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

July 15, 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. ISINCODE:INE304A01026 INE304A04012 NSE Scrip Name : MUKAND LTD.

Dear Sir/Madam,

Sub: Annual Report for the financial year 2018-19 and Notice of 81st Annual General Meeting

Pursuant to Regulation 34 (I) read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed the following documents for the financial year 2018-19:

- Notice of 81st Annual General Meeting to be held on Thursday, 8th August 2019 at 4:00 p.m. at the Kamalnayan, Bajaj Hall, Bajaj Bhawan Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021.
- Annual Report FY: 2018-19

This is for your information and records.

Yours faithfully

For Mukand Limited

K.J. Mallya

Company Secretary

MUKAND

Infinite resolve

81st ANNUAL REPORT 2018-19

BOARD OF DIRECTORS AND THE MANAGEMENT TEAM

BOARD OF DIRECTORS

Niraj Bajaj	Chairman & Managing Director
Rajesh V Shah	Co-Chairman & Managing Director
Dhirajlal S Mehta	
Suketu V Shah	Joint Managing Director
N C Sharma	
Prakash V Mehta	
Amit Yadav	
Bharti R Gandhi	
Pratap V Ashar (w.e.f. 29th May, 2018)	Director & Advisor - Administration
Sankaran Radhakrishnan (w.e.f. 20th May, 2019)	

Auditors

Haribhakti & Co. LLP, Chartered Accountants

THE MANAGEMENT TEAM

Niraj Bajaj	Chairman & Managing Director
Rajesh V Shah	Co-Chairman & Managing Director
Suketu V Shah	Joint Managing Director
Pratap V Ashar	Director & Advisor - Administration
A M Kulkarni	Chief Executive Officer
Umesh V Joshi	Chief Financial Officer
K J Mallya	Company Secretary
Atul K Mishra	Chief Executive Officer (Steel Plant, Ginigera)
R. Jagannathan	Chief Executive (Industrial Machinery Division)

ANNUAL GENERAL MEETING

Thursday, August 8, 2019 at 4:00 p.m. at
Kamalnayan Bajaj Hall, Bajaj Bhawan,
Jamnalal Bajaj Marg, 226, Nariman Point,
Mumbai - 400 021

Registered Office

Bajaj Bhawan, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai 400 021

Works

Dighe, Thane, Maharashtra 400 605
Ginigera, Karnataka 583 228

Branch Offices

Bengaluru, Chennai, Delhi, Kolkata, Visakhapatnam
CIN : L99999MH1937PLC002726
E-mail : investors@mukand.com
Website: www.mukand.com

A Request

As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are kindly requested to bring their copy to the meeting.

CONTENTS

Notice

MUKAND LIMITED
(CIN: L99999MH1937PLC002726)
Registered Office: Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai - 400021. Tel: 022–61216666, Fax: 022-22021174,
E-mail: investors@mukand.com, Website: www.mukand.com

To
The Members,

NOTICE is hereby given that the **81st ANNUAL GENERAL MEETING** of the Members of **MUKAND LIMITED** will be held on Thursday, 8th August, 2019 at 4.00 p.m. at Kamalnayan, Bajaj Hall, Bajaj Bhawan Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited standalone financial statements and audited consolidated financial statements of the Company for the year ended March 31, 2019, together with the Report/s of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Shri Suketu V. Shah (DIN: 00033407), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

3. To re-appoint Statutory Auditors of the Company and to fix their remuneration.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration No. 103523W/W100048), be and is hereby re-appointed as Statutory Auditors of the Company, for a second term of 1 (one year) to hold office from the conclusion of this 81st Annual General Meeting until the conclusion of the 82nd Annual General Meeting, on such remuneration as may be mutually agreed between Board of Directors of the Company and Statutory Auditors.

RESOLVED FURTHER that the Board of Directors of the Company (including its Committees thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary to give effect to this resolution."

SPECIAL BUSINESS:

4. Ratification of Cost Auditors Remuneration

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and as per the recommendation of the Audit Committee of the Board of Directors, the remuneration of Rs. 90,000/- and reimbursement of travelling and other out of pocket expenses plus taxes as applicable, to be paid to CMA Sangita Kulkarni, Cost Accountants (Firm Registration No. 102365) for conducting the audit of cost records of the Company for the financial year ending March 31, 2020, as approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER that the Board of Directors of the Company (including its Committees thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary to give effect to this resolution."

5. Approval/Ratification of Material Related Party Transactions for FY: 2018-19

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of the Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, in supersession of the earlier resolution passed in this regard by the Members at the 80th Annual General Meeting held on 13th August, 2018, Material Related Party Transactions i.e., contracts/arrangements/ agreements entered by the Company, in the ordinary course of business and at arm's length basis, during the financial year 2018-19 with Mukand Sumi Metal Processing Limited (MSMPL) & Mukand Sumi Special Steel Limited (MSSSL), subsidiaries and hence related parties within the meaning of the aforesaid law, upto the limits as mentioned below and as detailed in the Explanatory Statement annexed to this notice, be and is hereby confirmed, approved and ratified:

Name of Related Party & Description of Contract	Period of Contract	Total cumulative contract value of transactions with Related Party during FY: 2018-19 (Rs. in crore)
With MSMPL: Sale, purchase, supply of any goods, including raw materials, finished products, scrap and capital goods, carrying out/availing job-work and hire of facilities, availing/ rendering of marketing/ business transfer and other services, leasing of factory/ office premises/facilities or any other transactions.	April 1, 2018 to March 31, 2019	478.00
With MSSSL: Sale, purchase, supply of any goods, including raw materials, finished products, scrap and capital goods, carrying out/availing job-work and hire of facilities, availing/ rendering of marketing/ business transfer and other services, leasing of factory/ office premises/facilities or any other transactions.	April 1, 2018 to March 31, 2019	1975.94

6. **Approval of Material Related Party Transactions for FY: 2019-20**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of the Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the Members of the Company be and is hereby accorded to the Board of Directors (including its Committee thereof), to ratify/ approve all existing contracts/ arrangements/ agreements entered into/ to be entered by the Company during the financial year 2019-20 with Mukand Sumi Metal Processing Limited (MSMPL) and Mukand Sumi Special Steel Limited (MSSSL), subsidiaries and hence related parties within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten percent of the annual consolidated turnover of the Company as per audited financial statements of FY: 2018-19; having the following details and as detailed in the Explanatory Statement annexed to this notice.

Name of Related Party & Description of Contract	Period of Contract	Total estimated cumulative contract value with Related Parties for FY:2019-20 (Rs. in crore)
With MSMPL: Sale, purchase, supply of any goods, including raw materials, finished products, scrap and capital goods, carrying out/availing job-work and hire of facilities, availing/ rendering of marketing/ business transfer and other services, leasing of factory/ office premises/facilities or any other transactions.	April 1, 2019 to March 31, 2020	520.00
With MSSSL: Sale, purchase, supply of any goods, including raw materials, finished products, scrap and capital goods, carrying out/availing job-work and hire of facilities, availing/ rendering of marketing/ business transfer and other services, leasing of factory/ office premises/facilities or any other transactions.	April 1, 2019 to March 31, 2020	2,139.00

RESOLVED FURTHER that the Board be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms & conditions thereof.

RESOLVED FURTHER that the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above resolution."

7. **Issue of Redeemable Non-convertible Debentures on private placement basis**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 and the SEBI (Issue and Listing of Debt Securities)Regulations, 2008, including any statutory modification(s) or re-enactment thereof, for the time being in force, in supersession of the earlier resolution passed in this regard by the Members at the 80th Annual General Meeting held on 13th August, 2018, approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to offer or invite subscriptions for secured / unsecured redeemable Non-Convertible Debentures (NCDs), in one or more series / tranches, aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crore only), on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER that the Board be and is hereby authroised to delegate all or any of the powers herein conferred to any director(s) and/ or officer(s) of the Company, to give effect to this resolution.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion consider necessary in relation thereto."

8. **Continuation of Shri Dhirajlal S. Mehta as an Independent Director**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Amendment Regulations) and other applicable provisions if any, of the Companies Act, 2013, continuation of Shri Dhirajlal S. Mehta (DIN:00038366) as a Non-Executive Independent Director of the Company, with effect from 1st April, 2019 till the end of his current tenure, i.e., upto the date of this 81st Annual General Meeting of the Company, notwithstanding that he has already attained the age of 75 years, be and is hereby approved and ratified.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board (which includes a Committee, constituted for the time being in force) be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient and any such acts and things done or caused to be done by the Board (which includes a Committee, constituted for the time being in force) prior to this date thereof are hereby ratified, confirmed and approved as the acts and deeds of the Company."

9. **Continuation of Shri N. C. Sharma as an Independent Director**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Amendment Regulations) and other applicable provisions if any, of the Companies Act, 2013, continuation of Shri N. C. Sharma (DIN: 00054922) as a Non-Executive Independent Director of the Company, with effect from 1st April, 2019 till the end of his current tenure, i.e., upto the date of this 81st Annual General Meeting of the Company, notwithstanding that he has already attained the age of 75 years, be and is hereby approved and ratified.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board (which includes a Committee, constituted for the time being in force) be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient for such purpose and any such acts and things done or caused to be done by the Board (which includes a Committee, constituted for the time being in force) prior to this date are hereby ratified, confirmed and approved as the acts and deeds of the Company."

10. Continuation of Shri Prakash V. Mehta as an Independent Director

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Amendment Regulations) and other applicable provisions if any, of the Companies Act, 2013, continuation of Shri Prakash V. Mehta (DIN:00001366) as a Non-Executive Independent Director of the Company, with effect from 1st April, 2019 till the end of his current tenure, i.e., upto the date of this 81st Annual General Meeting of the Company, notwithstanding that he has already attained the age of 75 years, be and is hereby approved and ratified.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board (which includes a Committee, constituted for the time being in force thereof) be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient and any such acts and things done or caused to be done by the Board (which includes a Committee, constituted for the time being in force) prior to this date are hereby ratified, confirmed and approved as the acts and deeds of the Company."

11. Re-appointment of Shri Prakash V. Mehta as an Independent Director

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to provisions of sections 149, 152, and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Prakash V. Mehta (DIN:00001366), who was appointed as an independent director of the Company for a term of five years, i.e., upto the date of this 81st AGM, and who is eligible for re-appointment, be and is hereby re-appointed as an independent director of the Company, to hold office for a second term of 5 (five) consecutive years commencing from August 9, 2019 upto August 8, 2024, not liable to retire by rotation, notwithstanding that he has already attained the age of 75 years.

"RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion consider necessary in relation thereto."

12. Re-appointment of Shri Amit Yadav as an Independent Director

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 149, 152, and any other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Amit Yadav (DIN:02768784), who was appointed as an Independent director of the Company for a term of five years i.e., upto the date of this 9th November, 2019, and who is eligible for re-appointment, be and is hereby re-appointed as an independent director of the Company to hold office for a second term of 5 (five) consecutive years commencing from November 10, 2019 upto November 9, 2024, not liable to retire by rotation."

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion consider necessary in relation thereto."

13. Re-appointment of Smt. Bharti R. Gandhi as an Independent Director

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to provisions of sections 149, 152, and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Smt. Bharti R. Gandhi (DIN:00306004), who was appointed as an Independent Director of the Company for a term of five years, i.e. upto 10th February, 2020, and who is eligible for re-appointment, be and is hereby re-appointed as an independent director of the Company, to hold office for a second term of 5 (five) consecutive years commencing from February 11, 2020 upto February 10, 2025, not liable to retire by rotation."

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion consider necessary in relation thereto."

14. Appointment of Shri Sankaran Radhakrishnan as an Independent Director

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 161(1) of the Companies Act, 2013 ("Act") and Article 89 of the Articles of Association of the Company, Shri Sankaran Radhakrishnan (DIN:00381139) who was appointed by the Board of Directors as an Additional Director (Independent) of the Company with effect from May 20, 2019 and who holds office up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152, and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Shri Sankaran Radhakrishnan (DIN: 00381139) who meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from May 20, 2019 upto May 19, 2024.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

15. Remuneration to Shri Niraj Bajaj, Chairman & Managing Director

To consider and if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V to the Companies Act, 2013, consent of the Members be and is hereby accorded for payment of remuneration to Shri Niraj Bajaj (DIN:00028261), Chairman & Managing Director of the Company on such terms and conditions as approved by the Members in its 79th Annual General Meeting held on July 24, 2017, notwithstanding that the annual aggregate remuneration payable to Shri Niraj Bajaj and other managing directors belonging to promoters group exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act, 2013 in any year during the remaining tenure of his appointment.

RESOLVED FURTHER that all the existing terms and conditions of remuneration/minimum remuneration including salary, perquisites and commission as per ordinary resolution passed in 79th Annual General Meeting held on July 24, 2017 shall remain unchanged.

RESOLVED FURTHER that the approval of shareholders shall be valid only till the expiry of the existing term of Shri Niraj Bajaj, as Chairman & Managing Director.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

16. Remuneration to Shri Rajesh V. Shah, Co-Chairman & Managing Director

To consider and if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V to the Companies Act, 2013, consent of the Members be and is hereby accorded for payment of remuneration to Shri Rajesh V. Shah (DIN:00021752) Co-Chairman & Managing Director of the Company on such terms and conditions as approved by Members in its 79th Annual General Meeting held on July 24, 2017, notwithstanding that the annual aggregate remuneration payable to Shri Rajesh V. Shah and other managing directors belonging to promoters group exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act, 2013 in any year during the remaining tenure of his appointment.

RESOLVED FURTHER that all the existing terms and conditions of remuneration/minimum remuneration including salary, perquisites and commission as per ordinary resolution passed in 79th Annual General Meeting held on July 24, 2017 shall remain unchanged.

RESOLVED FURTHER that the approval of shareholders shall be valid only till the expiry of the existing term of Shri Rajesh V. Shah, as Co-Chairman & Managing Director.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

17. Remuneration to Shri Suketu V. Shah, Joint Managing Director

To consider and if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V to the Companies Act, 2013, consent of the Members be and is hereby accorded for payment of remuneration to Shri Suketu V. Shah (DIN:00033407) Joint Managing Director on such terms and conditions as approved by Members in its 79th Annual General Meeting held on July 24, 2017, notwithstanding that the annual aggregate remuneration payable to Shri Suketu V. Shah and other managing directors belonging to promoters group exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act, 2013 in any year during the remaining tenure of his appointment.

RESOLVED FURTHER that all the existing terms and conditions of remuneration/minimum remuneration including salary, perquisites and commission as per ordinary resolution passed in 79th Annual General Meeting held on July 24, 2017 shall remain unchanged.

RESOLVED FURTHER that the approval of shareholders shall be valid only till the expiry of the existing term of Shri Suketu V. Shah, as Joint. Managing Director.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) MEMBERS AND HOLDING IN THE AGGREGATE SHARES NOT MORE THAN 10 PERCENT OF THE TOTAL ISSUED SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL ISSUED SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

   Proxies submitted on behalf of companies must be supported by an appropriate Resolution/Authority, as applicable. Members may please note that a Proxy does not have a right to speak at the Meeting and can vote only on poll.

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three (3) days written notice is given to the Company.

3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) in respect of items of Special Business as set in item nos. 4 to 17 above is annexed hereto.

4. The Notice of Meeting will also be available on the Company's website www.mukand.com and the website of Karvy Fintech Pvt. Ltd. ("Karvy") (formerly known as Karvy Computershares Pvt Ltd.) at https://evoting.karvy.com.

5. Brief profile of Directors viz. Shri Suketu V. Shah, Shri Dhirajlal S. Mehta, Shri N. C. Sharma, Shri Prakash V. Mehta, Shri Amit Yadav, Smt. Bharti R. Gandhi and Shri Sankaran Radhakrishnan as per the requirements of Regulation 26 & 36(3) of SEBI LODR Regulations 2015 and paragraph 1.2.5 of Secretarial Standard-2 on General Meetings, are provided in "Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting" annexed hereto.

6. Re-appointment of M/s. Harbihakti & Co. LLP, Statutory Auditors is being put up for approval of the members in item no. 3 above. Further details about the remuneration and credentials of statutory auditors as required by Regulation 36(5) of amended SEBI Listing Regulations 2015 is provided in item no. 3 of explanatory statement annexed hereto.

7. Pursuant to the provisions of Section 91 of the Act, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 27th July 2019 to Thursday 8th August 2019 (both days inclusive).

8. Corporate members are requested to send in advance, duly certified copy of the Board Resolution/Power of Attorney authorising their representative to attend the Annual General Meeting.

9. Members desirous of getting any information about the accounts and operations of the Company are requested to address their query to the Secretary at the Registered Office well in advance so that the same may reach him at least 7 days before the date of the meeting to enable the Management to keep the required information readily available at the meeting.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names as per Register of Members of the Company will be entitled to vote.

11. With a view to help us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company or KARVY to consolidate their holdings in one folio.

12. Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

13. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the Share Transfer Agent (STA) of the Company i.e. Karvy Fintech Private Ltd. (formerly known as Karvy Computershares Pvt. Ltd.) Members are requested to keep the same updated.

14. (a) Pursuant to the Provisions of Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 13th August, 2018 (the date of the last Annual General Meeting) on the website of the Company www.mukand.com and also on the website of the Ministry of Corporate Affairs.

(b) The members/claimants whose shares, unclaimed dividend, etc. have been transferred to the Fund may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF-5 (available on iepf.gov.in). The member/claimant can file only one consolidated claim in a financial year as per IEPF Rules.

(c) Members are requested to claim their unclaimed shares transferred to "demat suspense account" or the "Unclaimed Suspense Account" as the case may be pursuant to Regulation 39(4) read with Schedule VI of SEBI LODR 2015. Details of such shares are available on the website of the Company i.e. www.mukand.com. Members desiring to claim such shares will be required to furnish proof of identity to enable the Company to verify the same before acting on such request. Till settlement of such claim and as per Para E of Schedule VI of SEBI LODR, 2015, voting rights on such shares shall remain frozen.

15. The Company has designated an exclusive e-mail ID viz. investors@mukand.com, and einward.ris@karvy.com, to enable the investors to post their grievance, if any, and monitor its redressal.

16. Members / Proxies are requested to bring their attendance slip duly filled and signed for attending the meeting along with their copy of Annual Report to the Meeting. Proxies are requested to bring their identity proof at the meeting for the purpose of identification.

17. The Securities and Exchange Board of India (SEBI) has made it mandatory for every participant in the securities / capital market to furnish Income Tax Permanent Account Number (PAN) for transactions involving transfer of shares. Therefore, members holding shares in physical form are requested to furnish their PAN along with self-attested photocopy of PAN Card to the STA. Members holding shares in demat form are requested to register the details of their PAN with their DPs.

18. In view of the non-payment of dividend on 0.01% Cumulative Redeemable Preference shares (preference shares), in terms of section 47 of the Act, the holders of such Preference Shares have a right to vote on all the resolutions to be passed in respect of businesses to be transacted at the above meeting.

19. As per the provisions of the Act, the facility for making /varying/cancelling nominations is available to individuals holding shares in the Company. Nominations can be made in Form SH-13 and any variation/cancellation thereof can be made by giving notice in Form SH-14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the Share Department of the Company/Registrar and Share Transfer Agent or from the Website of the Ministry of Corporate Affairs at www.mca.gov.in.

20. In terms of Section 101 and 136 of the Act, read together with the Rules made thereunder, the Listed Companies may send the notice of Annual General Meeting and the Annual Report, including Financial Statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding copies of the above referred documents to all those members who have registered their email ids with their respective DPs or with the STA by electronic mode.

21. To receive shareholders' communications from the Company through electronic means, including annual reports and notices, members are requested to kindly register/ update their email address with their respective Depository Participants, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with the STA at mohsin.mohd@karvy.com.

22. Documents referred to in the Notice and the Explanatory Statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, upto the date of the meeting.

23. The Company has been maintaining, inter alia, the following statutory registers at its registered office which are open for inspection on working days during business hours subject to advance intimation, in terms of the applicable provisions of the Act by members and others as specified below:

i) Register of contracts or arrangements in which directors are interested under Section 189 of the Companies Act, 2013. The said Register shall also be produced at the commencement of the Annual General Meeting of the Company and shall remain open and accessible during the continuance of the meeting to a person having a right to attend the meeting.

ii) Register of Directors and Key Managerial Personnel (KMP) and their shareholding under Section 170 of the Companies Act, 2013. The said Register shall be kept open for inspection at the annual general meeting of the Company and shall be made accessible to a person having a right to attend the meeting.

24. Please note that for security reasons, no article/ baggage will be allowed at the venue of the meeting.

25. Route map showing directions to arrive at venue of the meeting is provided in the Annual Report.

26. For more details on shareholders' matters, please refer to the section on Shareholders' Information, included in the Report on Corporate Governance forming part of the Directors' Report.

27. **Voting through electronic means(E-voting) :**

In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015), the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **Friday, 2nd August, 2019 (End of Day) being the cut-off date** for the purpose of Rule 20(4)(vii) of the Rules fixed **for determining voting rights of members, entitled to participate in the remote e-voting process,** through the e-voting platform provided by Karvy Fintech Pvt. Ltd. (Karvy) or to vote at the Annual General Meeting.

Person who is not a member as on the cut-off date should treat this Notice for information purpose only.

The instructions for e-voting are as under:

A. For members who receive notice of annual general meeting through e-mail:

i. Use the following URL for e-voting: https://evoting.karvy.com

ii. Enter the login credentials i.e., user id and password mentioned in your email. Your Folio No./DP ID – Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.

iii. After entering the details appropriately, click on "LOGIN".

iv. You will reach the Password change menu, wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**

v. You need to login again with the new password/credentials.

vi. On successful login, the system will prompt you to select the EVEN (E-voting Event Number) i.e. Company's name "Mukand Limited".

vii. On the voting page, the number of shares (which represents the number of votes) as held by you as on the Cut-off Date will appear. If you desire to cast all the votes assenting/ dissenting to the Resolution, then enter all shares and click "FOR"/"AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST", but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

ix. Cast your votes by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

x. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through e-mail to **khamankar@gmail.com** with a copy marked to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name_EVENT No."

xi. **Remote e-voting period:** Facility where members can cast their vote online, shall remain open for voting from **Monday, 5th August 2019 (9:00 a.m.) - till Wednesday, 7th August 2019 (5:00 p.m.).**

xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual available at the "download" Section of https://evoting.karvy.com or contact Karvy Fintech Pvt. Ltd. on telephone no. 1800 345 4001 (toll free).

B. For members who receive the notice of annual general meeting in physical form:

Members may opt for e-voting, for which the USER ID and initial password are provided on the attendance slip. Please follow steps from Sl. No.(i) to (xii) under heading A above to vote through e-voting platform.

Any person who acquires shares of the Company and becomes a member of the Company after the cut-off date fixed for the purpose of dispatch of Notice of AGM and holding shares as of **cut-off date for E-voting i.e., Friday, 2nd August, 2019** may obtain login ID and password for e-voting by sending email with details of their DP ID and Client ID/Folio No. to mohsin.mohd@karvy.com:

C. Voting facility at Annual General Meeting:

i. In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the annual general meeting, through polling paper as provided in Section 107 of the Act read with Rule 20 of the Rules and members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting.

ii. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.

D. General instructions:

i. The Board of Directors has appointed M/s. Anant B. Khamankar & Co., Practising Company Secretary (FCS No. 3198, CP No.1860) as the Scrutiniser to scrutinise to the e-voting process and voting at the venue of the annual general meeting in a fair and transparent manner.

ii. The Scrutiniser shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two (2) witnesses, not in the employment of the Company, and shall make available, not later than forty eight hours from the conclusion of the meeting, a Consolidated Scrutiniser's Report of the total votes cast in favour of, or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting.

iii. The results declared along with the Scrutiniser's report shall be placed on the Company's website at www.mukand.com and on the website of Karvy - https://evoting.karvy.com, and shall also be communicated to the stock exchanges where the Company's shares are listed. Subject to the receipt of the requisite number of votes, the resolution shall be deemed to be passed at the Annual General Meeting of the Company Scheduled to be held on Thursday, 8th August, 2019.

By Order of the Board of Directors
For **MUKAND LIMITED**

Place: Mumbai
Date: May 20, 2019

K.J. MALLYA
Company Secretary

EXPLANATORY STATEMENT

Pursuant to section 102(1) of the Companies Act, 2013 ("Act") Read with SEBI (LODR) Regulations 2015, the following explanatory statement sets out all material facts relating to business mentioned under item nos. 3 to 17 of the accompanying Notice.

Item No. 3:

The present Statutory Auditors of the Company, M/s. Haribhakti & Co. LLP, have been appointed as Statutory Auditors for a period of 5 consecutive years at 76th Annual General Meeting held on 13th August, 2014 which is valid till the conclusion of ensuing 81st AGM. Prior to aforesaid appointment, M/s Haribhakti & Co. LLP were also Statutory Auditors of the Company for 4 consecutive years i.e., from FY: 2010-11 to FY: 2013-14. Pursuant to the provisions of Section 139 of the Companies Act, 2013 (the Act) the Company can appoint an audit firm as an auditor for only two terms of 5 consecutive years. Further, pursuant to Rule 6(3) of the Companies (Audit and Auditors) Rules, 2014, in the case of an audit firm which had held office as an auditor of the Company prior to the commencement of the Act (i.e. 1st April 2014), the period for which the audit firm held office as an auditor prior to the commencement of the Act is to be taken into account for calculating the ten consecutive years for which such firm can be appointed as the statutory auditors of the Company.

In view of above, it is proposed to re-appoint M/s. Haribhakti & Co. LLP, as Statutory Auditors of the Company for one year i.e., FY: 2019-20 to hold office from conclusion of 81st Annual General Meeting up to conclusion of 82nd Annual General Meeting to be held in the year 2020.

Details of fees for carrying out statutory audit of Standalone and Consolidate accounts for the financial year ending March 31, 2020 is proposed at Rs. 52.00 lacs plus GST, reimbursement of travelling and other out-of-pocket expenses. The Board, including relevant committee(s), shall be given the power to agree, alter and vary the terms & conditions of such re-appointment, remuneration etc. including by reason of necessity on accounts of conditions as may be stipulated by Companies Act, 2013, in such manner and to such extent as may be mutually agreed with the auditors. In addition to the above and in accordance with the provisions of the Act, the Board/committees thereof, may approve the services, as deemed appropriate, and remuneration for such services as required by law or otherwise, subject to the provisions of section 144 of the Act.

M/s. Haribhakti & Co. LLP, Chartered Accountants have confirmed their eligibility to be appointed as Statutory Auditors in terms of Section 141 of the Companies Act, 2013 and applicable Rules. The management and the board had carried out a detailed evaluation of performance of the said firm and expresses their satisfaction over the same, based on which the Board has recommended the re-appointment of M/s. Haribhakti & Co. LLP, as the Statutory Auditors of the Company.

Brief credentials of the Auditors: Haribhakti & Co. LLP (FRN: 103523W/W100048), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI). The firm was established in the year 1954 and was converted on 17th June, 2014 into a limited liability partnership firm registered in India. it has registered office at 705, Leela Business Park, Andheri-Kurla Road, Andheri (E), Mumbai – 400 059 and have branch offices in various cities in India. The audit firm has valid Peer Review certificate Issued by the Peer Review Board of the ICAI.

Item No. 4:

The Board at its meeting held on 20th May, 2019, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors CMA Sangita Kulkarni, Cost Accountant (Firm Registration No. 102365) to audit the cost records of the Steel Plants at Kalwe and Hospet and Engineering Contracts and Industrial Machinery Division at Kalwe for the financial year ending March 31, 2020, on a remuneration of Rs. 90,000 /- plus reimbursement of travelling and other out of pocket expenses plus taxes as applicable.

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Accountant has been recommended by the Audit Committee, considered and approved by the Board and is required to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Accountants for the financial year ending March 31, 2020.

Your Directors recommend the resolutions at Item No. 4 for approval by Members.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the resolution.

Item No. 5:

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company is required to obtain consent of the Board and prior approval of the members by resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on an arm's length basis.

However, pursuant to regulation 23(4) of SEBI LODR, 2015, approval of the shareholders through Ordinary Resolution is required for all 'material' related party transactions (RPT) even if they are entered into in the ordinary course of business on an arm's length basis. For this purpose, a RPT will be considered 'material' if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

In view of aforesaid provisions, at the 80th Annual General Meeting held on 13th August 2018, approval of Members were taken for the material related party transactions to be carried during financial year 2018-19 by the Company with Mukand Sumi Metal Processing Ltd. (MSMPL) and Mukand Sumi Special Steel Ltd (MSSSL), upto maximum limit of Rs. 355 crore and Rs. 2,022 crore respectively. However certain transactions/items not considered earlier have been incorporated herein. The aggregate value of such material related party transactions entered with MSSSL has not crossed the maximum limit of transactions for financial year 2018-19 as approved earlier by members. However, the value of individual items under these transactions that were not considered previously, have been added or have been increased, as the case may be.

In view of above and in supersession of earlier resolution passed at 80th AGM in this regard. following transactions entered into by the Company, with Mukand Sumi Metal Processing Ltd. (MSMPL) and Mukand Sumi Special Steel Limited (MSSSL), subsidiary companies and therefore related parties, upto the value mentioned below, during the financial year 2018-19, which are in excess of the limits approved for individual items under said transactions as stated below, require approval/ratification by members.

I. MSMPL

[Rs. in crore]

Sl. No.	Nature of Transaction	Estimated Annual Value of Contracts & Services for FY: 2018-19 approved at the 80th AGM	Actual value of Contracts & Services transacted in FY: 2018-19
A)	**Sale of goods & rendering of Services by the Company to MSMPL**		
1.	Sale of Black Bars & Rods and Bright Bars & Rods	**260.00**	**329.49**
2	Sale of Assets	**-**	**6.56**
3.	Job Work Income	**60.00**	**73.74**
4.	Marketing Income	**2.50**	**0.54**
5.	Fees for Services	**0.50**	**0.21**
6.	Rent of Factory / Office	**1.00**	**0.76**
7.	Electricity Charges	**1.00**	**0.74**
	Total Income-A	**325.00**	**412.04**

[Rs. in crore]

Sl. No.	Nature of Transaction	Estimated Annual Value of Contracts & Services for FY: 2018-19 approved at the 80th AGM	Actual value of Contracts & Services transacted in FY: 2018-19
B)	**Purchase of goods & availing of Services by the Company from MSMPL**		
1.	Purchase of Scrap	**15.00**	**52.77**
2.	Job Work Charges / Hire Charges	**12.00**	**10.78**
3.	Interest on Advances	**3.00**	**0.90**
4.	Interest paid	**--**	**1.51**
	Total Expenditure-B	**30.00**	**65.96**
	Total Transaction Value (A+B)	**355.00**	**478.00**

II. MSSSL:

[Rs. in crore]

Sl. No.	Nature of Transaction	Estimated Annual Value of Contracts & Services for FY: 2018-19 approved at 80th AGM	Actual value of Contracts & Services transacted in FY: 2018-19
A)	**Sale of Goods & rendering of Services by the Company to MSSSL**		
1.	Sale of cast billets, blooms, cogged billets, bars/rounds, hot rolled bars and hot rolled wire rods	**1,600.00**	**1,602.26**
2.	Sale of Assets	**-**	**19.44**
3.	Job Work Income	**350.00**	**257.21**
4.	Rent of Factory / Office	**1.00**	**0.03**
5.	Provision of other services	**1.00**	**0.29**
6.	Interest reimbursement	**-**	**25.99**
	Total Income-A	**1,952.00**	**1,905.22**
B)	**Purchase of Goods & availing of Services by the Company from MSSSL**		
1.	Purchase of Scrap	**35.00**	**43.06**
2.	Machinery Hire Charges	**30.00**	**27.42**
3.	Other services	**5.00**	**-**
4.	Interest (Net)	**-**	**0.24**
	Total Expenditure-B	**70.00**	**70.72**
	Total Transaction Value (A+B)	**2,022.00**	**1,975.94**

The other particulars of above transactions are as under:-

Name of the related party	Name of the Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Nature, Material Terms, Monetary Value and Particulars of the contract or arrangement	Any other information relevant or important for the members to take a decision on the proposed resolution:
*Mukand Sumi Metal Processing Limited (MSMPL)	Rajesh V. Shah Co-Chairman & Managing Director	Director & Chairman, MSMPL*	Credit Period of upto 5 days	The transactions are in the ordinary course of business and at Arm's Length basis; A. M. Kulkarni and K . J. Mallya hold 100 shares each in MSMPL jointly with the Company
	A. M. Kulkarni, Chief Executive Officer, (Steel Plant, Thane)	Director & CEO, MSMPL*		
	K. J. Mallya, Company Secretary	Company Secretary, MSMPL*		
**Mukand Sumi Special Steel Limted (MSSSL)	Rajesh V. Shah Co-Chairman & Managing Director	Director & Chairman	Credit Period of upto 7 days	The transactions are in the ordinary course of business and at Arm's Length basis; A.M. Kulkarni & Rajesh V. Shah hold, 10 shares each in MSSSL jointly with the Company
	A. M. Kulkarni, Chief Executive Officer, (Steel Plant, Thane)	Director		

* MSMPL is a subsidiary company of Mukand Ltd. with 60.07% equity shareholding.

** MSSSL is a subsidiary company of Mukand Ltd. with 51.00% equity shareholding.

The above transactions are approved by the Audit Committee as per the provisions of the Companies Act, 2013 and the SEBI LODR, 2015.

In view the above, it is proposed seek approval of the members of the Company through an Ordinary resolution for the above transactions and the related parties will abstain from voting on the resolution.

Your Directors recommend the resolution at Item No. 5 for approval by Members.

None of the Directors, Key Managerial Personnel or their relatives is directly or indirectly concerned or interested, financially or otherwise, except as mentioned above to the extent of his/her respective shareholding, if any, in the Company, in the said resolution.

Item No. 6:

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company is required to obtain consent of the Board and prior approval of the members by resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on an arm's length basis.

However, pursuant to regulation 23(4) of SEBI LODR, 2015, approval of the shareholders through Ordinary Resolution is required for all 'material' related party transactions (RPT) even if they are entered into in the ordinary course of business on an arm's length basis. For this purpose, a RPT will be considered 'material' if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The following transactions to be entered into by the Company, together with transactions already entered into by the Company with Mukand Sumi Metal Processing Ltd. (MSMPL) and Mukand Sumi Special Steel Limited (MSSSL), subsidiary companies and therefore related parties, during the current financial year, even though are in the ordinary course of business and on an arm's length basis, are estimated to exceed 10% of the annual consolidated turnover of the Company as per the audited financial statements of the Company for the year ended 31st March, 2019:-

(Rs. in crore)

Sr. No.	Description of Transaction	Total estimated value for F.Y. 2019-20	
		MSMPL	**MSSSL**
A)	**Sale of goods and rendering of services**		
1	Sale of black bars & roads and bright bars & roads	350.00	-
2.	Sale of cast billets, blooms, cogged billets bars/rounds, hot rolled bars and hot rolled wire rods	-	1,700.00
3.	Sale of Assets	3.00	30.00
4.	Job Work Income	80.00	325.00
5.	Rent of Factory/Office	1.00	1.00
6.	Fees/Provision for other services	1.00	1.00
7.	Interest received	-	7.00
8.	Marketing Income	1.00	-
9.	Electricity Charges	1.00	-
	Total Income-A	**437.00**	**2,064.00**
B)	**Purchase of goods and receiving of services**		
1.	Purchase of Scrap	40.00	40.00
2.	Machinery Hire Charges	35.00	30.00
3.	Other Services	5.00	5.00
4.	Interest paid	3.00	-
	Total Expenditure-B	**83.00**	**75.00**
C)	**Total Transaction Value (A+B)**	**520.00**	**2,139.00**

The other particulars of above transactions are as per item no. 5 mentioned above.

The above transactions are approved by the Audit Committee as per the provisions of the Companies Act, 2013 and the SEBI LODR, 2015.

In view the above, it is proposed seek approval of the members of the Company through an Ordinary resolution for the above transactions and the related parties will abstain from voting in the resolution.

None of the Directors, Key Managerial Personnel or their relatives is directly or indirectly concerned or interested, financially or otherwise, excepts as mentioned above to the extent of his/her respective shareholding, if any, in the Company, in the resolution set out in item no. 6 of the Notice.

Your Directors recommend the resolution at Item No. 6 for approval by Members.

Item No. 7:

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed, inter alia, under Section 42 of the Companies Act, 2013 deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for Non-Convertible Debentures (NCDs) on private placement, the company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

In order to augment long term resources for financing, inter alia, the ongoing capital expenditure and for general corporate purposes, the Company may offer or invite subscription for secured / unsecured NCDs in one more series or tranches.

Accordingly, in supersession of earlier resolution passed in this regard by Members at 80th AGM held on 13th August 2018, consent of the members is sought for passing a Special Resolution as set out at Item No. 7 of the Notice for issue of secured/unsecured redeemable NCDs on a private placement basis, from time to time, for a year from the date of passing of this resolution, in one more series or tranches. The NCDs would be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions.

This Resolution enables the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time for a year from the conclusion of this Annual General Meeting.

Your Directors recommend the resolution at Item No. 7 for approval by Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

Item Nos. 8 to 10:

The Members of the Company at the 76th Annual General Meeting held on 13th August 2014, had Shri Dhirajlal S. Mehta, Shri N.C. Sharma and Shri Prakash V. Mehta, as Independent Directors of the Company for a period of five consecutive years effective from 13th August 2014 upto 12th August 2019 or upto the date of 81st AGM whichever is earlier, and therefore their first term expires on the date of ensuing 81st AGM i.e. 8th August 2019.

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which are effective from April, 2019, a person who has attained the age of 75 years, can continue as a Non-executive Director in a listed Company, provided approval of its members by way of a special resolution is obtained. Shri Dhirajlal S. Mehta, Shri N.C. Sharma and Shri Prakash V. Mehta are above the age of 75 years.

Special resolution as set out in business Item Nos. 8 to 10 seeks approval of shareholders for continuation of Directorship of Shri Dhirajlal S. Mehta, Shri N.C. Sharma and Shri Prakash V. Mehta as Independent Directors of the Company effective from 1st April, 2019 up to end of the existing term i.e., up to the date 81st AGM.

Your Directors recommend the resolutions at Item Nos. 8 to 10 for approval by Members.

None of the Directors and Key Managerial Personnel including their respective relatives other than directors those mentioned above in their respective resolutions and their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Item Nos. 11 to13:

The Members of the Company at the 76th Annual General Meeting held on 13th August 2014, had appointed Shri Dhirajlal S. Mehta, Shri N.C. Sharma, and Shri Prakash V. Mehta, as Independent Directors of the Company for a period of five consecutive years effective from 13th August 2014 upto 12th August 2019 or upto the date of 81st AGM whichever is earlier, and therefore their first term expires on the date of ensuing 81st AGM i.e., 8th August 2019.

The Members of the Company had through Postal Ballot dated 18th February, 2015 appointed Shri Amit Yadav as an Independent Director of the Company for a period of five consecutive years effective from 10th November 2014 upto 9th November 2019, Therefore, Shri Amit Yadav is due for retirement from his first term as Independent Director on 9th November, 2019.

The Members of the Company at 77th Annual General Meeting held on 12th August 2015, had appointed Smt. Bharti R. Gandhi as an Independent Director of the Company to hold office for a period of 5 consecutive years effective 11th February 2015 upto 10th February, 2020, and therefore Smt. Bharti R. Gandhi is due for retirement from her first term as Independent Director on 9th February 2020.

Shri Dhirajlal S. Mehta and Shri N. C. Sharma have expressed their intention to not seek re-appointment for second term after the end of their first term, due to their other commitments and pre-occupation. Hence, the Board has not recommended their re-appointment.

The Board upon recommendation of the Nomination and Remuneration Committee, based on the skills, rich experience, knowledge, continued valuable guidance of above said Directors to the management and based on the outcome of performance evaluation, has in the meetings held on May 20, 2019 recommended for re-appointment of Shri Prakash V. Mehta, Shri Amit Yadav and Smt. Bharti R. Gandhi as Independent Directors of the Company for second consecutive term of 5 years subject to approval of members, pursuant to Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Shri Prakash V. Mehta, Shri Amit Yadav and Smt. Bharti R. Gandhi are persons of high repute, integrity and have vast experience and knowledge in diverse areas. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services.

The Company has received from Shri Prakash V. Mehta, Shri Amit Yadav and Smt. Bharti R. Gandhi, i) consent in writing to act as Director, ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164(2) of the Companies Act, 2013, iii) intimation confirming their eligibility for such re-appointment and a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the Listing Regulations, iv) intimation confirming that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties, and v) confirmation that they are not debarred to hold the office of Director by SEBI or any other statutory authorities.

