount awarded to CDS now aggregates Rs.163.18 Crore. In the opinion of the management, exposure of the company is fully realizable.
4. The figures of last quarter are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the current financial year.
5. 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 : **20th May, 2019**



Auditor's Report on Annual Standalone Ind AS Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Mukand Limited

1. We have audited the accompanying Statement of Annual Standalone Ind AS Financial Results of Mukand Limited ("the Company") for the year ended March 31, 2019 ("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/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual standalone Ind AS financial statements. Our responsibility is to express an opinion on this Statement, based on our audit of such annual standalone Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by management.
3. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Statement.
4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and



- (ii) gives a true and fair view of the net loss (including other comprehensive income) and other financial information of the Company for the year ended March 31, 2019.

5. We draw attention to the followings :

- (i) Note 4(a) to the Statement, relating to exposures in Bombay Forging Limited ("BFL") aggregating Rs. 92.23 crores (gross) as at March 31, 2019 (Rs. 86.49 crores (gross) as at March 31, 2018). The Management has created a provision of Rs. 48 crores (approximately) on this exposure following the expected credit loss principle and, barring any significant uncertainties in future, has relied upon the valuation of unencumbered fixed assets and the value of current assets for the balance portion of exposure in BFL.
- (ii) Note 4(b) to the Statement, relating to the exposures aggregating Rs. 121.47 crores as at March 31, 2019 (Rs. 123.97 crores as at March 31, 2018), in respect of road construction activity, the claims for which have been awarded to Centrodorstroy (CDS) Russia by the Arbitral Tribunals in excess of Company's exposure and our reliance on the Management's expectation of full realisability of its exposure.

Our report is not modified in respect of these matters.

6. The Statement includes the results for the quarter ended March 31, 2019, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048


Sumant Sakhardande

Partner

Membership No.: 034828



Place: Mumbai

Date: May 20, 2019

MUKAND LIMITED
Incorporated in India

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

CIN : L99999MH1937PLC002726

Audited Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

Particulars	Rs. In Crores	
	Year Ended	Year ended
	31-Mar-19	31-Mar-18
	Audited	Audited
I. Revenue from Operations	3,689.46	3,527.95
II. Other income	5.29	19.53
III. Interest Income	54.84	25.42
IV Total Revenue (I + II + III)	3,749.59	3,572.90
V. Expenses:		
(a) Cost of materials consumed	1,916.87	1,816.96
(b) Purchases of Stock-in-Trade	119.18	85.81
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(17.96)	(71.44)
(d) Excise Duty	-	92.19
(e) Employee benefits expense	209.68	190.78
(f) Finance costs	326.51	472.56
(g) Depreciation and amortization expense	58.30	158.32
(h) Stores, Spares, Components, Tools, etc. consumed	589.68	480.45
(i) Other Expenses	726.29	728.30
(j) Expenditure transferred to Capital Accounts / Capital Work-in-Progress	(1.81)	(6.95)
Total expenses	3,926.74	3,946.98
VI. Profit/(loss) before exceptional items and tax (IV-V)	(177.15)	(374.08)
Less : Exceptional Items(net)	-	1,283.40
VII. Profit/(loss) before tax and Share in Profit of Associates and Joint Ventures	(177.15)	909.32
Add: Share in Profit of Associates and Joint Ventures	18.87	10.77
VIII. Profit/(loss) before tax	(158.28)	920.09
IX. Tax expense:		
Current tax	0.07	7.41
MAT credit entitlement	-	(5.52)
Deferred Tax Charge / (Credit)	(42.87)	97.61
Excess / (Short) provision for tax in respect of earlier years	-	(0.44)
Total Tax Expense	(42.80)	99.06
X. Profit/(Loss) for the year (VIII-IX)	(115.48)	821.03
XI. Other Comprehensive income (net)		
1 Items that will not be reclassified to Statement of Profit & Loss :-		
Actuarial Gain on Employee defined benefit funds	3.20	3.29
Less : Deferred tax	(1.00)	(1.02)
Share of other comprehensive income of investments accounted for using the equity method	(0.19)	(1.29)
2 Items that will be reclassified to Statement of Profit & Loss :-		
Exchange Fluctuation on Translating Foreign Operations	0.85	0.08
Total Other Comprehensive income (net)	2.86	1.06
XII. Profit/ (Loss) Carried to Balance Sheet (X+XI)	(112.62)	822.09
XIII. Weighted average number of Equity Shares outstanding during the year (Face Value of Rs. 10)	14,14,05,861	14,14,05,861
Basic and diluted earnings per share (in Rs.)	(8.17)	58.06





MUKAND LIMITED

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

CIN : L99999MH1937PLC002726

Audited Consolidated Balance Sheet as at 31st March 2019

(Rs. in crores)

