

Mukand Ltd.

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CIN : L99999MH1937PLC002726

SEC/STOCK EXCHANGE/BM-482

February 12, 2019

1. Department of Corporate Services BSE Limited, 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 : Un-audited Financial Results for the Third quarter / Nine months ended December 31, 2018.

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 third quarter / nine months ended December 31, 2018, 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 12.00 noon and concluded at 1.30 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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

Rs. Crores

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-18 Unaudited	30-Sep-18 Unaudited	31-Dec-17 Unaudited	31-Dec-18 Unaudited	31-Dec-17 Unaudited	31-Mar-18 Audited
I TOTAL REVENUE						
a) Sale of Goods & Services	924.59	986.77	782.31	2,717.04	2,268.61	3,074.66
b) Other Operating Revenue	10.55	6.19	9.82	31.46	20.03	31.99
I Revenue from Operations	935.14	992.96	792.13	2,748.50	2,288.64	3,106.65
II Other Income	12.13	12.74	3.21	34.60	17.79	300.93
III Total Revenue I+II	947.27	1,005.70	795.34	2,783.10	2,306.43	3,407.58
IV EXPENSES						
a) Cost of materials consumed	499.22	549.04	493.08	1,525.54	1,331.54	1,772.18
b) Purchase of Stock in Trade	2.47	4.58	--	11.12	--	11.73
c) Changes in inventories of finished goods and work-in-progress	(9.80)	11.47	(63.22)	(40.61)	(122.40)	(54.47)
d) Excise Duty	--	--	--	--	36.82	36.83
e) Employee benefits expense	52.49	51.46	48.08	155.68	134.35	182.47
f) Finance Costs	76.29	72.88	67.29	220.79	197.89	267.25
g) Depreciation	15.95	14.08	13.72	44.21	40.82	56.47
h) Other Expenditure	345.09	331.28	275.44	963.46	787.13	1,102.77
i) Expenditure transferred to Capital Account / Capital Work-in-Progress	(0.36)	(0.78)	(0.16)	(1.39)	(5.98)	(6.95)
IV Total Expenses	981.35	1,034.01	834.23	2,878.80	2,400.17	3,368.28
V Profit / (Loss) before Exceptional items & tax (III-IV)	(34.08)	(28.31)	(38.89)	(95.70)	(93.74)	39.30
VI Exceptional Income / (Expenses)	--	--	(9.05)	--	(9.05)	(13.46)
VII Profit / (Loss) before tax (V-VI)	(34.08)	(28.31)	(47.94)	(95.70)	(102.79)	25.84
VIII Tax Expense						
Current Tax (MAT)	--	--	0.02	--	0.02	(5.07)
Deferred Tax (Charge) / Credit & MAT Entitlement Credit	13.85	8.81	20.77	33.77	30.89	23.29
Total Tax	13.85	8.81	20.79	33.77	30.91	18.22
IX Profit/(Loss) for the period/year (VII - VIII)	(20.23)	(19.50)	(27.15)	(61.93)	(71.88)	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	0.83	0.10	2.49	0.30	3.30
b) Changes in Fair Value of Equity Instruments	--	--	--	--	--	39.71
c) Less : Deferred tax on above	(0.26)	(0.26)	(0.03)	(0.78)	(0.09)	(12.30)
Net	0.57	0.57	0.07	1.71	0.21	30.71
XI Total Comprehensive Income (IX+X)	(19.66)	(18.93)	(27.08)	(60.22)	(71.67)	74.77
XII Earnings per Equity Share (EPS) - Face Value Rs 10/- each						
Basic and Diluted EPS (in Rs.)	(1.43)	(1.38)	(1.92)	(4.38)	(5.08)	3.12