In the opinion of the Board, Shri Prakash V. Mehta, Shri Amit Yadav and Smt. Bharti R. Gandhi, fulfill the conditions specified in the Act and Listing Regulations for their re-appointment as Independent Directors of the Company and are independent of the Management. Copies of the draft letters for their appointment as Independent Directors setting out the terms and conditions would be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company and will be kept open at venue of AGM till the conclusion of the AGM.

In the opinion of the Board of Directors, Shri Prakash V. Mehta, Shri Amit Yadav and Smt. Bharti R. Gandhi, being eligible, approval of members through Special resolution is sought for their re-appointment as Independent Directors, pursuant to Section 149 and other applicable provisions of the Act and Rule thereunder and that the said Directors shall not be liable to retire by rotation.

As required under Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Clause 1.2.5 of Secretarial Standards-2, brief profile and other requisite information of the above said directors is annexed to and forms a part of this Notice.

Your Directors recommend the resolutions at Item Nos. 11 to 13 for approval by Members.

None of the Directors and Key Managerial Personnel including their respective relatives other than directors those mentioned above in their respective resolutions and their relatives are in any way concerned or interested, financially or otherwise, in the said resolutions.

Item No. 14:

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on 20 May, 2019, appointed Shri Sankaran Radhakrishnan (DIN:00381139) as an Additional Director (Independent) of the Company with effect from 20th May, 2019 and he holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and Article 89 of the Articles of Association of the Company.

A notice under Section 160 of the Companies Act, 2013 is received from a member of the Company proposing candidature of Shri Sankaran Radhakrishnan, for appointing him as a Director.

The Company has also received the following from Shri Sankaran Radhakrishnan, i) consent in writing to act as Director, ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013, iii) intimation confirming his eligibility for such appointment and a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the Listing Regulations, iv) Intimation confirming that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties, and v) confirmation that he is not debarred to hold the office of Director by SEBI or any other statutory authorities.

In the opinion of the Board of Directors, Shri Sankaran Radhakrishnan fulfills the conditions for his appointment as an Independent Director as specified in the Act and Listing Regulations. Shri Sankaran Radhakrishnan is an independent of the Management. Accordingly, it is proposed to appoint him as an Independent Director for a term of 5 consecutive years commencing from 20th May, 2019 upto 19th May, 2024 in terms of Section 149 readwith other applicable provisions, if any, of the Act and Regulation 25 of the Listing Regulations 2015. Further, he will not be liable to retire by rotation. A copy of the letter of appointment of Shri Sankaran Radhakrishnan as an Independent Director stating the terms and conditions, is available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company and will be kept open at venue of AGM till the conclusion of the AGM.

As required under Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Clause 1.2.5 of Secretarial Standards-2, Shri Sankaran Radhakrishnan brief resume and other requisite information is annexed to Notice.

As per Section 152 of the Act and the Rules thereunder, a Director can be appointed with the approval of the Members in the General Meeting. Accordingly, the approval of the Members is sought for the appointment of Shri Sankaran Radhakrishnan as an Independent Director.

The Board considers that the appointment of Shri Sankaran Radhakrishnan as an Independent Director, given his vast experience and knowledge in diverse areas, will be in the best interest of the Company.

Your Directors recommend the Resolution at Item No. 14 for approval by the Members.

Except Shri Sankaran Radhkrishnan, none of the Directors or Key Managerial Personnel or their relatives, have any concern or interest, financial or otherwise, in the said Resolution.

Item Nos. 15 to 17:

In terms of Regulation 17 (6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the remuneration payable to Executive Directors who are promoters or member of promoter group, shall be subject to the approval of the shareholders by Special Resolution in General Meeting, if, the aggregate annual remuneration payable to such directors exceed 5% of the net profits of the Company, as calculated under section 198 of the Act, where there is more than one such director.

The Members of the Company in the 79th General Meeting held on 24th July 2017, had re-appointed Shri Niraj Bajaj as Chairman & Managing Director (CMD), Shri Rajesh V. Shah as Co-Chairman & Managing Director (CCMD) and Shri Suketu V. Shah as Joint Managing Director (JMD) of the Company for a period of 3 years with effect from 5th July 2017 on the terms and conditions including remuneration as therein recorded. The aforesaid appointments were approved by an Ordinary Resolution in compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015.

Therefore, in order to comply with the requirement of Amended Listing Regulations and on recommendation of Board of Directors, approval of Members by way of Special Resolution is sought for paying them remuneration/ minimum remuneration even if the annual aggregate remuneration payable to Shri Niraj Bajaj (CMD), Shri Rajesh V. Shah (CCMD) and Shri Suketu V. Shah (JMD), exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of their appointment.

Shri Niraj Bajaj and his relatives may be deemed to be concerned or interested in the resolution no. 15 which pertains to remuneration payable to him.

Shri Rajesh V. Shah and Shri Suketu V. Shah related to each other as brother. Hence they along with their other relatives may be deemed to concerned or interested in the resolutions Nos. 16 & 17 respectively.

Your Directors recommend the resolutions at Items Nos. 15 to 17 for approval by Members.

Except mentioned above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolutions.

By Order of the Board of Directors
For **MUKAND LIMITED**

Place: Mumbai
Date: May 20, 2019

K.J. MALLYA
Company Secretary

Annexure to the Notice

Brief profile of Directors seeking appointment/re-appointment at the Annual General Meeting

[Pursuant to SEBI (LODR) Regulations 2015 and Clause 1.2.5 of Secretarial Standard -2 on General Meetings]

Name of Director	**Suketu V. Shah**	**Dhirajlal S. Mehta**	**N.C. Sharma**
Designation	Joint Managing Director	Independent Director	Independent Director
DIN	00033407	00038366	00054922
Date of birth	4-12-1954	27-04-1936	26-11-1942
Nationality	Indian	Indian	Indian
Date of First appointment on the Board	3-07-1989	22-07-1976	29-05-2004
Board meetings attended FY: 2018-19	3 out of 5	5 out of 5	5 out of 5
Membership / Chairmanship of committees of other Boards as on March 31, 2019, viz. Audit committee, Stakeholders' Relationship committee (SRC), Nomination & Remuneration committee (NRC), Corporate Social Responsibility committee (CSR), Assets & Liability committee.	1. Jeewan Limited: Member - Audit committee 2. Bharat Serums and Vaccines Ltd.: Member - Audit committee and Nomination & Remuneration committee	1. Bajaj Finance Ltd: Member - Audit committee & Stakeholders' Relationship committee	1. PSL Limited: Chairman - Stakeholders' Relationship committee) Member - Audit committee and Nomination & Remuneration committee
Equity Shareholding in Mukand Limited as on March 31, 2019	45,381	277	36
Brief Profile of Director (Qualification/ Expertise/experience including expertise in specific functional areas, awards and recognitions etc. if any,)	**Suketu V. Shah** obtained his B.Com (Hons.) from Sydenham College, University of Mumbai and has a Master's Degree in Business Administration (MBA) from the prestigious Harvard Business School, USA. He has been conferred an Honorary Doctorate (i.e. Doctor of Humane Letters) by the Board of Trustees of Goodwin College, Connecticut, USA. He joined the Company in the year 1984 as Senior Manager and since then been promoted /assigned various key roles in the Company, including General Manager (Commercial), Senior Vice-President before he was appointed as Sr. Vice President & Director of the Company on July 3, 1989 and President & Director of the Company on August 10, 1994. Later he was promoted /designated as the Joint Managing Director of the Company w.e.f. July 14, 2007. He has extensive business experience in various corporate matters of the Company and has successfully led numerous projects. He is responsible for providing strategic planning and direction for corporate affairs of the Company, and of overseeing the operation of the Ginigera Steel Plant of the Company. He is the Chairman of Association of Alloy Steel Producers Associations of India and Past Chairman of the Confederation of Indian Industry (CII), Western Region, the apex industry association in India and Young Presidents' Organization (YPO), Mumbai Chapter.		
	Dhirajlal S. Mehta obtained his B.Com (Hons.) from Sydenham College, University of Mumbai and also a Fellow Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has more than 50 years' experience in Corporate Laws, Taxation matters, Finance and Investment. While in active professional career, he had worked for several committees of SEBI, CII, FICCI and Government of India. He is also associated with a number of social, educational and welfare organizations.		
	N.C. Sharma is an M.A. in English Literature. He has been appointed on the Board of the Company first as Nominee Director of LIC and then as an Independent Director from the year 2004. He has vast experience in the field of Insurance and writes extensively on subjects relating to insurance. He is a Member of the Editorial Board of Asia Insurance Post. He was appointed as Managing Director of LIC in the year 2000, the position from which he retired two years later in the year 2002. He has served on the Boards of several reputed companies including Tata Chemicals Ltd., Punjab Tractors Ltd., IFCI (nominee director).		
List of Directorship on the Board of other Companies as on March 31, 2019	**Suketu V. Shah:** 1) Jeewan Ltd., 2) Hospet Steels Limited, 3) Jyoti Shah Premises and Investments Pvt. Ltd., 4) Kshitij Holdings and Engineering Pvt. Ltd., 5) Akhil Investments & Trades Pvt. Ltd., 6) Galaxy Lifestyle Restaurants Ltd., 7) The Alloy Steel Producers Association of India, 8) Adonis Laboratories Pvt. Ltd., 9) JLS Realty Pvt. Ltd., 10) Bharat Serums and Vaccines Ltd., 11) Shahvir Agro Pvt. Ltd., 12) Akshay Developers (Sion) Pvt. Ltd., 13) Rajvi Engneering and Investments Pvt. Ltd.		
	Dhirajlal S. Mehta: 1) Bajaj Auto Ltd (upto 31-03-2019), 2) Bajaj Finance Ltd. (upto 31-03-2019), 3) The States People Pvt. Ltd., 4) Niche Financial Services Pvt. Ltd., 5) Janmabhoomi News Papers Education Foundation.		
	N.C. Sharma : 1) Asian Oilfield Services Ltd, 2) PSL Limited, 3) Mukand Sumi Metal Processing Ltd.		

Name of Director	Prakash V. Mehta	Amit Yadav	Bharti R. Gandhi	Sankaran Radhakrishnan
Designation	Independent Director	Independent Director	Independent Director	Independent Director
DIN	00001366	02768784	00306004	00381139
Date of birth	12-02-1942	10-08-1954	13-11-1950	12-09-1949
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on Board	29-09-2007	10-11-2014	11-02-2015	20-05-2019
Board meetings attended FY: 2018-19	5 out of 5	4 out of 5	5 out of 5	NA
Membership / Chairmanship of committees of other Boards as on March 31, 2019, viz. Audit committee, Stakeholders' Relationship committee (SRC), Nomination & Remuneration committee (NRC), Corporate Social Responsibility committee (CSR), Assets & Liability committee, Risk Management committee (RMC)	1. Mukand Engineers Ltd: Chairman- Audit committee 2. Advani Hotels and Resorts (India) Ltd: Chairman - Audit committee & NRC committee 3. Oriental Aromatics Ltd: Member - Audit committee & NRC committee 4. Bharat Bijlee Limited: Chairman - SRC committee Member - NRC committee 5. Mukand Sumi Special Steel Ltd. Member- CSR committee 6. Hikal Ltd: Member - Audit, SRC , CSR, RMC & NRC	NIL	NIL	1. Mukand Sumi Metal Processing Ltd.: Member - CSR committee 2. Mukand Global Finance Ltd: Member - Audit committee, Asset Liability Management committee and Nomination & Remuneration committee
Equity Shareholding in Mukand Ltd as on March 31, 2019	NIL	700	5,000	10
Brief Profile of Director (Qualification/ Expertise/experience including expertise in specific functional areas, awards and recognitions etc. if any,)	**Prakash V. Mehta** obtained his LL.B. from the University of Mumbai and has been a Solicitor since 1966. He is an Independent Director of the Company since September 27, 2007. He has vast experience in the field of Law, with special focus on Corporate Laws, Acquisitions, Joint Ventures , Foreign Collaborations and Property Laws. He is a Managing Partner of M/s. Malvi Ranchoddas & Co., a renowned firm of Advocates & Solicitors, Mumbai. He is a Member of the Maharashtra & Goa Bar Association and on the Managing Committee of the Bombay Incorporated Law Society. He is also a Director on the Board of several reputed companies.			
	Amit Yadav is a BSc. (Hons.) (Civil Engg.) from Punjab Engineering College, Chandigarh and also holds qualifications in Computer. He is a Fellow Member of Institution of Engineers (India) and a member of the panel of Arbitrators of Construction Industry Arbitration Council, New Delhi. He has wide and varied experience covering design, planning and project management of power and real estate projects. He joined Life Insurance Corporation of India (LIC) in 1996 and had worked as an Executive Director (Engineering) at Central Office, Mumbai with overall responsibility for all engineering functions and development of real estate and retired in August, 2014. He was also associated with Public Health Department of Uttar Pradesh (U.P.) and U.P. State Electricity Board. He was on the Board of Mukand as Nominee of LIC during the period from 27th October, 2010 to 13th August, 2014 and later on was appointed as an Independent Director w.e.f. 10th November, 2014.			
	Bharti R. Gandhi holds a Master's degree in Applied Biology from the University of Mumbai. She founded the Bacteriology Department at Tata Memorial Hospital. She is a Past President of the Ladies' Wing of the Indian Merchants' Chamber. She has served as a Special Executive Magistrate, and was on the Managing Council of Sir Harkisondas Hospital. She has also served on the Tourism Committee of ASSOCHAM for 2 Years and Script Committee of Children's Film Society India (CFSI). She was the Founder President of Inner Wheel Club of Bombay Central. She is a 'Sangeet Visharad' from Bhatkhande University, Lucknow. She is on the Board of the Company since 11th February 2015 as an Independent Director.			
	Sankaran Radhakrishnan holds a Bachelor's degree in Engineering (Mech.) from Madras University and an MBA (Finance & Marketing) from the Indian Institute of Management (IIM), Kolkata. He had worked in Industrial Machinery Division, Engineering Projects Division of the Company and was responsible for the execution and implementation of NHAI Road Projects. He has extensive experience in the field of manufacturing, designing, planning and quality control of Precision Machinery and Heavy duty Industrial Machines.			
List of Directorship on the Board of other Companies as on March 31, 2019	**Prakash V. Mehta:** 1) Oriental Aromatics Ltd, 2) Hikal Ltd, 3) Bharat Bijlee Ltd, 4) Mukand Engineers Ltd, 5) Mukand Sumi Special Steel Ltd, 6) Advani Hotels And Resorts (India) Ltd, 7) Tulsidas Khimji Pvt Limited, 8) India Safety Vaults Pvt. Ltd, 9) Lotus Shopping Centres Pvt Ltd, 10) Pegasus Assets Reconstruction P. Ltd, 11) IRIS Investment Advisors Private Limited, 12) Rajasvi Prosperities Holdings Pvt. Ltd., 13) Bombay Incorporated Law Society			
	Bharti R. Gandhi: 1) Beacons Pvt. Ltd., 2) Pravin Chandra Pvt. Ltd, 3) Young Buzz India Limited			
	Sankaran Radhkrishnan: 1) India Thermal Power Limited, 2) Bombay Forgings Limited, 3)Vidyavihar Containers Limited, 4) Mukand Global Finance Limited, 5) Mukand Engineers Limited, 6) Mukand Sumi Metal Processing Limited.			

For other details such as remuneration drawn, terms & conditions of appointment/re-appointment and relationship between directors and KMP in respect of above directors, please refer to the Corporate Governance report which is a part of this Annual Report.

Directors' Report

1. The Directors present the 81st Annual Report along with the audited Financial Statements of the Company for the year ended March 31, 2019.

2. **Financial Results:**

Standalone Financial Highlights:

(Rupees in crore)

Description	Financial year 2018-19	Financial year 2017-18
Total Revenue	**3,666.98**	3,407.58
Earnings before Interest, Depreciation, Fair value Gains and Tax	**155.72**	74.18
Interest (net) and Depreciation	**311.72**	298.47
Profit / (Loss) before Fair Value Gains, Exceptional items & tax	**(156.00)**	(224.29)
Gain on Fair Valuation of Investments	**23.67**	263.59
Exceptional Income / (Expenses)	**--**	(13.46)
Sub-Total	**23.67**	250.13
Profit/(loss) before tax	**(132.33)**	25.84
Current Tax / Deferred Tax Credit / (charge) (net)	**48.22**	18.22
Profit/(Loss) after Tax	**(84.11)**	44.06
Other Comprehensive Income (net)	**3.50**	30.71
Total Comprehensive Income	**(80.61)**	74.77
Earnings per Share (in Rupees)	**(5.95)**	3.12

3. **Financial Performance and the State of Company's affairs:**

The total revenue for the year was Rs. 3,666.98 crore as compared to Rs. 3,407.58 crore in the previous year. 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.

4. **Dividend & Transfer to reserves:**

The Directors have not recommended any dividend on account of the loss for the year under report. No amount has been transferred to the reserves.

5. **Amalgamation of Group Companies:**

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.

This proposed Amalgamation will streamline the management structure with one listed company in the group, leading to better administration and reduction in costs for more focused operational efforts, rationalization, standardization and simplification of business.

MEL which was formerly part of the Industrial Machinery division of the Company, was formed as a separate entity 32 years ago to derive certain advantages from the then prevailing market and indirect taxation structure. The merged entity, will now be better placed to qualify for large tenders for infrastructure projects in the coming years.

The Company's Industrial Machinery Division and MEL are both in engineering business providing design, manufacture, supply and installation of equipment for a common market that includes customers in the Ferrous, Non-Ferrous, Power and infrastructure sectors. This merger between the two businesses will result in greater potential for the combined entity to secure better and higher volume of business and enable the Company to diversify into related areas.

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.

6. **Joint Ventures:**

6.1 Mukand Sumi Metal Processing Limited (MSMPL) is a Joint Venture with Sumitomo Corporation (SC), Japan in the business of manufacturing and marketing cold finished bright bars and wires. During the year under review, revenue from operations was Rs. 815.56 crore and the Profit Before Tax stood at Rs. 11.24 crore.

6.2 Mukand Sumi Special Steel Limited (MSSSL), is also a Joint Venture with SC in the Business of manufacturing and marketing Alloy Steel bars and rods. During the year under review, the revenue from operations was Rs. 2,054.21 crore and the Profit Before Tax was Rs. 35.48 crore.

7. **Finance**

7.1 Share Capital:

The paid-up equity share capital as on March 31, 2019 was Rs. 141.41 crore. During the year under review there was no change in the Share Capital of the Company.

7.2 Material Changes & Commitments:

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this report.

7.3 Fixed Deposits:

The Fixed Deposits accepted during the year amounted to Rs. 0.37 crore and the Company re-paid (including transfer to IEPF) an amount of Rs. 30.37 crore in accordance to the Companies (Acceptance of Deposits) Rules 2014. The matured & unclaimed deposits as at the end of the year were Rs. 0.49 crore. There has been no default in repayment of deposits or payment of interest during the year. There are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

8. **Corporate Social Responsibility (CSR):**

8.1 The Company has constituted a CSR Committee of the Board of Directors pursuant to Section 135 of the Companies Act, 2013. As on March 31, 2019, the Committee comprised of Shri Niraj Bajaj, Shri Rajesh V. Shah, Shri Suketu V. Shah and Shri Dhirajlal S. Mehta During the year under review there was no change in the composition of the Committee. 1 (one) meeting of committee was held on 29th May 2018 which was attended by all the members of the Committee. As per the relevant provisions of the Companies Act, 2013, the Company is not required to incur any expenditure in pursuance of the CSR Policy in view of the aggregate losses as calculated in accordance with Sections 135 and 198 of the Companies Act, 2013 during the three immediate preceding financial years. However, the Company has carried out the following activities voluntarily under CSR.

At Steel Plant, Ginigera:

The Company sponsored Children's Day, Independence Day and Republic Day celebrations at the local schools and also distributed notebooks and pencils to the students. Cricket tournaments were organized amongst various High Schools in the region and 24 schools participated in the same. The Company also organized a health camp across 5 villages in the vicinity. It also contributed towards Child Marriage Prevention campaign by Koppal District Authorities. The Company also participated and encouraged local festivals.

At Steel Plant, Dighe, Thane:

The Company with active support from Janakidevi Bajaj Gram Vikas Sanstha (JBGVS) continues its effort in promoting education of the economically disadvantaged children in Shahapur Taluka of Thane district as part of its CSR programme. During the year, the Company supported more than 10,000 students studying across 44 schools in Shahapur taluka by providing them with free text books, notebooks and uniforms . The Company also conducts free math classes during non-school hours for girl students studying in classes 7, 8 and 9. The Company also has helped many of these schools in repairing their infrastructure. During the year, the Company also provided a nutritional snack, three times a week, to the children in 19 schools and hopes to increase the same to all high schools in Shahapur Taluka.

By the Mukand's Joint Venture company

MSMPL engaged the services of Concern India Foundation and Mimaasa Foundation to identify and provide remedial action and counselling for children with learning defects in two TMC schools in Thane Municipality.

MSMPL also provided nutritional snacks, three times a week, to children from 5 schools studying in Shahapur Taluka.

8.2 By the Bajaj Group:

In addition to the activities carried out by the Company, the Bajaj Group is involved in a number of CSR projects through various trusts and group companies. The guiding principles of spending on these projects are: benefit generations, educate for self-reliance and growth, promote health, encourage for self-help, focused approach, targeted towards needy and sustenance of natural resources. These projects are in the areas of rural development, education, health care, economic and environmental development, social and urban development, protection of culture, employment enhancing vocation skills and livelihood enhancement particularly for women, homes/hostels for women, education for differently abled children and measures for benefit of armed forces veterans. The group also manages schools, colleges, hospitals, and a nursing college. It helps NGOs, Charitable Bodies and Trusts operating at various locations. One of the trusts also gives awards for outstanding contribution for constructive work for application of science, technology and upliftment and welfare of women and children along Gandhian lines. Rural and community development activities are also conducted in the villages.

9. Statutory disclosures:

The Statutory Disclosures in accordance with Section 134 read with Rule 8 of Companies (Accounts) Rules 2014, Section 178, Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR 2015).

9.1 Management Discussion and Analysis:

As required under Regulation 34(2) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR 2015), Management Discussion and Analysis is enclosed as a part of this report as – **Annexure-1.**

9.2 Corporate Governance Report:

The Company has complied with the Corporate Governance requirements under the Act and SEBI Listing Regulations.

A report on Corporate Governance together with the certificate of the statutory auditors confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of SEBI LODR 2015 is enclosed as a part of this report as – **Annexure-2.**

9.3 Extract of Annual Return:

Extract of annual return as at March 31, 2019 in the prescribed format under the Companies Act, 2013 (MGT-9) is enclosed as part of this report as – **Annexure-3** and is also available on the website of the Company and same can be accessed at https://www.mukand.com.

9.4 Number of meetings of the Board and its Committee:

During the year under review, 5 (five) Meetings of the Board of Directors of the Company were convened and held. Detailed information on the meetings of the Board and its various Committees are included in Corporate Governance Report forming part of this report.

9.5 Directors' Responsibility Statement:

Pursuant to Section 134 (3)(c) of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, confirm that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

ii. Appropriate accounting policies have been selected and applied consistently. Judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019, and of the loss of the Company for the year ended March 31, 2019;

iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Annual Accounts have been prepared on a going concern basis;

v. Internal financial controls have been laid down and followed by the Company and that such controls are adequate and are operating effectively;

vi. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

9.6 Statement on declaration given by Independent Directors:

The Company has received necessary declarations/confirmation from each Independent Director under Section 149(6) and 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) and Regulation 25(8) of the SEBI LODR Regulations 2015 that they meet the criteria of independence laid down thereunder.

9.7 Disclosure regarding Company's policies under Companies Act, 2013:

Company's policies on i) Director's appointment and remuneration, determining criteria for qualification/independence, ii) Remuneration for Directors, Key Managerial Personnel and other employees, iii) Performance evaluation of the Board, Committees and Directors, iv) Materiality of Related Party transactions, v) Risk Management, vi) Determining Material Subsidiaries and vii) Whistle Blower/Vigil Mechanism along with details of web link (in cases where it is prescribed) are given in **Annexure-4.**

9.8 Particulars of Loans, Guarantees and Investments:

The particulars of loans, guarantee or investments given or made by the Company under Section 186 of the Act are disclosed in Notes to the Financial Statements.

9.9 Related Parties Transactions:

There were no Related Party Transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of Section 188 of Companies Act, 2013. However, there were material RPTs, which got covered as material RPTs under Regulation 23 of SEBI LODR 2015.

During the year 2018-19, pursuant to Section 177 of the Companies Act, 2013 and Regulation 23 of SEBI LODR 2015, all RPTs were placed before Audit Committee for its prior / omnibus approval. The requisite disclosure in Form AOC-2 is furnished in **Annexure-5**

The policy on RPTs as approved by the Board is uploaded on the Company's website.

9.10 Conservation of Energy, technology absorption, imported technology, Foreign Exchange earnings and outgo:

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided in **Annexure-6**.

9.11 Report on the subsidiaries, associates and joint venture Companies. names of Companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies:

A report on performance and financial position of each of the subsidiaries, associates and joint venture companies together with names of companies which have become or ceased to be subsidiaries, joint ventures or associate companies during the year under review are furnished in **Annexure-7.**

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with the relevant documents and separate audited financial of statements in respect of subsidiaries, are available on the Company's website, www.mukand.com.

9.12 Significant and Material orders passed by the Regulators or Courts:

During the year, no significant and material orders were passed by any of the Regulators or Courts.

9.13 Details of Directors or KMP who are appointed/re-appointed or have resigned/retired(including by rotation) during the year:

Resignation: Shri Narendra J. Shah, Non-Executive Director resigned from the Board with effect from November 14, 2018, due to personal reasons. The Board placed on record its appreciation of the valuable contribution and services rendered by him during his long association with the Company.

Retirement: The first term of Shri Dhirajlal S. Mehta and Shri N. C. Sharma Independent Directors of the Company expires on the date of the ensuing Annual General Meeting. They have expressed their intention to not seek re-appointment for second term due to their other commitment and pre-occupation and hence, the Board has not recommended their re-appointment. The Board places on record its appreciation of their valuable contribution and services rendered by Shri Dhirajlal S. Mehta and Shri N. C. Sharma during their long tenure as Independent Directors of the Company.

Directors liable to retire by rotation: Shri Suketu V Shah retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The members are requested to consider and approve his re-appointment.

Re-appointment: The first term of Shri Prakash V. Mehta, Shri Amit Yadav and Mrs. Bharti R. Gandhi will expire on 8th August 2019, 9th November 2019 and 10th February 2019 respectively.

The aforesaid Independent Directors, being eligible, the Board recommends their re-appointment for a second term of five years to the shareholders of the Company at the ensuing AGM. Members are requested to consider and approve their re-appointment.

Appointment: based on recommendation of Nomination and Remuneration Committee (NRC) Shri Sankaran Radhakrishnan (DIN: 00381139) was appointed as an Additional Director (Independent) by the Board of Directors effective from May 20, 2019 subject to approval of Members at ensuing Annual General Meeting. A resolution seeking appointment of Shri Sankaran Radhakrishnan as an Independent Director for five years is provided at item no. 14 of notice of the ensuing AGM. Members are requested to consider and approve his appointment.

Pursuant to Section 149(4) of the Companies Act, 2013 read with Regulation 17(1) of SEBI LODR Regulations 2015, the Board has one half of its directors in the category of independent directors in terms of aforesaid Regulation.

Changes in Key Managerial Personnel :

During the year, Shri S.B. Jhaveri, Chief Financial Officer retired on December 31, 2018 after rendering 62 years of continuous and meritorious service. The Board records its sincere appreciation for the exemplary contribution, support and guidance provided by him during his long tenure with the Company. Shri Umesh V. Joshi, who was Controller of Accounts and has experience of 46 years in the Company has been appointed by the Board as Chief Financial Officer with effect from February 12, 2019.

9.14 Performance evaluation of the Board:

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Board Committees viz. Audit committee, Nomination & Remuneration committee, Stakeholders' Relationship committee. For further information with regard to manner in which evaluation was carried out etc. refer Performance Evaluation section of Corporate Governance Report attached to this report.

The Independent Directors of the Company met separately on 12th February 2019 to discuss the following:

i) review the performance of non-independent directors and the Board as a whole;

ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;

iii) assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present at the Meeting and discussed the above and expressed their satisfaction.

9.15 Internal Financial Controls with reference to financial statements:

Adequate systems for internal controls provide assurances on the efficiency of operations, security of assets, statutory compliance, appropriate authorization, reporting and recording of transactions. The scope of the audit activity is broadly guided by the annual audit plan approved by the top management and audit committee. The Internal Auditor prepares regular reports on the review of the systems and procedures and monitors the actions to be taken.

9.16 Details relating to Remuneration of Directors, Key Managerial Personnel and Employees:

The information required under Section 197 of the Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished in **Annexure-8.**

9.17 Safety, Health and Environment:

The Company pays utmost importance towards safety and health of its employees by implementing policies, procedures and conducting various awareness programmes among the employees. It conducts many promotional activities among its work force on safety adherence and developing the community on national and international events related to Health, Safety and Environment. During the year under report, National Safety Week and Environment Day were observed by reminding the employees through campaigns on its crucial significance in today's world. All functional Departments work in cohesion to a common goal that includes efficiency in energy and in utilizing natural resources with minimal or no damage to the environment.

9.18 Consolidated Financial Statements (CFS):

The CFS is prepared by the Company pursuant to Section 129(3) of the Companies Act, 2013 in accordance with the requirements of Ind – AS 110 – Consolidated Financial Statements read with other applicable Indian Accounting Standards. Segment-wise disclosure of revenues, results, assets and liabilities on the basis of segments are separately given in a tabular form in the Consolidated Financial Statements.

9.19 Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the year under review, no case was reported to the Committee formed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

10. Auditors :

10.1 Messrs Haribhakti & Co. LLP, Chartered Accountants, Mumbai, (Firm Registration No.103523W) have been Auditors of your Company continuously for a period of 9 years starting from the year 2010-11. Under the provisions of Companies Act, 2013 an audit firm can conduct Statutory Audit upto maximum period of 10 consecutive years. Your Board, therefore, proposes to re-appoint them as Statutory Auditors for conducting audit of financial statements of FY 2019-20. Messrs Haribhakti & Co. LLP are eligible for the said re-appointment for Financial Year 2019-20 and have furnished necessary certificate of their eligibility and consent to act as the Auditors of the Company. Accordingly, a resolution seeking re-appointment of Haribhakti & Co LLP, as Statutory Auditors is provided at item no. 3 of the notice of the ensuing AGM.

10.2 Based on recommendation of the Audit Committee, Board has re-appointed CMA Sangeeta Kulkarni, Cost Accountants, as Cost Auditors of the Company for the financial year 2019-20. A resolution seeking ratification of remuneration payable to the Cost Auditors for F.Y. 2019-20 is provided at item no. 4 of the notice of the ensuing AGM.

10.3 Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board has appointed Anant Khamankar of M/s. Anant B. Khamankar & Co. (Membership No. FCS: 3198), Practising Company Secretary, to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2019. Secretarial Audit report is enclosed to this report as **Annexure-9.**

11. Auditors' Report:

The observations made in the Statutory auditors' report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under Section 134(3)(f) of the Companies Act, 2013. Secretarial Auditors report does not contain any qualification, reservations, adverse remark or disclaimer.

12. Confirmation of Compliance of Secretarial Standards:

The Company has complied with applicable Secretarial Standards during the year under review.

13. Acknowledgement:

The Board of Directors thanks the Banks, Central and State Government Authorities, Shareholders, Customers, Suppliers, Employees and Business Associates for their continued co-operation and support to the Company.

On behalf of the Board of Directors,

Niraj Bajaj	**Rajesh V. Shah**
Chairman & Managing Director	**Co-Chairman & Managing Director**
DIN: 00028261	**DIN: 00021752**

Mumbai, May 20, 2019

Management Discussion & Analysis

Generally, sustainability has been associated with activities related to the environment. Today we understand that Sustainability is not limited to the environment and greenery alone but incorporates the very existence of life on the planet.

Sustainability in Business Strategy is about survival of Industry by doing business in a manner that contributes to the survival of the people, planet and eco system. The Sustainable Development Goals adopted by the United Nations member states calls upon not just governments but also civil society and business to join together to improve the health and education of humanity, reduce inequality, and spur economic growth for the sustenance of humanity while tackling climate change and working to preserve our ecosystem. Simply put, it is about the economic, cultural, social and ecological aspects of life.

The manufacturing sector perhaps could take the lead to spur economic activity given the knowhow, scalability and ingenuity that is inherent to this sector. Incorporating sustainability into the core of business, results in creating a balanced economic, social and environmental value to a whole range of stakeholders which is beyond employees, customers and the immediate beneficiaries.

Mukand – having successfully continued in the manufacturing industry for more than 80 years doing business in an ethical and sustained manner focuses on incorporating sustainability in its Business Strategy. Our endeavor today is to put sustainability at the top of every decision, action and plan. It is an ongoing transformation to bring in the larger picture and not succumb to short term goals.

The Big challenge is to grow the economy while leaving the world a better place. To achieve this, there has to be a paradigm shift in the way we do our business. We have to do more with less, balance national interest with responsibilities as a global community and achieve short term results while making long term investments.

The Global Economy

Global growth softened to 3.6 percent in the calendar year of 2018 and is projected to decline further to 3.3 percent in 2019. There was a downward revision in growth of 0.2 percentage points for 2019 from the January 2019 projection. With improved prospects for the second half of the calendar year of 2019, global growth in 2020 is projected to return to 3.6 percent. This recovery is precarious and predicated on a rebound in emerging market and developing economies, where growth is projected to increase from 4.4 percent in 2019 to 4.8 percent in 2020.

Turbulence in the international oil market has made an unexpected comeback in January 2019 when prices sharply rose after the US imposed sanctions on countries dealing with Iran. This order will significantly increase in inflation in non-oil producing countries, including India.

The Indian Economy

Since September 2018, the industrial sector witnessed a sharp production slowdown, lower than expected sales and high inventory build-up. The last six months have seen weak demand and lower sales growth in key sectors such as, automobile, fast-moving consumer goods (FMCG), etc.

According to the 'Monthly Economic Report' for March 2019 released by the Department of Economic Affairs, "declining growth of private consumption, weak increase in fixed investment and muted exports were some of the reasons for the slowdown.

The Steel Industry

The World Steel Association had estimated steel demand in India to touch 103 million tonnes (mt) in 2019 as against 96 mt logged in 2018. It is estimated to further grow to 110.2 mt in 2020. However, The Indian Steel Association expects the steel demand to slow down from 8 percent in 2018 to 7.2 per cent for the next two years due to relatively slow growth in major consuming sectors such as automotive and consumer durables.

The Indian automobile industry, has recorded a slowdown after a near-decade of high growth. The Society of Indian Automobile Manufacturers (SIAM) announced a 17 percent decline in passenger vehicle sales for April, the lowest in nearly eight years. The automotive sector is witnessing softer demand since October 2018 but is expected to revive in July due to pre-buying before the BS-VI norms kick in.

The Company

The Turnover of the company for the year 2018 -19 stood at Rs 3,547.98 crore as against Rs.3,074.66 crore in the previous year despite a lackluster economy. The EBIDTA has improved to Rs.155.72 crore as against Rs.74.18 crore in the previous year. The interest cost continues to be high due to large borrowings.

The revenue of the Steel Division has increased to Rs. 3,451.35 crore from Rs. 3,033.40 crore in the previous year.

The billet and blooms production during the year was marginally lower and correspondingly, the rolled and finished production was also marginally lower. The development of new products and customers enabled the company to maintain the production levels in spite of lower demand during the second half of the year. The selling price was increased to partly cover the increased input costs. The company's exports increased to Rs. 257.74 crore as against Rs. 219.42 crore in the previous year, an increase of 17.5%.

International prices of Iron Ore (both fines and lumps), the principal raw material required to produce steel continued to soar during the year under report. However. iron ore from the mines in Karnataka showed volatility. Prices of Metallurgical coke, coking coal, Nickel, stainless steel scrap, etc. although had risen in the first two quarters of the year, declined marginally in the third quarter.

The revenues of the Industrial Machinery Division for the year under report stood at Rs.138.66 crore as against Rs.80.50 crore in the previous year. The year under report brought hope to a revival of the otherwise dormant capital goods market.

The division received and executed export orders for EOT cranes to Bangladesh and Oman. In the year under report, the division also executed domestic orders for various Shipyards. The Company has received orders from some of the steel plants and Naval Dockyards during the year.

Two major orders received in the Financial years 2016 and 2017 from SAIL were commissioned in the year under report.

This revived activity in the capital equipment market shows promise and the division expects the division to stimulate more orders in the coming year.

The rupee weakened as against the dollar by 6.52 percent during the year under report. The exchange rate was volatile to the extent of 14.85 percent.

Significant changes in key financial ratios as compared to the previous year

Operating profit margin ratio has improved to 2.55% as compared to 0.18% in the previous year. Net profit /(loss) margin ratio is at (2.75%) as against (5.18%) for the previous year. Interest coverage ratio is better at 0.61 as compared to 0.25 in the previous year.

Operating profit and net profit /(loss) margin ratios have improved for the year under report. In steel business higher sales realisation was on account of better product mix and increase in turnover. In case of industrial machinery business, larger turnover as compared to previous year, resulted in lower segment loss. The interest coverage ratio has improved in view of increased operating profit margin.

For computation of these ratios, the gains on fair value of equity investments have not been considered being of non-operating nature. Operating profit margin ratio is calculated taking all the expenses except interest expenses.

Current ratio for the year under report is 1.34 as against 0.95 for the previous year. Debt equity ratio stood at 21.35 as compared to 9.23 in the previous year.

Unsecured long term funds were obtained to improve current ratio by payment to trade creditors and finance cash losses incurred.

Sustainability of our Business

Over the years, the company has been shifting its focus towards sustainable development by upgrading its processes and technology with modern, more efficient, energy saving equipment. For example the continuous casting machine at the Ginigera steel plant has been modernised to enhance the quality of the output while increasing the life of the equipment. The modern ultrasonic testing and eddy current steel bar testing equipment and the computer aided roll pass cutting hardware and software for roll turning lathes will all contribute towards increasing the efficiency and quality of our products.

There is no doubt that renewable energy is the best sustainable form of energy. At Mukand 45% of energy needs are met through wind and flue gases from the Blast Furnace.. The company also plans to move towards using natural gas as fuel in place of fossil fuels currently used in the Billet re-heating furnaces.

The company continues to develop new products that are either import substitutes or niche in the market thereby consolidating its market position as one of the formidable quality producers of steel in India. These efforts made by your company also help customers to use alternate cheaper process routes for their production requirements.

The Test lab in Mukand continues its certification by National Accreditation Board for Testing & Calibration Laboratories (NABL) under ISO/ IEC 17025:2005 Laboratory quality Management system. The steel plant also achieved recertification by BVC for IATF:16949:2016, ISO 9001:2015, ISO 14001:2015. Surveillance audits for AD 2000 and pressure equipment directive 2014/68/EU and ISO 50001:2011 were also successfully completed.

Total Productive Maintenance (TPM) that the Company adopted in the 90s is based on a holistic approach to equipment maintenance that strives to achieve perfect production with no breakdowns, no defect and no accidents. TPM emphasises on proactive, preventive maintenance to maximise the operational efficiency of equipment. This philosophy is complimentary to the idea of sustenance as operational efficiency saves time and optimises the consumption of energy and all raw materials.

The Government of India set up the Bureau of Energy Efficiency (BEE) in the year 2002 with the objective of reducing the energy intensity of the Indian economy through active participation of all stake holders. In the two PAT cycles (Perform, achieve and Trade) monitored by the government, Mukand was able to achieve energy levels better than the target and thus earned energy credits from BEE. This achievement reaffirms the commitment that has fructified in actions towards energy conservation and sustainability.

Water is yet another precious resource that requires urgent sustainability measures. The consumption of water in industries such as ours, is huge. At Mukand, there is a constant effort to minimise usage of this precious resource and also recycle water wherever possible. It is a matter of pride to mention here that the daily consumption of water at Kalwe Plant has been reduced drastically from 1200 kl to 800 kl in five years.

In Mumbai Chapter of QCFI, five teams of the company participated in Quality Circle and Kaizen competitions. All the five teams won the Gold Award in their respective competitions. Three of these teams participated in the national level competition and were awarded “Par Excellence”.

The Safety and Health of the employees are of great concern for the company and continuous measures are taken to impart information on the same. Every employee undergoes training and the company also insists that all employees are trained and informed about the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company entered into a Wage Settlement with the recognised Union on 26.05.2018 after prolonged negotiations. This settlement is effective for five years from 1st April 2018. It may be noted that the Company entered into six settlements covering a period of 34 years without any industrial unrest. The company places on record the dedication and commitment of all employees and looks forward to their continued support.