Particulars	As at 31st March, 2019	As at 31st March, 2018
I ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	505.22	562.02
(b) Capital work-in-progress	22.91	23.40
(c) Other Intangible assets	0.09	0.12
(d) Investment in Joint Ventures and Associates	1,286.14	1,267.46
(e) Financial Assets		
i) Investments	0.67	0.49
ii) Other financial assets	15.37	31.60
(f) Deferred tax assets(net)	2.56	2.88
(g) Income Tax Assets (net)	49.91	49.86
(h) Other non-current assets	78.31	73.46
Total Non-current assets	1,961.18	2,011.29
2 Current Assets		
(a) Inventories	1,254.04	1,104.98
(b) Financial Assets		
i) Trade receivables	455.03	294.27
ii) Cash and cash equivalents	7.80	16.82
iii) Bank balances other than (ii) above	61.23	50.35
iv) Loans	273.14	255.29
v) Other financial assets	306.12	586.88
(c) Other current assets	149.33	85.92
Total Current assets	2,506.69	2,394.51
Total Assets	4,467.87	4,405.80
II EQUITY AND LIABILITIES		
Equity		
(a) Share capital	141.42	141.42
(b) Other equity	773.54	938.33
Total Equity	914.96	1,079.75
LIABILITIES		
1 Non-Current Liabilities		
(a) Financial liabilities		
i) Borrowings	1,567.78	779.09
ii) Other financial liabilities	4.00	4.00
(b) Provisions	33.94	35.94
(c) Deferred tax liabilities (Net)	48.21	37.14
(d) Other non-current liabilities	-	-
Total Non-current liabilities	1,653.93	856.17
2 Current liabilities		
(a) Financial liabilities		
i) Borrowings	860.07	1,051.13
ii) Trade payables due to :		
Micro and Small Enterprises	3.67	2.79
Other than Micro and Small Enterprises	758.13	935.61
iii) Other financial liabilities	213.57	369.23
(b) Other current liabilities	54.01	100.83
(c) Provisions	9.53	8.41
(d) Current tax liabilities(Net)	-	1.88
Total Current liabilities	1,898.98	2,469.88
Total Equity and Liabilities	4,467.87	4,405.80



Segment Information

A. Primary Segment - (Business Segment) :

Particulars	31-Mar-19	(Rs. In crores) 31-Mar-18
Segment Revenue :		
Speciality Steel	3,533.53	3,409.30
Industrial Machinery	138.66	73.28
Others	17.27	45.37
Total Revenue	3,689.46	3,527.95
Segment Results		
Speciality Steel	137.24	109.34
Industrial Machinery	(13.26)	(25.69)
Others	(34.75)	(30.12)
Add : Other Incomes		
Other Income	60.13	44.95
Exceptional Item	-	1,283.40
Share in Profit of Associate and Jointventure	18.87	10.77
Less : Finance Cost	(326.51)	(472.56)
Less : Tax Expense (net)	42.80	(99.06)
Profit after Tax	(115.48)	821.03
Other Comprehensive Income	2.86	1.06
Total Comprehensive Income	(112.62)	822.09
Other Information		
Segment Assets		
Speciality Steel	2,227.35	2,258.54
Industrial Machinery	388.84	372.48
Others	182.50	227.48
Un-allocated Assets	1,669.18	1,547.30
Total Assets	4,467.87	4,405.80
Segment Liabilities		
Speciality Steel	811.99	994.55
Industrial Machinery	80.92	61.65
Others	158.83	204.22
Un-allocated Liabilities	2,501.17	2,068.63
Total Liabilities	3,552.91	3,329.05
Capital Expenditure		
Segment Capital Expenditure		
Speciality Steel	23.03	80.35
Industrial Machinery	0.27	0.07
Others	-	-
Un-allocated Capital Expenditure	11.02	5.09
Total Capital Expenditure	34.32	85.51



Depreciation & Amortisation

Segment Depreciation & Amortisation

Speciality Steel	56.07	156.06
Industrial Machinery	2.07	2.07
Others	-	-
Un-allocated Depreciation & Amortisation	0.16	0.19
Total Depreciation & Amortisation	58.30	158.32

Significant Non-Cash Expenditure (Net of Non Cash Credits)

Segment Non-Cash Expenditure

Speciality Steel	(24.62)	51.16
Industrial Machinery	2.10	(2.79)
Others	1.57	21.58
Un-allocated Non-Cash Expenditure	21.41	(19.85)
Total Significant Non-Cash Expenditure	0.46	50.10

B. Secondary Segment - (Information of Geographical Areas) :

Particulars

Segment Revenue

India	3,344.00	3,237.32
Rest of the World	345.46	290.63
	3,689.46	3,527.95

Non Current Assets

India	656.43	739.82
Rest of the World	0.01	0.01

#

other than financial instruments, deferred tax assets, post-employment benefit assets.

