

Mukand Ltd.

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www.mukand.com

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India 400 605
Tel : 91 22 2172 7500 / 7700 Fax : 91 22 2534 8179
CIN : L99999MH1937PLC002726

February 18, 2021

1.	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),

Sub.: Clarification for financial Results

We refer to your email dated 17th February, 2020 received through NSE-NEAPS, seeking clarification for Financial results (Quick results) submitted for quarter ended 31st December, 2020. In this regard, we clarify as under:

the Board at its meeting held on 9th February, 2021 through Video Conferencing, considered and approved the un-audited financial results for quarter ended 31st December, 2020 and authorised Shri Niraj Bajaj- Chairman & Managing Director and Shri Rajesh V. Shah- Co -Chairman & Managing Director ("Authorised Signatory/ies"), to sign the same; who had participated in the meeting through video conferencing from two different location in Mumbai. In order to ensure compliance of Regulation 30 of SEBI (LODR) 2015, with regard to furnishing of outcome of meeting (financials results) to Stock Exchanges within 30 minutes after end of meeting, we filed the copy of aforesaid financial results duly marked Sd/, indicating that the same have been signed by the respective authorised signatories, since the signed copies of aforesaid results were received by us later.

We hereby furnish copy of aforesaid unaudited financial results of quarter ended 31st December, 2020 duly signed by the Authorised signatories, for your information and record.

We hope you will find the above clarification in order.

This is for your information and records.

Yours faithfully,

For **Mukand Limited**


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



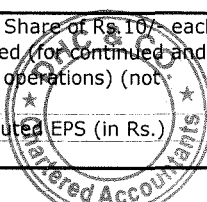
MUKAND LIMITED

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

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED DECEMBER 31, 2020

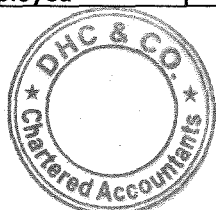
Rs. Crores

	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	TOTAL REVENUE						
a)	Sale of Goods & Services	775.10	659.75	617.28	1,734.34	2,074.42	2,797.51
b)	Other Operating Revenue	6.47	5.72	5.07	17.97	17.31	20.87
I	Revenue from Operations	781.57	665.47	622.35	1,752.31	2,091.73	2,818.38
II	Other Income						
a)	Interest Income	6.78	7.84	5.36	23.09	26.60	33.80
b)	Net Gain on Fair Valuation/Disposal of Investments						6.17
c)	Miscellaneous Income	6.36	0.36	0.24	7.77	11.99	12.26
II	Other Income	13.14	8.20	5.60	30.86	38.59	52.23
III	Total Revenue I+II	794.71	673.67	627.95	1,783.17	2,130.32	2,870.61
IV	EXPENSES						
a)	Cost of materials consumed	469.88	345.23	323.56	965.70	1,142.43	1,564.91
b)	Purchase of Stock in Trade					0.03	0.03
c)	Changes in inventories of finished goods and work-in-progress	(37.29)	56.90	5.91	64.63	(29.04)	(26.03)
d)	Employee benefits expense	50.80	46.05	48.10	137.70	141.98	188.52
e)	Finance Costs	76.06	86.36	86.74	251.74	250.68	338.11
f)	Depreciation	18.38	19.21	18.95	56.18	55.33	75.41
g)	Stores, Spares Components, Tools etc. consumed	106.80	95.11	84.40	239.99	316.26	418.78
h)	Other Expenditure	146.21	131.10	130.27	357.47	431.50	569.65
i)	Expenditure transferred to Capital Account / Capital Work-in-Progress	(0.36)	(0.20)	(0.67)	(0.79)	(3.17)	(4.17)
IV	Total Expenses	830.48	779.76	697.26	2,072.62	2,306.00	3,125.21
V	Profit / (Loss) before tax (III-IV)	(35.77)	(106.09)	(69.31)	(289.45)	(175.68)	(254.60)
VI	Tax Expense						
	Excess/ (Short) Provision for tax for earlier years (net)	(10.57)			(10.57)		
	Provision for Current Tax						
	Deferred Tax (Charge) / Credit	39.20	33.36	24.35	118.16	57.17	82.52
	Total Tax	28.63	33.36	24.35	107.59	57.17	82.52
VII	Profit/(Loss) for the period/year before tax adjustments pertaining to earlier years	(7.14)	(72.73)	(44.96)	(181.86)	(118.51)	(172.08)
	Tax adjustments due to reversal of Deferred Tax credit taken in earlier years on account of lapsing of business loss						(23.49)
VIII	Profit/(Loss) for the period/year	(7.14)	(72.73)	(44.96)	(181.86)	(118.51)	(195.57)
IX	Other Comprehensive Income						
	Items that will not be reclassified to Profit or loss-						
a)	Actuarial Gain on defined benefit obligations	0.33	0.33	1.00	0.80	2.80	1.48
b)	Net gains on Fair Value changes of Equity Instruments						1.56
c)	Less : Deferred tax on above	(0.04)	(0.11)	(0.31)	(0.19)	(0.87)	(0.79)
	Net	0.29	0.22	0.69	0.61	1.93	2.25
X	Total Comprehensive Income (VII+VIII)	(6.85)	(72.51)	(44.27)	(181.25)	(116.58)	(193.32)
XI	Paid-up equity share capital – Face value Rs.10/- per Share	141.42	141.42	141.42	141.42	141.42	141.42
XII	Reserves (excluding Revaluation Reserve)						715.60
XIII	Earnings per Share of Rs.10/- each Basic & Diluted (for continued and discontinued operations) (not annualised)						
	Basic and Diluted EPS (in Rs.)	(0.50)	(5.14)	(3.18)	(12.86)	(8.38)	(13.83)



