

SFC/SE/
August 13, 2012

Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051.

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

Kind Attn. : Shri Hari K., Vice President

Dear Sirs,

**Re : Board approval for transfer of Cold Finished Bars and Wires business
-Clause 36 of the Listing Agreement**

With reference to the above kindly note that –

The Board of Directors of Mukand Ltd.(Mukand), at its meeting held on August 13, 2012 has approved a proposal to transfer its Cold Finished Bars and Wires business having an installed capacity of 6,000 MT per month to a newly formed subsidiary for consideration of approximately ₹ 252.50 crore. This amount is to be paid by the subsidiary partly by issue of shares (at premium) and partly by way of cash on such terms as may be agreed to by the Board of Directors. The Board has also approved a proposal to convert this subsidiary into a Joint Venture Company (JV Co.) with Sumitomo Corporation, Japan (60% Mukand & its Group Company and 40% Sumitomo). Both these transactions are subject to requisite approvals and satisfaction of certain conditions precedent.

Mukand proposes to seek an approval of its shareholders by postal ballot for the above transaction.

The JV Co. will initially operate from the existing facility of Mukand at Thane which will be later transferred to MIDC leased land at Lonand, near Pune.

Mukand will be the Principal supplier of hot rolled bars / wire rods to the JV Co. The new joint venture is expected to forge together the engineering capability of Mukand and the sales and marketing capability of Sumitomo to become a leading manufacturer and supplier of quality special, alloy and stainless steel Cold Finished long products in India and abroad.

Kindly acknowledge the receipt.

Yours faithfully,
For Mukand Ltd.



K.J. Mallia
Company Secretary

Encl : As above