C. Other Disclosure

Business segment has been disclosed as primary segment.

Types of products and services in each business segment:

- 1 - Steel – billets, blooms, rounds, wire rods, bars, rods and sections, bright bars and wires of special & alloy steel and stainless steel.
- 2 - Industrial Machinery and Engineering Contracts - EOT and other cranes, steel structurals, material handling equipment, processing plant and equipment, etc.
- 3 - Others - Comprise Segments of Road Construction, property development and income from operations of Non-banking Financial Activities.

The segments as reported above include trading activity of the respective segments.

The Segment Information include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

During the year ended 31-03-2019 at group level company made sale to one of its customer in steel segment of Rs. 635.42 crores (PY Rs. 534.83)



Consolidated notes

Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 20th May 2019.
2. Amounts reported in the Statement of Profit and Loss of previous year were consolidated on basis of that Mukand Sumi Special Steel Ltd (MSSSL) was a Subsidiary upto 29th March 2018 and a Joint Venture with effect from 30th March 2018. Therefore the amounts in the Statement of Profit and Loss of the year under report and that of previous year are not comparable.
3. Exceptional items shown in above results for previous year represent expenditure incurred in connection with transfer of Alloy Steel Rolling and Finishing Business amounting to Rs.13.46 crores and gain on account of loss of control in MSSSL amounting to Rs.1,296.86 crores in accordance with Ind AS 110 – Consolidated Financial Statements.
4. On 16th July 2018, on the recommendation of the Audit Committee, the Board of Directors of the Company, has considered & approved the Scheme of Amalgamation between Adore Traders and Realtors Private Limited ("Adore"), a wholly owned subsidiary of Mukand Global Finance Limited ("MGFL") with the parent company MGFL followed by the amalgamation of MGFL and Mukand Engineers Limited ("MEL") with the Company. The Appointed Date for the amalgamation is 1st April, 2019. The Company has filed an application for directions with National Company Law Tribunal (NCLT) Mumbai on receipt of the no-objection letters to the Scheme from BSE Limited and National Stock Exchange of India Limited. The Scheme is subject to requisite approvals of respective shareholders, creditors, NCLT and other Statutory or Regulatory authorities as may be applicable.
5. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2019:
 - a. The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs.92.23 Crore (Gross) as at 31st March 2019 as against Rs.86.49 Crore (Gross) as at 31st March 2018. Adequate provision of Rs.48 Crore (approx.) against trade receivables has been made in the accounts by way of expected credit loss. The management, considering the valuation of unencumbered fixed assets and value of current assets of BFL, considers the balance 'net 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 31st March 2019 aggregated Rs.121.47 Crore as compared to Rs.123.97 Crore as at 31st March 2018. Arbitral Tribunals gave its awards on all the claims in favour of CDS and NHAI has appealed against the said awards. The outcome of the Road Construction activity cannot be estimated with certainty at present. The amounts awarded by Arbitral Tribunals exceed Company's exposure on these projects. The total amount awarded to CDS now aggregates Rs.163.18 Crore. In the opinion of the management, exposure of the company is fully realizable.

- c. In accordance with the Scheme, the Amalgamation as sanctioned by the NCLT has been accounted in the books of MSSSL erstwhile known as Mukand Alloy Steel Pvt. Ltd (MASPL) at fair value in accordance with Purchase Method of accounting as per Accounting Standard AS-14 "Accounting for Amalgamation" as prescribed in Companies (Accounting Standard) Rules, 2006 issued by the Ministry of Corporate Affairs and has recognized goodwill on amalgamation amounting to Rs.1,834.84 Crores which is amortized over its useful life. Depreciation and amortization charge for the year includes Rs. 91.74 Crores on account of Goodwill. This accounting treatment is different from that prescribed under Indian Accounting Standard (Ind AS 103) - 'Business Combinations' for business combination of entities under common control.
6. The Consolidated financial results have been prepared in accordance with Ind AS -110 "Consolidated Financial Statements".
7. 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: **20th May, 2019**

Auditor's Report on Annual Consolidated Ind AS Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Mukand Limited

1. We have audited the accompanying Statement of Annual Consolidated Ind AS Financial Results of Mukand Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint venture entities for the year ended March 31, 2019 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual consolidated Ind AS financial statements. Our responsibility is to express an opinion on this Statement based on our audit of such annual consolidated Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by Management.
3. We believe that the audit evidences obtained by us and obtained by the other auditors in terms of their report referred to in paragraph 6 below, is sufficient and appropriate to provide a reasonable basis for our opinion on the Statement.