Rs. Crores

	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	SEGMENT REVENUE						
1)	Specialty Steel	775.31	659.12	596.44	1,736.26	2,013.12	2,713.96
2)	Industrial Machinery & Engineering Contracts	7.42	6.53	26.66	17.50	82.37	109.31
4)	Others						
	Sub-total	782.73	665.65	623.10	1,753.76	2,095.49	2,823.27
	Less : Inter Segment Revenue	(1.16)	(0.18)	(0.75)	(1.45)	(3.76)	(4.89)
	Total Segment Revenue	781.57	665.47	622.35	1,752.31	2,091.73	2,818.38
	SEGMENT RESULT						
1)	Specialty Steel	42.75	(12.73)	23.31	(21.96)	81.32	88.36
2)	Power Generation						
2)	Industrial Machinery & Engineering Contracts	(14.66)	(14.09)	(6.44)	(43.19)	(22.56)	(29.67)
4)	Others						
	Less : Inter segment margin	(0.12)	(0.02)	(0.09)	(0.16)	(0.51)	(0.67)
	Total Segment Result	27.97	(26.84)	16.78	(65.31)	58.25	58.02
	Add / (Less) :						
	Other net un-allocable :						
	Interest Income	6.78	7.84	5.36	23.09	26.60	33.80
	Income	6.36	0.36	0.24	7.77	11.99	18.43
	Expenditure	(0.82)	(1.09)	(4.95)	(3.26)	(21.84)	(26.74)
	Other net un-allocable (expenditure) / income	12.32	7.11	0.65	27.60	16.75	25.49
	Profit / (Loss) before Finance costs	40.29	(19.73)	17.43	(37.71)	75.00	83.51
	Less : Finance costs	76.06	86.36	86.74	251.74	250.68	338.11
	Profit / (Loss) before tax	(35.77)	(106.09)	(69.31)	(289.45)	(175.68)	(254.60)
	SEGMENT ASSETS / LIABILITIES	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
A	Segment Assets						
1)	Specialty Steel	2,311.57	2,144.23	2,372.73	2,311.57	2,372.73	2,351.89
2)	Industrial Machinery & Engineering Contracts	302.30	335.02	322.48	302.30	322.48	363.28
3)	Corporate - Unallocable	1,078.47	1,825.98	1,701.68	1,078.47	1,701.68	1,693.83
		3,692.34	4,305.23	4,396.89	3,692.34	4,396.89	4,409.00
B	Segment Liabilities						
1)	Specialty Steel	679.14	576.18	697.73	679.14	697.73	899.92
2)	Industrial Machinery & Engineering Contracts	37.22	39.86	60.77	37.22	60.77	57.00
3)	Corporate - Unallocable	2,300.18	3,006.53	2,704.60	2,300.18	2,704.60	2,595.06
		3,016.54	3,622.57	3,463.10	3,016.54	3,463.10	3,551.98
	Total Net Capital Employed	675.80	682.66	933.79	675.80	933.79	857.02



Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 9th February 2021. These results have been subjected to Limited Review by the Statutory Auditors of the Company.
2. Post relaxation of lock down by the Government, the plants situated at Dighe, Thane in the State of Maharashtra and Ginigera, Koppal in the State of Karnataka became partially operational as per guidelines of the Government with effect from first week of May 2020. Presently, Company's steel production have already achieved near full capacity. The stress on liquidity position was partially mitigated by the relief given by the Government, RBI, Electricity Distribution Companies, etc. Management expects that considering the nature of its business operations, existing customer and supplier relationships, impact on its business operations, if any, arising from COVID -19 pandemic may not be significant in the long run and would be able to recover carrying amount of all its assets as appearing in the financial statements and meet its entire financial obligations in the near future. The impact of COVID 19 pandemic may be different from that estimated as at the date of approval of these financial results. The Management will continue to monitor any material changes to future economic conditions.
3. Petitions filed with NCLT for Scheme of amalgamation between Adore Traders and Realtors Private Limited, a wholly owned subsidiary of Mukand Global Finance Limited with the parent company MGFL, followed by the amalgamation of MGFL and Mukand Engineers Limited with the Company are yet to be approved by NCLT. The Scheme shall be effective from the appointed date 1st April, 2019 on receipt of NCLT order and filing the same with Registrar of Companies and therefore the above results do not include effect of amalgamation of these Companies with the Company.
4. Company has opted for Taxation of its income under Lower Tax Regime from financial year 2019-20 onwards and Vivad-se-Vishwas (VsV) Scheme for some of the pending appeals. Necessary effect thereof has been given in the above results under the head "Tax Expense".



5. Management's response to the observations of the auditors on the financial statements for the year ended 31.03.2020:
- a. The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs.34.66 Crore (net of provision for expected credit loss) as at 31st December 2020 as against Rs. 38.18 Crore (net of provision for expected credit loss) as at 31st March 2020. The management, considering the value of unencumbered fixed assets and current assets of BFL, considers the balance dues to be 'Good' and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.
6. Figures in respect of the previous year/ period have been regrouped / recast wherever necessary in case of above results.

**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 : **9th February 2021**

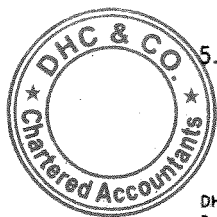


Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of Mukand Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors

Mukand Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Mukand Limited ("the Company") for the quarter ended December 31, 2020 and for the period from April 01, 2020 to December 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Notes to the Statement with regard to followings:



- a) Note 2 to the Statement, which explains the management evaluation on the impact of COVID-19 pandemic situation on the operational and financial position of the Company which is further dependent upon the circumstances as they evolve in the subsequent period.
- b) Note 5(a) to the Statement, relating to exposures in Bombay Forging Limited ("BFL") aggregating Rs. 34.66 crores (net of provision for expected credit loss) as at December 31, 2020. The management, barring any significant uncertainties in future, has considered the value of unencumbered fixed assets and current assets of BFL for the balance portion of exposure in BFL.

Our report is not modified in respect of these matters.

6. The comparative financial information of the Company for the previous reporting periods prepared in accordance with Ind AS included in financial information have been reviewed / audited by the predecessor auditor. The report of predecessor auditor on these comparative financial information expressed an un-modified conclusion / opinion. Our conclusion on the financial information is not modified in respect of this matter.

For DHC & Co.

Chartered Accountants

ICAI Firm Registration No. 103525W

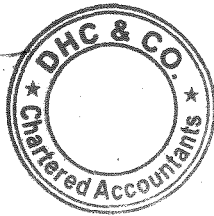


Atul Paliwal

Partner

Membership No.: 401969

UDIN: 21401969AAAAAES957

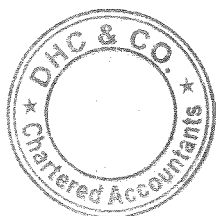


Place: Jaipur

Date: February 09, 2021

Statement of Unaudited Consolidated Financial Results for the quarter & Nine months ended December 31, 2020