On behalf of the Board of Directors,

Niraj Bajaj	**Rajesh V. Shah**
Chairman & Managing Director	**Co-Chairman & Managing Director**

Mumbai, May 20, 2019

Annexure to the Directors' Report — Annexure-2

Corporate Philosophy: Mukand continues to uphold its commitment to adhere to high standards of Corporate Governance. The Company strives to ensure transparency in all its operations, make disclosures and comply with various laws and regulations. Emphasis therefore, is on adding value to its shareholders, investors, employees, suppliers, customers and the community. Your Company is in full compliance with the norms and disclosures that have to be made from time to time with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR, 2015] as amended.

1. THE BOARD OF DIRECTORS:

1.1 Composition and size of the Board:

The Board has an optimum combination of executive and non-executive directors. As on 31st March, 2019, the Board comprised of 9 (nine) directors, out of which 4 (four) were Executive Directors and 5 (five) were Non-Executive Independent Directors (including one woman director). The Company has had no pecuniary relations or transactions with the Non-Executive Directors/independent directors other than payment of sitting fees and reimbursement of expenses incurred by them for attending meetings of the Board/Committees of the Company.

1.2 Board Meetings:

During the year under review, 5 (five) Board Meetings were held on May 29, 2018; July 16, 2018; August 13, 2018; November 14, 2018 and February12, 2019. The Board was presented with relevant, statutory and necessary information at these meetings. The composition of the Board at the end of FY: March 31, 2019, attendance of each Director at the Board Meetings during the year and at the last Annual General Meeting along with details of number of other public limited companies and committees where he/she is a director and member/chairman respectively as on 31st March, 2019 is tabulated hereunder:

Sr. No.	Name of the Director	Category	Attendance Particulars		#Number of positions held in other Public Limited Companies excluding Mukand Ltd.		
			Board Meetings	Last AGM on 13.08.2018	No. of Directorships	No. of Committee Memberships (including as Chairman)	No. of Committee Chairmanships (excluding Board's Chairmanship)
1.	Niraj Bajaj (DIN: 00028261)	P.CMD	5/5	Yes	6	1	1
2.	Rajesh V. Shah (DIN: 00021752)	P.CCMD	3/5	Yes	5	3	-
3.	Dhirajlal S. Mehta (DIN: 00038366)	I.NED	5/5	Yes	2	2	-
4.	Suketu V. Shah (DIN: 00033407)	P.Jt.MD	3/5	Yes	4	2	-
5.	Narendra J. Shah * (DIN: 00047403)	P.NED	1/3	No	Not applicable since resigned		
6.	N.C. Sharma (DIN: 00054922)	I.NED	5/5	Yes	3	2	1
7.	Prakash V. Mehta (DIN: 00001366)	I.NED	5/5	Yes	7	7	3
8.	Amit Yadav (DIN: 02768784)	I.NED	4/5	Yes	-	-	-
9.	Bharti R. Gandhi (DIN: 00306004)	I.NED	5/5	Yes	1	-	-
10.	Pratap V. Ashar** (DIN:02436046)	WTD	4/5	Yes	1	-	-

P: Promoter; **CMD:** Chairman & Managing Director; **CCMD:** Co-Chairman & Managing Director; **I**: Independent; **NED:** Non-Executive Director; **Jt. MD:** Joint Managing Director; **WTD:** Whole time Director.

Rajesh V. Shah and Suketu V. Shah are related as brothers (except these, no director is related to any other directors and KMPs on the Board).

* Narendra J. Shah ceased to be a director of the Company w.e.f. 14th November 2018 due to his resignation from the Board of the Company on personal ground.

** Pratap V. Ashar was appointed as Director & Advisor-Administration of the Company w.e.f. 29th May 2018.

None of the directors is a member of more than ten committees or acting as Chairman of more than five committees across all companies in which he/she is a Director. As per declarations received, none of the directors serves as an independent director in more than seven listed companies. Further, none of the whole-time directors in the Company serve as an Independent director in more than three listed companies. Brief profile of each of the above Directors is available on the Company's website: www.mukand.com.

For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not have been included, and all other companies including private companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded. Only Audit Committee and Stakeholders' Relationship Committee are considered for the purpose of reckoning committee positions.

None of the directors holds office as director including alternate director, in more than twenty companies at the same time. None of them has directorship in more than ten public companies. For reckoning the limits of public companies, directorship of private companies that are either holding or subsidiary of public companies are included and directorship in dormant companies are excluded.

1.3 Directorship in other listed companies as on March 31, 2019, is tabulated hereunder:

Sr. No.	Name of the Director	Name of listed companies/category of directorship
1.	Niraj Bajaj	1. Bajaj Auto Limited – Non Executive Director 2. Mukand Engineers Limited- Non Executive Director
2.	Rajesh V. Shah	1. Mukand Engineers Limited- Non Executive Director
3.	Suketu V. Shah	NIL
4.	Dhirajlal S. Mehta	1. Bajaj Auto Limited – Independent Director 2. Bajaj Finance Limited– Independent Director
5.	N.C. Sharma	1. PSL Limited – Independent Director
6.	Prakash V. Mehta	1. Oriental Aromatics Ltd. - Independent Director 2. Hikal Limited- Independent Director 3. Bharat Bijlee Limited- Independent Director 4. Mukand Engineers Limited- Independent Director 5. Advani Hotels and Resorts (India)Limited- Independent Director
7.	Amit Yadav	NIL
8.	Pratap V. Ashar	NIL
9.	Bharti R. Gandhi	NIL

1.4 Skills / Expertise / Competencies of the Board of Directors:

The List of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business are as follows:-

i) Knowledge on Company's businesses (Steel and Industrial Machinery Division), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.

ii) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.

iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.

iv) Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR etc.

v) Technical / Professional skills and specialized knowledge in relation to Company's business.

The aforesaid skills are available with the Board Members.

1.5 Confirmation regarding Independent Directors:

Based on annual declaration of independence received from Independent Directors, all the independent directors of the Company meet the conditions specified in SEBI Listing Regulations 2015 and are independent of the management.

None of the Independent Directors of the Company resigned before the expiry of their respective tenure during FY 2018-19.

1.6 Information supplied to the Board:

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to officers of the Company. In addition to items which are required to be placed before the Board for its noting and /or approval, information is provided on various significant items. The information supplied by management to the Board of the Company is in accordance with SEBI LODR, 2015.

1.7 Orderly succession to Board and Senior Management:

The Board of the Company satisfied itself that plans are in place for orderly succession for appointments to the Board and to senior management.

1.8 Review of legal compliance reports:

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the management.

1.9 Maximum tenure of independent directors:

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and regulation 25 of SEBI LODR, 2015.

1.10 Formal Letter of Appointment to independent directors:

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment of independent directors are placed on the Company's website www.mukand.com.

1.11 Appointment / Re-appointment of Directors:

a) Directors liable to retire by rotation

Suketu V. Shah, Joint Managing Director, being liable to retire by rotation, shall retire at the ensuing AGM and being eligible for re-appointment, offers himself for re-appointment.

b) Independent Directors

1. Prakash V. Mehta, Independent Director of the Company will complete his first term as an Independent Director on the date of ensuing 81st AGM i.e., August 8, 2019 and is eligible for re-appointment for the second term of five consecutive years commencing from August 9, 2019 upto August 8, 2024.

2. Amit Yadav, Independent Director of the Company will complete his first term as an Independent Director on 9th November 2019 and is eligible for re-appointment as an Independent Director of the Company for the second term of five consecutive years commencing from November 10, 2019 upto November 9, 2024.

3. Bharti R. Gandhi, Independent Director of the Company will complete her first term as an Independent Director of the Company on 10th February 2020 and is eligible for re-appointment as an Independent Director of the Company for the second term of five consecutive years commencing from 11th February 2020 upto 10th February 2025.

4. Sankaran Radhakrishnan was appointed as an additional director (Independent) of the Company by the Board effective from May 20, 2019 subject to approval of Members in the ensuing Annual General meeting.

Board has recommended for the appointment /re-appointment of aforesaid Directors. Brief profile and other particulars of aforesaid Directors in pursuance of regulation 36(3) of the SEBI LODR, 2015 are annexed to the Notice convening Annual General Meeting, which forms part of the Annual Report.

1.12 Familiarisation Programme:

The Company familiarizes not only the Independent Directors but every new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, operations of the Company, etc. They are also informed of the important policies of the Company, including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading in securities by Insiders, etc. The particulars of familiarization programme for Independent Directors can be accessed through the web link: http://www.mukand.com/wp-content/uploads/2015/08/4.-Familiarization-Programme-for-Independent-Directors.pdf.

2. AUDIT COMMITTEE:

As on March 31, 2019, the Audit Committee comprised of Dhirajlal S. Mehta (Chairman), N.C. Sharma and Prakash V. Mehta, as members of the Committee, all of whom are Independent Directors. There was no change in the composition of the Committee during the year under review.

During the year under review, 5 (five) meetings of the Committee were held on May 29, 2018, July 16, 2018, August 13, 2018, November 14, 2018 and February 12, 2019.

The attendance details of the Committee is as follows:

Name of the Member	Nature of Membership	No. of Meetings	
		Held	Attended
Dhirajlal S. Mehta	Chairman	5	5
N.C. Sharma	Member	5	5
Prakash V. Mehta	Member	5	5

All the recommendations of the Audit Committee have been accepted by the Board of Directors during the year. Chairman of the Audit Committee was present at the last AGM held on August 13, 2018.

In addition to Statutory Auditors, Chairman & Managing Director, Co-Chairman & Managing Director, Joint Managing Director, Chief Financial Officer, who being permanent invitees attend Audit Committee Meetings. The Cost Auditor if required is invited to attend the meeting where Cost Audit Report is considered. The Internal Auditors attend where internal audit reports are discussed. K. J. Mallya - Company Secretary acts as Ex-officio Secretary to the Audit Committee.

Apart from considering un-audited and/or audited financial results for the relevant quarters and for the year prior to adoption/ approval by the Board, the Committee focused its attention on key areas impacting the overall performance of the Company, Operations of Plants, Cost Audit, Review of Internal Control System, Energy Conservation/Saving and Cost Control measures, I.T. Security and Management Information System, Major Accounting Policies and Practices, Current Assets Management, Performance

Reviews, Related Party transactions, Annual Budget and Annual Internal Audit plan. Based on the Committee's discussions and review of the observations of the reports submitted by the Company's Internal Auditors on Systems and Controls, Cost Control measures and Statutory Compliance in various functional areas, the Audit Committee advises the management on areas where greater internal control and internal audit focus is needed and on new areas to be taken up for audit.

Terms of Reference:

Terms of Reference of the Audit Committee have been reviewed and revised by the Board at its meeting held on 12th February, 2019. Brief description of the terms of reference of the Audit Committee, inter-alia are as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
    b) Changes, if any, in accounting policies and practices and reasons for the same.
    c) Major accounting entries involving estimates based on the exercise of judgment by management.
    d) Significant adjustments made in the financial statements arising out of audit findings.
    e) Compliance with listing and other legal requirements relating to financial statements.
    f) Disclosure of any related party transactions.
    g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval including the financial statements, in particular, the investments made by unlisted subsidiary(ies);
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. To review the utilization of loans, advances or both in the subsidiary company(ies) exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
21. To review Management discussion and analysis of financial condition and results of operations;
22. To review and approve Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
23. To review Management letters / letters of internal control weaknesses issued by the statutory auditors;
24. To review Internal audit reports relating to internal control weaknesses;
25. To review the appointment, removal and terms of remuneration of the Chief internal auditor / Internal Auditors;
26. To review statement of deviations, if any:
    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI LODR, 2015.
    b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI LODR, 2015.
27. To review compliance with the provisions of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

3. NOMINATION AND REMUNERATION COMMITTEE:

As on March 31, 2019, the Nomination and Remuneration Committee comprised of Prakash V. Mehta (Chairman), Dhirajlal S. Mehta and N. C. Sharma as members of the Committee, all of whom are Independent Directors. There was no change in composition of the committee during the year under review.

During the year under review, 3 (three) meetings of the Committee were held on May 29, 2018, August 13, 2018 and February12, 2019. The attendance details of the Committee is as follows:

Name of the Member	Nature of Membership	No. of Meetings	
		Held	Attended
Prakash V. Mehta	Chairman	3	3
Dhirajlal S. Mehta	Member	3	3
N.C. Sharma	Member	3	3

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee (NRC) has been reviewed and revised by the Board of Directors at its meeting held on 12th February, 2019, which covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing

Regulations. Brief description of the terms of reference of the NRC, inter-alia are as follows:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to specify the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors to be carried out by the Board, by the NRC or by an independent external agency and review its implementation and compliance;
2. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
3. To take into account financial position of the company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interests of the company and the shareholders while approving the remuneration payable to managing director, whole-time director or manager;
4. To lay down / formulate the evaluation criteria for performance evaluation of independent directors & the Board;
5. To devise a policy on Board diversity;
6. To recommend to the board, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. To review and approve the remuneration and change in remuneration payable to whole-time directors;
8. To recommend to the board, all remuneration payable to senior management (i.e. members of the core management team, i.e. members one level below the chief executive officer/managing director/whole-time director and shall specifically include Company Secretary and Chief Financial Officer).

Performance Evaluation:

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees constituted as required by the provisions of the Companies Act, 2013 and SEBI LODR, 2015. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc. The performance evaluation criteria for Independent Directors is determined as per provisions of the Companies Act, 2013 and SEBI LODR, 2015 and guidance note on evaluation issued by SEBI. An Indicative list of factors on which evaluation was carried out includes participation and contribution by the director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentially and independence of behaviour and judgement.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interests of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the independent directors being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Remuneration Policy for Directors, Key Managerial Personnel and other employees:

The Company has formulated Nomination & Remuneration policy for implementation by the Committee which is available on the website of the Company under web linkhttp://www.mukand.com/wp-content/uploads/2015/09/9.Remuneration-and-evaluation-Policy.pdf. Brief summary of Remuneration Policy for Directors, Key Managerial Personnel and other employees, inter alia is as follows:

A. Non-Executive Directors (NEDs)

NEDs shall be paid –

(i) a sitting fee of Rs.50,000/- for every meeting of the Board or Audit Committee thereof attended by them as a member; and

(ii) a sitting fee of Rs. 20,000/- for attending every meeting of Committee of the Board (other than that of Audit Committee Meeting) and meeting of the Independent Directors.

The Company has no stock options plans and no payment by way of bonus, pension, incentives etc. shall be made to NEDs.

B. Managing Directors & Key Managerial Personnel & Other Employees

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to Managing Directors shall take into account the Company's overall performance, MDs contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.

The Company has no stock option plans and hence such instruments do not form part of their remuneration package.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration to Directors, Key Managerial Personnel and Senior Management will have a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The details of remuneration of Niraj Bajaj - Chairman & Managing Director, Rajesh V. Shah - Co-Chairman & Managing Director, Suketu V. Shah - Joint Managing Director and Pratap V. Ashar - Director & Advisor-Administration for FY: 2018-19 is as follows:

(Rs. In crore)

Remuneration Package	Niraj Bajaj	Rajesh V. Shah	Suketu V. Shah	Pratap V. Ashar
Salary and allowances	0.96	0.96	0.91	0.10
Leave Encashment	-	-	0.04	-
Contribution to Provident Fund and Other funds	0.11	0.11	0.12	-
Perquisites	0.24	0.24	0.22	0.12
TOTAL	1.31	1.31	1.29	0.11

The Chairman & Managing Director, the Co-Chairman & Managing Director and the Joint Managing Director have agreements with the Company for a period of 3 years w.e.f. July 5, 2017; which can be terminated by giving 6 months' notice in writing. In respect of Pratap V. Ashar Director & Advisor-Administration, the employment agreement provides for notice period of 3 months for termination of agreement with the Company. There is no provision for severance fees in the employment contracts of any of the Managing Directors or Whole-time Directors of the Company.

The Company does not pay any remuneration to the Non-executive Directors of the Company except for the payment of sitting fees for attending Board / Committees meetings and meeting of Independent Directors. The Company has not issued stock options to any of its Directors.

Details of sitting fees paid to the Non-executive Directors during the year and the shares in the Company held by them as on March 31, 2019 is as under: -

Sl. No.	Name of the Director	Sitting Fees (in Rs.)	Shareholding	
			Equity Shares	CRPS
1.	Dhirajlal S. Mehta	6,20,000	277	69
2.	Narendra J. Shah	50,000	Not applicable since resigned	
3.	N. C. Sharma	6,00,000	36	-
4.	Prakash V. Mehta	6,60,000	-	-
5.	Amit Yadav	2,40,000	700	-
6.	Bharti R. Gandhi	2,70,000	5,000	-

* Narendra J. Shah ceased as Director of the Company effective from 14th November 2018, hence total remuneration indicated above is for the meeting held and attended by him during the period from 01-04-2018 up to the date of his resignation.

Sitting fee indicated above includes payment for Board-level statutory and non-statutory committee meetings as well as meeting of independent directors. No commission was paid to directors during the F.Y. 2018-19.

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

As on March 31, 2019, the Stakeholders' Relationship Committee (SRC) comprised of N. C. Sharma (Chairman), Dhirajlal S. Mehta and Amit Yadav as members of the Committee, all of whom are Independent Directors of the Company. During the year, the meeting of the Committee was held on May 29, 2018, which was attended by all the committee members. There was no change in the composition of the Committee during the year under review. As on March 31, 2019, no request for transfer of shares and for dematerialization/ rematerialisation of shares was pending for approval. K. J. Mallya, Company Secretary acts as the Compliance Officer to the Committee.

Terms of Reference:

Terms of reference of the Committee has been reviewed and updated by the Board at its meeting held on 12th February 2019. An updated terms of reference of the Committee inter-alia are as follows:

1. To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

There were no major complaints from the investors. Routine complaints relating to non-receipt of annual report, details of shares offered, payment of dividends, transfer of shares, dematerialization of shares , issue of duplicate shares, request for change of address, non returning of share certificate which was mainly due to old invalid share certificate, etc. were attended generally within 3/4 days. The Company has not received any material complaints from Shareholders through SEBI, Stock Exchanges (NSE & BSE) and other market securities market intermediaries (NSDL & CDSL) during the year under review.

Details of shareholders' complaints received and redressed during the financial year 2018-19 are as follows:-

Opening Balance at the beginning of the year	Received during the year	Resolved during the year	Remain unresolved at the end of the year
NIL	144	144	NIL

5. GENERAL BODY MEETINGS:

i. Details of the last three Annual General Meetings of the Company are as follows:

AGM	Date & Time	Venue
78th	August 8, 2016 at 4.00 p.m.	Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai - 400 021
79th	July 24, 2017 at 4:00 p.m.	Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Building, IMC Marg, Churchgate, Mumbai-400 020
80th	August 13, 2018 at 4:00 p.m.	Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021

ii. The details of the Special Resolutions passed in the Annual General Meetings held in the previous three (3) years are given below:

AGM	Date & Time	Description of Special Resolution
79th	July 24, 2017 at 4:00 p.m.	i) Increase of Borrowing powers of the Board under section 180(1)(c) of the Companies Act 2013
80th	August 13, 2018 at 4:00 p.m.	i) Issue of Redeemable Non-convertible Debentures on private placement basis ii) Appointment of Shri Pratap V. Ashar as a Director & Advisor - Administration

No postal ballot was conducted during the financial year 2018-19. None of the businesses proposed to be transacted in the ensuing 81st Annual General Meeting require passing a resolution through Postal Ballot.

6.1. Related Party Transactions:

There were no materially significant related party transactions made by the Company with related parties during the year, which may have potential conflict with the interests of the Company at large. The details of transactions with related parties are disclosed in the Accounts. The Policy on Materiality of Related Party Transactions in terms of provisions of regulation 53 and SCHEDULE V of SEBI LODR, 2015 is uploaded on the website of the Company and can be accessed through the following weblink: http://www.mukand.com/wp-content/uploads/2015/09/2.-Policy-on-RPTs-and-materiality-of-transactions.pdf

6.2. Compliance with Regulations:

There were neither non-compliance on any matters related to capital markets by the Company during the last three years, nor did the Company attract any penalties or strictures passed by the stock exchanges, SEBI or any other statutory authority.

6.3. Risk Management:

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Directors of the Company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system.

6.4. Commodity price risk or foreign exchange risk and hedging activities:

6.4.1. Commodity prices:

The Company's profitability depends on the following commodities, viz., iron ore, coke, nickel, chrome and scrap. The prices of these commodities are highly volatile. In case of iron ore which is obtained locally, the Company takes various steps to substitute use of cheaper iron ore by processing and replacing the costly iron ore. In case of Coke and Coal which are imported, the purchase contracts are scheduled for the long or short period, depending on the expectation of rise or fall in the prices. In case of other imported items, nickel, chrome, molybdenum and shredded scrap, back to back contracts are executed with suppliers and customers. The Company has no hedging activities for commodities.

6.4.2 Foreign Exchange Risk and hedging activities:

The company's net foreign exchange exposure during the year under review was Rs. 881.47 crore. The company make efforts to increase its exports to bring down the net foreign exchange exposure. Export has increased by 17.47 % during current financial year compared to previous financial year whereas import has increased marginally by 0.88%. The rupee dollar rate has been volatile during the year to the extent of 14.85 % and depreciated at the end by 6.52 % compared to the opening rate. The company keeps close watch on the dollar rupee movement and the forward cover transactions are made based on the future risk expectations.

6.5. OTHER DISCLOSURES:

6.5.1 The Company has complied with all the applicable requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities relating to the above. Company's policies for determining Material Subsidiaries, on dealing with related party transactions and details of establishment of Vigil Mechanism along with details of web link (in cases where it is prescribed) are given in Annexure-4.

6.5.2 The Company has complied with all the Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

6.5.3 Disclosure as required by item 10(f) of Part C of Schedule V of the SEBI (LODR) Regulations 2015 with respect to demat suspense account/ unclaimed suspense account is as follows:

Particulars	No. of equity shareholders	No. of equity shares	No. of shares (CRPS)	No. of CRPS holders
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2018	255	11,143	2,714	244
Shareholders who approached the Company for transfer of shares from suspense account during the year	Nil			
Shareholders to whom shares were transferred from the suspense account during the year	NIL			
Shareholders whose shares are transferred to demat account of the IEPF authority as per section 124 of the Act	NIL			
Aggregate number of shareholders and outstanding shares in the suspense account as on March 31, 2019	255	11,143	2,714	244

The voting rights on the shares outstanding in the suspense account as on March 31, 2019 shall remain frozen till the rightful owner of such shares claims the shares.

6.5.4 Suitable disclosures have been made in the financial statements, together with Management's explanation in the event of any treatment being different from the prescribed in the Ind AS.

7. Code of Conduct:

All directors and senior management personnel have affirmed compliance with the code of conduct for 2018-19 as required under regulation 26(3) of SEBI LODR, 2015. A declaration to this effect signed by the Managing Directors is annexed to this Report. There were no materially significant transactions during the financial year with Board members and senior management, including their relatives that had or could had a potential conflict of interest with the Company. The code of conduct is available on the website of the Company.

8. Code for Prevention of Insider Trading (PIT):

The Company has instituted a Code of Conduct for prevention of Insider Trading in the securities of the Company for its Directors and designated persons as required by SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The PIT Code is available on the website of Company.

9. CEO and CFO Certification:

In accordance with the requirement of Regulation 17 (8) of the SEBI LODR, 2015, the CEOs i.e., Chairman & Managing Director, Co-Chairman & Managing Director and CFO i.e., Chief Financial Officer have furnished the requisite certificates to the Board of Directors of the Company.

10. Means Of Communication:

The quarterly un-audited and yearly audited financial results are published in English and regional language newspapers. The financial results, shareholding pattern and other corporate communication to the Stock Exchanges are filed in compliance with Regulation 30, 31 and 33 of SEBI LODR, 2015 and are also available on the corporate website of the Company, likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal and with BSE through BSE Online Portal. The Management Discussion and Analysis is a part of the Annual Report. All financial and other vital information is promptly communicated to the Stock Exchanges where the Company's shares are listed. During the financial year under review, the Company has not made any separate presentation to financial analysts.

Information, in words and visuals, about the Company and its businesses, including products manufactured, projects executed, facilities and processes, quality policy, financial results, shareholding pattern, code of conduct, press releases etc. is available at the corporate website at www.mukand.com:

11. SHAREHOLDERS' INFORMATION:

11.1 81st Annual General Meeting:

Date	Thursday, 8th August , 2019
Time	4:00 P.M.
Venue	Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai- 400 021.

11.2 Tentative Financial calendar:

Financial Year: April 1, 2019 to March 31, 2020

Consideration of Financial Results:

First quarter financial results	On or before 14th August 2019
Second quarter financial results	On or before 14th November 2019
Third quarter financial results	On or before 14th February 2020
Annual Results for F.Y. 2019-20	On or before 30th May 2020

11.3 Date of Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 27th July, 2019 to Thursday, 8th August 2019 (both days inclusive).

11.4 Stock Exchange Listing:

Equity Shares and 0.01% Cumulative Redeemable Preference Shares (CRPS) of the Company are listed on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) and the applicable listing fees have been duly paid to these Stock Exchanges for the year 2018-19 & 2019-20.

11.5 Stock Code:

Sl. No.	Particulars	Equity	CRPS
1.	BSE	500460	700087
2.	NSE	MUKANDLTD	MUKANDCRPS
3.	ISIN	INE 304A01026	INE 304A04012

BSE: Address: P.J. Towers, Dalal Street, Mumbai – 400 001.

NSE: Address: Exchange Plaza, 5th Floor, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.

11.6 Stock Price Data:

Monthly highs and lows of the Company's Equity Share prices on the BSE and NSE in the year 2018-19 are given hereunder:

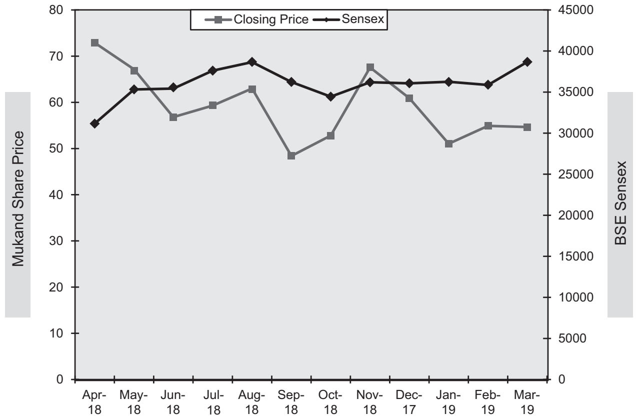
(Rs. per share)

Month	BSE		NSE	
	High	Low	High	Low
Year 2018				
April	73.90	59.05	73.50	58.65
May	76.50	66.00	76.50	64.50
June	72.00	55.75	72.50	55.55
July	65.85	55.95	64.90	55.50
August	73.50	58.35	73.50	58.50
September	64.95	47.15	64.70	47.15
October	58.00	47.30	59.00	47.50
November	70.80	52.60	70.75	50.20
December	69.20	59.15	69.15	60.05
Year 2019				
January	62.65	48.00	62.50	46.80
February	56.95	42.50	56.80	42.30
March	61.95	52.85	62.00	52.45

During the year, CRPS were traded on BSE at prices which ranged between Rs. 5.61 and Rs. 17.50 per share and on NSE at prices which ranged between Rs. 5.45 and Rs.10.70 per share.

11.7 Comparative Stock Price Performance:

The Equity share prices of the Company on BSE in comparison with the BSE Sensex are given in the following graph:



11.8 Share Transfer Agents:

The Company has appointed Karvy Fintech Pvt. Ltd. (Karvy) formerly known as Karvy Computershares Private Limited, Hyderabad as its share transfer agent for carrying out the work relating to share transfer / dematerialization / rematerialisation of shares and allied activities.

All physical transfers, transmission, transposition, issue of duplicate share certificate(s), issue of demand drafts in lieu of dividend warrants etc. as well as requests for dematerialization / rematerialisation are being processed periodically at Karvy. The work relating to dematerialization / rematerialisation is handled by Karvy through connectivity with National Securities Depository Ltd.(NSDL) and Central Depository Services India Ltd.(CDSL).

11.9 Unclaimed Dividend & Transfer of shares to IEPF:

Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') mandates that companies transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, the unpaid/unclaimed dividend of Rs. 5,26,118 (Rs. Five Lacs Twenty Six Thousands One Hundred and Eighteen only) for the financial year 2010-11 was transferred to the fund in the Month of September, 2018.

Further, the Rules also mandate the transfer of shares with respect to the dividend, which has not been paid or claimed for seven consecutive years or more to IEPF. Accordingly, during the year under review, the Company has also transferred 79,634 equity shares held by 1,460 shareholders to the demat account of IEPF Authority held with NSDL. Details of such shareholders whose shares are transferred to IEPF and their unpaid dividends are available on the website of the Company www.mukand.com

Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, can be claimed back from IEPF following the procedure prescribed in the IEPF Rules. No claim could be made in respect thereof with the Company.

11.10 Share Transfer System:

Share transfers (including transmission/transposition) received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. During the year, 15,204 Equity Shares and 2,600 CRPS were transferred in physical (non-dematerialized) form.

11.11 Distribution of Shareholding:

The Company had 36,750 Equity Shareholders and 39,477 CRPS holders as on March 31, 2019. Distribution of shareholding is given in the table hereunder:

Equity Shares:

Distribution of Shareholding	No. of Equity Shares	% of Equity Shares	No. of Equity Shareholders	% of Equity Shareholders
Upto - 50	348,810	0.25	15,584	42.40
51 - 100	588,580	0.42	6,761	18.40
101 - 500	2,543,199	1.80	9,386	25.54
501 - 1,000	1,899,367	1.34	2,327	6.33
1,001 - 5,000	4,753,737	3.36	2,097	5.71
5,001 - 10,000	1,967,174	1.39	272	0.74
10,001 and above	129,304,994	91.44	323	0.88
Total	**141,405,861**	**100.00**	**36,750**	**100.00**

0.01% Cumulative Redeemable Preference Shares (CRPS):

Distribution of Shareholding	No. of CRPS	% of CRPS	No. of CRPS holders	% of CRPS holders
Upto - 50	373,757	6.64	35,774	90.62
51 - 100	134,705	2.39	1,750	4.43
101 - 500	328,779	5.84	1,556	3.94
501 - 1,000	132,165	2.35	181	0.46
1,001 - 5,000	327,831	5.83	149	0.38
5,001 - 10,000	178,502	3.17	25	0.06
10,001 and above	4,150,581	73.77	42	0.11
Total :	**5,626,320**	**100.00**	**39,477**	**100.00**

The Shareholding pattern of Equity Shares as on March 31, 2019 is as under:

Sl. No.	Category of Shareholders	No. of Shares	% of Total Shareholding
1	Promoter and Promoter Group	104,232,468	73.71
2	Mutual Funds	924	0.00
3	Banks and Financial Institutions / NBFC's Registered with the RBI	58,405	0.04
4	Insurance Companies	5,345,984	3.78
5	Body Corporate	7,092,421	5.02
6	Clearing Member	21,448	0.02
7	Foreign Institutional Investors / Foreign Portfolio Investors	126,160	0.09
8	Non–Resident Indians /OCB'S	801,212	0.57
9	IEPF Authority	416,085	0.29
10	Public and others	23,310,834	16.48
	Total	141,405,861	100.00

The Shareholding pattern of 0.01% Cumulative Redeemable Preference Shares (CRPS) as on March 31, 2019 is as under:

Sl. No.	Category of Shareholders	No. of Shares	% of Total Shareholding
1	Promoter and Promoter Group	1,427,465	25.37
2	Mutual Funds	481	0.01
3	Banks and Financial Institutions	281,833	5.01
4	Insurance Companies	885,529	15.74
5	Body Corporate	954,048	16.96
6	Clearing Member	150	0.0
7	Foreign Institutional Investors	7,740	0.14
8	Non–Resident Indians /Foreign Nationals	14,784	0.26
9	Public and others	2,054,290	36.51
	Total	**5,626,320**	**100.00**

11.12 Dematerialization of Shares and liquidity:

The Company's Shares are dealt with at both the depositories viz. NSDL and CDSL. The Company for the benefit of the Shareholders has made one time payment to NSDL towards custodial charges. During the year 71,731 Equity Shares and 11,070 CRPS were dematerialised in respect of 580 and 396 requests respectively. The dematerialisation level percentage as on March 31, 2019 stood at 99.15%of total paid-up Equity Share capital, and 92.85%of the total paid-up 0.01% Cumulative Redeemable Preference Share capital. As on March 31, 2019, 31,540 Shareholders held 140,204,332 Equity Shares and 17,084 Shareholders held 401,842 CRPS in demat form.

11.13 Plant Locations:

Dighe, Thane, Maharashtra- 400 605.
Ginigera, Karnataka - 583 228.

11.14 Address for Correspondence:

(i) Physical Shares (Equity and Preference):
Share Transfer Agents:
M/s. Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32
Gachibowli Financial District, Nanakramguda, Hyderabad 500032
Tel: (040) 6716 2222; Fax: (040) 2300 1153
E-mail : mohsin.mohd@karvy.com
Website : www.karvycomputershare.com

(ii) Demat Shares (Equity & Preference):
Respective Depository Participants of Shareholders

(iii) Shares & Fixed Deposits:

Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point,
Mumbai 400021
Tel: Shares: 022- 6121 6666 Fixed Deposits: 022 -6121 6629
Fax: 022-2202 1174
E-mail: Shares: investors@mukand.com
Fixed Deposits:fixeddeposit@mukand.com

12. ADOPTION OF MANDATORY & NON-MANDATORY REQUIREMENTS:

12.1. Mandatory

The Company has fully adopted the mandatory requirements of all Regulations of SEBI LODR, 2015.

12.2. Non-mandatory

i) Shareholder rights:

Quarterly financial results were published in one English newspaper and in one Marathi newspaper. These were not sent individually to the shareholders.

ii) Audit Qualifications :

The auditors' report does not contain any qualification.

iii) Separate post of Chairman and CEO:

The Company has same person as Chairman & Managing Director.

iv) Reporting of Internal Auditor :

Internal Auditors are invited to the meetings of the Audit Committee wherein they report directly to the Committee.

13. Certificate on Corporate Governance:

The Company has obtained a certificate from M/s. Haribhakti & Co. LLP, Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in the SEBI LODR, 2015. This certificate is annexed to this corporate governance report . The certificate will be sent to the Stock Exchanges along with the Annual Report to be filed by the Company.

14. Details of fees paid to Statutory Auditors:

During the year FY: 2018-19, total fees for all services paid by the Company and its subsidiaries viz. Mukand Sumi Metal Processing Limited (MSMPL) and Mukand Sumi Special Steel Limited (MSSSL), on a consolidated basis, to the statutory auditors M/s. Haribhakti & Co. LLP, Chartered Accountants and all entities in the network firm/network entity of which the statutory auditor is a part is as under:

(Rs. in crore)

Particulars of Auditors Remuneration	**Paid by Company**	**Paid by subsidiaries**	
		MSMPL	**MSSSL**
- As Auditors	0.39	0.08	0.13
- For Taxation matters	0.04	0.01	0.00
- For other services	0.25	0.03	0.03
- For reimbursement of expenses	0.02	0.01	-
Total	**0.70**	**0.13**	**0.16**

15. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention,Prohibition and Redressal) Act, 2013:

Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, No Sexual Harassment complaints were filed or pending for disposal with Company during the year under review.

16. Certificate on non-disqualification of Directors:

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. A certificate to this effect issued by Shri Anant Khamankar of M/s. Anant B Khamankar & Co., Practising Company Secretary is annexed to this report.

On behalf of the Board of Directors,

Niraj Bajaj	**Rajesh V. Shah**
Chairman & Managing Director	**Co-Chairman & Managing Director**

Mumbai, May 20, 2019

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To The Members of
Mukand Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated September 04, 2018.

2. We have examined the compliance of conditions of Corporate Governance by Mukand Limited ('the Company'), for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

3. The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements issued by ICAI.

Opinion

8. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2019.

9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for any event or circumstances occurring after the date of this certificate.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.034828
UDIN No. 19034828AAAAAT3860

Place: Mumbai
Date: May 20, 2019

CEO / CFO CERTIFICATION

[As per Schedule II, Part B r/w Regulation 17(8) of the SEBI (LO&DR)]

We, the undersigned, certify that:

(A) We have reviewed the Financial Statements and the Cash Flow Statement of MUKAND LIMITED for the financial year ended 31st March, 2019 and to the best of our knowledge and belief state that :

i. these statements do not contain any materially untrue statement or omit material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(D) We have indicated to the Auditors and the Audit Committee,

i. that there were no significant changes in internal control over financial reporting during the year;

ii. that there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. that there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	Niraj Bajaj	Rajesh V. Shah	Umesh V. Joshi
Mumbai, May 20, 2019	Chairman & Managing Director	Co-Chairman & Managing Director	Chief Financial Officer

DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)

[As per Part D of Schedule V r/w Regulation 34(3) of the SEBI (LO&DR)]

We, hereby declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the 'Code of Conduct for Directors and Senior Management Personnel' as laid down by the Company for the year ended March 31, 2019.