4. In our opinion and to the best of our information and according to the explanations given to us, and on consideration of the reports of the other auditors, the Statement:

(i) includes the annual Ind AS financial results of the following entities:

Sr. No.	Name of the Entity	Relationship
1	Mukand Global Finance Limited	Subsidiary
2	Vidyavihar Containers Limited	Subsidiary
3	Mukand International Limited	Subsidiary
4	Mukand International FZE	Subsidiary
5	Adore Traders and Realtors Private Limited	Step-down Subsidiary
6	Mukand Sumi Special Steel Limited (erstwhile Mukand Alloy Steels Private Limited)	Joint Venture
7	Mukand Sumi Metal Processing Limited	Joint Venture
8	Hospet Steel Limited	Joint Venture
9	Mukand Engineers Limited	Associates
10	Stainless India Limited	Associates
11	Bombay Forgings Limited	Associates

(ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

(iii) gives a true and fair view of the consolidated net loss (including other comprehensive income) and other financial information of the Group including its associates and joint venture entities for the year ended March 31, 2019.

5. We draw attention to the followings :

- (i) Note 5(a) to the Statement, relating to exposures in Bombay Forgings Limited ("BFL") aggregating Rs. 92.23 crores (gross) as at March 31, 2019 (Rs. 86.49 crores (gross) as at March 31, 2018). The Management has created a provision of Rs. 48 crores (approximately) on this exposure following the expected credit loss principle and barring any significant uncertainties in future, has relied upon the valuation of unencumbered fixed assets and the value of current assets for the balance portion of exposure in BFL.
- (ii) Note 5(b) to the Statement, relating to the exposures aggregating Rs. 121.47 crores as at March 31, 2019 (Rs. 123.97 crores as at March 31, 2018), in respect of road construction activity, the claims for which have been awarded to Centrodorstroy (CDS) Russia by the Arbitral Tribunals in excess of Company's exposure and our reliance on the management's expectation of full realisability of its exposure.



(iii) Note 5(c) to the Statement, relating to the accounting treatment of goodwill in the books of Mukand Sumi Special Steel Limited, a Joint Venture, amounting to Rs. 1,834.84 crores, which is amortised over its useful life in accordance with the scheme of Amalgamation as sanctioned by the NCLT. As a consequence, depreciation / amortisation charge in the books of MSSSL for the year includes Rs. 91.74 crores on account of goodwill. This accounting treatment is different from that prescribed under Indian Accounting Standard (Ind AS 103) - 'Business Combinations' for business combinations if entities under common control.

Our report is not modified in respect of these matters.

6. We did not audit the Ind AS financial statements of Three (3) subsidiaries included in Statement, whose Ind AS financial statements reflects total assets of Rs. 220.30 crores as at March 31, 2019, total revenues of Rs. 314.85 crores and total loss (including other comprehensive income) after tax of Rs. 5.50 crores for the year ended on that date, as considered in the Statement. The Statement also include Group's share of net loss (including other comprehensive income) of Rs. 8.08 crores for the year ended March 31, 2019, as considered in the Statement, in respect of One (1) associate, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors.

One (1) of the above subsidiary is located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in that country and which have been audited by other auditor under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

7. We did not audit the Ind AS financial statements of One (1) subsidiary and One (1) step-down subsidiary, included in the Statement, whose Ind AS financial statements reflects total assets



of Rs. 63.78 crores as at March 31, 2019, total revenues of Rs. 12.51 crores and total loss (including other comprehensive income) after tax of Rs. 2.17 crores for the year ended on that date, as considered in the Statement. The Statement also includes Group's share of net loss (including other comprehensive income) of Rs. 3.98 crores for the year ended March 31, 2019, as considered in the Statement, in respect of Two (2) associates, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements are not audited by their auditors and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, step-down subsidiary and associates, is based solely on such unaudited Ind AS financial statements. According to the information and explanations given to us by the Management, these Ind AS financial statements are not material to the Group including its associates.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements certified by the management.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048


Sumant Sakhardande

Partner

Membership No.: 034828



Place: Mumbai

Date: May 20, 2019

Mukand Ltd.

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CIN : L99999MH1937PLC002726

20th May, 2019

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 : Declaration of Audit report with unmodified opinion for the year ended 31st March 2019, pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended)

In terms of the second proviso to Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, we declare that M/s. Haribhakti & Co. LLP, the Statutory Auditors of the Company have issued the Audit Reports with an Unmodified Opinion on the Annual Audited Financial results (standalone and consolidated) of the Company for the financial year ended 31 March 2019.

We request you to kindly take note of the aforesaid.

Yours faithfully,

For **Mukand Limited,**



U.V. Joshi

(Chief Financial Officer)

Date: 20th May 2019