Particulars	Quarter ended			Nine Months ended		Rs. In Crores
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I. Revenue from Operations	797.84	692.64	646.17	1,802.39	2,157.02	2,922.69
II. Other income	81.57	0.36	0.32	82.30	10.70	24.07
III. Interest Income	8.88	9.95	7.41	29.38	34.93	44.17
IV. Total Revenue (I + II + III)	888.29	702.95	653.90	1,914.07	2,202.65	2,990.93
V. Expenses:						
(a) Cost of materials consumed	469.88	345.23	318.75	961.69	1,115.10	1,520.58
(b) Purchases of Stock-in-Trade	9.93	20.81	22.61	36.42	71.75	119.01
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(37.29)	56.90	5.91	64.63	(29.04)	(26.03)
(d) Employee benefits expense	51.15	46.36	48.45	138.66	143.08	189.92
(e) Finance costs	83.53	94.16	93.41	273.16	269.94	363.97
(f) Depreciation and amortization expense	18.38	19.21	18.95	56.18	55.33	75.41
(g) Stores, Spares, Components, Tools, etc. consumed	106.80	95.11	84.40	239.99	316.26	418.78
(h) Other Expenses	147.62	132.65	131.60	360.67	435.68	580.14
(i) Expenditure transferred to Capital Accounts / Capital Work-in-Progress	(0.36)	(0.20)	(0.67)	(0.79)	(3.17)	(4.17)
Total expenses	849.64	810.23	723.41	2,130.61	2,374.93	3,237.61
VI. Profit/(loss) before exceptional items and tax (IV-V)	38.65	(107.28)	(69.51)	(216.54)	(172.28)	(246.68)
Less : Exceptional Items(net)	-	-	-	-	-	-
VII. Profit/(loss) before tax and Share in Profits of Associates and Joint Ventures	38.65	(107.28)	(69.51)	(216.54)	(172.28)	(246.68)
Add: Share in Profits/(Loss) of Associates and Joint Ventures	0.88	(7.79)	(19.61)	(27.69)	(38.09)	(49.77)
VIII. Profit/(loss) before tax	39.53	(115.07)	(89.12)	(244.23)	(210.37)	(296.45)
IX. Tax expense:						
Current tax	(0.43)	0.20	(0.32)	(0.71)	(0.95)	(0.29)
Deferred Tax (Charge) / Credit	36.00	31.89	23.39	113.11	54.87	80.35
Excess / (Short) provision for tax in respect of earlier years	(10.57)	-	-	(10.57)	-	-
Total Tax Expense	25.00	32.09	23.07	101.83	53.92	80.06
Profit/(Loss) for the period/year before tax adjustments pertaining to earlier years	64.53	(82.98)	(66.05)	(142.40)	(156.45)	(216.39)
Tax adjustments due to reversal of Deferred Tax credit taken in earlier years on account of lapsing of business loss	-	-	-	-	-	(23.49)
X. Profit/(Loss) for the period/year (VIII-IX)	64.53	(82.98)	(66.05)	(142.40)	(156.45)	(239.88)
XI. Other Comprehensive income (net)						
1 Items that will not be reclassified to Statement of Profit or Loss :-						
Actuarial Gain on Employee defined benefit funds	0.34	0.32	1.00	0.80	2.80	1.48
Less : Deferred tax on above	(0.04)	(0.11)	(0.31)	(0.19)	(0.87)	(0.47)
Share of other comprehensive income of Associates & Joint ventures accounted for using the equity method	-	-	-	(0.01)	(0.53)	(0.61)
2 Items that will be reclassified to Statement of Profit or Loss :-						
Exchange Fluctuation on Translating Foreign Operations	(0.15)	(0.41)	0.11	(0.60)	0.50	1.53
Total Other Comprehensive income (net)	0.15	(0.20)	0.80	-	1.90	1.93
XII. Total Comprehensive Income (X+XI)	64.68	(83.18)	(65.25)	(142.40)	(154.55)	(237.95)
XIII. Paid-up equity share capital - Face value Rs. 10/- per share	141.42	141.42	141.42	141.42	141.42	141.42
XIV. Reserves excluding Revaluation Reserves	-	-	-	-	-	529.25
XV. Earning per share - Face value Rs. 10/- per share						
Basic and diluted earnings per share (in Rs.)	4.56	(5.87)	(4.67)	(10.07)	(11.06)	(16.96)