	Niraj Bajaj	Rajesh V. Shah
Mumbai, May 20, 2019	Chairman & Managing Director	Co-Chairman & Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[As per Clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Regulation 34(3) of the said SEBI (LO&DR)]

To,
The Members,
Mukand Limited
Bajaj Bhavan, Jamnalal Bajaj Marg,
226 Nariman Point,
Mumbai - 400021

Pursuant to clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, read with regulation 34(3) of the said Listing Regulations, we hereby certify that none of the Directors on the Board of Mukand Limited has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

For **Anant B Khamankar & Co.**
Company Secretaries

Anant B. Khamankar
Membership No. : 3198
C P No. : 1860

Date: May 18, 2019
Place: Mumbai

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31 March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHERS DETAILS

i)	CIN	L99999MH1937PLC002726
ii)	Registration Date	29/11/1937
iii)	Name Of The Company	MUKAND LIMITED
iv)	Category /Sub-Category Of The Company	Company having Share Capital/Non Govt. Company
v)	Address of the Registered office and contact details	Bajaj Bhawan, Jamnalal Bajaj Marg 226, Nariman Point, Mumbai, Maharashtra 400021 Ph: 022 61216666 Fax: 022 22021174
vi)	Whether Listed company (Yes/No)	Yes (Listed on BSE & NSE)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot 31-32 Gachibowli Financial District Nanakramguda, Hyderabad 500032 Ph: 040 67162222 Fax: 040 23001153"

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No.	Name and Description of Main Products/ Services	NIC Code of the Product /Service	% to total turnover of the Company
1	Manufacture of Alloy Steel bars, Rods, Structurals, Rails	27151	44.30
2	Manufacture of Stainless Steel bars, Rods, Structurals, Rails	27153	37.63

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Mukand Global Finance Ltd.	U67120MH1979PLC021418	Subsidiary	100.00	2(87)
2	Vidyavihar Containers Ltd.	U27200MH1971PLC015205	Subsidiary	100.00	2(87)
3	Mukand Sumi Special Steel Ltd.	U27310MH2015PLC260936	Subsidiary	51.00	2(87)
4	Mukand International FZE	Foreign Company	Subsidiary	100.00	2(87)
5	Mukand International Ltd., UK	Foreign Company	Subsidiary	100.00	2(87)
6	Mukand Sumi Metal Procesing Ltd.	U27300MH2012PLC234000	Subsidiary	60.07	2(87)
7	Mukand Vini Mineral Ltd.	U14200MH2008PLC187216	Associate	49.02	2(6)
8	Stainless India Ltd.	U27107RJ1995PLC010920	Associate	44.09	2(6)
9	Mukand Engineers Ltd.	L45200MH1987PLC042378	Associate	36.05	2(6)
10	Bombay Forgings Ltd.	U28910MH1966PLC013399	Associate	24.00	2(6)

IV. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)

i) Category-wise shareholding

Category of Shareholders	No. of shares held of the beginning of the year (1st April, 2018)				No. of shares held of the end of the year (31st March, 2019)				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
1. Indian									
a. Individual/HUF	34,040,043	-	34,040,043	24.07	33,051,440	-	33,051,440	23.37	-0.70
b. Central Govt.(s).									
c. State Govt.(s).									
d. Bodies Corp.	66,655,166	-	66,655,166	47.14	67,510,927	-	67,510,927	47.74	0.61
e. Bank/ FI									
f. Any Other	2,698,936		2,698,936	1.91	3,670,101	-	3,670,101	2.60	0.00
Sub-Total (A)(1)	**103,394,145**	**-**	**103,394,145**	**73.12**	**104,232,468**	**-**	**104,232,468**	**73.71**	**0.59**
2. Foreign									
a. NRI- Individuals									
b. Other Individuals									
c. Bodies Corporate									
d. Banks/FI									
e. Any Other									
Sub-Total (A)(2)					**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	**103,394,145**	**-**	**103,394,145**	**73.12**	**104,232,468**	**-**	**104,232,468**	**73.71**	**0.59**
B. Public Shareholding									
1. Institutions									
a. Mutal Funds	924	-	924		924	-	924	0.00	0.00
b. Bank/ FI	79,104	3,027	82,131		47,233	2,922	50,155	0.04	0.04
c. Central Govt.(s)									
d. State Govt(s)									
e. Venture Capital Funds									
f. Insurance Companies	5,345,984	-	5,345,984	3.78	5,345,984	-	5,345,984	3.78	-
g. FIIs	5,251	-	5,251	0.00	126,080	-	126,080	0.09	0.09
h. Foreign Venture Capital									
i. Others (specify)									
Sub-Total (B)(1)	**5,431,263**	**3,027**	**5,434,290**	**3.84**	**5,520,221**	**2,922**	**5,523,143**	**3.91**	**0.06**
2. Non- Institutions									
a. Body Corporate									
i. Indian	7,322,573	399,011	7,721,584	5.46	6,693,538	398,883	7,092,421	5.02	-0.44
ii. Overseas					-	-	-	0.00	
b. Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	11,123,503	776,108	11,899,611	8.42	12,366,833	540,279	12,907,112	9.13	0.71
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	9,309,923	149,471	9,459,394	6.69	7,894,183	255,218	8,149,401	5.76	-0.93
c. Others (specify)									
i. Clearing members	116,918	-	116,918	0.08	21,448	-	21,448	0.02	-0.07
ii. NRIs	778,330	3,649	781,979	0.55	797,582	3,630	801212.00	0.56	0.01
iii. Trusts (Employee Welfare Funds)	2,260,892	-	2,260,892	1.60	2,261,974	-	2,261,974	1.60	-
iv. IEPF Authority	336,451		336,451	0.24	416,085	-	416,085	0.29	
v. Other Scheduled Banks		597	597	0.00		597	597	0.00	
Sub-Total -B-(2)		**-**		**0.00**	**30,451,643**	**1,198,607**	**31,650,250**	**22.38**	**22.38**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**36,679,853**	**1,331,863**	**38,011,716**	**26.88**	**35,971,864**	**1,201,529**	**37,173,393**	**26.29**	**0.59**
C. Shares held by Custodian for GDRs & ADRs		**-**	**-**	**0.00**		**-**	**-**	**0.00**	
Grand Total (A+B+C)	**140,073,998**	**1,331,863**	**141,405,861**	**100.00**	**140,204,332**	**1,201,529**	**141,405,861**	**100.00**	

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (1st April, 2018)			Shareholding at the end of the year (31st March, 2019)			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Rahul Bajaj	712,044	0.50	0.00	712044	0.50	0.00	0.00
2	Niraj Bajaj	11,786,730	8.34	0.00	11786730	8.34	0.00	0.00
3	Rajesh V Shah	7,200,842	5.09	2.62	7202007	5.09	2.62	0.00
4	Suketu V Shah	1,015,381	0.72	0.00	45381	0.03	0.00	-0.69
5	Sanjivnayan Bajaj	1,787	0.00	0.00	1787	0.00	0.00	0.00
6	Shekhar Bajaj	711,134	0.50	0.00	711134	0.50	0.00	0.00
7	Madhur Bajaj	717,133	0.51	0.00	717133	0.51	0.00	0.00
8	Anant Bajaj	86,400	0.06	0.00	86400	0.06	0.00	0.00
9	Sunaina Kejriwal	1,363	0.00	0.00	1363	0.00	0.00	0.00
10	Suman Jain	3,744	0.00	0.00	3744	0.00	0.00	0.00
11	Anjana Viren Shah (Nee Anjana Munsif)	11,634	0.01	0.00	11634	0.01	0.00	0.00
12	Narendrakumar J Shah	99,605	0.07	0.00	99605	0.07	0.00	0.00
13	Jyoti Shah	19,768	0.01	0.00	0	0.00	0.00	-0.01
14	Bansri Rajesh Shah	3,431,542	2.43	1.95	3431542	2.43	1.95	0.00
15	Czaee Suketu Shah	4,975,352	3.52	3.52	4975352	3.52	3.52	0.00
16	Priyaradhika Rajesh Shah	960,046	0.68	0.34	960046	0.68	0.34	0.00
17	Kaustubh Rajesh Shah	96,000	0.07	0.03	96000	0.07	0.03	0.00
18	Rishabh Sukumar Vir	2,017,538	1.43	1.29	2017538	1.43	1.29	0.00
19	Minal Bajaj	192,000	0.14	0.00	192,000	0.14	0.00	0.00
20	Neelakantan K. Iyer (A/c Jadavdevi Suketu Trust)	2,671,636	1.89	0.00	3,642,801	2.58	0.00	0.69
21	Niraj Bajaj (A/c Niravnayan Trust)	27,200	0.02	0.00	27,200	0.02	0.00	0.00
22	Bachhraj & Co Pvt Ltd	3,350,692	2.37	0.00	3,350,692	2.37	0.00	0.00
23	Bachhraj Factories Pvt Ltd	1,378,168	0.97	0.00	1,728,168	1.22	0.00	0.25
24	Bajaj Holdings & Investment Ltd	8,113,564	5.74	0.00	8,113,564	5.74	0.00	0.00
25	Bajaj Sevashram Pvt Ltd	2,500,160	1.77	0.00	2,500,160	1.77	0.00	0.00
26	Baroda Industries Pvt Ltd	15,726,616	11.12	0.00	17,003,577	12.02	0.00	0.90
27	Jamnalal Sons Pvt Ltd	28,334,773	20.04	0.00	28,244,773	19.97	0.00	-0.06
28	Jeewan Limited	4,785,369	3.38	0.00	4,785,369	3.38	0.00	0.00
29	Mukand Engineers Ltd	1,362,400	0.96	0.48	681,200	0.48	0.48	-0.48
30	Niraj Holdings Pvt Ltd	8,000	0.01	0.00	8,000	0.01	0.00	0.00
31	Sidya Investments Ltd	160,000	0.11	0.00	160,000	0.11	0.00	0.00
32	Valiant Investments & Trades Pvt Ltd	260	0.00	0.00	260	0.00	0.00	0.00
33	Akhil Investments & Traders Pvt Ltd	260	0.00	0.00	260	0.00	0.00	0.00
34	Kamalnayan Investment & Trading Pvt. Ltd.	7,000	0.00	0.00	7,000	0.00	0.00	0.00
35	Madhur Securities Pvt. Ltd.	7,000	0.00	0.00	7,000	0.00	0.00	0.00
36	Rahul Securities Pvt. Ltd.	7,000	0.00	0.00	7,000	0.00	0.00	0.00
37	Rupa Equities Pvt. Ltd.	7,000	0.00	0.00	7,000	0.00	0.00	0.00
38	Sanraj Nayan Investments Pvt. Ltd.	3,494	0.00	0.00	3,494	0.00	0.00	0.00
39	Shekhar Holdings Pvt. Ltd.	7,000	0.00	0.00	7,000	0.00	0.00	0.00
40	Isarnan Steel and Minerals Pvt. Ltd.	896,310	0.63	0.53	896,310	0.63	0.53	0.00
41	Orement Minerals and Metal Pvt Ltd	100	0.00	0.00	100	0.00	0.00	0.00
42	Rajesh V Shah (A/c Decree Trust)	100	0.00	0.00	100	0.00	0.00	0.00
	TOTAL	**103,394,145**	**73.12**	**10.76**	**104,232,468**	**73.71**	**10.76**	**0.59**

iii) Change in Promoters' shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year (1st April, 2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the begining of the year (1 April 2018)	103,394,145	73.12		
	Date-wise increase/(decrease)				
1	**Jamnalal Sons Pvt Ltd**				
	22-06-2018 (Market Sale)	(90,000)	-0.06	103,304,145	73.06
2	**Baroda Industries Pvt Ltd**				
	22-06-2018 (Market Acquisition)	395,000	0.28	103,699,145	73.33
	06-07-2018 (Market Acquisition)	376,200	0.27	104,075,345	73.60
	12-10-2018 (Market Acquisition)	251,383	0.18	104,326,728	73.78
	19-10-2018 (Market Acquisition)	36,910	0.03	104,363,638	73.80
	23-11-2018 (Market Acquisition)	17,468	0.01	104,381,106	73.82
	22-02-2019 (Market Acquisition)	77,602	0.05	104,458,708	73.87
	01-03-2019 (Market Acquisition)	122,398	0.09	104,581,106	73.96
3	**Bachhraj Factories Pvt Ltd**				
	01-03-2019 (Market Acquisition)	175	0.00	104,581,281	73.96
	08-03-2019 (Market Acquisition)	3,216	0.00	104,584,497	73.96
	15-03-2019 (Market Acquisition)	92,609	0.07	104,677,106	74.03
	22-03-2019 (Market Acquisition)	33,722	0.02	104,710,828	74.05
	29-03-2019 (Market Acquisition)	220,278	0.16	104,931,106	74.21
4	**Mukand Engineers Ltd**				
	15-06-2018 (Market Sale)	(681,200)	(0.48)	104,249,906	73.72
5	**Jyoti Shah**				
	11-05-2018 (Trasmission)	(3,495)	(0.00)	104,246,411	73.72
	8-06-2018 (Trasmission)	(16,273)	(0.01)	104,230,138	73.71
6	**Shri Rajesh V Shah**				
	15-03-2019 (Market Acquisition)	1,165	0.00	104,231,303	73.71
7	**Suketu V Shah**				
	27-04-2018 (Market Sale)	(970,000)	(0.69)	103,261,303	73.02
8	**Neelakantan K. Iyer (A/c Jadavdevi Suketu Trust)**				
	04-05-2018 (Market Acquisition)	970,000	0.69	104,231,303	
	15-03-2019 (Market Acquisition)	1,165	0.00	104,232,468	73.71
	At the end of the year (31 March 2019)	104,232,468	73.71		

iv) **Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	Shareholder's Name	No. of shares at the beginning of the year (01.04.2018)	% of total shares of the Company	Date	Increase/ (Decrease)	Reason	Cumulative Shareholding during the year	% of total shares of the Company
1	Life Insurance Corporation of India	5,345,785	3.78	No Change			5,345,785	3.78
2	Teesta Retail Pvt Ltd	3,579,056	2.53	No Change			3,579,056	2.53
3	Rakesh S Gupta	1,206,779	0.85	31-12-2018	(10,000)	Sale	1,196,779	0.85
				04-01-2019	(50,000)	Sale	1,146,779	0.81
				11-01-2019	34,710	Buy	1,181,489	0.84
				25-01-2019	7,839	Buy	1,189,328	0.84
				01-02-2019	20,000	Buy	1,209,328	0.86
				08-02-2019	10,290	Buy	1,219,618	0.86
				22-03-2019	(89,534)	Sale	1,130,084	0.80
				29-03-2019	(6,418)	Sale	1,123,666	0.79
4	Dilipkumar Lakhi	522,295	0.37	No Change			522,295	0.37
5	Sikkim Janseva Pratishthan Pvt Ltd.	390,000	0.28	No Change			390,000	0.28
6	Vishanji Shamji Dedhia	100,000	0.07	27-04-2018	50000	Buy	150,000	0.11
				04-05-2018	25000	Buy	175,000	0.12
				18-05-2018	58645	Buy	233,645	0.17
				25-05-2018	1355	Buy	235,000	0.17
				01-06-2018	20000	Buy	255,000	0.18
				10-08-2018	10000	Buy	265,000	0.19
				24-08-2018	25000	Buy	290,000	0.21
				31-08-2018	25000	Buy	315,000	0.22
				05-10-2018	25000	Buy	340,000	0.24
				11-01-2019	10000	Buy	350,000	0.25
				18-01-2019	25000	Buy	375,000	0.27
7	MKJ Enterprises Limited	294,336	0.21	No Change			294,336	0.21
8	Manish Satyanarayan Nuwal	61,000	0.04	08-06-2018	8400	Buy	69,400	0.05
				12-10-2018	9250	Buy	78,650	0.06
				15-03-2019	204806	Buy	283,456	0.20
9	Utkal Fans Pvt Ltd	251,000	0.18	No Change			251,000	0.18

Sr. No.	Shareholder's Name	No. of shares at the beginning of the year (01.04.2018)	% of total shares of the Company	Date	Increase/ (Decrease)	Reason	Cumulative Shareholding during the year	% of total shares of the Company
10	Edelweiss Custodial Services Limited	76,119	0.05	06-04-2018	15,068	Buy	91,187	0.06
				06-04-2018	(6,866)	Sale	84,321	0.06
				13-04-2018	8,556	Buy	92,877	0.07
				20-04-2018	2,474	Buy	95,351	0.07
				27-04-2018	1,880	Buy	97,231	0.07
				04-05-2018	(16,205)	Sale	81,026	0.06
				11-05-2018	(5,066)	Sale	75,960	0.05
				18-05-2018	(9,017)	Sale	66,943	0.05
				25-05-2018	2,394	Buy	69,337	0.05
				25-05-2018	(25,118)	Sale	44,219	0.03
				01-06-2018	(2,598)	Sale	41,621	0.03
				08-06-2018	18,049	Buy	59,670	0.04
				08-06-2018	(30)	Sale	59,640	0.04
				15-06-2018	(11,560)	Sale	48,080	0.03
				22-06-2018	(28)	Sale	48,052	0.03
				06-07-2018	805	Buy	48,857	0.03
				13-07-2018	608	Buy	49,465	0.03
				20-07-2018	(1,878)	Sale	47,587	0.03
				27-07-2018	393	Buy	47,980	0.03
				03-08-2018	9,603	Buy	57,583	0.04
				10-08-2018	(25,400)	Sale	32,183	0.02
				24-08-2018	(3,241)	Sale	28,942	0.02
				31-08-2018	2,981	Buy	31,923	0.02
				07-09-2018	6,000	Buy	37,923	0.03
				14-09-2018	561	Buy	38,484	0.03
				28-09-2018	970	Buy	39,454	0.03
				05-10-2018	(5,694)	Sale	33,760	0.02
				12-10-2018	(1,035)	Sale	32,725	0.02
				26-10-2018	1,266	Buy	33,991	0.02
				26-10-2018	(2,683)	Sale	31,308	0.02
				02-11-2018	300	Buy	31,608	0.02
				09-11-2018	(74)	Sale	31,534	0.02
				16-11-2018	5	Buy	31,539	0.02
				23-11-2018	(1,526)	Sale	30,013	0.02
				30-11-2018	177,691	Buy	207,704	0.15
				07-12-2018	30,752	Buy	238,456	0.17
				14-12-2018	14,600	Buy	253,056	0.18
				21-12-2018	151	Buy	253,207	0.18
				28-12-2018	375	Buy	253,582	0.18
				31-12-2018	690	Buy	254,272	0.18
				11-01-2019	2,674	Buy	256,946	0.18
				18-01-2019	(1,741)	Sale	255,205	0.18
				25-01-2019	10,163	Buy	265,368	0.19
				01-02-2019	2,196	Buy	267,564	0.19
				08-02-2019	(10,000)	Sale	257,564	0.18
				22-02-2019	(6,543)	Sale	251,021	0.18
				01-03-2019	(20,838)	Sale	230,183	0.16
				08-03-2019	(5,151)	Sale	225,032	0.16
				15-03-2019	3,882	Buy	228,914	0.16
				22-03-2019	2,000	Buy	230,914	0.16
				29-03-2019	8,527	Buy	239,441	0.17

v) **Shareholding of Directors and Key Managerial Personnel**

Sr. No.	For each of the Directors & KMP	Shareholding at the beginning of the year (1st April, 2018) / at the end of the year (31st March, 2019)		*Date wise increase/ (decrease)	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
	Directors							
1	**Niraj Bajaj -** Chairman & Managing Director	11,786,730	8.34	No movement during the year			11,786,730	8.34
				At the end of the year			11,786,730	8.34
2	**Rajesh V Shah -** Co-Chairman & Managing Director	7,200,842	5.09				7,200,842	5.09
				15-03-2019	1,165	Transmission	7,202,007	5.09
		7,202,007	5.09	At the end of the year			7,202,007	5.09
3	**Suketu V Shah -** Jt. Managing Director	1,015,381	0.72	27-04-2018	9,70,000	Market sale	45,381	0.03
				At the end of the year			45,381	0.03
4	**Dhirajlal S. Mehta**	277	0.00	No movement during the year			277	0.00
				At the end of the year			277	0.00
5	**Amit Yadav**	300	0.00				300	0.00
				13-07-2018	100	Market Purchase	400	0.00
				23-11-2018	100	Market Purchase	500	0.00
				22-02-2019	200	Market Purchase	700	0.00
				At the end of the year			700	0.00
6	**N.C. Sharma**	36	0.00	No movement during the year			36	0.00
				At the end of the year			36	0.00
7	**Bharti R Gandhi**	500	0.00	No movement during the year			5,000	0.00
				At the end of the year			5,000	0.00
8	**Prakash V. Mehta**	-	0.00	No movement during the year			-	0.00
9	**Pratap V. Ashar**	10	0.00	No movement during the year			10	0.00
				At the end of the year			10	0.00
	Key Managerial Personnel							
1	**Umesh V. Joshi** - Chief Financial Officer	10	0.00	No movement during the year			10	0.00
				At the end of the year			10	0.00
2	**K J Mallya** - Company Secretary	400	0.00	No movement during the year			400	0.00
				At the end of the year			400	0.00
3	**A M Kulkarni** - Chief Executive Officer	3,520	0.00	No movement during the year			3,520	0.00
				At the end of the year			3,520	0.00

v INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
INDEBTEDNESS AT THE BEGINNING OF THE FINANCIAL YEAR				(Rs. in crore)
i. Principal Amount	955.21	851.52	146.51	1,953.24
ii. Interest due but not paid	0.19	-	6.14	6.33
iii. Interest accrued but not due	2.59	12.61	6.21	21.40
Total (i+ii+iii)	**957.99**	**864.13**	**158.86**	**1,980.97**
CHANGES IN INDEBNESS DURING THE FINANCIAL YEAR				
*Addition	20.00	907.61	-	927.61
*Reduction	(465.78)	-	(30.00)	(495.78)
Net Change	(445.78)	907.61	(30.00)	431.83
INDEBTEDNESS AT THE END OF THE FINANCIAL YEAR				
i. Principal Amount	499.43	1,759.13	116.51	2,375.07
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	2.14	18.61	7.76	28.51
Total (i+ii+iii)	**501.57**	**1,777.74**	**124.27**	**2,403.58**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and /or Manager:

Sr No	Particulars of Remuneration	Name of MD/WTD/Manger				Total Amount
		Niraj Bajaj Chairman & Managing Director	Rajesh V. Shah Co-Chairman & Managing Director	Suketu V. Shah Joint Managing Director	Pratap V. Ashar Director & Advisor - Administration	
1	Gross Salary					(Rs. in crore)
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	1.11	0.96	0.91	0.10	3.08
	(b) Value of perquisites u/s.17(2) of Income tax Act, 1961	0.09	0.24	0.22	0.01	0.56
	(c) Profits in liue of salary under section 17(3) Income tax Act, 1961	-	-	-	-	
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- other, specify	-	-	-	-	-
5	Others, Allowance-please specify	-	-	-	-	-
	TOTAL remuneration - (A):(1+2+3+4+5)	1.2	1.2	1.13	0.11	3.64
	Ceiling as per the Act	Pursuant to schedule V of the Companies Act, 2013 due to inadequacy of Profit				

B. Remuneration to other Directors:

Sr No	Particulars of Remuneration	Name of Director						
		Dhirajlal S Mehta	N. C. Sharma	Prakash V. Mehta	Amit Yadav	Bharti R Gandhi	N. J. Shah *	Total
1	**Independent Directors**	(Rs. in crore)						
	Fee for attending board / committee meetings	0.06	0.06	0.07	0.02	0.03	0.005	0.24
	Commission	-	-	-	-	-	-	
	Others, please specify	-	-	-	-	-	-	
	TOTAL (1)	0.06	0.06	0.07	0.02	0.03	0.005	0.24
2	**Other Non-Executive Directors**							
	Fee for attending board / committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	TOTAL (2)	0	0	0	0	0	0	-
3	**Total Managerial Remuneration (B) = (1+2)**	0.06	0.06	0.07	0.02	0.03	0.005	0.24
	Overall Ceiling as per the Act	Not Applicable						

*N.J. Shah Resigned w.e.f. 14-11-2018

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr No	Particulars of Remuneration	Key Managerial Personnel				
		A. M. Kulkarni CEO	K. J. Mallya Company Secretary	S. B. Jhaveri* CFO	Umesh V. Joshi** CFO	Total
1	Gross Salary					(Rs. in Crore)
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	1.04	0.47	1.33	0.07	2.91
	(b)Value of perquisites u/s.17(2) of Income tax Act, 1961	0.01	0.01	0.01	-	0.03
	(c) Profits in liue of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- other, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	TOTAL (1+2+3+4+5)	1.05	0.48	1.34	0.07	2.94

* S.B. Jhaveri retired as CFO of the Company w.e.f. 31-12-2018
** Umesh V. Joshi appointed as CFO of the Company w.e.f. 12-02-2019

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compunding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			Not applicable		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			Not applicable		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			Not applicable		
Compounding					

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director

Rajesh V. Shah
Co-Chairman & Managing Director

Mumbai, May 20, 2019

Brief description of Company's policies on I) Directors' appointment and Remuneration, determining criteria for qualification/independence, II) Remuneration for Directors, Key Managerial Personnel and other employees, III) performance evaluation of the Board, Committees and Directors, IV) on Materiality of Related Party transactions, V) Risk Management, VI) for Determining Material Subsidiaries and VII) Whistle Blower/Vigil Mechanism

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I) Company's policy on Directors' appointment and Remuneration, determining criteria for qualification/independence, etc.

i) The 'Policy on the Board Diversity' is formulated by the Nomination & Remuneration Committee of the Board of Directors of the Company,

ii) The Committee, while recommending the appointment of Directors, is required to keep in view that the persons being recommended are persons of eminence having diverse experience and skills in areas such as profession, business, industry, finance, law, administration, research etc., add value to the strategic needs of the Company and serve the governance.

iii) Independence of Independent Directors:

An independent director to meet the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) concerning independence of directors.

II) Remuneration Policy for Directors, Key Managerial Personnel and other employees

i) Non-Executive Directors (NEDs)

NEDs are paid –

a) a sitting fee of Rs. 50,000 for every meeting of the Board or Audit Committee thereof attended by them as a member; and

b) a sitting fee of Rs.20,000/- for every meeting of Committee of the Board (other than that of Audit Committee) and of Independent Directors of the Company.

ii) Managing Directors, Key Managerial Personnel & Other Employees

The objective of the Remuneration Policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to Managing Directors shall take into account the Company's overall performance, their contribution for the same and trends in the industry in general, in a manner which will ensure and support high performance culture.

The Company does not have stock option plans and hence such instruments do not form part of the remuneration package.

Remuneration to Managing Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The remuneration structure for other employees has compensation policy so as to reward and retain talent.

The weblink for the policy is: http://www.mukand.com/wp-content/uploads/2015/09/9.Remuneration-and-evaluation-Policy.pdf.

III) Performance Evaluation

The criteria for evaluation for performance of the Board, its Directors and Committees are formulated by the Nomination & Remuneration Committee of the Board of Directors of the Company and are as under:

1. For Board & Committees of the Board

a. The Board will have requisite number of Independent Directors including a woman director as required under Companies Act, 2013;

b. Frequency of Meetings and attendance thereat;

c. Discharge of the key functions and responsibility prescribed under Law;

d. Monitoring the effectiveness of corporate governance practices;

e. Ensuring the integrity of the company's accounting and financial reporting systems, independent audit, internal audit and risk management systems (for Board and Audit Committee);

2. For Directors

a. Pro-active and positive approach with regard to Board and Senior Management particularly the arrangements for management of risk and the steps needed to meet challenges from the competition;

b. Acting in good faith and in the interests of the Company as a whole;

c. Capacity to effectively examine financial and other information on operations of the Company and the ability to make positive contribution thereon.

IV) Policy on Materiality of Related Party transactions

Related Party Transactions (RPTs) of the Company covered under the Companies Act, 2013 and Regulation 23 of SEBI LODR, 2015 are to be approved by the Audit Committee of the Board from time to time.

Consent of the Board and the Shareholders would be taken in respect of all RPTs, except in following cases:

a. Where the transactions are below the threshold limits specified in the Companies Act, 2013 & Rules framed thereunder or the SEBI LODR, 2015 as may be applicable; or

b. Where the transactions are entered into by the Company in its ordinary course of business and are on an arms' length basis; or

c. Payment made with respect to brand usage or royalty where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, do not exceed two percent of the annual consolidated turnover as per the last audited financial statements of the company.

d. Where the transactions to be entered into individually or taken together with previous transactions during a financial year does not exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Dealing with Related Party Transactions shall be in accordance with the Companies Act, 2013 & Rules thereunder, SEBI LODR, 2015 and other applicable provisions for the time being in force.

The detailed policy on Materiality of Related Party transactions covering above can also be accessed on the Company's website under the weblink: http://www.mukand.com/wp-content/uploads/2015/09/2.-Policy-on-RPTs-and-materiality-of-transactions.pdf.

V) Risk Management Policy of the Company

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Directors of the Company. The Audit

Committee/Board periodically reviews the adequacy and efficacy of the overall risk management system.

VI) Policy for determining Material Subsidiaries

'Material subsidiary' shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year. The weblink for the policy is: www.mukand.com/investor/others/polices http://www.mukand.com/wp-content/uploads/2019.

VII) Whistle Blower Policy/Vigil Mechanism

The director/employee to address the complaint to any member of the Enforcement Committee along with the available details and evidence to the extent possible. In case, the complaint is received by a person, other than an enforcement committee member, the same is required to be forwarded by him to the Enforcement Committee.

The Whistle Blower is to be protected from any kind of discrimination, harassment, victimization or any other unfair employment practice.

The Enforcement Committee to investigate and decide the case and recommend action within four weeks to the Chairman & Managing Director/Co-Chairman & Managing Director. The final action to be taken will be decided by the Chairman & Managing Director/Co-Chairman & Managing Director.

The director in all cases and employee in appropriate or exceptional cases to have direct access with the Chairman of the Audit Committee of the Board of Directors of the Company.

The Enforcement Committee to report to the Chairman & Managing Director / Co-Chairman & Managing Director.

The Company affirms that no employee has been denied access to the Audit Committee.

On behalf of the Board of Directors,

Niraj Bajaj	**Rajesh V. Shah**
Chairman & Managing Director	**Co-Chairman & Managing Director**

Mumbai, May 20, 2019

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Company has not entered into any contract or arrangements or transactions with its related parties which is not at arm's length during the financial year 2018-19.

2. Details of material contracts or arrangements or transactions at arm's length basis:

(a)	Name of related party and nature of relationship	Mukand Sumi Metal Processing Ltd. (MSMPL), Subsidiary company	Mukand Sumi Special Steel Ltd. (MSSSL), Subsidiary company
(b)	Nature of contracts/ arrangements / transactions	Sales of goods and rendering of services, purchase of goods and receiving of services.	Sales of goods and rendering of services, purchase of goods and receiving of services.
(c)	Duration of the contracts/ arrangements / transactions	On quarterly basis	On quarterly basis
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Arm's length basis in the ordinary course of business and credit period of 5 days, Transactions value for FY: 2018-19 was Rs. 478.00 crore	Arm's length basis and credit period of 7 days. Transactions value for FY: 2018-19 was Rs. 1975.94 crore
(e)	Date(s) of approval by the Board	In the first quarter meeting of the Board	In the first quarter meeting of the Board
(f)	Amount paid as advances, if any:	NIL	NIL

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director

Rajesh V. Shah
Co-Chairman & Managing Director

Mumbai, May 20, 2019

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo as required under Companies Act, 2013.

A. Conservation of Energy

i) Energy Conservations Measures taken:

Steel Plant:

(a) For reduction in consumption of electrical energy:

* Regulators were installed to reduce pressure of compressed air.
* Replaced Low Watts LED fittings in place of high Watts shed fittings.
* Installation of VVVF drive for Converter fan of Fume Extraction and Dedusting System and Hot Saw machine.
* Installation of Energy Efficient Drive in WRM Ventilation Blower.
* Switching off Energy Points in Mill Stands in case of delay of over 10 minutes.
* Installation of energy efficient pumps in cooling tower and scale pit of WRM and Bar Mill.
* Operation of Furnace at high temperature.
* Use of PLC controlled actuators in reheating furnace to optimize temperature and Blast Furnace gas.
* Upgradation of Programmable Logic Controller of Ladle Refining Furnace.
* Minimization of False Air Suction from Electro Static Precipitator and Wind Box.

(b) Fuel :

Steps taken to reduce Fuel Consumption:

* Reduction in consumption of Coke Fines.
* Higher usage of mill scale to replace other costly inputs.
* Improved planning to reduce use of CMDB Ladles and avoid additional heating.
* Installation of PID Control System in Bar Mill Furnace to optimize fuel consumption.
* Installation of Recuperator to increase combustion air temperature in Blooming Mill.
* Installation of Pneumatic Oil and Air Control Unit in Blooming Mill Furnace instead of modulated motor control.

ii) Steps taken by the Company for utilizing alternate sources of energy:

* Increase in use of :
  - wind energy.
  - Solar energy.

iii) Capital investment on energy conservation equipment during the year under review.

Sr. No.	Item Description	FY: 2018-19 (Rs. in Crore)
1	VVF Drive of Converter	0.85
2	UHPF FED Air cooled Gas Cooling system	0.61
	TOTAL	**1.46**

B. Technology, absorption, adoption and innovation

i) Efforts made towards technology absorption, adaptation and innovation:

* Non-Destructive Testing Line installed to meet quality standards for some of the applications.
* Vacuum Degassing Steam Suction reduced.
* Elimination of centre cracks in steel products by modified spray cooling.
* Minimisation of sub-surface defects in steel products by use of four port SEN.
* Usage of Strand Electro Magnetic System for some grades of Steel.
* Use of Thread Sealant for minimization of AMLC failure.
* Modification of De-ducting system for dust emission controls.
* Introduction of CBM System for critical equipments.
* Improved surface quality to reduce quantum of peeling loss.
* Increase in the life of Refractory lining.
* On line Eddy current tester to ensure defects free surface of steel for fastener and bearing applications.

ii) Benefits derived as a result of the above efforts:

* Development of special steel grades for new applications for automotive industry and thereby increased market share.
* Cost effective solutions to customers by supporting alternate and cheaper process route.

iii) Imported technology:

Company has not imported any technology during the year under review.

iv) Expenditure on R&D:

Description	FY: 2018-19 (Rs. in Crore)	FY: 2017-18 (Rs. in Crore)
a) Capital	**-**	-
b) Recurring	**0.35**	0.73
Total	**0.35**	0.73
R&D expenditure as a % of total turnover	**0.01**	0.02

v) New products developed for critical applications, import substitution and for export market:

* Steel for Wheel Bearing Hub Application, Bearing Roller Application, Railway Bearings, for various applications in automobiles/Motorcycles/scooters and Fastener Industry.
* High Nickel, High Chrome carburizing steel for Pinion application.
* Austenitic stainless steel for Special Application in Petrochemical Industry.
* Steel for Solenoid Valve application for export market, Spring Wire application, Orthopedic application, Automobile Exhaust application.
* Duplex and Lean Duplex Grades of Steel for variety of applications.
* Stainless Steel Bars for Petrochemical Industries.

C. Foreign Exchange Earnings and Outgo:

Sr. No.	Description	FY: 2018-19 (Rs. in Crore)
i.	Foreign Exchange Earnings	**264.08**
ii.	CIF value of imports	**1,136.35**
iii.	Expenditure in Foreign Currency	**5.17**

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director

Rajesh V. Shah
Co-Chairman & Managing Director

Mumbai, May 20, 2019

Form AOC - I

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts), Rules 2014]

Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures

Part - "A" : Subsidiaries

(Rs. in crore)

Sr. No.	Description	Indian Subsidiaries			Foreign Subsidiaries	
		Mukand Global Finance Ltd.	Vidyavihar Containers Ltd.	Adore Traders & Realtors Pvt Ltd.	Mukand International Ltd.	Mukand International FZE
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1.4.2018 to 31.3.2019	1.4.2018 to 31.3.2019	1.4.2018 to 31.3.2019	1.4.2018 to 31.3.2019	1.4.2018 to 31.3.2019
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in case of foreign subsidiaries				USD (USD 1 = 69.155)	USD (USD 1 = 69.155)
3.	Share Capital	11.75	119.77	0.05	0.01	9.03
4.	Reserves and Surplus.	17.38	(172.38)	(15.38)	0.01	8.03
5.	Total Assets.	191.19	2.76	63.77	0.02	26.35
6.	Total Liabilities.	162.06	55.38	79.10	-	9.29
7.	Investments	0.70	-	-	-	-
8.	Turnover *	26.37	-	6.41	-	286.68
9.	Profit before taxation *	2.09	(9.42)	(2.17)	-	2.24
10.	Provision for Taxation *	0.39	-	-	-	-
11.	Profit after taxation *	1.70	(9.42)	(2.17)	-	2.24
12.	Proposed Dividend / Dividend paid	0	-	-	-	1.41
13.	% of shareholding	100	100	100	100	100

*** In case of foreign subsidiaries, translated at average Exchange Rate of USD 1 = 70.10**

Notes:

1. Names of Subsidiaries which are yet to commence operations: NIL
2 Names of Subsidiaries which have been liquidated or sold during the year : NIL

Form AOC - I

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures(JV)

(Rs. in crore)

Sl. No.	Name of Associates/Joint Ventures	Mukand Engineers Ltd. (MEL)	Bombay Forgings Ltd. (BFL)	Stainless India Ltd. (SIL)	Hospet Steels Ltd. (HSL)	Mukand Sumi Metal Processing Ltd.	Mukand Sumi Special Steel Ltd.
		Associate	Associate	Associate	JV	JV	JV
1.	Latest Audited Balance Sheet date	31.3.2019	31.3.2019	31.3.2019	31.3.2019	31.3.2019	31.3.2019
2	Shares of Associates/Joint Ventures held by the Company on the year end						
	No.	4,539,781	28,800	6,097,200	70,004	16,400,000	21,208,729
	Amount of Investment in Associates/Joint Ventures	19.78	0.19 *	13.09 *	0.07	163.56	0.17
	Extent of Holding %	36.11	33.17	48.30	39.00	60.07	51
3.	Description of how there is significant influence	Extent of share holding	Extent of share holding	Extent of share holding	Extent of share holding	Extent of share holding	Extent of share holding
4.	Reason why the associate/joint venture is not consolidated						
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	6.14	(5.96)	Nil*	Nil*	168.14	966.84
6.	Profit/(Loss) for the year	(22.37)	(14.86)	-	(0.03)	7.24	29.70
i.	Considered in Consolidation	(8.04)	-	-		9.69	16.80
ii.	Not Considered in Consolidation	-	-	-	-	-	-
	1. Names of associates or joint ventures which are yet to commence operations - . Nil						
	2. Names of associates or joint ventures which have been liquidated or sold during the year - Mukand Vini Mineral Limited (Being dormant,under process of striking off)						
	* As provision for diminution in value of investments has been considered while consolidating the financial statements.						

Report on performance and financial position of each Subsidiary, Joint Ventures / Associates

1. Mukand Global Finance Ltd. (MGFL):

Revenue from Operations and other income is at Rs. 26.37 Cr as compared to Rs. 45.01 Cr in the previous year. Profit after tax is at Rs. 1.70 Cr as compared to Rs.3.67 Cr in the previous year.

2. Vidyavihar Containers Ltd. (VCL):

During the year under review, income from operations is Rs. Nil as compared to Rs. Nil in the previous year. Loss after tax is at Rs. 9.42 Cr as compared to Rs. 1.54 Cr in the previous year. The loss for the year is mainly on account of provision made against the outstanding loans recoverable.

3 Mukand International Ltd. (MIL):

MIL, UK has ceased trading operations with effect from April 1, 2010 and is under the process of striking off from the register of Companies Registration Office, UK.

4 Mukand International FZE (MIFZE):

MIFZE trades in steel products and inputs for manufacture of steel world wide. Turnover during the year is USD 4.09 Cr as compared to USD 4.36 Cr in the previous year. Net profit for the year is USD 0.03 Cr as compared to USD 0.02 Cr in the previous year. Its Board has proposed a dividend of USD 2,04,375 for the year under review as against USD 1,02,188 in the previous year.

5 Mukand Engineers Ltd (MEL):

Mukand Engineers Ltd is engaged in the business of supply and erection of equipment for power plants, integrated steel/aluminium plants and hydro-carbon plants. It also undertakes engineering and project management services for steel and power plants. During the year under review revenue from operations and other income is Rs. 55.04 Cr as compared to Rs. 79.35 Cr in the previous year. Loss or the year is Rs. 22.37 Cr as compared to Rs. 14.41 Cr in the previous year on account of lower turnover resulting in shortfall in the absorption of overheads.

6 Bombay Forgings Ltd. (BFL):

Revenue from operations is at Rs. 16.82 Cr as compared to Rs. 33.48 Cr in the previous year. Loss for the year was at Rs. 14.82 Cr as compared to Rs. 2.76 Cr in the previous year. This was mainly on account of slump in the market for forgings.

7 Stainless India Ltd. (SIL):

SIL has ceased operation with effect from 27.10.2008. Building, Plant & Machinery and other assets have been disposed in the earlier years. MOU had been concluded with a buyer for transfer of free hold and lease hold land. State Government's permission for transfer of lease hold industrial land was obtained and balance of the said land has been transferred.

8 Hospet Steels Ltd (HSL):

HSL is an outcome of a strategical alliance between Kalyani Steels Limited and Mukand Ltd to manage and operate the composite manufacturing facility at Ginigera, Karnataka. Actual expenses incurred by HSL for carrying out its objectives are reimbursed by alliance constituents. In view of the same, no service charges are recovered by HSL. During the year it claimed reimbursement of Rs. 136.35 Cr from the constituents and its profit/(loss) for the year after tax was Rs. (0.03) as against 0.39 in the pervious year.

9 Mukand Sumi Metal Processing Ltd. (MSMPL):

MSMPL is a subsidiary formed under joint venture with Sumitomo Corporation, Japan to carry on the business of cold finished bars and wires. During the year under review, revenue from operations is Rs. 815.56 Cr as compared to Rs. 631.70 Cr in the previous year. Profit after tax is at Rs. 7.24 Cr as compared to Rs.10.52 Cr in the previous year.

10 Mukand Sumi Special Steel Ltd. (MSSSL) :

MSSSL is a joint venture with Sumitomo Corporation, Japan in the business of manufacturing and marketing alloy steel bars and rods. Revenue from operation for the year is Rs. 2,054.21 Cr and profit after tax is Rs. 29.70 Cr as against Rs. 1,960.51 Cr and Rs. (119.14) Cr. respectively in the previous year.

11 Mukand Vini Mineral Ltd. (MVML):

During the year, the Company has filed application for voluntary striking off (closure) under section 248 of the Companies Act 2013.

On behalf of the Board of Directors

Niraj Bajaj Chairman & Managing Director DIN:00028261	Rajesh V. Shah Co-Chairman & Managing Director DIN:00021752	Suketu V. Shah Joint Managing Director DIN: 00033407
A. M. Kulkarni Chief Executive Officer	Umesh V. Joshi Chief Financial Officer	K. J. Mallya Company Secretary

Mumbai, May 20, 2019

Disclosure of Managerial Remuneration under Section 197 of the Companies Act 2013 read with Rule 5 (1) and (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1.1 The Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year ending 31.03.2019 and The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name & Designation	Ratio of remuneration of Directors with respect to median remuneration of employees	Percentage increase in remuneration over last Financial Year
Managing Directors:		
Niraj Bajaj, Chairman & Managing Director	17.96:1	6.5% *
Rajesh V. Shah, Co-Chairman & Managing Director	17.96:1	6.5% *
Suketu V. Shah, Joint Managing Director	17.82:1	9.32% *
Whole-time Director:		
Pratap V. Ashar, Director & Advisor – Administration (w.e.f. May 29, 2018)	1.45:1	N.A.
Key Managerial Personnel:		
S. B. Jhaveri, Chief Financial Officer (upto December 31, 2018)	N.A.	55% **
Umesh V. Joshi, Chief Financial Officer (with effect from February 12, 2019)	N.A.	N.A.
A. M. Kulkarni, Chief Executive Officer	N.A.	29%
K. J. Mallya, Company Secretary	N.A.	46% ***

* Increase in remuneration paid is as per terms approved by shareholders. However, the perquisites drawn during the year were higher as compared to the last financial year. In case of Suketu V. Shah, remuneration also includes leave encashment of Rs. 0.04 crore.