MUKAND LIMITED

Rs. Crores

	Quarter ended			Nine months ended		Year ended
	31-Dec-18	30-Sep-18	31-Dec-17	31-Dec-18	31-Dec-17	31-Mar-18
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
SEGMENT REVENUE						
1) Specialty Steel	902.52	959.81	776.44	2,656.96	2,236.23	3,033.40
2) Industrial Machinery & Engineering Contracts	32.96	34.13	15.89	93.07	59.20	80.50
Sub-total	935.48	993.94	792.33	2,750.03	2,295.43	3,113.90
Less : Inter Segment Revenue	(0.34)	(0.98)	(0.20)	(1.53)	(6.79)	(7.25)
Total Segment Revenue	935.14	992.96	792.13	2,748.50	2,288.64	3,106.65
SEGMENT RESULT						
1) Specialty Steel	41.64	38.88	37.86	116.44	118.40	59.35
2) Industrial Machinery & Engineering Contracts	(3.25)	(2.01)	(9.62)	(7.21)	(18.32)	(24.55)
Less : Inter segment margin	(0.02)	(0.12)	(0.01)	(0.15)	(1.08)	(1.14)
Total Segment Result	38.37	36.75	28.23	109.08	99.00	33.66
Add / (Less) :						
Other net un-allocable :						
Interest Income	10.31	10.11	2.92	29.65	15.28	25.25
Income	1.81	2.64	0.29	4.95	2.50	275.74
Expenditure	(8.28)	(4.93)	(12.09)	(18.59)	(21.68)	(41.56)
Other net un-allocable (expenditure) / income	3.84	7.82	(8.88)	16.01	(3.90)	259.43
Profit / (Loss) before Finance costs	42.21	44.57	19.35	125.09	95.10	293.09
Less : Finance costs	76.29	72.88	67.29	220.79	197.89	267.25
Profit / (Loss) before tax	(34.08)	(28.31)	(47.94)	(95.70)	(102.79)	25.84
SEGMENT ASSETS / LIABILITIES	31-Dec-18	30-Sep-18	31-Dec-17	31-Dec-18	31-Dec-17	31-Mar-18
A Segment Assets						
1) Specialty Steel	2,276.44	2,340.43	2,048.74	2,276.44	2,048.74	2,022.42
2) Industrial Machinery & Engineering Contracts	377.34	386.65	343.53	377.34	343.53	372.48
3) Corporate - Unallocable	1,750.15	1,748.58	889.97	1,750.15	889.97	1,986.41
	4,403.93	4,475.66	3,282.24	4,403.93	3,282.24	4,381.31
B Segment Liabilities						
1) Specialty Steel	865.74	1,094.82	1,030.37	865.74	1,030.37	1,076.39
2) Industrial Machinery & Engineering Contracts	65.35	71.99	59.81	65.35	59.81	61.65
3) Corporate - Unallocable	2,398.98	2,215.31	1,896.33	2,398.98	1,896.33	2,109.21
	3,330.07	3,382.12	2,986.51	3,330.07	2,986.51	3,247.25
Total Net Capital Employed	1,073.86	1,093.54	295.73	1,073.86	295.73	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 12th February 2019. Statutory Auditors of the Company have conducted Limited Review of these Financial Results.
2. The Company has adopted revenue recognition in accordance with Ind AS 115 'Revenue from Contracts with Customers' which is effective from 1st April 2018. This did not have any material impact on the financial results for the period upto 31st March 2018 and for the quarter / nine months ended 31st December 2018.
3. 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.90.90 Crore (Gross) as at 31st December 2018 as against Rs.86.49 Crore (Gross) as at 31st March 2018. Adequate provision of Rs.46 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 December 2018 aggregated Rs.121.69 Crore as



compared to Rs.123.97 Crore as at 31st March 2018. Arbitral Tribunal has awarded to CDS, amounts in excess of Company's exposure on these projects. These will be paid by CDS and will get adjusted against the aforesaid exposure of the Company. These exposures are likely to be realized progressively over a period of next 1 to 2 years.

4. 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**



Place : **Mumbai**

Date : **12th February 2019.**

Limited Review Report on the Unaudited Financial Results for the quarter ended December 31, 2018 pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

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 December 31, 2018 ("the Statement"), being submitted by the Company pursuant to 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. 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 Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 ("the Act") 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 the 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 standard 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/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to the following
 - i) Note 3(a) to the Statement, relating to exposures in Bombay Forging Limited ("BFL") aggregating Rs. 90.90 crores (gross) as at December 31, 2018 (Rs. 86.49 crores (gross) as at March 31, 2018). The Management has created a provision of Rs. 46 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.



HARIBHAKTI & CO. LLP

Chartered Accountants

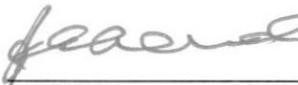
ii) Note 3(b) to the Statement, relating to the exposures aggregating Rs. 121.69 crores as at December 31, 2018 (Rs. 123.97 crores as at March 31, 2018), in respect of road construction activity, the claims for which have been awarded to Centrodorstroy (CDS) Russia by the Arbitral Tribunals in excess of Company's exposure and our reliance on the management's expectation of realising the same progressively over a period of next 1 to 2 years.

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: February 12, 2019