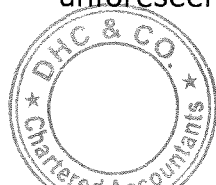
Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	Specialty Steel	786.32	681.54	615.76	1,771.85	2,062.14	2,795.62
	Industrial Machinery & Engineering Contracts	7.42	6.53	26.66	17.50	82.37	109.31
	Others	5.26	4.75	4.50	14.49	16.27	22.65
	Less : Inter Segment Revenue	(1.16)	(0.18)	(0.75)	(1.45)	(3.76)	(4.89)
	Total Segment Revenue	797.84	692.64	646.17	1,802.39	2,157.02	2,922.69
2	Segment Result						
	Specialty Steel	42.59	(12.43)	23.35	(21.93)	81.84	89.53
	Industrial Machinery & Engineering Contracts	(14.66)	(14.09)	(6.44)	(43.19)	(22.56)	(29.67)
	Others	0.40	8.99	0.54	1.12	3.67	(50.78)
	Less : Inter Segment Revenue	(0.13)	(0.01)	(0.10)	(0.16)	(0.51)	(0.67)
	Total Segment Result	28.20	(17.54)	17.35	(64.16)	62.44	8.41
	Add : Interest Income	8.88	9.95	7.41	29.38	34.93	44.17
	Other Income	81.57	0.36	0.32	82.30	10.70	24.07
	Share in Profits/(Loss) of Associates and Joint Ventures	0.88	(7.79)	(19.61)	(27.69)	(38.09)	(49.77)
	Less : Unallocable Expenditure	(0.83)	(10.61)	(4.95)	(3.26)	(21.84)	25.49
	Profit / (Loss) before Finance costs	118.70	(25.63)	0.52	16.57	48.14	52.37
	Less : Finance Costs	(79.17)	(89.44)	(89.64)	(260.80)	(258.51)	(348.82)
	Profit / (Loss) before Tax	39.53	(115.07)	(89.12)	(244.23)	(210.37)	(296.45)
3	Segment Assets / Liabilities	As at 31-Dec-20	As at 30-Sep-20	As at 31-Dec-19	As at 31-Dec-20	As at 31-Dec-19	As at 31-Mar-20
(i)	Segment Assets						
	Specialty Steel	2,314.18	2,142.32	2,352.38	2,314.18	2,352.38	2,339.68
	Industrial Machinery & Engineering Contracts	302.30	335.02	322.48	302.30	322.48	363.28
	Others	184.97	175.22	164.39	184.97	164.39	166.33
	Un-allocated Assets	1,013.53	1,686.43	1,599.12	1,013.53	1,599.12	1,590.60
	Total Assets	3,814.97	4,338.99	4,438.37	3,814.97	4,438.37	4,459.89
(ii)	Segment Liabilities						
	Specialty Steel	671.40	565.02	667.85	671.40	667.85	887.17
	Industrial Machinery & Engineering Contracts	37.22	39.86	60.77	37.22	60.77	57.00
	Others	159.74	149.16	134.69	159.74	134.69	137.27
	Un-allocated Liabilities	2,418.34	3,121.36	2,820.97	2,418.34	2,820.97	2,707.78
	Total Liabilities	3,286.70	3,875.40	3,684.28	3,286.70	3,684.28	3,789.22
4	Total Net Capital Employed	528.27	463.59	754.09	528.27	754.09	670.67



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Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 9th February 2021. These results have been subjected to Limited Review by the Statutory Auditors of the Company.
2. Post relaxation of lock down by the Government, the plants situated at Dighe, Thane in the State of Maharashtra and Ginigera, Koppal in the State of Karnataka became partially operational as per guidelines of the Government with effect from first week of May 2020. Presently, Company's steel production have already achieved near full capacity. The stress on liquidity position was partially mitigated by the relief given by the Government, RBI, Electricity Distribution Companies, etc. Management expects that considering the nature of its business operations, existing customer and supplier relationships, impact on its business operations, if any, arising from COVID -19 pandemic may not be significant in the long run and would be able to recover carrying amount of all its assets as appearing in the consolidated financial statements and meet its entire financial obligations in the near future. The impact of COVID 19 pandemic may be different from that estimated as at the date of approval of these consolidated financial results. The Management will continue to monitor any material changes to future economic conditions.
3. Petitions filed with NCLT for Scheme of amalgamation between Adore Traders and Realtors Private Limited, a wholly owned subsidiary of Mukand Global Finance Limited with the parent company MGFL, followed by the amalgamation of MGFL and Mukand Engineers Limited with the Company are yet to be approved by NCLT. The Scheme shall be effective from the appointed date 1st April, 2019 on receipt of NCLT order and filing the same with Registrar of Companies and therefore the above results do not include effect of amalgamation of these Companies with the Company.
4. Mukand Ltd has opted for Taxation of its income under Lower Tax Regime from financial year 2019-20 onwards and Vivad-se-Vishwas (VsV) Scheme for some of the pending appeals. Necessary effect thereof has been given in the above results under the head "Tax Expense".
5. Management's response to the observations of the auditors on the consolidated financial statements for the year ended 31-03-2020:
 - a. The investments in and debts / advances due from Bombay Forgings Limited (BFL) was at Rs.34.66 Crore (net of provision for expected credit loss) as at 31st December 2020 as against Rs. 38.18 Crore (net of provision for expected credit loss) as at 31st March 2020. The management, considering the value of unencumbered fixed assets and current assets of BFL, considers the balance dues to be 'Good' and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.