** Includes leave encashment of Rs. 0.50 crore on retirement.

*** Includes leave encashment of Rs. 0.02 crore.

1.2 The percentage increase in the median remuneration of employees in the financial year:

The percentile increase in the median remuneration of employees in the financial year was at 30%.

1.3 The number of permanent employees on the rolls of the company as on March 31, 2019: 1,718

1.4 The average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year was 14% and the percentage increase in the managerial remuneration was at 24%.
- Company's total revenue was Rs. 3,667 crore for the year under review as compared to Rs. 3,408 crore in the previous year. Company incurred loss, before fair value of investments & tax, of Rs. 156 crore as compared to such loss of Rs. 224 crore for the previous year.

1.5 The key parameters for any variable component of remuneration availed by the directors:

- There is no variable component of remuneration payable to the Directors.

1.6 Affirmation that the remuneration is as per the remuneration policy of the company:

- It is hereby affirmed that the remuneration to Managerial personnel is as per remuneration policy of the Company.

1.7 Details of top 10 or such employees in terms of remuneration drawn during the year, where employed throughout the financial year , in receipt of remuneration for the year which, in the aggregate, was not less that Rs. 1,02,00,000/- and where employed for any part of the year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month:

Sr. No.	Employee Name	Designation	Educational Qualifications	Age	Experience (in years)	Gross Remuneration in FY: 2018-19 (Rs. In crore)	Previous Employment & Designation
1	Niraj Bajaj	Chairman & Managing Director	B.Com., M.B.A. (Harvard Business School)	64	38	1.31	Executive Trainee - Bajaj Auto Limited
2	Rajesh V. Shah	Co-Chairman & Managing Director	M.A.(Cambridge University), M.B.A. (California University), P.M.D., (Harvard Business School)	67	42	1.31	Director, Virani Fasteners & Bolts Pvt Ltd.
3	Suketu V. Shah	Joint Managing Director	B.Com, M.B.A. (Harvard Business School)	64	37	1.29	Executive Director Adonis Laboratories Pvt. Ltd.
4	S.B. Jhaveri	Chief Financial Officer (upto 31-12-2018)	B.Com, ACMA, AICWA	83	62	1.35	Costing Asst., Shree Ram Mills Ltd.
5	A.M. Kulkarni	Chief Executive, Steel Plant	B.Tech. PGDIE	67	44	1.09	Nil

Except for the above, none of the employees, employed throughout the year, were in receipt of remuneration of not more than Rs.1.02 crore per annum and employed for part of the year, were in receipt of remuneration of not more than Rs.8.50 lacs per month.

The employees mentioned above have/had permanent contracts with the Company.

Rajesh V. Shah and Suketu V. Shah are related to each other as brothers.

Apart from the above, none of the employes mentioned above are neither relatives of any directors of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

On behalf of the Board of Directors,

Niraj Bajaj
Chairman & Managing Director

Rajesh V. Shah
Co-Chairman & Managing Director

Mumbai, May 20, 2019

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019
[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 & RULE 9 OF THE COMPANIES APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014]

To,
The Members,
MUKAND LIMITED
Bajaj Bhavan, Jamnalal Bajaj Marg,
226 Nariman Point, Mumbai - 400021

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mukand Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

The Companies Act, 2013 (the Act) and the rules made thereunder;

The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) regulations, 2014;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

i) The Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015; and

OTHER APPLICABLE LAWS:

i. The Indian Highways Act, 1956

ii. The Legal Metrology Act, 1999

iii. The Environment (Protection) Act, 1986

iv. The Water (Prevention and Control of Pollution) Act, 1974

v. The Air(Prevention and Control of Pollution) Act, 1981

vi. Hazardous Wastes (Management & Handling) Rules, 2008

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The Changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes book, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. In pursuance of the joint venture agreement dated 30.03.2017 entered into between Mukand Limited and Sumitomo Corporation, Japan ('SCJ') to engage in the business of rolling & finishing of alloy steel through a subsidiary viz Mukand Sumi Special Steel Limited (formerly known as Mukand Alloy Steels Limited), Sumitomo Corporation has subscribed to the issue of equity shares made by Mukand Sumi Special Steel Limited ('MSSSL'). The Board of Directors of MSSSL in its meeting held on 02.05.2018 allotted 2,03,77,014 (Two Crores Three Lakhs Seventy Seven Thousand and Fourteen) equity shares of Rs. 10 (Rupees Ten Only) at a premium of Rs. 569.57 (Rupees Five Hundred Sixty Nine and Fifty Seven Paisa) per share to SCJ.

2. Mukand Global Finance Limited ("MGFL"), a wholly owned subsidiary of the Company was holding 18.70% Equity share Capital in Adore Traders and Realtors Private Limited ('Adore'). MGFL has further acquired balance 81.30% equity share capital of Adore at a consideration of Rupee 1 per equity share on 30.04.2018. Therefore, Adore is now a Wholly owned subsidiary of MGFL and a Step down subsidiary of Mukand Limited.

3. The Board of directors of the Company in its meeting held on 16.07.2018 considered and approved the Scheme of Amalgamation ("Scheme") amongst Adore Traders and Realtors Private Limited ("Adore"), Mukand Global Finance Limited ("MGFL")(a wholly owned subsidiary of the Company), Mukand Engineers Limited ("MEL") (associate Company), Mukand Limited ("Mukand" or "Company") and their respective shareholders and creditors under the provisions of Section 230 to Section 232 of the Companies Act, 2013 as per the details given below:

   (a) Amalgamation of Adore Traders and Realtors Private Limited with Mukand Global Finance Limited,

   (b) Amalgamation of Mukand Global Finance Limited (post merger) and Mukand Engineers Limited with Mukand Limited.

4. The Company had incorporated Mukand International Limited ("MIL"), UK a wholly owned subsidiary on 27.01.1993. In view of setting up of the subsidiary Company viz. Mukand International FZE ("MIFZE") Dubai, UAE on 21.09.2008 the Company had transferred its export business to MIFZE and stopped trading from MIL with effect from 01.04.2010. MIL has remained dormant since then and therefore the Board of Directors of the Company in its meeting held on 12.02.2019 approved the strike-off of MIL, UK.

5. Pursuant to the provisions of Section 42 and Section 71 of the Companies Act, 2013 read with the Rules made thereunder, the members in Annual General Meeting held on 13.08.2018 granted approval to the Board of Directors of the Company to offer/ invite subscription for secured/ unsecured redeemable Non Convertible Debentures (NCD's) in one or more trenches/ series, aggregating upto Rs. 5,00,00,00,000 (Rupees Five Hundred Crores) on Private Placement basis.

FOR ANANT B KHAMANKAR & CO.
ANANT KHAMANKAR
FCS No. – 3198
CP No. – 1860

DATE : 18th MAY, 2019
PLACE : MUMBAI

INDEPENDENT AUDITOR'S REPORT

To the Members of Mukand Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Mukand Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2019, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone Ind AS Financial Statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Appropriateness of estimation of cost to complete the project

The Company generates part of its revenue from long term construction / project related activity and contracts for supply / commissioning of plant and equipment which is accounted under the percentage of completion method (POC), which is the proportion of cost of work performed to-date, to the total estimated contract costs.

Determination of revenue requires estimation of total contract costs which is done based on the actual cost incurred till date and the cost required to be incurred to complete the projects. The estimation of cost to complete involves exercise of significant judgment by the management and assessment of project data, estimates related to future costs and assumptions.

This has been considered as a key audit matter given the involvement of management judgment and any variation have consequential impact on the revenue recognised as per percentage of completion method.

How our audit addressed the Key Audit Matter

We have performed the following procedures among others:

a) Understood and evaluated the design and tested the operating effectiveness of controls around estimation of costs to complete the project including the review and approval of estimated project cost.

b) Verified the contracts on test check basis entered by the Company for the consideration and relevant terms and conditions relating to variations to the cost.

c) Obtained computation of estimated costs to complete the project and the percentage of project completion and verified the same against the contractual terms and the work orders placed with vendors.

d) Verified original invoices, purchase orders, receipts etc. for the actual costs incurred upto the year end date on test check basis.

e) Discussed the status of the projects with the Company's project management team and evaluated the reasonableness of the estimates made by the management of costs to be incurred for completion of the respective projects.

f) Verified the revision in total cost of the contracts by comparing the management estimates revised during the current year with the estimate made in earlier years and obtained reasons for such revision including verification of correspondence with the vendors in case of renegotiation of prices with them and the approvals for the same.

Emphasis of Matter

We draw attention to the following matter in the notes to the standalone Ind AS Financial Statements:

1. Note '12(c)' to the standalone Ind AS Financial Statements 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.

2. Note ‘25(b)’ to the standalone Ind AS Financial Statements, relating to exposure aggregating to Rs. 121.47 crore as at March 31, 2019 (Rs. 123.97 crore 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 Tribunal in excess of Company’s exposure and our reliance on the Management’s expectation of full realisibility of its exposure.

   Our opinion is not modified in respect of these matters.

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Director’s Report, but does not include the standalone Ind AS Financial Statements and our auditor’s report thereon.

Our opinion on the standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS Financial Statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this standalone Ind AS Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS Financial Statements, including the disclosures, and whether the standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of Section 143(11) of the Act, we give in “Annexure 1”, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;

e. On the basis of the written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in “Annexure 2”;

g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act;

h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS Financial Statements – Refer Note 37 on Contingent Liabilities to the standalone Ind AS Financial Statements;

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.034828

Place : Mumbai
Date : May 20, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Mukand Limited on the standalone Ind AS Financial Statements for the year ended March 31, 2019]

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment. However it is in the process of updating the same for accumulated depreciation and net block of property, plant and equipment.

(b) The Company has a regular program of physical verification of its property, plant and equipment under which items of property, plant and equipment are verified in a phased manner at regular period, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain items of property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties recorded as property, plant and equipment in the books of account of the Company are held in the name of the Company.

(ii) The inventory (excluding stocks lying with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

(iii) The Company has granted unsecured loans, to Adore Traders and Realtors Private Limited ("Adore") and Mukand Engineers Limited ("MEL"), parties covered in the register maintained under Section 189 of the Act.

(a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company. Further the reference has been drawn on note 41(ii) of the standalone Ind AS financial statements of the Company regarding the proposed scheme of amalgamation. The Appointed Date for amalgamation is April 01, 2019. The Scheme is subject to requisite approvals of respective shareholders, creditors, NCLT and other Statutory or Regulatory authorities as applicable. Upon the Scheme becoming effective, all the inter-company loans shall come to an end and corresponding effect shall be given in the books of account and records of the Company for the reduction of assets.

(b) The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts are regular wherever stipulated.

(c) In respect of the aforesaid loans, there is no overdue amount of loans remaining outstanding as at the year-end.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Sections 185 and 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under with regard to the acceptance of deposits. Further, as informed, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii)

a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, customs duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in payment of tax deducted at source, goods and service tax which have not been serious.

b) According to the information and explanations given to us, no undisputed dues in respect to provident fund, employees' state insurance, income tax, goods and service tax, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where dispute is pending	Remarks
Income Tax Act	Income Tax	0.682	1992-93	High Court	
Income Tax Act	Income Tax	0.594	1996-97	Assessing Officer	
Income Tax Act	Income Tax	0.313	1997-98	High Court	
Income Tax Act	Income Tax	0.640	1998-99	High Court	
Wealth Tax Act	Wealth Tax	0.352	1998-99	High Court	
Trade Tax and Entry Tax	UP Trade Tax and Entry Tax	0.074*	2001-02	High Court	
Trade Tax	UP Trade Tax	0.30*	2002-03, 2003-04	High Court	
Entry Tax	Entry Tax	0.109	2002-03	Additional Commissioner (Appeal)	
Sales Tax	Local Sales Tax, Central Sales Tax	0.018	1988-89, 1989-90	Tribunal	
Sales Tax	Local Sales Tax, Central Sales Tax	0.021	1989-90, 1990-91, 1991-92, 1996-97, 1998-99	Deputy Commissioner Appeal	
Sales Tax	Local Sales Tax, Central Sales Tax	0.033	2012-13	Additional Commissioner (Appeal)	
UP Trade Tax	UP Trade Tax	0.043*	2001-02	Additional Commissioner (Appeal)	
UP Trade Tax	UP Trade Tax	0.612*	2004-05	Tribunal	
UP Trade Tax	UP Trade Tax	0.440*	2005-06	Tribunal	

* Net of amount deposited i.e. demand has been paid under protest.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loan from government nor have issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public issue offer / further public offer (including debt instruments) during the year. The company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.034828

Place : Mumbai
Date : May 20, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Mukand Limited on the standalone Ind AS Financial Statements for the year ended March 31, 2019]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Mukand Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.034828

Place : Mumbai
Date : May 20, 2019

Balance Sheet As At 31st March, 2019

	Note No.		31-Mar-19 Rs. in crore	31-Mar-18 Rs in crore
I ASSETS				
(A) Non Current Assets				
(1) Property Plant & Equipment, Capital Work-in-Progress & Intangible Assets	3			
(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) Investments	4	**1,453.10**		1,427.79
(b) Other Financial Assets	5	**15.67**		29.79
			1,468.77	1,457.58
(3) Deferred Tax Assets (net)	6			
(4) Income Tax Assets	7		**48.84**	49.72
(5) Other non-current assets	8		**78.31**	73.46
Total (A)			**2,124.11**	2,166.26
(B) Current Assets				
(1) Inventories	9		**1,254.10**	1,105.02
(2) **Financial Assets**				
(a) Trade receivables	10	**443.39**		310.16
(b) Cash & Cash Equivalents and Other Bank Balances	11			
(i) Cash & Cash Equivalents	11.1	**0.78**		11.08
(ii) Bank Balances other than (i) above	11.2	**58.87**		47.46
		59.65		58.54
(c) Loans	12	**69.63**		48.18
(d) Other Financial Assets	13	**276.30**		564.92
Total (2)			**848.97**	981.80
(3) **Other Current Assets**	14		**151.02**	128.23
Total (B)			**2,254.09**	2,215.05
Total - Assets			**4,378.20**	4,381.31
II EQUITY AND LIABILITIES				
II.1 Equity				
(a) Share Capital	15	**141.42**		141.42
(b) Other Equity	16	**912.03**		992.64
			1,053.45	1,134.06
II.2 Liabilities				
(A) Non Current Liabilities				
(1) Financial Liabilities				
(a) Borrowings	17	**1,564.47**		779.09
(b) Other Financial Liabilities	18	**4.00**		4.00
Total (1)			**1,568.47**	783.09
(2) Provisions	19		**32.93**	35.17
(3) Deferred Tax Liabilities (net)	6		**41.44**	88.32
Total (A)			**1,642.84**	906.58
(B) Current Liabilities				
(1) Financial Liabilities				
(a) Borrowings	20	**664.69**		879.32
(b) Trade payables				
Dues to Micro Enterprises and Small Enterprises		**3.67**		2.97
Other than to Micro Enterprises and Small Enterprises		**760.17**		985.58
	21	**763.84**		988.55
(c) Other Financial Liabilities	22	**198.22**		349.06
Total (1)			**1,626.75**	2,216.93
(2) Other Current Liabilities	23		**45.63**	115.38
(3) Provisions	24		**9.53**	8.36
Total (B)			**1,681.91**	2,340.67
Total Equity & Liabilities			**4,378.20**	4,381.31
Statement of Significant Accounting Policies adopted by the Company and Notes forming part of the Financial Statements	1 to 48			

As per our attached report of even date

For and on behalf of Board of Directors

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

Rajesh V Shah
Co-Chairman & Managing Director
DIN : 00021752

Suketu V Shah
Joint Managing Director
DIN : 00033407

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

Umesh V Joshi
Chief Financial Officer

A M Kulkarni
Chief Executive Officer

K J Mallya
Company Secretary

Mumbai, May 20, 2019

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

		Note No.		2018-19 Rs. in crore	2017-18 Rs. in crore
I	**Revenue from Operations**	25		**3,587.64**	3,106.65
II	**Other Income**	26		**79.34**	300.93
III	**Total Revenue (I) + (II)**			**3,666.98**	3,407.58
IV	**Expenses**				
	(a) Cost of Materials Consumed	27		**1,953.43**	1,772.18
	(b) Purchase of Stock in Trade			**11.60**	11.73
	(c) Changes in inventories of Finished Goods and Work-in-Progress / Contracts in Progress & Stock-in Trade	28		**(17.97)**	(54.47)
	(d) Excise Duty				36.83
	(e) Employee benefits expense	29		**208.38**	182.47
	(f) Finance costs	30		**303.30**	267.25
	(g) Depreciation and amortization expense			**58.30**	56.47
	(h) Other expenses	31		**1,284.08**	1,102.77
	(i) Expenditure transferred to Capital Accounts / Capital Work-in-Progress			**(1.81)**	(6.95)
	Total Expenses			**3,799.31**	3,368.28
	Profit/(Loss) before Exceptional items and tax			**(132.33)**	39.30
	Add / (Less) :				
	Exceptional Items (net)	32			(13.46)
V	**Profit before tax, (III-IV)**			**(132.33)**	25.84
VI	**Tax Expense:**	33			
	Current Tax (MAT)				(5.52)
	Excess / (Short) provision for tax in respect of earlier years		**-**		0.45
				-	(5.07)
	Deferred Tax (Charge) / Credit				
	MAT credit entitlement		**-**		5.52
	Deferred Tax		**48.22**		17.77
	Deferred Tax / MAT credit entitlement			**48.22**	23.29
VII	**Profit/(Loss) for the year (V) - (VI)**			**(84.11)**	44.06
VIII	**Other Comprehensive income (net of tax)**	34			
	Items that will not be reclassified to Profit or loss		**4.84**		43.01
	Deferred tax		**(1.34)**		(12.30)
				3.50	30.71
IX	**Total Comprehensive Income for the year (VII) + (VIIII)**			**(80.61)**	74.77
	Basic and diluted earnings per share (in Rs.)	35		**(5.95)**	3.12
	Statement of Significant Accounting Policies adopted by the Company and Notes forming part of the Financial Statements	1 to 48			

As per our attached report of even date

For and on behalf of Board of Directors

For Haribhakti & Co. LLP Chartered Accountants ICAI Firm Registration No. 103523W / W100048	**Niraj Bajaj** Chairman & Managing Director DIN : 00028261	**Rajesh V Shah** Co-Chairman & Managing Director DIN : 00021752	**Suketu V Shah** Joint Managing Director DIN : 00033407
Sumant Sakhardande Partner Membership No. 034828 Mumbai, May 20, 2019	**Umesh V Joshi** Chief Financial Officer Mumbai, May 20, 2019	**A M Kulkarni** Chief Executive Officer	**K J Mallya** Company Secretary

Statement of Changes in Equity

A Equity Share Capital

		Rs. in crore
As at	31-Mar-18	141.42
As at	31-Mar-19	141.42

B Other Equity

Rs. in crore

			Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Remeasurement of defined benefit obligations	Total
1	**As at**	**31-Mar-18**		**3.00**	**100.32**	**234.78**	**(18.20)**	**668.27**	**4.47**	**992.64**
2	Total Comprehensive Income for the year						(84.11)	1.30	2.20	(80.61)
3	**As at**	**31-Mar-19**		**3.00**	**100.32**	**234.78**	**(102.31)**	**669.57**	**6.67**	**912.03**

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

For and on behalf of Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

Rajesh V Shah
Co-Chairman & Managing Director
DIN : 00021752

Suketu V Shah
Joint Managing Director
DIN : 00033407

Umesh V Joshi
Chief Financial Officer

A M Kulkarni
Chief Executive Officer

K J Mallya
Company Secretary

Mumbai, May 20, 2019

Cash Flow Statement for the year ended 31st March, 2019

Rs. in crore

			2018-19	2018-19	2018-19	2017-18	2017-18	2017-18
A	**Cash Flow arising from Operating Activities**							
	Profit / (Loss) before Tax & Exceptional items				**(132.32)**			39.30
	Profit / (Loss) of ASFRB directly in Reserves				**-**			1.24
					(132.32)			40.54
	Add back :							
	(1)	Depreciation		**58.30**			56.47	
	(2)	Other Non-cash Expenditure/(Income) -(net)		**(26.28)**			(259.10)	
	(3)	Interest / Lease Charges (net)		**253.41**			242.00	
					285.43			39.37
					153.11			79.91
	Deduct :							
	(1)	Investment Income		**2.34**			1.64	
	(2)	Surplus/(Loss) on sale of assets -(net)		**6.88**			(3.43)	
					9.22			(1.79)
	Operating Profit before Working Capital changes				**143.89**			81.70
	Less : Working Capital Changes							
	(1)	Increase in Trade Receivables	**140.77**			-		
	(2)	Increase in Other Non Current Financial Assets	**-**			4.91		
	(3)	Increase in Other Non Current Assets	**5.18**			-		
	(4)	Increase in Short Term Loans	**21.45**			43.10		
	(5)	Increase in Current Financial Assets Others	**-**			298.22		
	(6)	Increase in Other Current Assets	**22.79**			-		
	(7)	Increase in Margin Money / Deposits / Unclaimed Dividend	**11.42**			2.80		
	(8)	Increase in Inventories	**149.08**			-		
	(9)	Decrease in Trade Payables	**216.64**			-		
	(10)	Decrease in Current Financial Liabilities Others	**4.47**			4.34		
	(11)	Decrease in Other Current Liabilities	**69.76**			52.44		
				641.56			405.81	
	Less:							
	(1)	Decrease in Trade Receivables	**-**			701.98		
	(2)	Decrease in Other Non Current Financial Assets	**14.12**			-		
	(3)	Decrease in Other Non Current Assets	**-**			10.43		
	(4)	Decrease in Current Financial Assets Others	**307.66**			-		
	(5)	Decrease in Other Current Assets	**-**			34.30		
	(6)	Decrease in Margin Money	**-**			-		
	(7)	Decrease in Inventories	**-**			237.59		
	(8)	Increase in Trade Payables	**-**			125.51		
				321.78			1,109.81	
	Net Working Capital changes				**319.78**			(704.00)
	Cash Flow from Operations				**(175.89)**			785.70
	Less : Direct taxes paid (net of refunds)				**(0.88)**			11.29
					(175.01)			774.41
	Add : Exceptional items				**3.20**			(10.15)
	Net Cash Inflow/(Outflow) from Operating Activities				**(171.81)**			764.26

Cash Flow Statement for the year ended 31st March, 2019 (Contd.)

Rs. in crore

			2018-19	2018-19	2018-19	2017-18	2017-18	2017-18
B	**Cash Flow arising from Investing Activities**							
	Inflow							
	(1)	Sale of Fixed Assets		**16.81**			132.09	
	(2)	Dividends received		**2.34**			1.64	
	(3)	Sale of Investments		**-**			0.02	
					19.15			133.75
	Deduct Outflow							
	(1)	Acquisition of Fixed Assets		**10.69**			44.35	
					10.69			44.35
	Net Cash Inflow/(Outflow) from Investing Activities				**8.46**			89.40
C	**Cash Flow arising from Financing Activities**							
	Inflow							
	(1)	Increase in Other Unsecured Loans (net)		**877.61**			-	
					877.61			-
	Deduct Outflow							
	(1)	Decrease in Term Loans - (net)		**301.43**			195.63	
	(2)	Decrease in Working Capital Loans from Banks - (net)		**154.34**			102.49	
	(3)	Decrease in Unsecured Loans		**-**			629.46	
	(4)	Dividends paid		**0.05**			0.05	
	(5)	Interest / Lease charges - (net)		**268.74**			(68.31)	
					724.56			859.32
	Net Cash Inflow / (Outflow) from Financing Activities				**153.05**			(859.32)
	Net Increase / (Decrease) in Cash/Cash Equivalents				**(10.30)**			(5.66)
	Add : Balance at the beginning of the year				**11.08**			16.74
	Cash/Cash Equivalents at the close of the year				**0.78**			11.08

Note : The above cash flow statement has been prepared under ‘Indirect Method’ as set out in Ind AS 7 - Statement of Cash Flows

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

For and on behalf of Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

Rajesh V Shah
Co-Chairman & Managing Director
DIN : 00021752

Suketu V Shah
Joint Managing Director
DIN : 00033407

Umesh V Joshi
Chief Financial Officer

A M Kulkarni
Chief Executive Officer

K J Mallya
Company Secretary

Mumbai, May 20, 2019

(1) Background of the Company

Mukand Limited (‘the Company’) is a public limited company, incorporated and domiciled in India which mainly deals in manufacture of special alloy steel stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment and other industrial machinery and comprehensive engineering services. The registered office of the Company is located at Bajaj Bhawan, Jamnalal Bajaj Marg 226, Nariman Point, Mumbai. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The standalone financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorised for issue on May 20, 2019.

(2) Significant Accounting Policies followed by the Company

(a) Basis of preparation

(i) These financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

i) Certain financial assets and liabilities that are measured at fair value

ii) Assets held for sale-measured at fair value less cost to sell

iii) Measurement of derivative financial instruments

iv) Defined benefit plans-plan assets measured at fair value

The financial statements are presented in Indian Rupees (‘INR’) and all values are rounded to nearest crores, except when otherwise indicated.

The financial statements are presented in Indian rupee (INR), which is Company’s functional and presentation currency.

(ii) Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non- current classification. An asset is treated as current when it is:

§ Expected to be realized or intended to be sold or consumed in normal operating cycle i.e. 12 months.

§ Held primarily for purpose of trading

§ Expected to be realized within twelve months after the reporting period, or

§ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

§ It is expected to be settled in normal operating cycle i.e. 12 months.

§ It is held primarily for purpose of trading

§ It is due to be settled within twelve months after the reporting period, or

§ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

(b) Property, plant and Equipment (PPE)

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non refundable taxes and duties after deducting trade discounts/rebates, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Machinery spares, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant & equipment has been provided on straight line method based on the useful life specified in Schedule II of the Companies Act, 2013 except for Continuous Process Plant where useful life is considered as 18 years as per technical evaluation.

Depreciation commences when the assets are ready for their intended use.

Depreciation in respect of assets used for long term engineering contracts is provided on the estimated useful life of the assets.

Assets costing less than INR 5,000/- are fully depreciated at the rate of 100% in the year of purchase.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the statement of profit and loss.

(c) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

Amortisation

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Useful life of 3 years is considered for amortisation of intangible assets - Computer Software.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the statement of profit and loss.

(d) Leases

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with Company's general policy on the borrowing cost.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on straight line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(e) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

Transaction costs relating to borrowings are considered under effective interest rate method.

(f) Impairment of Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
* those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows.

Initial Recognition & Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

§ Debt instruments at fair value through profit or loss (FVTPL)

§ Debt instruments at fair value through other comprehensive income (FVTOCI)

§ Debt instruments at amortised cost

§ Equity instruments at fair value (either through profit or loss or through other comprehensive income, if designated).

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortised cost

A Debt instrument is measured at amortised cost if both the following conditions are met:

a) Business Model Test: The objective is to hold the debt instrument to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

b) Cash flow characteristics test: The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following conditions are met:

a) Business Model Test: The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.

b) Cash flow characteristics test: The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in statement of profit and loss. On derecognition of asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument which does not meet the criteria for amortised cost or FVTOCI is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognised in the statement of profit and loss and presented net in the Statement of Profit and Loss within other gains or losses in the period in which it arises. Interest income from these debt instruments is included in other income.

Equity Instruments

For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

(II) Equity & Financial Liabilities

Debt and equity instruments issued by an entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(ii) Financial liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

§ At amortised cost

§ At fair value through profit or loss (FVTPL)

Financial liabilities at amortised cost:

The Company classifies the following under amortised cost:

§ Borrowings from banks

§ Borrowings from others

§ Trade payables

§ Lease Deposits

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

Financial liabilities at fair value through profit or loss:

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘other gains and losses’ line item.

Derecognition of financial liabilities:

A financial liability is removed from the balance sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(III) Financial guarantees contracts :

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS109 and the amount recognised less cumulative amortisation.

(IV) Derivative financial instruments

Derivative financial instruments such as forward contracts are taken by the Company to hedge its foreign currency risks, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise (other than in case of hedge accounting).

(V) Offsetting of financial instruments

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(h) Fair value measurement:

The Company measures financial instruments, such as, certain investments and derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

§ In the principal market for the asset or liability, or

§ In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

§ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

§ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

§ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The cost formulae used for determination of cost are either ‘First in First Out’ for raw materials or ‘Weighted Average Cost’ for stores and spares. Goods-in-Transit are stated ‘at cost’.

Machinery spares, stand-by equipment and servicing equipment are recognised as inventory when the useful life is less than one year and the same are charged to the Statement of Profit and Loss as and when issued for consumption.

(j) Taxes

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The Company’s liability for current tax is calculated using the Indian tax rates and laws that have been enacted by the reporting date. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and provisions where appropriate.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(k) Provisions and Contingencies

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities & contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Contingent assets are not recognized in the financial statements. If the inflow of economic benefits is probable, then it is disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(l) Employee Benefits

(i) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) **Other long-term employee benefit obligations**

The liabilities for compensated absences that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have any unconditional right to defer settlement for at least 12 months after the end of the reporting period, regardless of when the actual settlement is expected to occur.

(iii) **Post-employment obligations**

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and

(b) defined contribution plans such as superannuation scheme, provident fund.

Gratuity Obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution plans

Defined Contribution Plans such as superannuation scheme, provident fund are charged to the statement of profit and loss as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset.

(m) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operational decision maker monitors the operating results of its business Segments separately for the purpose of making decision about the resources allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of the nature of products/ services.

(n) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(p) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

§ the profit attributable to owners of the Company

§ by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

§ the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

§ the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Non-current assets held for sale

The Company classifies non-current assets as held sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognised immediately in the statement of profit and loss.

The criteria for “held for sale” classification is regarded as met only when the sale is highly probable i.e. an active program to locate a buyer to complete the plan has been initiated and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to that plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

(r) Dividend distribution to equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

(s) Foreign currencies

The financial statements are presented in Indian rupee (INR), which is Company’s functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the statement of profit and loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

(t) Revenue Recognition

The Company mainly deals in manufacture of special alloy steel/ stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment and other industrial machinery and rendering of comprehensive engineering services.

Effective April 1, 2018, the Company has applied Accounting Standard Ind AS 115 ‘Revenue from Contracts with Customers’ which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 ‘Revenue’ as well as Ind AS 11 ‘Construction Contracts’. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

Revenue from sale of products and services is recognised at a time when the performance obligation is satisfied except Revenue from Engineering Contracts where in revenue is recognized over the time from the financial year in which the agreement to sell (containing salient terms of agreement to sell) is executed. The period over which revenue is recognised is based on entity's right to payment for performance completed.

In determining whether Company has right to payment, the Company shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than Company's failure to perform as per the terms of the contract.

The revenue recognition of Engineering Contracts under progress requires forecasts to be made of total budgeted costs with the outcomes of underlying contracts, which further require assessments and judgements to be made on changes in scope of work and other payments to the extent they are probable and they are capable of being reliably measured. However, where the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately in the Statement of Profit and Loss.

Revenue from Engineering Contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Revenues in excess of invoicing are classified as contract assets (which is referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is referred to as unearned revenues). The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Engineering Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event, transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and Company has an enforceable right to payment for performance completed to date.

   In case of performance obligations, where any of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

   Export incentives:

   Export Incentives under various schemes are accounted in the year of export.

   Interest Income:

   Interest income accrues on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

   Dividend Income:

   Dividend income from investments is recognised when the shareholder's right to receive the payment has been established.

(u) Significant accounting estimates, judgements and assumptions:

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

I. Useful lives of property, plant and equipment:

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Act and also as per management estimate for certain category of assets. Assumption also needs to be made, when Company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised.

ii. Use of significant judgements in revenue recognition:

• The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

• The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

• Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

• Revenue from Engineering Contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

iii. Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

iv. Defined benefit plan:

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v. Allowances for uncollected accounts receivables:

Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

vi. Allowance for inventories:

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management satisfies itself that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

vii. Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

viii. Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against Company as it is not possible to predict the outcome of pending matters with accuracy.

(v) Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards when they become effective.

(3) **PROPERTY PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS & INTANGIBLE ASSETS**

Rs.. in crore

	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	As at 1-Apr-18	**Additions/ Adjustments**	**Deductions/ Adjustments**	**As at 31-Mar-19**	**As at 1-Apr-18**	**For the year**	**Deductions/ Adjustments**	**As at 31-Mar-19**	**As at 31-Mar-19**
i) Property Plant & Equipment									
Freehold Land	16.38	-	7.21	**9.17**	-	-	-	**-**	**9.17**
Railway Siding	13.82	-	-	**13.82**	7.97	1.02	-	**8.99**	**4.83**
Buildings and Roads	199.36	0.96	0.26	**200.06**	100.09	5.53	0.20	**105.42**	**94.64**
Plant and Machinery	1,228.17	9.88	8.78	**1,229.27**	793.45	50.68	6.18	**837.95**	**391.32**
Furniture,Fixtures,etc.	7.70	0.29	0.18	**7.81**	4.77	0.42	0.16	**5.03**	**2.78**
Office Machinery	2.20	0.17	0.09	**2.28**	1.82	0.09	0.09	**1.82**	**0.46**
Vehicles	5.01	0.11	0.28	**4.84**	2.56	0.53	0.24	**2.85**	**1.99**
	1,472.64	11.41	16.80	**1,467.25**	910.66	58.27	6.87	**962.06**	**505.19**
ii) Capital Work-in-Progress, expenditure todate									**22.91**
iii) Intangible Assets- Software	1.64	-	-	**1.64**	1.52	0.03	-	**1.55**	**0.09**
Total (i) + (ii) + (iii)	1,474.28	11.41	16.80	**1,468.89**	912.18	58.30	6.87	**963.61**	**528.19**

(3) PROPERTY PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS & INTANGIBLE ASSETS

Rs. in crore

	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK
	As at 1-Apr-17	Additions/ Adjustments	Deductions/ Adjustments	Adjustments on account of transfer of Business	As at 31-Mar-18	As at 1-Apr-17	For the year	Deductions/ Adjustments	Adjustments on account of transfer of Business	As at 31-Mar-18	As at 31-Mar-18
i) Property Plant & Equipment											
Freehold Land	14.44	6.46	0.23	(4.29)	16.38	-	-	-		-	16.38
Railway Siding	13.82	-	-	-	13.82	6.95	1.02	-		7.97	5.85
Buildings and Roads	196.13	3.23	-	-	199.36	94.46	5.63	-		100.09	99.27
Plant and Machinery	1,527.22	49.77	5.59	(343.23)	1,228.17	962.71	48.82	8.01	(210.07)	793.45	434.72
Furniture,Fixtures,etc.	9.54	0.37	2.03	(0.18)	7.70	6.51	0.40	2.15		4.76	2.94
Office Machinery	2.53	0.09	0.42	-	2.20	2.10	0.12	0.40		1.82	0.38
Vehicles	3.90	1.50	0.39	-	5.01	2.34	0.44	0.21		2.57	2.44
	1,767.58	61.42	8.66	(347.70)	1,472.64	1,075.07	56.43	10.77	(210.07)	910.66	561.98
ii) Capital Work-in-Progress, expenditure todate											23.40
iii) Intangible Assets- Software	1.64		-	-	1.64	1.48	0.04	-		1.52	0.12
Total (i) + (ii) + (iii)	1,769.22	61.42	8.66	(347.70)	1,474.28	1,076.55	56.47	10.77	(210.07)	912.18	585.50

A) Property Plant & Equipment, Capital Work-in-Progress & Intangible Assets

(i) Certain property , plant and equipment are pledged as security against borrowings, the details related to which have been described in Note 17 & 20 on borrowings.

Refer to Note 37(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Gross Block of Buildings as at March 31, 2019 includes value of offices, residential flats and garages in co-operative societies/proposed co-operative societies/association of apartment owners aggregating Rs. 6.33 crore at cost (March 31,2018 - Rs. 6.33 crore [including cost of shares in co-operative societies Rs. 7,000/- (March 31,2018- Rs. 7,000/-)].

(iii) Property Plant & Equipment include borrowing costs of Rs. 0.22 crore capitalised during the year (March 31,2018 Rs. 1.61 crore).

(iv) Capital work in progress comprises of Property Plant & Equipment under construction and pre-operative expenses & interest pending allocation.

Notes (Contd.)

(4)	NON-CURRENT INVESTMENTS				31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
I	**Investments in Equity instruments :**					
	A	**In Subsidiary Companies (Unquoted) : [At FVTOCI]**				
		(i)	**Mukand Global Finance Ltd.**			
			11,749,500 Equity Shares of Rs. 10/-each, fully paid up			
		(ii)	**Mukand International Ltd.**			
			1,000 Ordinary Shares of Stg. Pound 1/-each, fully paid up			
		(iii)	**Mukand International FZE**		**13.08**	11.44
			5 Ordinary Shares of AED 1/- million each, fully paid up			
		(iv)	**Vidyavihar Containers Ltd**			
			11,976,762 Equity Shares of Rs. 100/-each, fully paid up			
			Sub-total - Subsidiary Companies		**13.08**	11.44
	B	**In Joint Ventures (Unquoted) : [At FVTPL]**				
		(i)	**Mukand Vini Mineral Ltd**			
			852,800 Equity Shares of Rs. 10/-each, fully paid up			
		(ii)	**Mukand Sumi Metal Processing Ltd**			
			16,400,000 Equity Shares of Rs. 10/-each, fully paid up	**268.41**		271.31
		(iii)	**Mukand Sumi Special Steel Ltd (earlier known as Mukand Alloy Steels Ltd.) [Refer Notes below]**			
			21,208,729 Equity Shares of Rs. 10/- each, fully paid up	**1,151.57**		1,125.00
		(iv)	**Hospet Steels Ltd.**			
			70,004 Equity Shares of Rs. 10/-each, fully paid up	**0.07**		0.07
			Sub-total		**1,420.05**	1,396.38
	C	**In Associates [At Cost] :**				
	C.1	**Quoted**				
		(i)	**Mukand Engineers Ltd.**			
			4,539,781 Equity Shares of Rs. 10/-each, fully paid up		**19.78**	19.78
	C.2	**Unquoted**				
		(i)	**Stainless India Ltd.**			
			6,097,200 Equity Shares of Rs. 10/-each, fully paid up	**13.09**		13.09
			Less : Provision for diminution in the value of investments	**(13.09)**		(13.09)
		(ii)	**Bombay Forgings Ltd**			
			28,800 Equity Shares of Rs. 66.67 each fully paid up	**0.19**		0.19
					0.19	0.19
		Sub-total			**19.97**	19.97
	D	**In Others (Unquoted measured at FVTPL)**				
		(i)	**Credit Capital Finance Corpn Ltd**			
			100 Equity Shares of Rs. 10/- each,fully paid up (Rs. 1,000/-) [Previous year (Rs. 1,000/-)]			
		(ii)	**Pradip Realtors Pvt. Ltd.**			
			12 Equity Shares of Rs. 10/-each, fully paid up (Rs. 120/-); [Previous year Rs. 120/-]			
		(iii)	**The Greater Bombay Co-operative Bank Ltd**			
			10 Equity Shares of Rs. 25/-each, fully paid up (Rs. 250/-) [Previous year Rs. 250/-]			
		(iv)	**NKGSB Co-operative Bank Ltd**			
			100 Equity Shares of Rs. 10/-each, fully paid up (Rs. 1,000/-); [Previous year Rs. Nil]			

(4)	NON-CURRENT INVESTMENTS	31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
	(v) **Mukand Audyogik Yantra P Ltd**		
	1,901 Equity Shares of Rs. 10/- each, fully paid up (Rs. 19,010)		
	(vi) **Mukand Heavy Machinery P Ltd**		
	1,901 Equity Shares of Rs. 10/- each, fully paid up (Rs. 19,010)		
	Sub-total - Others (Rs. 40,390/)		
		1,453.10	1,427.79
II	**Investments in Preference instruments :**		
	Mukand Sumi Special Steel Ltd (earlier known as Mukand Alloy Steels Ltd.) [Refer Notes below]		
	100 (--) Preference Shares of Rs. 10/- each, fully paid up (Rs. 45,000) [31-Mar-18 Rs. Nil]		
		1,453.10	1,427.79
	Book Value		
	Quoted Investments	**19.78**	19.78
	Unquoted Investments	**1,433.32**	1,408.01
		1,453.10	1,427.79
	Market Value		
	Quoted Investments	**7.94**	16.62

Note : Aggregate diminution in value of Investments Rs. 13.09 crore (31-Mar-18 Rs. 13.09 crore)

Notes

(a)

(i) The Company has opted to measure its non-current investments in equity shares in Subsidiary Companies at Fair value through Other Comprehensive Income (FVTOCI) while investments held in Joint Ventures are measured at Fair Value through Profit or Loss (FVTPL).

(ii) Accordingly, Other Income and OCI for the Year includes Rs. 23.67 Crore and Rs. 1.64 Crore (2017-18 - Rs. 263.59 Crore and Rs. 39.71 Crore) respectively towards change in fair value of non-current investments.

(iii) Mukand Sumi Special Steel Limited(earlier known as Mukand Alloy Steel Limited), which was a subsidiary till 29-Mar-18 became a Joint Venture w.e.f. 30-Mar-18, the effects of fair value have been considered in the FVTOCI and FVTPL, respectively for the year ended 31st March 2018.

(b) The Company has an investment of Rs. 26.25 crore (Previous Year Rs. 26.25 crore) in equity shares of Mukand Global Finance Limited (MGFL), a wholly owned subsidiary.On adoption to measure its non-current investments in equity shares in subsidiaries companies at FVTOCI, the exposure of Rs. 26.25 Crores has been accounted through FVTOCI in earlier years.

(c) The Company has an investment of Rs.61.63 crore in equity shares of Vidyavihar Containers Ltd. (VCL) a wholly owned Subsidiary and had provided for diminution in the value of investments upto an amount of Rs.27.73 crore upto 31st March 2017.On adoption to measure its non-current investments in equity shares in subsidiaries companies at FVTOCI, the balance of Rs. 33.90 Crores has been accounted through FVTOCI in earlier years.

(5)	OTHER FINANCIAL ASSETS - NON CURRENT	31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
	Unsecured, considered good, unless otherwise specified		
	a Deposits for Premises , Utilities etc	**15.35**	15.21
	b Fixed Deposits /Margin Money (under lien with Banks)	**0.31**	14.54
	c Others	**0.01**	0.04
		15.67	29.79

(6)	DFFERRED TAX ASSET / LIABILITY		31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
	MAT Entitlement Credit		**37.89**	37.89
	Deferred Tax Assets	**277.67**		222.79
	Deferred Tax Liabilities	**(357.00)**		(349.00)
			(79.33)	(126.21)
			(41.44)	(88.32)

Rs. in crore

		As at 1-Apr-18	PL Fy1819	OCI Fy1819	Reserves Fy1819	Movement Fy1819	As at 31-Mar-19
A	**Deferred Tax Asset**						
1	Unsbsorbed Depn/ Business Loss	179.13	54.76			54.76	233.89
2	Taxes, Duties Cess, Interest to banks	0.25	-			-	0.25
3	Employee benefit P&L	13.60	(0.51)			(0.51)	13.09
4	Employee benefit OCI	-	-			-	-
5	Transfer of ASFRB	-	-			-	-
6	Provision for Doubtful Debts / Expected Credit Loss	30.32	0.44			0.44	30.76
7	Effect of measurement of the financial instruments	(0.60)	-				(0.60)
8	Others	0.09	0.19			0.19	0.28
9	Capitalisation of Stores and Spares and related depreciation.	-	-			-	-
		222.79	**54.88**	**-**	**-**	**54.88**	**277.67**
B	**Deferred Tax Liability**						
1	Depreciation	91.61	(2.85)			(2.85)	88.76
2	Effect of measurement of the financial instruments	66.94	5.44	0.34		5.78	72.72
3	Effect of measurement of the financial instruments OCI	11.33	-				11.33
4	Effect of measurement of the financial instruments Reserves	176.71	-				176.71
3	Actuarial gain/ (loss) on employee defined benefit funds recognized in other comprehensive income, net of tax	2.00	-	1.00		1.00	3.00
4	Transfer of ASFRB	-	-				-
5	Others	0.41	4.07			4.07	4.48
		349.00	**6.66**	**1.34**	**-**	**8.00**	**357.00**
	Net Asset / (Liability)	**(126.21)**	**48.22**	**(1.34)**	**-**	**46.88**	**(79.33)**

MAT Entitlement Credit							
		As at 1-Apr-18	PL Fy1819	OCI Fy1819	Reserves Fy1819	Movement Fy1819	As at 31-Mar-19
	Opening balance	**37.89**				**-**	**37.89**
	Written Off	-				-	-
	Provided	-	-	-	-	-	-
	Closing Balance	**37.89**	**-**	**-**	**-**	**-**	**37.89**

a The Company is reasonably certain of availing the above MAT credit in future years against the normal tax expected to be paid in future years.

b The Company has recognised deferred tax assets on carried forward tax losses. The company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets. The company is expected to generate taxable income from 2019-20 onwards. The losses can be carried forward for a period of 8 years as per local tax regulations and the company expects to recover the losses.

(7)	INCOME TAX ASSETS		31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
	Advance payment of Income-tax	**59.40**		60.28
	Provision for Taxation	**(10.56)**		(10.56)
	Income Tax (Net)		**48.84**	49.72
			48.84	49.72

(8)	OTHER NON-CURRENT ASSETS	31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
	Capital Advances	**15.78**	10.97
	Lease Hold Land - Long Term Prepaid Rental Expenses	**25.05**	25.38
	Balance with Government Authorities $	**37.48**	37.11
		78.31	73.46

$ Includes National Savings Certificates of the cost of Rs. 44,000/-. (31-Mar-18 Rs. 44,000/-) deposited with government departments.

Current Assets

In the opinion of the Board of Directors of the Company, all items of ‘Current Assets, Loans and Advances’, continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet, unless otherwise stated.

(9) INVENTORIES

		31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
Raw Materials	**279.55**		97.67
Materials in Transit	**112.46**		153.52
Total Raw Materials		**392.01**	251.19
Work-in-Progress		**75.20**	56.57
Contracts in Progress [Refer Note No. 25]		**6.83**	5.44
Finished Goods		**709.99**	712.04
Stores, Spares, Components and Engineering Construction Materials	**60.16**		61.86
Materials in Transit	**8.62**		16.51
Total Stores, Spares, Components and Engineering Construction Materials		**68.78**	78.37
Fuel		**1.17**	1.28
Loose Tools		**0.12**	0.13
		1,254.10	1,105.02

a Certain Inventories stated above are hypothecated to working capital lenders. Also refer Note No. 17 & 20.

b **Amounts recognised in Statement of Profit and Loss:-** Write-down of Stores & Spares to net realisable value amounted to Rs. 0.14 crore (31-Mar-18 Rs. 0.18 crore). These were recognised as an expense during the year and included in the Statement of Profit and Loss.

(10) TRADE RECEIVABLES

		31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
Unsecured			
Considered Good	**443.39**		310.16
Considered Doubtful	**57.04**		54.61
		500.43	364.77
Less : Provision for Expected Credit Loss		**(57.04)**	(54.61)
		443.39	310.16

a No trade or other receivable are due from Directors or Other Officers of the Company either severally or jointly with any other person. Further no trade or other receivable are due from firms or private companies respectively in which any Director is a Partner, or Director or Member.

b The company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 47.

c For receivables secured against borrowings, see Note 17 & 20.

d For receivables due from related parties, refer Note 39.

(11) CASH & CASH EQUIVALENTS AND OTHER BANK BALANCES

		31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
(11.1) CASH AND CASH EQUIVALENTS			
a Balances with Banks in Current Accounts	**0.74**		0.84
b Cheques on hand	**-**		1.18
c Cash on hand	**0.04**		0.06
d Remittances-in-Transit	**-**		9.00
		0.78	11.08
(11.2) OTHER BANK BALANCES			
Unpaid Dividend Accounts (Rs 2,565)	**-**		0.06
Margin Money Accounts #	**45.03**		42.83
Deposit Accounts @	**13.84**		4.57
		58.87	47.46
		59.65	58.54

under lien with Banks

@ earmarked towards repayment of Fixed Deposits

(12) LOANS - CURRENT

		31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
Unsecured, considered good, unless otherwise specified			
Loans to Subsidiaries : [Refer Note (b)]			
Vidyavihar Containers Ltd.			
Less : Provision for Expected Credit Loss			
Loans to Others	**77.13**		55.68
Less : Provision for Expected Credit Loss	**(7.50)**		(7.50)
		69.63	48.18
		69.63	48.18

(a) No loans due by Directors or Other Officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any Director is a Partner or a Director or a Member.

(b) The Company had outstanding balances of loans amounting to Rs. 13.23 crore due from Vidyavihar Containers Ltd, a wholly owned Subsidiary, which was written off during the year ended 31-Mar-18 and provision for Expected Credit Loss made in earlier year was written back in FY 2017-18.

Short Term Loans and Advances, Trade Receivables, non-current investments etc.

(c) The Company has investments of Rs. 0.19 crore (31-Mar-18 Rs. 0.19 crore) in equity shares of Bombay Forgings Limited (BFL), and has trade receivables/ advances recoverable from BFL which stood at Rs. 92.04 crore as at 31-Mar-19 (31-Mar-18 Rs. 86.30 crore) (collectively referred to as 'Exposures'). Adequate provisions of Rs. 48 crore (approx) (31-Mar-18 Rs. 41 crore) against trade receivables has been made in the accounts by way of expected credit loss. The management, taking into account the valuation of unencumbered fixed assets as at 31st March, 2019 which was at Rs. 46.00 crore (31-Mar-18 Rs. 69.24 crore) and value of current assets of BFL considers the balance net exposures to be 'Good' at the close of the year and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.

(d) For details of loans and advances given to related parties, please refer Note No. 39.

(e) Details of loans and advances in the nature of loans recoverable from subsidiaries/associates and shares held by loanees (stipulated under Regulation 34 (3) and 53 (f) of the Listing Obligations and Disclosure Requirements Regulations, 2015).

Rs. in crore

		Outstanding amount		Maximum amount during the year	
Name of the Party		**As at 31-Mar-19**	As at 31-Mar-18	**2018-19**	2017-18
i)	Subsidiaries:				
	Vidyavihar Containers Ltd. – interest waived.	**-**	-	**-**	13.23
ii)	Associates				
	Mukand Engineers Ltd	**22.18**	2.90	**22.18**	2.90

(13) OTHER FINANCIAL ASSETS - CURRENT

		31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
Unsecured, considered good, unless otherwise specified			
Employee Advances		**0.23**	0.41
Interest Receivable	**39.61**		22.23
Less : Provision for Expected Credit Loss	**(1.69)**		(0.84)
		37.92	21.39
Amount recoverable from Mukand Sumi Special Steel Ltd. towards Slump Sale Consideration (Refer Note 41) & Other Trade Receivables		**-**	291.57
Unbilled Revenue	**260.77**		276.77
Less : Provision for Expected Credit Loss	**(22.71)**		(25.22)
		238.06	251.55
Tender Deposits		**0.09**	
		276.30	564.92

Notes (Contd.)

(14) OTHER CURRENT ASSETS

		31-Mar-19	31-Mar-18
		Rs. in crore	Rs. in crore
Export Benefits		**1.87**	2.58
Lease Hold Land Rentals due next year		**0.33**	0.33
Advances recoverable in cash or in kind or for value to be received	**148.82**		109.10
Considered Doubtful	**-**		0.23
Less : Provision	**-**		(0.23)
		148.82	109.10
Balances with Government Authorities		**-**	16.22
Total		**151.02**	128.23

(15) Share Capital

	31-Mar-19	31-Mar-18
	Rs. in crore	Rs. in crore
Authorised		
153,000,000 Equity Shares of Rs. 10/- each	**153.00**	153.00
	153.00	153.00
Issued		
146,273,934* Equity Shares of Rs. 10/- each	**146.27**	146.27
Total issued share capital	**146.27**	146.27
* includes 28,031 Equity Shares which have been kept in abeyance by the Stock Exchange Authorities		
Subscribed and fully paid up		
141,405,861 Equity Shares of Rs. 10/- each	**141.41**	141.41
	141.41	141.41
Add: Forfeited shares (amounts originally paid up)	**0.01**	0.01
Total subscribed and fully paid-up share capital	**141.42**	141.42

a. **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.**

Equity shares

	31-Mar-19		31-Mar-18	
	Nos. in crore	Rs. in crore	Nos. in crore	Rs. in crore
At the beginning of the period	**14.14**	**141.41**	14.14	141.41
Add : issued during the period	**---**	**---**	---	---
Less : bought back during the year	**---**	**---**	---	---
Outstanding at the end of the period	**14.14**	**141.41**	14.14	141.41

b. **Terms / rights attached to equity shares**

The Company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

During the year ended 31 March 2019, the amount of dividend per share recognized as distribution to equity shareholders was Rs. Nil (31 March 2018: Rs. Nil).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. **The Company does not have any holding company.**

d. There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Notes (Contd.)

e. **Details of shareholders holding more than 5% shares in the company.**

	31-Mar-19	31-Mar-18
Equity Shares of Rs. 10/- each fully paid	**Numbers / % holding**	Number / % holding
Jamnalal Sons Pvt. Ltd.	**2,82,44,773**	2,83,34,773
	19.97%	20.04%
Bajaj Holdings & Investments Ltd.	**81,13,564**	81,13,564
	5.74%	5.74%
Baroda Industries Pvt. Ltd.	**1,70,03,577**	1,57,26,616
	12.02%	11.12%
Niraj Bajaj	**1,17,86,730**	1,17,86,730
	8.34%	8.34%
Rajesh V. Shah	**72,02,007**	72,00,842
	5.09%	5.09%

f. There are no shares reserved for issue under options and contracts / commitments for sale of shares/disinvestment.

g. There are no unpaid calls from any Director and officer.

h. As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(16) OTHER EQUITY

		31-Mar-19	31-Mar-18
		Rs. in crore	Rs. in crore
Capital Reserve :			
As per last Account (Rs. 47,439/-) (31-Mar-18 Rs. 47,439/-)			
Capital Redemption Reserve:			
As per last Account		**3.00**	3.00
Securities Premium :			
As per last Account	**100.32**		299.63
Less : Past losses adjusted during the year in terms of Scheme of Arrangement & Amalgamation [Refer Note 41 (I)]	**-**		(199.31)
		100.32	100.32
General Reserve :			
As per last Account		**234.78**	234.78
Retained Earnings :			
Balance of Profit / (Loss) as per last Account	**(18.20)**		(278.28)
Profit / (Loss) For the year	**(84.11)**		44.06
Adjustments on account of transfer of Alloy Steel Rolling & Finishing Business [Refer Note 41 (I)]			16.71
Past losses adjusted against Securities Premium in terms of Scheme of Arrangement & Amalgamation [Refer Note 41 (I)]			199.31
		(102.31)	(18.20)
Equity Instruments through Other Comprehensive Income			
Balance as per last Account			(41.27)
Fair value gain accounted at the beginning of the year	**668.27**		681.11
For the year	**1.30**		28.43
		669.57	668.27
Remeasurement of defined benefit obligation through Other Comprehensive Income			
Balance as per last Account	**4.47**		2.19
For the year	**2.20**		2.28
		6.67	4.47
		912.03	992.64

Notes (Contd.)

1. **Capital Redemption Reserve**
   Capital Redemption Reserve is created by the company for redemption of preference share from its profits.
2. **Securities premium**
   Securities premium is received from the shareholders of the company on issue of shares.
3. **General Reserves**
   General Reserves is created out of net profits of the company by way of appropriation of profits.
4. **Retained earnings**
   Retained earnings are the balance (debit / credit) in the statement of profit and loss.

					31-Mar-19	31-Mar-18
(17)	**BORROWINGS - NON CURRENT**					
					Rs. in crore	Rs. in crore
	I	**SECURED LOANS**				
		Term Loans :				
			- from Banks	**14.09**		60.03
			- from Others	**22.09**		89.47
					36.18	149.50
		Less : Transaction costs on Borrowings			**(0.31)**	(0.57)
		Total Secured Loans			**35.87**	148.93
	II	**Preference Share Liability**				
		5,626,320 0.01% Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid up			**3.28**	3.97
	III	**UNSECURED LOANS**				
		(a)	Fixed Deposits	**47.76**		116.85
			Less : Transaction costs on Borrowings	**(0.12)**		(0.44)
				47.64		116.41
		(b)	Long term loans from Companies	**1,477.68**		509.78
			Total Unsecured Loans		**1,525.32**	626.19
			Total Borrowings		**1,564.47**	779.09

(17) NATURE OF SECURITY & TERMS OF REPAYMENT OF BORROWINGS - NON CURRENT

	As at 31-Mar-19				As at 31-Mar-18			Terms of Repayment		Nature of Security
I)	Original Amount	Non-current	Current	Total Rs crore	Non-current	Current	Total Rs crore	Monthly Instal lments	Commen cing From	
1	**From Banks:**									
I	30.00	7.92	8.04	15.96	15.96	8.04	24.00	60	May'2016	Mortgage of two residential premises at Mumbai.
II	10.00	6.18	3.83	10.01	-	-	-	25	April'2019	
III	50.00	-	-	-	17.71	12.50	30.21	36	Nov.'2016	First pari-passu charge against mortgage/ hypothecation of Company's 40.47 hectre of freehold land, immovable and movable fixed assets both present and future of the Company at its plant at Kalwe and Dighe, Dist. Thane, in the State of Maharashtra and 186 acre 10 gunthas of freehold land, immovable and movable fixed assets both present and future of the Company at its existing steel plant at Ginigera/Kankapura, Dist. Ginigera in the State of Karnataka except assets given as security for other term loans at 1(I & II) above and 2(I to VIII) below. These loans were also secured by way of a second and subservient pari-passu charge on stocks (excluding machinery spares) and book debts.
IV	50.00	-	-	-	9.69	16.68	26.37	48	Aug.'2016	
V	50.00	-	-	-	16.67	12.43	29.10	48	Sept.'2016	
VI	50.00	-	-	-		30.80	30.80	42	Oct.'2016	
VII	50.00	-	-	-		28.40	28.40	42	Dec.'2016	
2	**From Other Parties :**									
I	75.00		5.37	5.37	5.25	28.12	33.37	36	July'2016	Mortgage of 50 acres of lease hold land at Dighe, Thane
II	75.00		26.71	26.71	26.43	25.66	52.09	36	April'2017	
III	50.00	15.02	16.67	31.69	31.40	15.09	46.49	36	Jan.'2018	
IV	60.00	-	-	-		60.00	60.00	6	April'2018	
V	60.00	-	-	-		10.48	10.48	36	Oct.'2015	
VI	25.00		7.47	7.47	7.45	10.03	17.48	30	June.'2017	Mortgage of residential premises at Mumbai, residential premises at Delhi and 5 acres of lease hold land at Dighe,Thane.
VII	25.00	6.58	10.13	16.71	16.68	8.32	25.00	30	May'2018	
VIII	6.42	0.48	1.79	2.27	2.26	1.58	3.84	36	April'2017	Hypothecation of Plant & Machinery - Ultrasonic Testing Machine at Ginigera, Kanakapura, Dist Ginigera in the State of Karnataka .
	666.42	**36.18**	**80.01**	**116.19**	**149.50**	**268.13**	**417.63**			

(II) Terms of redemption of CRPS

Pursuant to the order of the Hon'ble High Court of Judicature at Bombay dated October 14, 2003, the Company had cancelled 22½ equity shares issued and unallotted and reduced 20% of the then outstanding equity shares amounting to 5,626,320 equity shares. In lieu of cancelled shares, the company has issued 5,626,320 0.01% Cumulative Redeemable Preference Shares of Rs.10/- each entitled for cumulative Preference dividend of 0.01% p.a. and redeemable in five equal annual installments starting from September. 2019. In the event of liquidation of the company before redemption, the holders of CRPS will have priority over equity shares in the payment of dividend and repayment of capital.

CRPS of Rs. 10/- each fully paid	**31-Mar-19** Number / % holding	31-Mar-18 Number / % holding
Life Insurance Corporation of India	**5,95,545**	5,95,545
% holding	**10.58%**	10.58%
Jamnalal Sons Pvt. Ltd.	**4,74,064**	4,74,064
% holding	**8.43%**	8.43%

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(III) For details of loans received from related parties, please refer Note No. 39

(IV) The Company has not defaulted in the payment of interest and installments of the loans as at 31-Mar-19

(18) OTHERS FINANCIAL LIABILITIES - NON CURRENT	**31-Mar-19** Rs. in crore	31-Mar-18 Rs. in crore
Security Deposits	**4.00**	4.00
	4.00	4.00

(19) PROVISIONS - NON CURRENT	**31-Mar-19** Rs. in crore	31-Mar-18 Rs. in crore
for Employee Benefits	**32.93**	35.17
	32.93	35.17

(20) BORROWINGS - CURRENT	**31-Mar-19** Rs. in crore	31-Mar-18 Rs. in crore
I SECURED LOANS		
Working Capital Loans from Banks	**383.24**	537.58
Total Secured Loans	**383.24**	537.58
II UNSECURED LOANS		
Short Term Loans from Companies	**281.45**	341.74
Total Unsecured Loans	**281.45**	341.74
Total Borrowings	**664.69**	879.32

(20) SHORT TERM BORROWINGS - SECURED

Working Capital Facilities

a Working Capital Facilities at Note No. 20(I) and non-funded facilities from the Banks are secured by hypothecation of stocks (excluding machinery spares) and book debts. The said facilities are also secured by way of against first pari passu charge against mortgage/ hypothecation of Company's 87 acres 4 gunthas (approx.) of freehold land, immovable and movable fixed assets both present and future of the Company at its plant at Kalwe and Dighe, Dist. Thane, in the State of Maharashtra and 184 acre 36 gunthas(approx.) of freehold land, immovable and movable fixed assets both present and future of the Company at its existing steel plant at Ginigera/Kankapura, Dist. Ginigera in the State of Karnataka except assets given as security for other term loans at (17) I 1 (I & II), (17) I 2 (I to VIII). Modification of the security is under progress.

Assets excluded from security given to secured lenders at Note No. 17 & 20

Note : Security given for the term loans at Note No. 17 (I), and working capital facilities mentioned above exclude :

60 acres, 36 gunthas, 8 annas of land at Kalwe and Dighe, Dist. Thane in the State of Maharashtra.

Leasehold land at Dighe, Thane, as it is mortgaged to Lenders covered at Note No.(17) (I) (2) (I to III).

43.14 acres of Leasehold land at Sinnar, Dist. Nashik in the State of Maharashtra.

161.47 acres of freehold land in the state of Jharkhand, for Company's projects in that state.

Ultrasonic Testing machine at Ginigera / Kankapura, District Ginigera in the State of Karnataka is given as security to lenders covered at Note No.17 (I) (2) (VIII).

All other Property Plant & Equipment situated at locations other than its plant at Kalwe, Dighe Thane in the state of Maharashtra and its existing steel plant at Ginigera in the state of Karnataka.

b The Company has not defaulted in the payment of interest and installments of the loans as at 31-Mar-19.

(21) TRADE PAYABLES

		31-Mar-19	31-Mar-18
		Rs. in crore	Rs. in crore
Dues to Micro Enterprises and Small Enterprises		**3.67**	2.97
Other than to Micro Enterprises and Small Enterprises			
Acceptances	**294.55**		299.67
Trade Payables	**465.62**		685.91
		760.17	985.58
		763.84	988.55

(a) For Payables to related parties, refer Note 39

(b) Disclosure in respect of creditors registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) is as under

Rs. in crore

			As at 31-Mar-19	As at 31-Mar-18
The principal amount and the interest due thereon remaining unpaid to suppliers				
a	i)	Principal	**3.67**	2.97
	ii)	Interest due thereon	**-**	-
b	i)	Interest actually paid under section 16 of the MSMEDA	**-**	-
	ii)	Amount of payment made to suppliers beyond the appointed day	**-**	-
c		Amount of interest due and payable for the period of delay in making payment (which have been paid and beyond the appointed day during the year) but without adding interest under MSMEDA	**-**	-
d		Amount of interest accrued and remaining unpaid	**-**	-
e		Amount of further interest remaining due and payable even in the succeeding years, until such dates when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under MSMEDA	**-**	-

The disclosure above is based on the information available with the Company regarding the status of the suppliers under the MSME.

(22) OTHER FINANCIAL LIABILITIES - CURRENT

		31-Mar-19	31-Mar-18
		Rs. in crore	Rs. in crore
Current Maturities of long-term debt	**149.40**		297.19
Less : Transaction costs on Borrowings	**(2.25)**		(3.06)
		147.15	294.13
Interest accrued but not due on borrowings		**28.51**	21.40
Interest accrued and due on borrowings		**-**	6.33
Unpaid Dividends (represents amounts unclaimed)* (Rs 2,565/-)		**-**	0.06
Unpaid matured deposits (represents amounts unclaimed)*		**0.49**	0.60
Liability towards Employee Benefits		**8.76**	9.13
Acceptances / Payables for Capital Goods		**5.28**	15.82
Others		**8.03**	1.59
		198.22	349.06

* No amounts are due & outstanding to be credited to Investor Education & Protection Fund.

(23) OTHER CURRENT LIABILITIES

	31-Mar-19	31-Mar-18
	Rs in crore	Rs in crore
Advances against Orders and Engineering Contracts	**31.54**	107.15
Statutory Dues	**12.95**	8.02
Other Payables	**1.14**	0.21
	45.63	115.38

(24) PROVISIONS - CURRENT

	31-Mar-19	31-Mar-18
	Rs. in crore	Rs. in crore
for Employee Benefits	**9.26**	7.90
for Warranty Costs [Refer Note (a)]	**0.27**	0.46
	9.53	8.36

(a) Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

	31-Mar-19	31-Mar-18
	Rs. in crore	Rs. in crore
Opening Balance	**0.46**	0.38
Provision recognised during the year	**0.27**	0.46
Amount utilised during the year	**(0.57)**	(0.30)
Amount reversed/ short provision during the year	**0.11**	(0.08)
Closing Balance	**0.27**	0.46

(25) REVENUE FROM OPERATIONS

			2018-19	2017-18
			Rs. in crore	Rs. in crore
I	**Sale of Products and Services**			
(1)	Special Alloy Steel Products	**1,571.82**		1,378.94
(2)	Stainless Steel Products	**1,335.01**		1,174.49
(3)	Job Works & Other Services	**508.41**		452.99
(4)	Engineering Contracts	**132.74**		68.24
	Total		**3,547.98**	3,074.66
	Sales is net of early payment discounts aggregating Rs. 2.28 crore (previous year Rs. 0.95 crore)			
II	**Other Operating Revenues**			
(a)	Sale of Scrap and Sundries		**10.91**	13.05
(b)	Export Benefits		**10.58**	8.50
(c)	Insurance Claims etc.		**0.13**	0.39
(d)	Credit balances appropriated		**7.24**	0.89
(e)	Other Miscellaneous receipts		**5.07**	8.86
(f)	Excess provisions written back (net)		**0.82**	0.29
(g)	Surplus on account of sale of assets		**4.91**	0.01
	Total Other Operating Revenues		**39.66**	**31.99**
	Total Sales & Services and Other Operating Revenues		**3,587.64**	**3,106.65**

(a) Disclosure regarding Income from Engineering Contracts – Road Construction Division:

			Rs in crore
		2018-19	2017-18
(i)	The amount of Contract revenue recognised as revenue during the year.	**-**	1.42
(ii)	The aggregate amount of costs incurred and recognised profits (less recognised losses) upto close of the year.	**751.73**	751.73
(iii)	The amount of advances received (Gross)	**-**	-
(iv)	The amount of retentions (included in sundry debtors) (net balance)	**-**	-
(v)	Amount due to customers	**-**	-
(vi)	Amount due from customers	**54.87**	57.36

(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 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 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 progressively in coming years.

(c) Disclosure regarding Income from Contracts of Industrial Machinery Division to which Ind AS 115 applies :

		Rs. in crore
	2018-19	2017-18
The amount of Contract revenue recognised as revenue during the year.	**132.74**	66.82
The aggregate amount of costs incurred and recognised profits (less recognised losses) upto 31.03.2019.	**1,993.51**	1,843.45
The amount of advances received (Gross)	**15.06**	16.84
The amount of retentions (included in sundry debtors) (net balance)	**107.08**	91.75
Amount due to customers	**-**	-
Amount due from customers	**194.26**	210.18

(d) Disagreegation of Revenue

	2018-19
Revenue based on geography:	
Domestic	**3,337.55**
Export	**210.43**
Total	**3,547.98**

Pending performance obligations on long term engineering contracts

Revenue is recognized upon transfer of control of products or services to customers.

The Company has entered into long term contracts aggregating Rs. 1044.20 crores pertaining to the industrial machinery division. The pending performance obligation relating to these contracts aggregates to Rs.223.89 crore as at year end.

The management of Company expects that 78 % of the pending performance obligation amounting to Rs. 175 crores pertaining to these long term contracts will be recognised as revenue during the next reporting period with balance in future reporting periods thereafter.

(26)	**OTHER INCOME**	**2018-19**	2017-18
		Rs. in crore	Rs. in crore
(a)	Interest Received - From Customers/Banks/Others	**49.88**	25.25
(b)	Rent received	**1.18**	1.17
(c)	Net gains on Fair value changes of Equity Instruments	**23.67**	263.59
(d)	Surplus on account of sale of Land	**2.16**	-
(e)	Delay Payment Charges Received	**0.11**	9.28
(f)	Dividends (Gross) : from Subsidiary	**2.34**	1.64
	Total Other Income	**79.34**	300.93

(27)	**RAW MATERIALS CONSUMED**	**2018-19**	2017-18
		Rs. in crore	Rs. in crore
	Opening Stocks	**97.67**	100.10
	Add : Purchases	**2,135.31**	1,769.75
		2,232.98	1,869.85
	Less : Closing Stocks	**279.55**	97.67
		1,953.43	1,772.18

(28)	**CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS /CONTRACTS IN PROGRESS**	**2018-19**	2017-18
		Rs. in crore	Rs. in crore
	Opening Stocks	**774.05**	784.95
	Less :		
	Closing Stocks	**792.02**	774.05
	(Increase)/Decrease in Stocks	**(17.97)**	10.90
	(Increase)/Decrease in Excise Duty on Opening & Closing Stocks of Finished Goods	**-**	(65.37)
	(Increase)/Decrease in Stocks	**(17.97)**	(54.47)

(29)	**EMPLOYEE BENEFITS EXPENSE**	**2018-19**	2017-18
		Rs. in crore	Rs. in crore
	Salaries, Wages, Bonus, Compensation and Other Payments	**176.36**	149.86
	Contribution towards Employees' State Insurance, Provident and Other Funds	**18.60**	18.23
	Welfare Expenses	**13.42**	14.38
		208.38	182.47

Notes (Contd.)

(30) FINANCE COSTS

	2018-19	2017-18
	Rs. in crore	Rs. in crore
Interest Expense	299.25	264.02
Less :		
Interest Capitalised	0.22	1.61
	299.03	262.41
Other Transaction costs on borrowings	4.27	4.84
	303.30	267.25

(31) OTHER EXPENSES :

		2018-19	2017-18
		Rs. in crore	Rs. in crore
Stores, Spares, Components,Tools, etc. consumed [Refer Note 38(a)]		589.68	480.45
Power and Fuel consumed		247.64	205.92
Machining and Processing charges		217.56	202.09
Sub-contracting expenses		55.88	53.78
Other Manufacturing expenses		53.94	56.01
Rent (net)		0.70	0.65
Repairs:			
to Buildings	2.07		2.49
to Plant and Machinery	9.30		9.75
to Other assets	2.47		2.79
		13.84	15.03
Rates and Taxes		5.22	9.64
Insurance		1.59	1.45
Commission		0.43	1.70
Freight, Forwarding and Warehousing (net)		4.66	4.51
Directors' Fees and Travelling Expenses		0.27	0.29
Bad Debts,debit balances and claims written off		5.10	19.07
Provision for Expected Credit Loss (Net)		0.77	(11.31)
Loss on assets sold		0.11	0.06
Loss on assets discarded		0.09	3.38
Amortisation of Leasehold Land		0.33	0.33
Loss on variation in foreign exchange rates (net)		24.18	8.79
Miscellaneous Expenses (a)		62.09	50.93
		1,284.08	1,102.77

(a) **Payment to Auditors**	2018-19	2017-18
(i) As Auditors	0.39	0.39
(ii) For Taxation Matters	0.04	0.04
(iii) For other services	0.25	0.22
(iv) For reimbursement of expenses	0.02	0.01
	0.70	0.66

(32) EXCEPTIONAL ITEMS (NET)

	2018-19	2017-18
	Rs. in crore	Rs. in crore
Expenditure in connection with transfer of ASFRB	-	(13.46)
Exceptional Items (net)	-	(13.46)

(33) INCOME TAX EXPENSE

	2018-19 Rs. in crore	2017-18 Rs. in crore
Profit/(Loss) before Tax	**(132.33)**	25.84
Applicable Tax Rate	**31.20%**	30.90%
Tax Expense	**(41.29)**	7.98
Tax effect of :		
Permanent disallowances	**0.15**	0.20
Income Taxed at different rate	**(3.19)**	(27.15)
Lapsing of past losses / MAT Entitlement	**0.00**	(0.42)
Others	**(3.89)**	1.17
Tax expenses recognised in Profit or Loss	**(48.22)**	(18.22)

(34) OTHER COMPREHENSIVE INCOME

	2018-19 Rs. in crore	2017-18 Rs. in crore
Items that will not be reclassified to Profit or loss (net of tax)		
Actuarial Gain on defined benefit Obligations	**3.20**	3.30
Net gains on Fair value changes of Equity Instruments	**1.64**	39.71
Less : Deferred tax	**(1.34)**	(12.30)
Other Comprehensive Income	**3.50**	30.71

(35) COMPUTATION OF PROFIT FOR EARNINGS PER SHARE (EPS) :

		Rs. in crore
	2018-19	2017-18
Net Profit/(Loss) After Taxation as per Statement of Profit & Loss	**(84.11)**	44.06
Less : Dividends and tax thereon		
Net Profit/(Loss) for calculation of basic / diluted EPS [including Exceptional Items (net)]	**(84.11)**	44.06
Weighted average number of equity shares outstanding	**14,14,05,861**	14,14,05,861
Basic and diluted EPS (face value Rs.10/- per share) (in Rs.)		
Including Exceptional items (net)	**(5.95)**	3.12

(36) CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and bank balances . Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio at March 31, 2019 is as follows.

Particulars	31-Mar-19 Rs. in crore	31-Mar-18 Rs. in crore
Borrowings		
Long term and Short term borrowings	**2,229.16**	1,658.41
Current maturities of Long term borrowings	**147.15**	294.13
Less: Cash & Bank Balances	**(59.65)**	(58.54)
Adjusted net debt	**2,316.66**	1,894.00
Total Equity	**1,053.45**	1,134.06
Adjusted net debt to adjusted equity ratio	**2.20**	1.67

(37)

(a) Contingent Liabilities not provided for :

		31-Mar-19	31-Mar-18
		Rs. in crore	Rs. in crore
(i)	Disputed matters in appeal/contested in respect of:		
	- Income Tax *	**19.15**	19.15
	- Excise Duty, Customs Duty etc.	**8.70**	7.82
	- Sales Tax, Works Contract Tax etc. **	**3.47**	1.73
	- Other matters	**20.67**	9.63
	** included in this amount (not provided in the Accounts) is the liability under Sec 115JB of the Income Tax Act, 1961 for Assessment Year 2005-06 as the Company's appeal is pending disposal. Company places reliance on certain judicial pronouncements and has also obtained a legal opinion on the matter.*		
	*** In the matter of certain ex-parte assessments completed by Commercial Tax Officer in the State of Uttar Pradesh, Company is advised that liability if any, that may arise will be determined after the matter is remanded to the Assessing Officer and on completion of reassessment proceedings and therefore, the same is not included herein.*		
(ii)	Claims against the Company not acknowledged as debt as these are disputed and pending disposal at various fora.	**12.98**	13.12
	For items (i) & (ii)		
	The Company has taken legal and other steps to protect its interest in respect of these matters, which is based on legal advice and/or precedents in its own/other cases. It is not possible to make any further determination of the liability which may arise in these matters.		
(iii)	Guarantees and Counter guarantees given by the Company on behalf of :-		
	- Other Companies	**408.40**	138.32
(iv)	Bonds / Undertakings given by the Company under concessional duty/ exemption to Customs / Excise Authorities (Net of redemption applied for)	**0.66**	0.66

(v) Arrears of dividend on preference shares for FY 2018-19 Rs. 5,627/-, FY 2017-18 Rs. 5,627/-, FY 2016-17 Rs.5,627/-, FY 2015-16 Rs.5,627/- and FY 2014-15 Rs. 5,627/- in view of amendment to section 123 of the Companies Act, 2013.

(vi) Demand for Annual Bonus for the financial years 1995-96 to 2006-07 by Staff and Officers' Association is pending at different stages in proceedings under The Industrial Disputes Act, 1947. Bulk of these employees are statutorily not covered by The Payment of Bonus Act, 1965 and many of the employees are also not covered by The Industrial Disputes Act, 1947. Liability arising there from cannot therefore be determined at present.

(vii) Government of Maharashtra had served a Demand Notice on the Company for payment of electricity duty for power generated during the period 01.04.2000 to 30.04.2005 and penal interest thereon in Company's Captive Power Plant amounting to Rs.14.27 crore. The Writ Petition filed by the Company was disposed by the Hon'ble Bombay High Court on 7th November, 2009 quashing the said Demand Notice. Government of Maharashtra has however, filed an appeal in the Supreme Court of India against the aforesaid judgment of High Court.

(viii) There have been minor delays in payment of tax deducted at source. Interest payable on delays has been accounted for in respect of cases where appropriate orders have been received from Income Tax authorities or at the time of Filing the Quarterly TDS Returns.

(ix) A claim towards difference in price of calibrated iron ore for the period 1st April, 2006 to 28th February, 2007 amounting to Rs.33.07 crore has been raised by a supplier in March 2007. The Company has been legally advised that the supplier cannot seek this price revision under a concluded agreement and hence no provision is made in the Accounts for the same. The issue along with method of review and re-fixing of price of calibrated iron ore effective on 1st of April each year in terms of agreement is referred to an arbitral tribunal whose award was pronounced on 28th February 2014. In terms of the said award, the supplier is directed to re-compute amount payable by the Company. Pending receipt of the revised claim, the final liability arising there from is not ascertainable. Moreover, the said supplier has also unilaterally increased the price of calibrated iron ore w.e.f. 1st April, 2007 and thereafter w.e.f. 1st April, every year. This issue too was settled by the aforesaid arbitral tribunal. However, pending such determination of final price, the supplier has raised invoices at an ad-hoc interim mutually agreed price on the marketing contractor who in turn, has billed the Company at the same price and which liability, has been fully accounted for. An appeal has been preferred for challenging the said arbitration award.

(b) COMMITMENTS

		31-Mar-19	31-Mar-18
		Rs. in crore	Rs. in crore
(i)	Estimated amount of contracts to be executed on capital account and not provided for (net of advances)	**4.19**	3.75

			Rs. in crore
		As at 31-Mar-19	As at 31-Mar-18
(ii)	As lessee: Future Rental obligations in respect of premises taken on lease – Operating Lease.		
	1 For a period not later than one year.	**0.55**	0.69
	2 For a period later than one year and not later than five years.	**0.42**	0.46
	3 For a period later than five years.	**-**	-
	Total	**0.97**	1.15

Lease rentals charged to revenue for the current year Rs. 0.74 crore (Previous Year Rs. 2.42 crore).

These premises comprise residential flats, office premises and warehouses. The Agreements for lease are executed for tenure of 11 to 72 months with a provision for renewal and termination by either party giving a prior notice of 1 to 3 months.

			Rs. in crore
		As at 31-Mar-19	As at 31-Mar-18
(iii)	As Lessor: Future Rental income in respect of premises/ plot of land given on lease – Operating Lease.		
	1 For a period not later than one year.	**0.88**	0.15
	2 For a period later than one year and not later than five years.	**0.88**	0.23
	3 For a period later than five years.	**-**	-
	Total	**1.76**	0.38

These premises comprise office premises and a residential flat given on lease for tenure of two years with a provision for renewal in case of office premises.

			Rs. in crore
(38)		**2018-19**	2017-18
(a)	**Earnings in Foreign Exchange**		
	Exports (F.O.B. Value)	**257.74**	219.42
	Dividend	**0.70**	-
	Freight & Insurance	**5.54**	2.99
	Others	**0.10**	0.09
		264.08	222.50

			Rs. in crore
(b)	**Value of imports (C.I.F. basis) (including in-transit).**	**2018-19**	2017-18
	Raw Materials	**1,070.12**	1,075.23
	Stores, Spare Parts, Components and Fuel	**64.76**	51.68
	Capital goods	**1.47**	2.42
		1,136.35	1,129.33

			Rs. in crore
(c)	**Expenditure in Foreign Currency**	**2018-19**	2017-18
	(Including amounts capitalised and amounts recovered)		
	Interest and Bank charges (Net of tax)	**1.16**	5.51
	Technical Consultancy / Services (Net of tax)	**0.01**	0.04
	Foreign Travel	**0.28**	0.17
	Other matters	**3.72**	2.23
		5.17	7.95

Notes (Contd.)

(d) The Company had, during the Financial Year 1998-99, entered into a strategic alliance with Kalyani Steels Limited to set-up a steel plant to be operated by a company – Hospet Steels Limited.