- b. In accordance with the Scheme of Amalgamation as sanctioned by the NCLT, Mukand Sumi Special Steel Ltd., a joint venture, has recognized goodwill on amalgamation amounting to Rs. 1,834.84 Crore which is amortized over its useful life. Depreciation and amortization charge for the quarter under report on this account is Rs. 23.12 Crore (Rs. 91.74 Crore for the year ended 31-03-2020). 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.
- c. As regards Mukand Engineers Ltd (MEL), an associate company, the Company had filed Company Scheme Petition seeking sanction of the NCLT, Mumbai bench and the same was admitted by NCLT Special Bench, Mumbai on 23rd April, 2020. Final hearing on the petition and approval of the Scheme by NCLT is awaited. The Scheme is also subject to requisite approval of other Statutory or Regulatory authorities as may be applicable. On implementation of the Scheme, the Company will cease to exist and all the assets and liabilities of the Company will be transferred to Mukand Limited w.e.f. the Appointed Date on a going concern basis without any further act, instrument, deed, matter or thing by virtue of and in the manner provided in the Scheme. In view of this the financial statements have been prepared on a going concern basis. The statutory Auditors of MEL have referred this note as a matter of emphasis in its report on the results for the quarter ended 31st December 2020.
6. Figures in respect of the previous period/year have been regrouped / recast wherever necessary in case of above results.

**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 : **9th February 2021**



DHC & Co.
Chartered Accountants

Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of Mukand Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To The Board of Directors

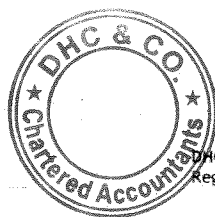
Mukand Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Mukand Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax and total comprehensive loss of its associates and joint ventures for the quarter ended December 31, 2020 and for the period from April 01, 2020 to December 31, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

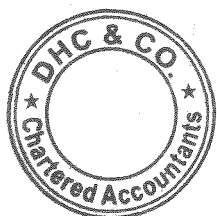
Sr. No.	Name of the Entity	Relationship
1	Mukand Limited	Parent Company
2	Mukand Global Finance Limited	Subsidiary
3	Vidyavihar Containers Limited	Subsidiary
4	Mukand International FZE	Subsidiary
5	Adore Traders and Realtors Private Limited	Step-down Subsidiary
6	Mukand Sumi Special Steel Limited	Joint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



5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to following matters in the notes to the Statement:
- a) Note 2 to the Statement, which explains the management evaluation on the impact of COVID 19 pandemic situation on the operational and financial position of the Group which is further dependent upon the circumstances as they evolve in the subsequent period.
 - b) Note 5(a) to the Statement, relating to exposures in Bombay Forging Limited ("BFL") aggregating Rs. 34.66 crores (net of provision for expected credit loss) as at December 31, 2020. The management, barring any significant uncertainties in future, has considered the value of unencumbered fixed assets and current assets of BFL for the balance portion of exposure in BFL.
 - c) Note 5(b) to the Statement, relating to the accounting treatment of goodwill amounting to Rs. 1,834.84 crores in the books of Mukand Sumi Special Steel Limited ("MSSSL"), a Joint Venture, which is amortised over its useful life in accordance with the scheme of Amalgamation as sanctioned by the National Company Law Tribunal ("NCLT"). As a consequence, depreciation and amortisation expense for the quarter ended December 31, 2020, in the books of MSSSL includes Rs. 23.12 crores on account of amortisation of goodwill. This accounting treatment is different from that prescribed under Indian Accounting Standard (Ind AS 103) 'Business Combinations' for business combinations of entities under common control. Had the accounting treatment prescribed under Ind AS 103 been followed, the depreciation and amortisation expense as well as loss before tax for the quarter ended December 31, 2020 would have been lower by Rs. 23.12 crores.
 - d) Note 5(c) to the Statement, wherein the Statutory Auditor of an associate company, Mukand Engineers Limited ("MEL"), have drawn reference to following para in their review report:

Note 4 of the financial result of MEL, which states that the MEL has incurred a net loss of Rs. 8.18 crores during the quarter ending December 31, 2020 and has accumulated losses amounting to Rs. 74.35 crores, as on December 31, 2020 resulting in to erosion of the Net worth of MEL. During the period under review, Fund flow of MEL has been impacted on account of general slow-down in the business, which may also seriously impair MEL's financial position. This indicates that a material uncertainty exists that may cast significant doubt on the MEL's ability to continue as going concern. However, keeping in mind the ongoing restructuring exercise by the MEL, it is believed that the business will be able to generate sufficient profits in future to meet its financial obligations, these financial results have been prepared using going concern basis of accounting.

Our report is not modified in respect of these matters.



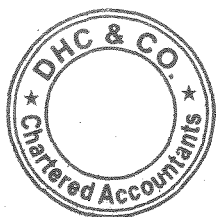
7. We did not review the interim financial statements of 3 (three) subsidiaries included in the unaudited consolidated financial results, whose interim financial statements reflect total revenues of Rs. 30.62 crores and Rs. 101.89 crores, total net profit after tax of Rs. 0.06 crores and Rs. 0.64 crores and total comprehensive profit of Rs. 0.05 crores and Rs. 0.04 crores, for the quarter ended December 31, 2020 and for the period April 01, 2020 to December 31, 2020 respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of net loss after tax of Rs. 3.17 crores and Rs. 40.23 crores and total comprehensive loss of Rs. 3.17 crores and Rs. 40.24 crores for the quarter ended December 31, 2020 and for the period from April 01, 2020 to December 31, 2020, respectively, as considered in the unaudited consolidated financial results, in respect of 1 (one) associate and 3 (three) joint ventures, whose interim financial statements have not been reviewed by us. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

One (1) of above subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective country and which have been reviewed by other auditor under generally accepted auditing standards applicable in their respective country. The Parent's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our report 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 Parent and reviewed by us.

Our report on the Statement is not modified in respect of the above matter.

8. The unaudited consolidated financial results includes the interim financial results of 1 (one) step down subsidiary which have not been reviewed by their auditor, whose interim financial results reflect total revenue of Rs. 2.30 crores and Rs. 6.83 crores, total net loss after tax of Rs. 1.04 crores and Rs. 2.66 crores and total comprehensive loss of Rs. 1.04 crores and Rs. 2.66 crores for the quarter ended December 31, 2020 and for the period from April 01, 2020 to December 31, 2020, respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of net loss after tax of Rs. 0.51 crores and Rs. 1.53 crores and total comprehensive loss of Rs. 0.51 crores and Rs. 1.53 crores for the quarter ended December 31, 2020 and for the period from April 01, 2020 to December 31, 2020, respectively, as considered in the unaudited consolidated financial results, in respect of 2 (two) associates, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group including its associates and joint ventures.

Our report on the Statement is not modified in respect of the above matter.

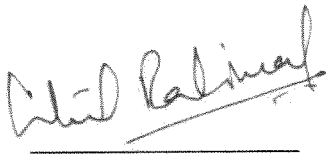


9. The comparative consolidated financial information of the Group for the previous reporting periods prepared in accordance with Ind AS included in consolidated financial information has been reviewed / audited by the predecessor auditor. The report of predecessor auditor on these comparative financial information expressed an un-modified conclusion / opinion. Our conclusion on the financial information is not modified in respect of this matter.

For DHC & Co.

Chartered Accountants

ICAI Firm Registration No. 103525W



Atul Paliwal

Partner

Membership No.: 401969

UDIN: 21401969 AAAAAF S303



Place: Jaipur

Date: February 09, 2021