Expenses and liabilities arising out of this alliance to Hospet Steels Limited are shared on the basis stipulated in the relevant Agreements, and its accounting in the books of the Company is carried out, accordingly.

Wherever, due to the terms of the alliance, estimations are required to be made in respect of expenses, liabilities, production, etc., the same have been relied upon by the auditors, being technical matters.

(39) Related Party Disclosures

(a) Relationship :

(i) **Subsidiaries / Step Down Subsidiary:**

Mukand Global Finance Ltd., Mukand International Ltd. (MIL), Vidyavihar Containers Ltd. (VCL), Mukand International FZE (MIFZE), Adore Traders and Realtors Private Ltd (Adore), Mukand Sumi Special Steels Ltd upto 29th March 2018 (formerly known as Mukand Alloy Steel Limited), Whiteleaf Heavy Machinery Pvt.Ltd.,(now known as Mukand Udyogik Yantra Private Limited) upto 28-02-2018, Technosys Industrial Machinery Pvt Ltd.(now known as Mukand Heavy Machinery Private Limited), upto 28-02-2018.

(ii) **Other related parties where control exists :**

Mukand Engineers Ltd. (MEL), Bombay Forgings Ltd. (BFL), Stainless India Ltd. (SIL),

(iii) **Joint Ventures :**

Mukand Sumi Metal Processing Ltd (MSMPL), Mukand Sumi Special Steel Ltd (earlier known as Mukand Alloy Steels Ltd.) with effect from 30-Mar-18 , Hospet Steels Ltd. (HSL),

(iv) **Key Management Personnel:**

Niraj Bajaj, Rajesh V. Shah, Suketu V. Shah, Pratap V Ashar (with effect from May 29, 2018), Prakash Vasantlal Mehta, Vinodchand Sakarchand Shah(Expired on April 8,2018) , Dhirajlal Shantilal Mehta, Narendra Jeewanlal Shah (upto November 14, 2018, Naresh Chandra Sharma, Bharti Ram Gandhi, Amit Yadav, Other KMPs, Relatives of a Director/ Other KMPs

(v) **Other related parties where significant influence exists or where the related party has significant influence on the Company :**

Kalyani Mukand Ltd. , Jamnalal Sons Pvt. Ltd. (JSPL) , Adonis Laboratories Pvt. Ltd. , Baroda Industries Pvt. Ltd.

(Rs. in Crore)

(b) (i)	**Related Party Summary**							
(b)	**(i) Details of transactions with the related parties referred in (a) above :**							
	Nature of transactions	**Related parties as referred in**						
		a (i) above	**a (ii) above**	**a (iii) above**	**a (iv) above**		**a (v) above**	**Total**
1	Purchase of Goods	**42.75**	**16.28**	**95.83**				**154.86**
		20.61	22.77	55.18				98.56
2	Sale of Goods	**167.98**	**9.24**	**1,931.75**				**2,108.97**
		197.59	14.90	442.08				654.57
3	Sale of Fixed Assets			**26.00**	**-**			**26.00**
				-	-			-
4	Services Received	**0.30**	**9.06**	**96.00**				**105.36**
		0.30	8.74	66.83				75.87
5	Services Rendered	**0.10**	**2.13**	**333.52**				**335.75**
		0.11	7.94	101.05				109.10
6	Remuneration to Key Management Personnel / Relatives of KMPs				**7.40**			**7.40**
					6.04			6.04
7	Interest / Dividend Paid / (Received) Net	**(0.01)**	**(1.07)**	**0.11**	**0.47**	*	**81.74**	**81.24**
		-	(0.19)	0.04	0.43	*	34.39	34.67
8	Reimbursement of Expenses - Receipts	**-**		**25.99**				**25.99**
		-		-				-
9	Finance taken including equity / (re-payment of loans & advances) - Net	**52.38**	**-**	**2.20**	**-**		**497.55**	**552.13**
		19.45	-	-	0.10		137.39	156.94
10	Finance given including equity / (re-payment of loans & advances) - Net	**0.75**	**31.31**	**-**	**0.65**		**0.01**	**32.72**
		-	2.90	0.50	-		0.02	3.42

(Rs. in Crore)

(b) (i)	Related Party Summary							
(b)	**(i) Details of transactions with the related parties referred in (a) above :**							
	Nature of transactions	**Related parties as referred in**						
		a (i) above	**a (ii) above**	**a (iii) above**	**a (iv) above**		**a (v) above**	**Total**
11	Bad debts / Advances written off / Provision for diminution in value of investment	**-**	**-**	**-**				**-**
		13.23	-	-				13.23
12	Balances at the close of the year:							
	i) Amount Receivable	**0.08**	**87.76**	**91.15**			**0.30**	**179.29**
		35.77	86.16	326.50			0.29	448.72
	ii) Amount Payable	**7.26**	**9.71**	**30.14**	**0.25**			**47.36**
		38.08	8.32	27.76	0.41			74.57
	iii) Amount Receivable in respect of loans & advances	**11.38**	**50.65**	**1.51**				**63.54**
		-	18.76	5.86				24.62
	iv) Amount Payable in respect of loans & advances	**0.30**		**2.20**	**5.53**	*	**822.30**	**830.33**
				-	3.93	*	318.45	322.38
	v) Property deposit taken		**0.07**					**0.07**
			0.07					**0.07**
13	Guarantees given by the Company	**-**	**115.00**	**287.64**				**402.64**
		17.75	115.00	-				132.75
14	Collateral given on behalf of the Company					#		
						#		

Note : Figures in bold type relate to the current year and figures in normal type relate to previous year.

* Interest on FDs to relatives of a Director / includes amount payable for FDs / interest thereon Rs. 5.53 crores (previous year Rs 3.93 crore)

\# 2,513,000 Equity Shares of the Company.

Note: The Alloy Steel Rolling & Finishing Business undertaking was transferred to Mukand Sumi Special Steel Ltd (MSSSL) (earlier known as Mukand Alloy Steel Ltd) as per Scheme of Arrangement and Amalgamation. Effect to this scheme has been given on 15th January 2018. Therefore, transactions relating to this said business during the period from 1st April 2017 to 15th January 2018 are deemed to have been carried out by the Company for and on behalf of MSSSL and are not part of the above disclosures.

(b) (ii) Related Party Details

(ii) Details in respect of material transactions with related parties

(Rs. in Crore)

Purchase of Goods:	
Mukand International FZE	**36.50**
	20.61
Mukand Sumi Metal Processing Ltd	**52.77**
	33.81
Bombay Forgings Ltd	**-**
	0.49
Mukand Sumi Special Steel Ltd	**43.06**
	21.37
Mukand Engineers Ltd	**16.28**
	22.28
Adore Traders & Realtors Pvt Ltd (w.e.f.30-4-2018)	**6.25**
	-
Sale of Goods:	
Mukand International FZE	**167.98**
	197.59
Bombay Forgings Ltd	**9.24**
	14.90
Mukand Sumi Metal Processing Ltd	**329.49**
	128.94
Mukand Sumi Special Steel Ltd	**1,602.26**
	313.14
Sale of Fixed Assets:	
Mukand Sumi Metal Processing Ltd	**6.56**
	-
Mukand Sumi Special Steel Ltd	**19.44**
	-
Services Received:	
Hospet Steels Ltd	**56.90**
	52.38
Mukand Engineers Ltd	**9.06**
	8.74
Mukand Global Finance Ltd	**0.30**
	0.30
Mukand Sumi Metal Processing Ltd	**11.68**
	8.90

Mukand Sumi Special Steel Ltd	**27.42**
	5.55
Remuneration to Executive Directors & Other KMPs #	
Short term employment benefit	**6.72**
	5.38
Post Employment Benefits	**0.41**
	0.40
Remuneration to Non-Executive / Independent Directors	
Sitting Fees	**0.27**
	0.26
Services Rendered:	
Mukand Sumi Special Steels Ltd	**257.53**
	48.91
Mukand International FZE	**0.10**
	0.09
Mukand Engineers Ltd	**2.12**
	7.93
Mukand Sumi Metal Processing Ltd	**75.99**
	52.14
Mukand Global Finance Ltd	**-**
	0.02
Bombay Forgings Ltd	**0.01**
	0.01
Interest / Dividend Paid / (Received) Net	
Mukand International FZE	**(0.70)**
	-
Mukand Engineers Ltd	**(1.07)**
	(0.19)
Jamnalal Sons Pvt Ltd	**79.99**
	34.09
Adonis Laboratories Pvt Ltd	**0.24**
	0.30
To relatives of a Director & KMPs (Interest on FD)	**0.47**
	0.43
Mukand Sumi Metal Processing Ltd	**(0.13)**
	(0.06)
Mukand Sumi Special Steels Ltd	**0.24**
	0.10
Adore Traders & Realtors Pvt Ltd (w.e.f.30-4-2018)	**0.69**
	-
Baroda Industries Pvt Ltd	**1.51**
	-
Bad Debts/Advances written off	
Vidyavihar Containers Ltd	**-**
	13.23
Reimbursement of Expenses - Receipts	
Mukand Sumi Special Steels Ltd	**25.99**
	-
Finance taken including equity / (re-payment of loans & advances) - Net	
Jamnalal Sons Pvt Ltd	**477.45**
	137.39
Mukand International FZE	**52.38**
	19.45
Mukand Sumi Special Steels Ltd	**2.20**
	-

FDs from Relatives of a Director	**-**
	0.10
Baroda Industries Pvt Ltd	**20.10**
	-
Finance given including equity / (re-payment of loans & advances) - Net	
Adore Traders & Realtors Pvt Ltd (w.e.f.30-4-2018)	**0.75**
	-
Kalyani Mukand Ltd	**0.01**
	0.02
Mukand Engineers Ltd	**19.28**
	2.90
Mukand Sumi Special Steel Ltd	**-**
	0.50
Bombay Forgings Ltd	**12.03**
	-
FDs repaid to Relatives of a Director / Director	**0.65**
	-
Balances at the close of the year:	
i) Amount Receivable	
Mukand International FZE	**0.08**
	35.77
Bombay Forgings Ltd	**64.29**
	70.58
Mukand Sumi Special Steel Ltd	**77.38**
	320.48
Mukand Sumi Metal Processing Ltd	**13.77**
	6.02
Mukand Engineers Ltd	**23.47**
	15.58
Kalyani Mukand Ltd	**0.30**
	0.29
ii) Amount payable	
Mukand International FZE	**6.98**
	37.94
Mukand Global Finance Ltd	**0.05**
	0.14
Mukand Engineers Ltd	**9.71**
	8.32
Hospet Steels Ltd	**7.29**
	4.56
Mukand Sumi Metal Processing Ltd	**18.16**
	8.26
Remuneration to Key Management Personnel/Exp payable to Relatives of KMP	**0.25**
	0.41
Mukand Sumi Special Steel Ltd	**4.69**
	14.94
Adore Traders & Realtors Pvt Ltd (w.e.f.30-4-2018)	**0.23**
	-

iii) Amount Receivable in respect of loans & advances	
Vidyavihar Containers Ltd @	**-**
	-
Mukand Sumi Special Steel Ltd	**1.51**
	5.86
Bombay Forgings Ltd	**27.75**
	15.72
Adore Traders & Realtors Pvt Ltd (w.e.f.30-4-2018)	**11.38**
	-
Mukand Engineers Ltd	**22.90**
	3.04
Mukand Vini Minerals Ltd	**-**
	-
iv) Amount Payable in respect of loans & advances	
Jamnalal Sons Pvt Ltd	**794.55**
	316.44
Adonis Laboratories Pvt Ltd	**2.00**
	2.01
Adore Traders & Realtors Pvt Ltd (w.e.f.30-4-2018)	**0.30**
Baroda Industries Pvt Ltd	**25.75**
	-
Mukand Sumi Special Steel Ltd	**2.20**
	-
FDs / interest thereon from Relatives of a Director	**5.53**
	3.93
v) Property Deposit taken	
Mukand Engineers Ltd	**0.07**
	0.07
Guarantees given by the Company	
Mukand Engineers Ltd	**115.00**
	115.00
Mukand International FZE	**-**
	17.75
Mukand Sumi Special Steels Ltd	**287.64**
	-

Note: Figures in bold type relate to the current year and figures in normal type relate to previous year.

The aforesaid amount does not include amount in respect of Gratuity and Leave as the same is not determinable.

@ Interest Income not accounted out of prudence / Interest waived during the year.

(40) Particulars of Loans, Guarantees, Investments under Section 186 of Companies Act, 2013

i)	**Loans (net of provisions):**	**Purpose**		Rs. in crores
	Name of the Party		**31-Mar-19**	31-Mar-18
	Vidyavihar Containers Ltd.	To be utilized for its business	**-**	-
	Adore Traders & Realtors Private Ltd	To be utilized for its business	**5.00**	-
	High Seas Vyapar Pvt. Ltd.	To be utilized for its business	**-**	-
	India Thermal Power Ltd.	To be utilized for its business	**-**	-
	Mukand Engineers Ltd	To be utilized for its business	**22.18**	2.90
	Aasman Trading P Ltd	To be utilized for its business	**2.65**	2.65
	Ajay Natwarlal Commodities P.Ltd	To be utilized for its business	**-**	0.55
	A M Realty P Ltd	To be utilized for its business	**0.38**	0.38
	Rajesh Estates & Nirman Pvt Ltd	To be utilized for its business	**0.70**	0.70
	Rajhans Infracon India P Ltd	To be utilized for its business	**-**	22.07
	Rajhans Nutriments Pvt. Ltd.	To be utilized for its business	**27.85**	6.46
	Royal Netra Constructions P Ltd	To be utilized for its business	**2.00**	2.00
	Vijaygroup Housing P Ltd	To be utilized for its business	**4.97**	5.47
	Parinee Realty Private Limited	To be utilized for its business	**3.90**	-
ii)	**Guarantees:**			
	Name of the Party			
	Mukand International FZE	For its banking facilities	**-**	35.31
	Mukand Engineers Ltd.	For its banking facilities	**115.00**	115.00
	JSC Centrodorstroy	For security to claim amounts awarded by arbitral Tribunal	**5.76**	5.76
	Mukand Sumi Special Steel Ltd (MSSSL)	For its banking facilities	**287.64**	-
iii)	**Investments:** For details please refer note no. 4 to the accounts			

(41)

I) **Transfer of Alloy Steel Rolling & Finishing Business (ASRFB)**

A Scheme of Arrangement and Amalgamation for transfer of Alloy Steel Rolling & Finishing Business (ASRFB) of the Company, with appointed date of January 1, 2017, became effective from January 15, 2018 on filing of the Order received from NCLT Mumbai Bench with the respective Registrars of Companies. The effect of the said Order was given in the accounts of FY 2017-18. Net assets transferred under the Scheme to Mukand Vijayanagar Steel Limited (since amalgamated with Mukand Sumi Special Steels Ltd under the Scheme) amounted to Rs.227.48 crores for a lumpsum consideration of RS.227.00 crores. Following adjustments were carried out in FY 2017-18:

Sr No	Particulars	Rs. crore
i.	In retained earnings under other equity:	
	Loss on transfer of ASRFB	0.48
	Loss before tax of ASRFB from 1-1-2017 to 31-3-2017	1.23
ii.	Adjustment of debit balance in Statement of P & L with the balance in the Security Premium Account as at December 31, 2016	199.31
iii.	Profit before tax from April 1,2017 to January 15, 2018 transferred to Mukand Sumi Special Steels Ltd"	13.07

II) 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.

(42) In accordance with Indian Accounting Standard – 108 "Segment Reporting", segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these financial statements.

(43) EMPLOYEE BENEFITS

(a) Long term employee benefit obligations

The leave obligations cover the Company's liability for earned leave and sick leave.

The compensated absences charged/(writtenback) for the year ended March 31, 2019 based on actuarial valuation amounting to Rs. 0.38 Crore (March 31, 2018 Rs. 0.06 crore) has been charged in the Statement of Profit and Loss.

(b) Post employment obligations

Defined contribution plans

The company also contributes on a defined contribution basis to employees' provident fund and superannuation fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund (an exempted Trust). The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The expense recognised during the period towards defined contribution plans

Rs. in crore

	2018-19	2017-18
Employer's Contribution to Provident Fund	**5.62**	5.49
Employer's Contribution to FPF	**2.01**	2.29
Employer's Contribution to EDLI	**0.66**	0.51
Employer's Contribution to ESIC	**0.12**	0.30
Employer's Contribution to Maharashtra Labour Welfare fund	**0.01**	0.01
Employer's Contribution to superannuation fund	**2.74**	2.63

Defined benefit plans

Gratuity

The company provides for gratuity for employees as per Company's Scheme/s. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month and as per the Schemes applicable to those employees . The gratuity plan is a funded plan. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

Rs. in crore

	Defined benefit plans	For the year ended March 31, 2019 Gratuity (funded)	For the year ended March 31, 2018 Gratuity (funded)
I	**Expenses recognised in statement of profit and loss during the year:**		
	Current Service Cost	**4.65**	4.54
	Past Service Cost	**-**	-
	Expected return on plan assets	**-**	-
	Interest cost on benefit obligation	**1.80**	1.78
	Total Expenses	**6.45**	6.32
II	**Expenses recognised in OCI**		
	Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	**(0.83)**	(0.79)
	Actuarial (Gain)/ Losses due to Experience on DBO	**(2.19)**	(2.37)
	Return on plan assets, excluding amount recognised in net interest expense	**(0.18)**	(0.14)
	Total Expenses	**(3.20)**	(3.30)
III	**Net Asset /(Liability) recognised as at balance sheet date:**		
	Present value of defined benefit obligation	**(46.76)**	(44.50)
	Fair Value of Plan Assets	**25.33**	21.11
	Funded status [Surplus/(Deficit)]	**(21.43)**	(23.39)
IV	**Movements in present value of defined benefit obligation**		
	Present value of defined benefit obligation at the beginning of the year	**44.50**	43.95
	Current Service Cost	**2.54**	2.46
	Past service cost / acquisition adjustment	**-**	(1.74)
	Interest Cost	**3.42**	3.22
	Actuarial (Gain)/Loss	**(3.01)**	(3.16)
	Benefits paid	**(0.69)**	(0.23)
	Present value of defined benefit obligation at the end of the year	**46.76**	**44.50**
V	**Movements in fair value of the plan assets**		
	Opening fair value of plan assets	**21.11**	19.63
	Investment Income	**1.62**	1.46
	Return on plan assets, excluding amount recognised in net interest expense	**0.18**	0.15
	Contribution from Employer	**3.11**	0.10
	Benefits paid	**(0.69)**	(0.23)
	Closing fair value of the plan asset	**25.33**	21.11
VI	**Maturity profile of defined benefit obligation**		
	Within the next 12 months (next annual reporting period)	**12.15**	8.09
	Between 2 and 5 years	**14.38**	17.41
	Between 6 and 10 years	**22.72**	20.12
VII	**Quantitative sensitivity analysis for significant assumptions is as below:**		
	1 Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) +100 basis points increase in discount rate	**(2.97)**	(2.92)
	(ii) -100 basis points decrease in discount rate	**3.39**	3.33
	(iii) +100 basis points increase in rate of salary increase	**3.45**	3.39
	(iv) -100 basis points decrease in rate of salary increase	**(3.08)**	(3.02)

Rs. in crore

Defined benefit plans		For the year ended March 31, 2019	For the year ended March 31, 2018
		Gratuity (funded)	Gratuity (funded)
2	**Sensitivity analysis method**		
	Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.		
VII	**Actuarial Assumptions:**	**As at March 31, 2019**	As at March 31, 2018
1	Discount rate	**7.70%**	7.70%
2	Expected rate of salary increase	**4.75% p.a.**	5.00% p.a.
3	Attrition rate	**2.00%**	2.00%
4	Mortality	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The gratuity fund is managed by Life Insurance Company, details of fund invested by insurer are not available with company.

d) The Company expects to make a contribution of Rs 4.50 Crore to the defined benefit plans (gratuity - funded) during the next financial year.

e) The average duration of the defined benefit plan obligation at the end of the reporting period is 7 years.

Risk exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory frame work which may vary over time.
Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time) and Company's Schemes for different category of employees. There is a risk of change in regulations requiring higher gratuity payouts.

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to the market risk for volatilities/fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Notes (Contd.)

(44) Reconciliation of liabilities arising from financing activities

Rs. in crores

Particulars	Opening Balance	Cash Movement	Business Acquisition/ Disposals	Foreign exchange changes	Fair value changes	Others	Total
March 31, 2019							
Secured Term Loans	417.63	(301.44)	-	-	-	-	116.19
Preference Share Capital	3.97					0.44	4.41
Long term Loans from Companies	509.78	967.90					1,477.68
Fixed Deposits	146.51	(30.00)	-	-	-	-	116.51
Working Capital Loans	537.58	(154.34)		-	-	-	383.24
Inter corporate Deposits	341.74	(60.29)		-	-	-	281.45
Total	**1,957.21**	**421.83**	**-**	**-**	**-**	**0.44**	**2,379.48**
March 31, 2018							
Secured Term Loans	613.26	(195.63)	-	-	-	-	417.63
Preference Share Capital	3.59					0.38	3.97
Long term Loans from Companies	1,217.85	324.94	(1,033.01)				509.78
Fixed Deposits	101.01	45.50	-	-	-	-	146.51
Working Capital Loans	640.07	111.51	(214.00)	-	-	-	537.58
Inter corporate Deposits	308.63	33.11	-	-	-	-	341.74
Total	**2,884.41**	**319.43**	**(1,247.01)**	**-**	**-**	**0.38**	**1,957.21**

These cash movements are included in the cash flow statement: receipts from borrowing, repayment of borrowing.

(45) Interests in other entities

In compliance with Ind AS 27 "Separate Financial Statements" , the required information is as under -

	Name of Entity	Place of Business/ Country of Incorporation	Percentage of Ownership Interest as on	
			31-Mar-19	31-Mar-18
(a)	**Subsidiaries**			
	Mukand Global Finance Ltd. (MGFL)	India	**100.00%**	100.00%
	Vidyavihar Containers Ltd.	India	**100.00%**	100.00%
	Mukand International Ltd.	UK	**100.00%**	100.00%
	Mukand International FZE	UAE	**100.00%**	100.00%
	Adore Traders & Realtors Private Ltd (Wholly owned subsidiary of MGFL)	India	**100.00%**	
(b)	**Joint Ventures**			
	Mukand Sumi Metal Processing Ltd.	India	**60.07%**	60.07%
	Mukand Vini Mineral Ltd.*	India	**49.01%**	49.01%
	Mukand Sumi Special Steels Ltd	India	**51.00%**	100.00%
	Hospet Steels Ltd.	India	**28.00%**	28.00%
(c)	**Associates**			
	Mukand Engineers Ltd.	India	**36.11%**	36.11%
	Bombay Forgings Ltd.	India	**24.00%**	24.00%
	Stainless India Ltd.	India	**44.09%**	44.09%
* The company has filed form STK-2 with Registrar of Companies for striking of its name which is currently under process.				

Notes (Contd.)

(46) Fair Value Measurements

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Rs. in crore

		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
1	**Financial Assets and Liabilities as at March 31, 2019**								
a	**Non-Current Financial Assets**								
	Investments in Equity/Preference Instruments	163.81	66.41	19.97	**250.19**	7.94		1,433.32	**1,441.26**
	Other Financial Assets			15.67	**15.67**			15.67	**15.67**
b	**Current Financial Assets**								
	Trade Receivable			443.39	**443.39**			443.39	**443.39**
	Cash & Cash Equivalents			0.78	**0.78**			0.78	**0.78**
	Other Bank Balance			58.87	**58.87**			58.87	**58.87**
	Loans			69.63	**69.63**			69.63	**69.63**
	Other Financial Assets			276.30	**276.30**			276.30	**276.30**
		163.81	**66.41**	**884.61**	**1,114.83**	**7.94**	**-**	**2,297.96**	**2,305.90**
c	**Non-current Financial liabilities**								
	Borrowings			1,564.47	**1,564.47**			1,564.47	**1,564.47**
	Other Financial Liabilities			4.00	**4.00**			4.00	**4.00**
d	**Current Financial liabilities**								**-**
	Short term borrowings			664.69	**664.69**			664.69	**664.69**
	Trade Payables			763.84	**763.84**			763.84	**763.84**
	Other Financial Liabilities			198.22	**198.22**		4.25	193.97	**198.22**
		-	**-**	**3,195.22**	**3,195.22**	**-**	**4.25**	**3,190.97**	**3,195.22**
2	**Financial Assets and Liabilities as at March 31, 2018**								
a	**Non-Current Financial Assets**								
	Investments in Equity Instruments	163.81	66.41	19.97	**250.19**	16.62		1,408.01	**1,424.63**
	Other Financial Assets			29.79	**29.79**			29.79	**29.79**
b	**Current Financial Assets**								
	Trade Receivable			310.16	**310.16**			310.16	**310.16**
	Cash & Cash Equivalents			11.08	**11.08**			11.08	**11.08**
	Other Bank Balance			47.46	**47.46**			47.46	**47.46**
	Loans			48.18	**48.18**			48.18	**48.18**
	Other Financial Assets			564.92	**564.92**			564.92	**564.92**
		163.81	**66.41**	**1,031.56**	**1,261.78**	**16.62**	**-**	**2,419.60**	**2,436.22**
c	**Non-current Financial liabilities**								
	Borrowings			779.09	**779.09**			779.09	**779.09**
	Other Financial Liabilities			4.00	**4.00**			4.00	**4.00**
d	**Current Financial liabilities**								**-**
	Short term borrowings			879.32	**879.32**			879.32	**879.32**
	Trade Payables			988.55	**988.55**			988.55	**988.55**
	Other Financial Liabilities			349.06	**349.06**		0.93	348.13	**349.06**
		-	**-**	**3,000.02**	**3,000.02**	**-**	**0.93**	**2,999.09**	**3,000.02**

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances if required, are taken to account for expected losses of these receivables.

c) The fair values for investment in equity shares other than subsidiaries were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

D. Valuation technique used to determine fair value

Type	Valuation technique	Significant unobservable input	Interrelationship between Significant unobservable input and fair valuation
Investments in unquoted instruments accounted for as Fair value through Profit & Loss	Income based approach (Discounted Cash Flow Method)	Discounting Rate/ WACC- 11.50%	Increase/ (Decrease) in significant unobservable input will (Decrease) / Increase fair value of the instrument

E. Reconciliation of Level 3 fair values

Rs in crore

		31-Mar-19	31-Mar-18
1	**Opening balance as on**	**1,408.01**	246.90
2	Additional Investment	-	-
3	Gain/loss recognized in :	-	-
a	Statement of profit and loss	23.67	263.59
b	Other comprehensive income	1.64	39.72
c	Other Equity	-	857.80
	Closing balance as on	**1,433.32**	1,408.01

F. Sensitivity Analysis

A reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects in profit or loss:

Rs in crore

Significant unobservable input	**March 31, 2019**		March 31, 2018	
	Increase	**Decrease**	Increase	Decrease
0.5% Discount rate				
MSMPL	**(12.99)**	**14.43**	(14.63)	16.30
MSSSL	**(66.28)**	**73.78**	(62.97)	70.03

(47) Financial Risk Management

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Directors of the Company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has in place adequate Internal Financial Controls with reference to financial statements and such internal financial controls are operating effectively. Your company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial statements. The Company has exposure to the following risks arising from financial instruments:

- Credit
- Liquidity risk and
- Market risk

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i Trade and Other receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

The ageing analysis of trade receivables (net of provision) has been considered from the date the invoice falls due -

Rs in crore

Particulars	31-Mar-19	31-Mar-18
0 to 180 days due past due date	372.71	247.50
More than 180 days past due date	70.68	62.66
	443.39	310.16

ii The following table summarizes the changes in loss allowances measured using life time expected credit loss model for trade and Other Receivables -

Rs in crore

Particulars	31-Mar-19	31-Mar-18
Opening Provision	88.16	99.47
Provision during the year	7.88	8.34
Reversal of provision	(7.10)	(19.65)
Closing provision	88.94	88.16

iii Cash and bank balances

The Company held cash and cash equivalent and other bank balance of Rs 59.96 crores at March 31, 2019 (March 31, 2018: Rs 58.54 crores). The same are held with banks with good credit rating.

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

a	Contractual maturities of financial liabilities 31 March 2019	1 year or less	1-2 years
	Non-Derivative		
	Secured Term Loans	80.01	35.71
	Preference Share Capital	1.13	1.13
	Long term Loans from Companies		
	Fixed Deposits	68.26	
	Long term borrowings	149.40	36.84
	Short term borrowings	664.69	
	Trade payables	763.84	
	Other Financial Liabilities Non Current	-	
	Other Financial Liabilities Current	198.22	
	Less : Current Maturities	(147.15)	
	Less : Unpaid matured deposits	(0.49)	
	Other financial liabilities	50.58	-
	Total	**1,628.51**	**36.84**
	Derivatives	252.43	
	Total	**1,880.94**	**36.84**

b	Contractual maturities of financial liabilities 31 March 2018	1 year or less	1-2 years
	Non-Derivative		
	Secured Term Loans	268.13	110.84
	Preference Share Capital		1.13
	Long term Loans from Companies		
	Fixed Deposits	29.06	68.84
	Long term borrowings	297.19	180.81
	Short term borrowings	879.32	
	Trade payables	988.55	
	Other Financial Liabilities Non Current	-	
	Other Financial Liabilities Current	349.06	
	Less : Current Maturities	(294.13)	
	Less : Unpaid matured deposits	(0.60)	
	Other financial liabilities	54.33	-
	Total	2,219.39	180.81
	Derivatives	121.73	
	Total	2,341.12	180.81

C **Market risk**

Market risk is the risk that changes in market prices, such as interest rates (interest rate risk), will affect the company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

D **Interest rate risk**

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

E **Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Rs. in crore

Particulars	**31-Mar-19**	31-Mar-18
Variable rate borrowings	**116.19**	417.63
Fixed rate borrowings	**2,263.29**	1,539.58
Total borrowings	**2,379.48**	1,957.21

F **Sensitivity:**

A change of 100 basis points in interest rates would have following impact on profit after tax and equity -

Rs. in crore

Particulars	**31-Mar-19**	31-Mar-18
Interest rates – increase by 100 basis points *	**0.52**	1.96
Interest rates – decrease by 100 basis points *	**(0.52)**	(1.96)
* Holding all other variables constant		

G **Foreign Exchange Risk**

a. **Derivative instruments outstanding:**

Amount in crore

	As at 31-Mar-19		**Equivalent (Rs)**	As at 31-Mar-18		Equivalent (Rs)
For Imports	**USD**	**3.53**	**251.00**	USD	0.79	51.83
	EURO	**-**	**-**	EURO	-	-
For Exports	**USD**	**0.02**	**1.43**	USD	0.53	34.68
	EURO	**-**	**-**	EURO	0.44	35.22

b. Foreign Currency exposure that are not hedged by derivative instruments:

Amount in crore

	Debtors	Equiv Rs.	Creditors	Equiv Rs.	Cash Bank Balances	Equiv Rs.	Other Payables	Equiv Rs.	Export Advance	Equiv Rs.	Other Receivable	Equiv Rs.	Total	Equiv Rs.
USD	**0.163**	**11.253**	**0.000**	**0.000**	**0.000**	**0.000**	**0.001**	**0.101**	**0.011**	**0.745**	**0.000**	**0.000**	**0.175**	**12.099**
	0.000	0.000	5.895	384.207	0.000	0.000	0.022	1.423	0.321	20.948	0.001	0.044	6.239	406.622
EURO	**0.000**	**0.000**	**0.030**	**2.303**	**0.000**	**0.000**	**0.005**	**0.354**	**0.000**	**0.000**	**0.000**	**0.000**	**0.034**	**2.657**
	0.000	0.000	0.032	2.600	0.000	0.000	0.000	0.000	0.098	7.907	0.000	0.000	0.130	10.508
AUD	**0.000**	**0.000**	**0.0002**	**0.009**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.0002**	**0.009**
	0.000	0.000	0.0002	0.009	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0002	0.009
SEK	**0.000**	**0.000**	**0.018**	**0.134**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.018**	**0.134**
	0.000	0.000	0.034	0.267	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.034	0.267
CAD	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	0.000	0.000	0.092	4.656	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.092	4.656
GBP	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	0.000	0.000	0.002	0.186	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.002	0.186
JPY	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	0.000	0.000	0.517	0.318	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.517	0.318
								Total					**0.23**	**14.90**
													7.01	422.57

Figures in Bold type relate to current year and figures in normal type relate to previous year

c Sensitivity if the Exchange rate moves upward / downward by Rs. 1/-

		Rs in crore
Liabilty	**Increase**	**Decrease**
Upward	**0.23**	
	6.50	
Downward		(0.23)
		(6.50)

(48) Previous year's figures have been regrouped/recast wherever necessary.

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

For and on behalf of Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

Rajesh V Shah
Co-Chairman & Managing Director
DIN : 00021752

Suketu V Shah
Joint Managing Director
DIN : 00033407

Umesh V Joshi
Chief Financial Officer

A M Kulkarni
Chief Executive Officer

K J Mallya
Company Secretary

Mumbai, May 20, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Mukand Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements 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 ventures, comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2019, their consolidated loss (including other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Appropriateness of estimation of cost to complete the project

The Company generates part of its revenue from long term construction / project related activity and contracts for supply / commissioning of plant and equipment which is accounted under the percentage of completion method (POC), which is the proportion of cost of work performed to-date, to the total estimated contract costs.

Determination of revenue requires estimation of total contract costs which is done based on the actual cost incurred till date and the cost required to be incurred to complete the projects. The estimation of cost to complete involves exercise of significant judgment by the management and assessment of project data, estimates related to future costs and assumptions.

This has been considered as a key audit matter given the involvement of management judgment and any variation have consequential impact on the revenue recognised as per percentage of completion method.

How our audit addressed the Key Audit Matter

We have performed the following procedures among others:

a) Understood and evaluated the design and tested the operating effectiveness of controls around estimation of costs to complete the project including the review and approval of estimated project cost.

b) Verified the contracts on test check basis entered by the Company for the consideration and relevant terms and conditions relating to variations to the cost.

c) Obtained computation of estimated costs to complete the project and the percentage of project completion and verified the same against the contractual terms and the work orders placed with vendors.

d) Verified original invoices, purchase orders, receipts etc. for the actual costs incurred upto the year end date on test check basis.

e) Discussed the status of the projects with the Company's project management team and evaluated the reasonableness of the estimates made by the management of costs to be incurred for completion of the respective projects.

f) Verified the revision in total cost of the contracts by comparing the management estimates revised during the current year with the estimate made in earlier years and obtained reasons for such revision including verification of correspondence with the vendors in case of renegotiation of prices with them and the approvals for the same.

Emphasis of Matter

We draw attention to the following matters in the notes to the consolidated Ind AS financial statements:

1. Note '13 (b)' to the consolidated Ind AS financial statements 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.

2. Note ‘26 (a)’ to the consolidated Ind AS financial statements, relating to exposure aggregating Rs. 121.47 crore as at March 31, 2019 (Rs. 123.97 crore 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 Tribunal in excess of Company’s exposure and our reliance on the Management’s expectation of full realisibility of its exposure.

3. Note ‘43(B)’ to the consolidated Ind AS financial statements, relating to the accounting treatment of goodwill in the books of Mukand Sumi Special Steel Limited (MSSSL), 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 opinion is not modified in respect of these matters.

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Director’s Report, but does not include the consolidated Ind AS financial statements and our auditor’s report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group, its associates and joint ventures or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiaries, its associates and joint ventures, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the Ind AS financial statements of Three (3) subsidiaries included in consolidated Ind AS financial 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, total loss (including other comprehensive income) after tax of Rs. 5.50 crores and net cash inflows amounting to Rs 0.96 crores for the year ended on that date, as considered in the consolidated Ind AS financial statement. Consolidated Ind AS financial 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 consolidated Ind AS financial 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.

b) We did not audit the Ind AS financial statements of One (1) subsidiary and One (1) step-down subsidiary, included in the consolidated Ind AS financial 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, total loss (including other comprehensive income) after tax of Rs. 2.17 crores and net cash inflows amounting to Rs 0.23 crores for the year ended on that date, as considered in the consolidated Ind AS financial statement. The consolidated Ind AS financial 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 consolidated Ind AS financial 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 consolidated Ind AS financial statements and our report on the Other Legal and Regulatory Requirements below, 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.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, we give our separate report in the "Annexure".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

   In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company, subsidiary companies, associate companies and joint ventures incorporated in India is in accordance with the provisions of section 197 of the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures – Refer Note No. 38 of the Consolidated Ind AS financial statements.

   (ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India;

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.034828

Place: Mumbai
Date: May 20, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Mukand Limited on the consolidated Ind AS financial statements for the year ended March 31, 2019]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Mukand Limited ("Company" or "Holding Company") as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of Holding Company, its subsidiary companies, its associate companies and joint venture companies based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph, the Holding Company, its subsidiary companies, its associate companies and joint venture companies, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 2 subsidiary companies and 1 associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.034828

Place: Mumbai
Date: May 20, 2019

Consolidated Balance Sheet as at 31st March, 2019

(Rs. in crore)

	Particulars	Notes	As at 31st March, 2019	As at 31st March, 2018
I	**ASSETS**			
	1 Non-current assets			
	(a) Property, plant and equipment	2 (i)	**505.22**	562.02
	(b) Capital work-in-progress	2 (ii)	**22.91**	23.40
	(c) Other Intangible assets	2 (iii)	**0.09**	0.12
	(d) Investment in Joint Ventures and Associates	3	**1,286.14**	1,267.46
	(e) Financial Assets			
	i) Investments	4	**0.67**	0.49
	ii) Other financial assets	5	**15.68**	31.60
	(f) Deferred tax assets (net)	6	**2.56**	2.88
	(g) Income Tax Assets (net)	7	**49.91**	49.86
	(h) Other non-current assets	8	**78.31**	73.46
	Total Non-current assets		**1,961.49**	2,011.29
	2 Current Assets			
	(a) Inventories	9	**1,254.04**	1,104.98
	(b) Financial Assets			
	i) Trade receivables	10	**455.03**	294.27
	ii) Cash and cash equivalents	11	**7.80**	16.82
	iii) Bank balances other than (ii) above	12	**60.92**	50.35
	iv) Loans	13	**273.14**	255.29
	v) Other financial assets	14	**306.12**	586.88
	(c) Other current assets	15	**149.33**	130.43
	Total Current assets		**2,506.38**	2,439.02
	Total Assets		**4,467.87**	4,450.31
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Share capital	16	**141.42**	141.42
	(b) Other equity	17	**773.54**	938.33
	Total Equity		**914.96**	1,079.75
	LIABILITIES			
	1 Non-Current Liabilities			
	(a) Financial liabilities			
	i) Borrowings	18	**1,567.78**	779.09
	ii) Other financial liabilities	19	**4.00**	4.00
	(b) Provisions	20	**33.94**	35.94
	(c) Deferred tax liabilities (Net)	6	**48.21**	37.14
	Total Non-current liabilities		**1,653.93**	856.17
	2 Current liabilities			
	(a) Financial liabilities			
	i) Borrowings	21	**860.07**	1,051.13
	ii) Trade payables due to :	22		
	Micro and Small Enterprises		**3.67**	2.97
	Other than Micro and Small Enterprises		**758.13**	979.94
	iii) Other financial liabilities	23	**213.57**	369.23
	(b) Other current liabilities	24	**54.01**	100.83
	(c) Provisions	25	**9.53**	8.41
	(d) Current tax liabilities(Net)			1.88
	Total Current liabilities		**1,898.98**	2,514.39
	Total Equity and Liabilities		**4,467.87**	4,450.31
	Significant accounting policies	1		
	Notes forming part of Consolidated Financial Statements	2 - 53		

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

For and on behalf of Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

Rajesh V Shah
Co-Chairman & Managing Director
DIN : 00021752

Suketu V Shah
Joint Managing Director
DIN : 00033407

Umesh V Joshi
Chief Financial Officer

A M Kulkarni
Chief Executive Officer

K J Mallya
Company Secretary

Mumbai, May 20, 2019

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

(Rs. in crore)

	Particulars	Notes	Year Ended 31st March 2019	Year Ended 31st March 2018
I.	**Revenue from Operations**	26	**3,689.46**	3,527.95
II.	**Other income**	27	**60.13**	44.95
III	**Total Revenue (I + II)**		**3,749.59**	3,572.90
IV.	**Expenses:**			
	(a) Cost of materials consumed	28	**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	29	**(17.96)**	(71.44)
	(d) Excise Duty		**-**	92.19
	(e) Employee benefits expense	30	**209.68**	190.78
	(f) Finance costs	31	**326.51**	472.56
	(g) Depreciation and amortization expense	32	**58.30**	158.32
	(h) Other Expenses	33	**1,315.97**	1,208.75
	(i) Expenditure transferred to Capital Accounts / Capital Work-in-Progress		**(1.81)**	(6.95)
	Total expenses		**3,926.74**	3,946.98
V.	**Profit/(loss) before exceptional items and tax (III-IV)**		**(177.15)**	(374.08)
	Add : Exceptional Items(net)	34	**-**	1,283.40
VI.	**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
VII.	**Profit before tax**		**(158.28)**	920.09
VIII.	**Tax expense:**	35		
	Current tax		**0.07**	7.41
	MAT credit entitlement		**-**	(5.52)
	Deferred Tax Expense / (Credit)		**(42.87)**	97.61
	Excess / (Short) provision for tax in respect of earlier years		**-**	(0.44)
	Total Tax Expense		**(42.80)**	99.06
IX.	**Profit/(Loss) for the year (VII - VIII)**		**(115.48)**	821.03
X.	**Other Comprehensive income (net)**			
	1 Items that will not be reclassified to Statement of Profit & Loss :-			
	(i) Actuarial Gain on Employee defined benefit funds		**3.20**	3.29
	Less : Deferred tax Expense		**(1.00)**	(1.02)
	(ii) Share of other comprehensive income of investments accounted for using the equity method, net of tax.		**(0.19)**	(1.29)
	2 Items that will be reclassified to Statement of Profit & Loss :-			
	(i) Exchange Fluctuation on Translating Foreign Operation		**0.85**	0.08
	Total Other Comprehensive income (net)		**2.86**	1.06
XI.	**Total Comprehensive Income for the year (IX + X)**		**(112.62)**	822.09
XII.	**Weighted average number of Equity Shares outstanding during the year (Face Value of Rs. 10 each)**		**14,14,05,861**	14,14,05,861
	Basic and diluted earnings per share (in Rs.)	36	**(8.17)**	58.06
	Significant accounting policies	1		
	Notes forming part of Consolidated Financial Statements	2 - 53		

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

For and on behalf of Board of Directors

Niraj Bajaj	**Rajesh V Shah**	**Suketu V Shah**
Chairman & Managing Director	Co-Chairman & Managing Director	Joint Managing Director
DIN : 00028261	DIN : 00021752	DIN : 00033407
Umesh V Joshi	**A M Kulkarni**	**K J Mallya**
Chief Financial Officer	Chief Executive Officer	Company Secretary

Mumbai, May 20, 2019

Consolidated Statement of Changes in Equity for the year ended 31st March, 2019

A. Equity share capital (refer note no. 16)

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the reporting year	**141.42**	141.42
Changes in Equity Share capital during the year	**-**	-
Balance at the end of the reporting year	**141.42**	141.42

B. Other Equity (refer note no. 17)

(Rs. in crore)

Particulars	Reserve and Surplus					Other Comprehensive Income (OCI)			Total
	Securities Premium reserve	Capital Redemption Reserve	General Reserve	Reserve Fund in terms of Section 45 I C (i) of Reserve Bank of India Act, 1934	Retained Earnings	Foreign currency Translation Reserve	Equity instruments through OCI	Remeasurement of defined benefit obligation through OCI	
Balance as at 31st March, 2017	299.63	3.00	169.66	2.77	(306.94)	(0.13)	2.60	2.19	172.78
Profit for the year	-	-	-	-	821.03	-	-	-	821.03
Other comprehensive income (net of tax)	-	-	-	-	-	0.08	(1.29)	2.27	1.06
Transfer to Other Reserve	-	-	-	1.00	(1.00)	-	-	-	-
Adjustment on account of Scheme of Arrangement & Amalgamation (note no. 45 (i))	(199.31)	-	-	-	199.31	-	-	-	-
Adjustment on account of Scheme of Arrangement & Amalgamation (note no. 45 (ii))	-	-	-	-	(56.54)	-	-	-	(56.54)
Balance as at 31st March, 2018	**100.32**	**3.00**	**169.66**	**3.77**	**655.86**	**(0.05)**	**1.31**	**4.46**	**938.33**
Profit for the year	-	-	-	-	(115.48)	-	-	-	(115.48)
Other comprehensive income (net of tax)	-	-	-	-	-	0.85	(0.19)	2.20	2.86
Adjustment arising out of consolidation	-	-	-	-	(52.17)	-	-	-	(52.17)
Balance as at 31st March, 2019	**100.32**	**3.00**	**169.66**	**3.77**	**488.21**	**0.80**	**1.12**	**6.66**	**773.54**

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

For and on behalf of Board of Directors

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

Rajesh V Shah
Co-Chairman & Managing Director
DIN : 00021752

Suketu V Shah
Joint Managing Director
DIN : 00033407

Umesh V Joshi
Chief Financial Officer

A M Kulkarni
Chief Executive Officer

K J Mallya
Company Secretary

Mumbai, May 20, 2019

Consolidated Statement of Cash flow for the year ended 31st March, 2019

(Rs. in crore)

	Particulars	For the year ended 31st March 2019		31st March 2018	
A	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit before exceptional items and tax		**(177.15)**		(374.08)
	Adjustments for:				
	Depreciation/amortisation/Impairment Expenses	**71.96**		158.65	
	Surplus on account of sale of assets	**(7.07)**		(0.01)	
	Loss on sale of assets	**0.20**		3.44	
	Loss on Sale of Investments	**-**		8.02	
	Net gain on foreign currency transactions and translation	**(0.18)**		-	
	Interest expense (net)	**381.35**		442.23	
	Dividend Income	**(1.65)**		(1.64)	
	Credit balances appropriated	**(7.24)**		0.89	
	Excess provisions written back (net)	**(2.39)**		(6.23)	
	Provision/(write back) for doubtful debts and advances (net)	**13.95**		27.04	
	Provision for warranty	**(0.19)**		(0.08)	
	Provision for Long Term & Short Term Employee Benefits	**(0.69)**		(2.58)	
	Provision for Non Performing Assets	**-**		2.81	
	Loss on variation in foreign exchange rates (net)	**24.00**	**472.05**	8.79	641.33
	Cash Generated from operations before working capital changes		**294.90**		267.25
	Adjustments for:				
	(Increase)/decrease in inventories	**(149.06)**		237.77	
	(Increase)/Decrease in trade receivables	**(189.75)**		691.05	
	(Increase)/Decrease in other non-current & Current financial assets	**305.63**		(421.27)	
	(Increase)/Decrease in other non-current & Current assets	**(36.31)**		97.63	
	Increase/(Decrease) in trade payables	**(211.48)**		72.22	
	Increase/(Decrease) in other non-current & Current financial liabilities	**(25.51)**		8.45	
	Increase/(Decrease) in other non-current & Current liabilities	**(45.69)**		(48.27)	
	Increase/(Decrease) in non-current & Current provisions	**3.52**	**(348.65)**	0.48	638.06
	Cash generated from operations		**(53.75)**		905.31
	Taxes paid (net of refunds)		**(2.00)**		(11.41)
	Net cash generated from operating activities - [A]		**(55.75)**		893.90
B	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property Plant & Equipment	**(11.25)**		(46.92)	
	Sale proceeds of Property Plant & Equipment	**16.81**		132.75	
	Sale proceeds of Investments	**-**		0.08	
	Dividend Income	**1.65**		1.64	
	Net cash (used in) / generated from investing activities - [B]		**7.21**		87.55

Consolidated Statement of Cash flow for the year ended 31st March, 2019

(Rs. in crore)

	Particulars		For the year ended			
			31st March 2019		31st March 2018	
C	**CASH FLOW FROM FINANCING ACTIVITIES:**					
	Increase/(Decrease) in working capital Loans from bank		**(154.34)**		(102.49)	
	Increase/(Decrease) in other unsecured loans (net)		**787.51**		(590.69)	
	Increase/(Decrease) in Term Loans (Net)		**(114.19)**		(179.28)	
	Increase/(Decrease) in Fixed Deposits taken		**(68.77)**		17.56	
	Interest paid		**(410.69)**		(131.65)	
	Net cash (used in) financing activities - [C]			**39.52**		(986.55)
	Net (decrease) in cash and cash equivalents - [A+B+C]			**(9.02)**		(5.10)
	Add: Cash and cash equivalents at the beginning of the year - (note no. 11)			**16.82**		21.92
	Cash and cash equivalents at the end of the year - (note no. 11)			**7.80**		16.82
	Significant accounting policies	1				
	Notes forming part of Consolidated Financial Statements	2 - 53				

Note:

1. In Part A of the Statement of Cash Flows, figures in brackets indicate deduction made from the net profit for deriving the net cash flow from operating activities. In Part B and Part C, figures in brackets indicate cash outflows.
2. The above cash flow statement has been prepared under the ‘Indirect Method’ as set out in Ind AS 7-Statement of Cash Flows.
3. Refer Note no. 47 for reconciliation of liabilities arising from Financing activities

As per our attached report of even date

For and on behalf of Board of Directors

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Niraj Bajaj
Chairman & Managing Director
DIN : 00028261

Rajesh V Shah
Co-Chairman & Managing Director
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Suketu V Shah
Joint Managing Director
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Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

Umesh V Joshi
Chief Financial Officer

A M Kulkarni
Chief Executive Officer

K J Mallya
Company Secretary

Mumbai, May 20, 2019

Group Overview

"The consolidated financial statements comprise of Mukand Limited ("the Company", "holding company", "parent"), its subsidiaries, associates and joint ventures (collectively, "the Group") for the year ended 31st March, 2019.

The Company is a public limited company, incorporated and domiciled in India which mainly deals in manufacture of special alloy steel / stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment and other industrial machinery and comprehensive engineering services. The registered office of the Company is located at Bajaj Bhawan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai 400021. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE)."

The consolidated financial statements for the year ended March 31, 2019 were approved by the Board of Directors of holding company and authorised for issue on May 20, 2019.

Note 1: Significant Accounting Policies followed by the Group

(a) Basis of preparation

(i) These consolidated financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

a) Certain financial assets and liabilities that are measured at fair value

b) Assets held for sale - measured at the lower of carrying amount or fair value less costs to sell

c) Defined benefit plans - plan assets measured at fair value.

The consolidated financial statements are presented in Indian Rupees ('Rs.') which is Company's functional and presentation currency and all values are rounded to nearest crore, except when otherwise indicated.

(ii) Current versus Non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non- current classification. An asset is treated as current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle.

Held primarily for purpose of trading

Expected to be realized within twelve months after the reporting period, or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle.

It is held primarily for purpose of trading

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

(b) Basis of consolidation

(i) **Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Intra-group balance and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(ii) **Loss of control**

When the Group loses control over a subsidiary, it derecognises the assets and the liabilities of the subsidiary and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date on which control is lost. Any resulting gain or loss is recognised in consolidated Statement of Profit and Loss.

(iii) **Equity accounted investees**

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement, rather than rights of its assets and obligation for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity –accounted investees until the date on which significant influence or joint control ceases. When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Such further losses are disclosed as part of Current Liabilities.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iv) **Business combinations**

In accordance with Ind AS 103, Group accounts for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combinations as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at fair value on its acquisition date and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the group (referred as common control business combinations) are accounted for using the pooling of interest method except in case the control is transitory. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in financial statements of the Group in the same form in which they appeared in the consolidated financial statements of the transferor entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(c) Property, plant and Equipment (PPE)

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non refundable taxes and duties after deducting trade discounts/rebates, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

Machinery spares, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant & equipment has been provided on straight line method based on the useful life specified in Schedule II of the Companies Act, except for Continuous Process Plant where useful life is considered as 18 years as per technical evaluation.

Depreciation commences when the assets are ready for their intended use.

Depreciation in respect of assets used for long term engineering contracts is provided on the estimated useful life of the assets.

Assets costing less than Rs.5,000/- are fully depreciated at the rate of 100% in the year of purchase.

Foreign subsidiaries provides depreciation using methods and at rates applicable under local laws or at such rates so as to write-off the value of assets over its useful life.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

(d) Intangible Assets

Intangible assets that are acquired by the group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

Amortisation

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Useful life of 3 years is considered for amortisation of intangible assets - Computer Software.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

(e) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

(f) Leases

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Consolidated Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with group's general policy on the borrowing cost.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Consolidated Statement of Profit and Loss on straight line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(g) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

Transaction costs relating to borrowings are considered under effective interest rate method.

(h) Impairment of Non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. The group classifies its financial assets in the following measurement categories:

those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

those to be measured at amortised cost.

The classification depends on the group's business model for managing the financial assets and contractual terms of the cash flows.

Initial Recognition & Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Debt instruments at fair value through profit or loss (FVTPL)

Debt instruments at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

Equity instruments at fair value (either through profit or loss or through other comprehensive income, if designated)

Where assets are measured at fair value, gains and losses are either recognised entirely in the Consolidated Statement of Profit and Loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortised cost

A Debt instrument is measured at amortised cost if both the following conditions are met:

a) **Business Model Test:** The objective is to hold the debt instrument to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

b) **Cash flow characteristics test:** The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following conditions are met:

a) Business Model Test: The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.

b) Cash flow characteristics test: The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. On derecognition of asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument which does not meet the criteria for amortised cost or FVTOCI is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognised in the Consolidated Statement of Profit and Loss and presented net in the Consolidated Statement of Profit and Loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity Instruments

For all equity instruments, the Group may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Derecognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Group recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

(II) Equity & Financial Liabilities

Debt and equity instruments issued by an entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) **Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

(ii) **Financial liabilities:**

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

At amortised cost

At fair value through profit or loss (FVTPL)

Financial liabilities at amortised cost:

The Group classifies the following under amortised cost:

Borrowings from banks

Borrowings from others

Finance lease liabilities

Trade payables

Lease Deposits

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

Financial liabilities at fair value through profit or loss:

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Derecognition of financial liabilities:

A financial liability is removed from the Consolidated Balance Sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(III) **Financial guarantees contracts :**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(IV) **Derivative financial instruments**

Derivative financial instruments such as forward contracts are taken by the group to hedge its foreign currency risks, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Consolidated Statement of Profit and Loss in the period when they arise (other than in case of hedge accounting).

(V) **Offsetting of financial instruments**

Financials assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(j) **Fair value measurement:**

The Group measures financial instruments, such as, certain investments and derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value (NRV). Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Raw Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost formulae used for determination of cost are 'First in First Out' for Raw Materials and 'Weighted Average Cost' for Stores and Spares. Goods-in-Transit are stated 'at cost'.

Machinery spares, stand-by equipment and servicing equipment are recognised as inventory when the useful life is less than one year and the same are charged to the Consolidated Statement of Profit and Loss as and when issued for consumption.

The inventories resulting from intra-group transactions have been stated at cost after deducting unrealised profit on such transactions.

(l) Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The Group's liability for current tax is calculated using the Indian (foreign country tax rate as applicable) tax rates and laws that has been enacted by the reporting date. The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and provisions where appropriate.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is not recognized for temporary differences related to investments in subsidiaries and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

(m) Provisions and Contingencies

Provisions

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities & Contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Contingent assets are not recognized in the Consolidated Financial Statements. If the inflow of economic benefits is probable, then it is disclosed in the Consolidated Financial Statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(n) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for compensated absences that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss.

The obligations are presented as current liabilities in the Consolidated Balance Sheet if the entity does not have any unconditional right to defer settlement for at least 12 months after the end of the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and

(b) defined contribution plans such as provident fund & other funds.

Gratuity Obligations

The liability or asset recognised in the Consolidated Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit cost method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution plans

Defined Contribution Plans such as provident and other fund are charged to the Statement of Profit and Loss as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset.

(o) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker monitors the operating results of its business Segments separately for the purpose of making decision about the resources allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of the nature of products/ services.

(p) Cash and cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(q) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

(r) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

the profit attributable to owners of the group

by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Non-current assets held for sale

The Group classifies non-current assets as held sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognised immediately in the Consolidated Statement of Profit and Loss.

The criteria for “held for sale” classification is regarded as met only when the sale is highly probable i.e. an active program to locate a buyer to complete the plan has been initiated and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to that plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised. Assets and liabilities classified as held for sale are presented separately as current items in the Consolidated Balance Sheet.

(t) Dividend distribution to equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

(u) Foreign currencies

Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is group's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Consolidated Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Consolidated Statement of Profit and Loss. Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

assets and liabilities are translated at the closing rate at the date of the balance sheet

income and expenses are translated at average exchange rates

On Consolidation, Exchange differences are recognized in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

(v) Revenue Recognition

The Company mainly deals in manufacture of special alloy steel/ stainless steel, billets, bars, rods, wire rods, EOT cranes, material handling equipment and other industrial machinery and rendering of comprehensive engineering services.

Effective April 1, 2018, the Company has applied Accounting Standard Ind AS 115 'Revenue from Contracts with Customers' which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 'Revenue' as well as Ind AS 11 'Construction Contracts'. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which Company expects to receive in exchange for those products or services. "

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

Revenue from sale of products and services is recognised at a time when the performance obligation is satisfied except Revenue from Engineering Contracts where in revenue is recognized over the time from the financial year in which the agreement to sell (containing salient terms of agreement to sell) is executed. The period over which revenue is recognised is based on entity's right to payment for performance completed.

In determining whether Company has right to payment, the Company shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than Company's failure to perform as per the terms of the contract.

The revenue recognition of Engineering Contracts under progress requires forecasts to be made of total budgeted costs with the outcomes of underlying contracts, which further require assessments and judgements to be made on changes in scope of work and other payments to the extent they are probable and they are capable of being reliably measured. However, where the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately in the Statement of Profit and Loss."

Revenue from Engineering Contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Revenues in excess of invoicing are classified as contract assets (which is referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is referred to as unearned revenues). The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Engineering Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event, transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and Company has an enforceable right to payment for performance completed to date.

In case of performance obligations, where any of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Export incentives

Export Incentives under various schemes are accounted in the year of export.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(w) Significant accounting estimates, judgements and assumptions:

The preparation of the group's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the group's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

Classification of Mukand Sumi Special Steel Ltd (MSSSL) (formerly known as Mukand Alloy Steel Ltd (MASL)) as Investment in Joint Venture:

The Company had entered into addendum to Share subscription and Shareholders agreement dated 30th March, 2018 between Mukand Ltd, Sumitomo Corporation (Sumitomo) and Mukand Sumi Special Steel Ltd (MSSSL) the subsidiary company. As per the agreement between the parties, Sumitomo is entitled to nominate 3 non-executive directors on board and remaining by Mukand Ltd and key decisions shall be taken collectively by all the directors. Further, Sumitomo has also exercised their rights for appointment of directors W.e.f. 30th March 2018. Since unanimous consent is required from both the parties, the Company has joint control over MSSSL and accordingly the group had considered it as Joint Venture W.e.f. 30th March 2018 and accounted under equity method."

i. Useful lives of property, plant and equipment: Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Act and also as per management estimate for certain category of assets. Assumption also needs to be made, when group assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised.

ii. Use of significant judgements in revenue recognition : The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

Revenue from Engineering Contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation."

iii. Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

iv. Defined benefit plan: The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v. Allowances for uncollected accounts receivable and advances: Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates.

Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

vi. Allowances for inventories: Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

vii. Impairment of non-financial assets: The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units ('CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

viii. Contingencies: Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against Group as it is not possible to predict the outcome of pending matters with accuracy.

(x) Recent accounting pronouncement

Standards issued but not yet effective :

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new Ind AS and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

(i) Ind AS 116: Leases

Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

(ii) Ind AS 12: Income Taxes

Appendix C, Uncertainty over Income Tax Treatments:

Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Amendment to Ind AS 12 – Income taxes:

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

(iii) Ind AS 19: Employee Benefits

Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

(iv) Ind AS 23: Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

The Company is in the process of evaluating the requirements of the above standard/amendments and its impact on its financial statements.

Note 2 : Property, plant and equipment, CWIP & Intangible Assets.

Rs. In crore

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01st April, 2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2019	As at 01st April, 2018	Depreciation for the year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
i) Property, plant and equipment										
Freehold Land	16.38	-	7.22	**9.16**	-	-	-	**-**	**9.16**	16.38
Railway Siding	13.82	-	-	**13.82**	7.97	1.02	-	**8.99**	**4.83**	5.85
Buildings and Roads	199.35	0.97	0.26	**200.06**	100.08	5.54	0.20	**105.42**	**94.64**	99.27
Plant and Machinery	1,228.21	9.87	8.77	**1,229.31**	793.47	50.67	6.18	**837.96**	**391.35**	434.74
Furniture,Fixtures,etc.	7.72	0.29	0.18	**7.83**	4.50	0.42	0.16	**4.76**	**3.07**	3.22
Office Machinery	2.27	0.17	0.09	**2.35**	2.14	0.09	0.08	**2.15**	**0.20**	0.13
Vehicles	5.03	0.11	0.28	**4.86**	2.60	0.53	0.24	**2.89**	**1.97**	2.43
Total	**1,472.78**	**11.41**	**16.80**	**1,467.39**	**910.76**	**58.27**	**6.86**	**962.17**	**505.22**	**562.02**
ii) Capital Work-in-Progress, expenditure todate									**22.91**	**23.40**
iii) Other Intangible Assets										
Software	1.64	-	-	**1.64**	1.52	0.03	-	**1.55**	**0.09**	0.12
Goodwill	0.15	-	-	**0.15**	0.15	-	-	**0.15**	**-**	-
Total	**1.79**	**-**	**-**	**1.79**	**1.67**	**0.03**	**-**	**1.70**	**0.09**	**0.12**
Total (i) + (ii) + (iii)	**1,474.57**	**11.41**	**16.80**	**1,469.18**	**912.43**	**58.30**	**6.86**	**963.87**	**528.22**	**585.54**

Note 2 : Property, plant and equipment, CWIP & Intangible Assets.

Rs. In crore

Particulars	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK
	As at 01st April, 2017	Additions/ Adjustments	Deductions/ Adjustments	Adjustment on account of Transfer of Business	As at 31st March, 2018	As at 01st April, 2017	Depreciation for the year #	Deductions/ Adjustments	Adjustment on account of Transfer of Business	As at 31st March, 2018	As at 31st March, 2018
i) Property, plant and equipment											
Freehold Land	14.44	6.46	0.23	4.29	16.38	-	-	-	-	-	16.38
Railway Siding	13.82	-	-	-	13.82	6.95	1.02	-	-	7.97	5.85
Buildings and Roads	196.12	3.23	-	-	199.35	94.45	5.63	-	-	100.08	99.27
Plant and Machinery	1,527.27	49.79	5.62	343.23	1,228.21	962.73	48.82	8.03	210.05	793.47	434.74
Furniture,Fixtures,etc.	9.56	0.37	2.03	0.18	7.72	6.25	0.40	2.15	-	4.50	3.22
Office Machinery	2.59	0.10	0.42	-	2.27	2.42	0.12	0.40	-	2.14	0.13
Vehicles	3.89	1.50	0.36	-	5.03	2.34	0.44	0.18	-	2.60	2.43
Total	**1,767.69**	**61.45**	**8.66**	**347.70**	**1,472.78**	**1,075.14**	**56.43**	**10.76**	**210.05**	**910.76**	**562.02**
ii) Capital Work-in-Progress, expenditure todate											23.40
iii) Other Intangible Assets											
Software	1.64	-	-	-	1.64	1.49	0.03	-	-	1.52	0.12
Goodwill	0.15	-	-	-	0.15	0.15	-	-		0.15	-
Total	**1.79**	**-**	**-**	**-**	**1.79**	**1.64**	**0.03**	**-**	**-**	**1.67**	**0.12**
Total (i) + (ii) + (iii)	**1,769.48**	**61.45**	**8.66**	**347.70**	**1,474.57**	**1,076.78**	**56.46**	**10.76**	**210.05**	**912.43**	**585.54**

Other Notes :

(i) # In previous year depreciation and amortisation expenses includes Rs. 101.86 crore of the Joint Venture which was treated as subsidiary till 29th March, 2018 in accordance with IND-AS 110.

(ii) Certain property , plant and equipment are pledged as security against borrowings, the details related to which have been described in Note 18 & 21 on borrowings.

(iii) Refer to Note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Property Plant & Equipment include borrowing costs of Rs. 0.22 crore capitalised during the year (31st March,2018 Rs.1.61 crore).

(v) Capital work in progress comprises of Property Plant & Equipment under construction and pre-operative expenses & interest pending allocation.

(vi) Gross Block of Buildings as at 31st March, 2019 includes value of offices, residential flats and garages in co-operative societies/proposed co-operative societies/association of apartment owners aggregating Rs.6.33 crore at cost (31st March,2018 - Rs.6.33 crore) [including cost of shares in co-operative societies Rs. 7,000/- (31st March, 2018- Rs.7,000/-)].

Notes (Contd.)

Note 3: Investments in Associates and Joint Ventures

(Rs. in crore)

Particulars			As at 31st March, 2019	As at 31st March, 2018
Investments in Equity Instruments				
(A)	**Investments in Associates**			
	(i)	**Mukand Engineers Limited (Quoted)**		
		4,539,781 (March 31, 2018: 4,539,781) equity shares of Rs. 10/- each fully paid up	**19.78**	19.78
		Opening Share of post acquisition accumulated Profit/(Loss)	**5.98**	11.19
		Share of Current Profit/(Loss)	**(8.00)**	(3.92)
		Share of Other Comprehensive Income	**(0.08)**	(1.29)
			17.68	25.76
	(ii)	**Stainless India Limited (Unquoted)**		
		6,097,200 (March 31, 2018: 6,097,200) equity shares of Rs. 10/- each fully paid up	**13.68**	13.68
		Opening Share of post acquisition accumulated Profit/(Loss)	**(13.68)**	(13.68)
			-	-
	(iii)	**Bombay Forgings Limited (Unquoted)**		
		28,800 (March 31, 2018: 28,800) equity shares of Rs. 66.67/- each fully paid up	**0.19**	0.19
		Opening Share of post acquisition accumulated Profit/(Loss)	**(0.19)**	(0.19)
		Share of Current Profit/(Loss)	**-**	-
			-	-
		Investments in Associates (A)	**17.68**	25.76
(B)	**Investments in Joint Ventures (unquoted)**			
	(i)	**Mukand Sumi Metal Processing Limited**		
		16,400,000 (March 31, 2018: 16,400,000) equity shares of Rs. 10/- each fully paid up	**163.56**	163.56
		Opening Share of post acquisition accumulated Profit/(Loss)	**(46.86)**	(61.55)
		Share of Current Profit/(Loss)	**9.97**	14.69
		Share of Other Comprehensive Income	**(0.01)**	-
			126.66	116.70
	(ii)	**Mukand Sumi Special Steel Limited (MSSSL) (formerly known as Mukand Alloy Steel Ltd)**		-
		21,208,729 (March 31, 2018: 21,708,729) equity shares of Rs. 10/- each fully paid up	**0.18**	0.18
		Opening Share of post acquisition accumulated Profit/(Loss)/Adjustment due to loss of Control	**1,124.82**	(52.90)
		Share of Current Profit/(Loss)	**16.90**	(119.14)
		Share of Other Comprehensive Income	**(0.10)**	-
		Adjustment on account of loss of control (fair value of retained investment) - (Refer note - 34)	**-**	1,296.86
			1,141.80	1,125.00
	(iii)	**Hospet Steels Limited**		
		70,004 (March 31, 2018: 70,004) equity shares of Rs. 10/- each fully paid up	**0.10**	0.10
		Share of post acquisition accumulated Profit/(Loss)	**(0.10)**	(0.10)
			-	-
	(iv)	**Mukand Vini Mineral Ltd**		
		852,800 (March 31, 2018: 852,800) equity shares of Rs. 10/- each fully paid up	**0.85**	0.85
		Share of post acquisition accumulated Profit/(Loss)	**(0.85)**	(0.85)
		Share of Current Profit/(Loss)	**-**	-
			-	-
	Investments in Preference Instruments			
		Mukand Sumi Special Steel Limited (MSSSL) (formerly known as Mukand Alloy Steel Ltd)		
		100 (March 31, 2018 : Nil) Optionally Convertible Redeemable Preference Shares of Rs. 10/- each fully paid up (CY Rs. 45,000/-, PY Rs. Nil).	**-**	-
			-	-
		Investments in Joint Ventures (B)	**1,268.46**	1,241.70
Total investments in Associates and Joint ventures (A + B)			**1,286.14**	1,267.46
Aggregate amount of quoted investments			**17.68**	25.76
Market Value of quoted investments			**7.94**	16.62
Aggregate amount of unquoted investments			**1,268.46**	1,241.70
Aggregate amount of impairment in the value of investments			**-**	-

Notes (Contd.)

Note 4: Non-Current Investments

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A) Investment in Equity Instruments		
i) **Quoted investments carried at Fair value through Profit and Loss**		
Bajaj Holdings & Investment Limited		
850 (March 2018: 850) Equity Shares of Rs.10/- each, fully paid up	**0.29**	0.23
ICICI Bank Limited		
9,625 (March 2018: 8750) Equity Shares of Rs.2/- each, fully paid up (Received Bonus Equity Shares in the ratio of 1:10 during the year)	**0.38**	0.26
Total Other Investments	**0.67**	0.49
Investment aggregating to Rs. 0.004 crore is not disclosed above on the basis of materiality		
Aggregate amount of quoted investments	**0.67**	0.49
Market Value of quoted investments	**0.67**	0.49
Aggregate amount of unquoted investments	**-**	-
Aggregate amount of impairment in the value of investments	**-**	-

Note 5: Others financial assets - non current

(Rs. in crore)

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured, considered good unless otherwise stated		
Security & Other Deposits	**15.36**	16.96
Margin Money Deposits (under lien with Banks)	**0.31**	14.60
Others	**0.01**	0.04
Total	**15.68**	31.60

Note 6: Deferred tax assets/liabilities (net)

(Rs. In crore)

Particulars	At April 01, 2017	(Charged) / Credited to P & L	(Charged) / Credited to OCI	Other Adjustment *	At March 31, 2018	(Charged) / Credited to P & L	(Charged) / Credited to OCI	Other Adjustment	At March 31, 2019
Provision for Employee benefits	14.20	(1.58)	(1.02)		11.60	(0.50)	(1.34)	-	**9.76**
Taxes and duties	0.25	-	-		0.25	-	-	-	**0.25**
Provision for doubtful debts	30.81	(0.49)	-		30.32	0.44	-	-	**30.76**
Unabsorbed depreciation / Business Loss	112.31	66.82	-		179.13	54.76	-	-	**233.89**
Difference between book depreciation and tax depreciation	(114.57)	22.96	-		(91.61)	2.85	-	-	**(88.76)**
Effect of measurement of Financial Instruments	(1.90)	(68.67)	-		(70.57)	(5.76)	-	-	**(76.33)**
Others	(2.03)	1.71	-		(0.32)	(3.89)	-	-	**(4.21)**
Effect of Deferred Tax on CFS adjustments	28.37	(118.37)		(40.96)	(130.96)	(5.03)	0.34	(53.26)	**(188.91)**
MAT Entitlement Credit	32.38	5.52	-		37.90	-	-	-	**37.90**
Total	**99.82**	**(92.10)**	**(1.02)**	**(40.96)**	**(34.26)**	**42.87**	**(1.00)**	**(53.26)**	**(45.65)**

* Deferred Tax Assets relating to one of the subsidiary Mukand Sumi Special Steel Ltd (MSSSL) which was treated as a joint ventue w.e.f. 30th March, 2018 was accounted based on equity method.

(Rs. In crore)

Summary of Deferred Tax Asset/Liabilities :	31-Mar-19	31-Mar-18
Deferred Tax Asset	**2.56**	2.88
Deferred Tax Liabilities	**48.21**	37.14
Total (net)	**(45.65)**	(34.26)

Notes (Contd.)

Note 7: Income tax assets (net)

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance Payment of Taxes	**60.67**	60.42
Less: Provision for tax	**(10.76)**	(10.56)
Total (net)	**49.91**	49.86

Note 8: Other non-current assets

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance with Government Authorities*	**37.48**	37.11
Lease Hold Land - Long Term Prepaid Rental Expenses	**25.05**	25.38
Capital Advances	**15.78**	10.97
Total	**78.31**	73.46

* Includes National Savings Certificates of the cost of Rs 44,000/-(31st March 2018 : Rs. 44,000/-) deposited with government departments.

Note 9: Inventories

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Materials	**391.98**	251.18
Work-in-progress	**75.20**	56.57
Finished goods	**709.99**	712.04
Stores, Spares, Components and Engineering Construction Materials	**68.75**	78.34
Loose Tools	**0.12**	0.13
Contracts in Progress	**6.83**	5.44
Fuel	**1.17**	1.28
Total	**1,254.04**	1,104.98
Included in inventories - goods in transit as follows :		
Raw materials	**112.46**	153.51
Stores, Spares, Components and Engineering Construction Materials	**8.62**	16.51
Total	**121.08**	170.02

Note (i): Certain inventories stated above are hypothecated to working capital lenders, Also refer note no 18 & 21

Note (ii): Amounts recognised in Statement of Profit and loss:

Write-down of Stores & Spares to net realisable value amounted to Rs 0.14 crore (31st March, 2018 Rs 0.18 crore). These were recognised as expenses during the year and included in the Statement of Profit and Loss.

Note 10: Trade receivables

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, Considered Good	**455.03**	294.27
Unsecured, Considered doubtful	**57.04**	54.61
Less : Provision for Expected Credit loss	**(57.04)**	(54.61)
Total	**455.03**	294.27

Note (a): No trade or other receivable are due from Directors or other officers of the Company either severally or jointly with any other person. Further no trade or other receivable are due from firms or private companies respectively in which any Director is a partner, or director or member.

Note (b): The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 49

Note (c): For receivables secured against borrowings, see Note 18 & 21

Note (d): For receivables due from related parties, refer Note 44

Notes (Contd.)

Note 11: Cash and cash equivalents

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Balances with banks in current accounts	**7.70**	6.49
Cheques on hand	**-**	1.18
Cash on hand	**0.10**	0.15
Other bank balances		
Remittances in transit	**-**	9.00
Total	**7.80**	16.82

There are no restrictions with regards to bank balances as at the end of the reporting period and prior periods.

Note 12: Other Bank Balances

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Balances with banks in		
Unpaid dividend Accounts (Rs. 2,565/-)		0.06
In Margin Money Accounts *	**45.12**	42.92
In Deposit Accounts@	**15.80**	7.37
Total	**60.92**	50.35

* under lien with banks

@ earmarked towards repayment of Fixed Deposits

Note 13: Loans - Current

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Unsecured, considered good		
Loans to Others	**287.80**	271.64
Less : Provision for expected credit loss	**(14.66)**	(16.35)
Total	**273.14**	255.29

Note: (a) No loans are due from Directors or other officers of the Company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any Director is a partner or a director or a member.

(b) The Company has investments of Rs. 0.19 crore (31-Mar-18 Rs.0.19 crore) in equity shares of Bombay Forgings Limited (BFL), and has trade receivables/ advances recoverable from BFL which stood at Rs.92.04 crore as at 31-Mar-19 (31-Mar-18 Rs. 86.30 crore) (collectively referred to as 'Exposures'). Adequate provisions of Rs.48 crore (approx) (31-Mar-18 Rs. 41 crore) against trade receivables has been made in the accounts by way of expected credit loss. The management, taking into account the valuation of unencumbered fixed assets as at 31st March, 2019 which was at Rs. 46.00 crore (31-Mar-18 Rs.69.24 crore) and value of current assets of BFL considers the balance net exposures to be 'Good' at the close of the year and adequately covered and barring unforeseen circumstances expects full realisability of the same in future.

(c) Please refer Note No. 49 for Financial risk disclosure

(d) For details of loans given to related parties, please refer Note No. 44

Note 14: Other Financial Assets - Current

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Unsecured, considered good unless otherwise stated		
Unbilled Revenue	**260.77**	276.77
Less : Provision for expected credit loss	**(22.71)**	(25.22)
	238.06	251.55
Interest Receivable	**66.87**	43.34
Employee advances	**0.23**	0.41
Other Receivable from Joint Venture	**-**	291.57
Deposits	**0.10**	0.01
Others	**0.86**	-
Total	**306.12**	586.88

Notes (Contd.)

Note 15: Other current assets

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Advances to suppliers and others	**145.20**	109.10
Balances with statutory/government authorities	**0.29**	16.84
Export Benefits receivables	**1.87**	2.58
Prepaid expenses	**1.97**	1.91
Others	**-**	-
Total	**149.33**	130.43

Note 16 : Equity Share Capital

(a) Authorised & Issued Share capital:

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Authorised Share Capital		
15,30,00,000 (March 31, 2018: 15,30,00,000) Equity Shares of Rs. 10 each	**153.00**	153.00
Issued Share Capital		
14,62,73,934 * (March 31, 2018: 14,62,73,934 *) Equity Shares of Rs. 10 each.	**146.27**	146.27
	146.27	146.27

* Includes 28,031 shares which have been kept in abeyance by the stock exchange authorities.

(b) Subscribed and paid capital

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
141,405,861 (March 31, 2018: 141,405,861) Equity shares of Rs. 10 each	**141.41**	141.41
Forfeited shares (amount originally paid up)	**0.01**	0.01
Total subscribed and fully paid share capital	**141.42**	141.42

(c) Reconciliation of number of equity shares

(Rs. in crore)

Particulars	**31 March 2019**		31 March 2018	
	No. of Shares	**Amount**	No. of Shares	Amount
Balance as at the beginning of the year	**14,14,05,861**	**141.41**	14,14,05,861	141.41
Increase/Decrease during the year	**-**	**-**	-	-
Balance as at the end of the year	**14,14,05,861**	**141.41**	14,14,05,861	141.41

(d) Details of shareholders holding more than 5% shares in the Company

Particulars	**31 March 2019**		31 March 2018	
	No. of Shares	**% of holding**	No. of Shares	% of holding
Jamanlal Sons Private Limited	**2,82,44,773**	**19.97%**	2,83,34,773	20.04%
Bajaj Holdings & Investments Limited	**81,13,564**	**5.74%**	81,13,564	5.74%
Baroda Indusrtries Private Limited	**1,70,03,577**	**12.02%**	1,57,26,616	11.12%
Niraj Bajaj	**1,17,86,730**	**8.34%**	1,17,86,730	8.34%
Rajesh V. Shah	**72,02,007**	**5.09%**	72,00,842	5.09%

(e) Rights, preferences and restrictions attached to shares

Mukand Ltd ('the company') has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. Mukand Ltd declares and pays dividends in Indian rupees.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. During the year ended 31 March 2019, the amount of dividend per share recognized as distribution to equity shareholders was Rs. Nil (31 March 2018 : Rs. Nil).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

(g) There are no shares reserved for issue under options and contracts / commitments for sale of shares/disinvestment.

(h) There are no unpaid calls from any Director and officer.

(i) As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 17 : Other Equity

(Rs. in crore)

Particulars	Note	**As at 31st March 2019**	As at 31st March 2018
Capital redemption reserve	(i)	**3.00**	3.00
Securities Premium	(ii)	**100.32**	100.32
Reserve Fund in terms of Section 45 I C (i) of Reserve Bank of India Act, 1934	(iii)	**3.77**	3.77
Foreign Exchange Fluctuation Reserve	(iv)	**0.80**	(0.05)
General Reserve	(v)	**169.66**	169.66
Retained Earnings	(vi)	**488.21**	655.86
Share of other comprehensive income of investments accounted for using the equity method	(vii)	**1.12**	1.31
Remeasurement of defined benefit obligation through Other Comprehensive Income	(viii)	**6.66**	4.46
Total		**773.54**	938.33

(i) Capital Redemption Reserve

Capital Redemption Reserve was created by the holding company for redemption of preference shares

Particulars	**As at 31st March 2019**	As at 31st March 2018
Balance at the beginning of the year	**3.00**	3.00
Movement during the year	**-**	-
Balance at the end of the year	**3.00**	3.00

(ii) Securities Premium

Securities Premium is used to record premium on issue of shares. The reserve is utilised as per the provisions of the Companies Act, 2013.

Particulars	**As at 31st March 2019**	As at 31st March 2018
Balance at the beginning of the year	**100.32**	299.63
Adjustment on account of Scheme of Arrangement & Amalgamation (note no. 45 (i))	**-**	(199.31)
Balance at the end of the year	**100.32**	100.32

(iii) Reserve Fund in terms of Section 45 I C (i) of Reserve Bank of India Act, 1934

This is a statutory reserve to be maintained in terms of Setion 45 I C (i) of Reserve Bank of India Act, 1934.

Particulars	**As at 31st March 2019**	As at 31st March 2018
Balance at the beginning of the year	**3.77**	2.77
Transfer from Retained Earnings	**-**	1.00
Balance at the end of the year	**3.77**	3.77

(iv) Foreign Exchange Fluctuation Reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

Particulars	**As at 31st March 2019**	As at 31st March 2018
Balance at the beginning of the year	**(0.05)**	(0.13)
Movement during the year - OCI	**0.85**	0.08
Balance at the end of the year	**0.80**	(0.05)

Notes (Contd.)

(v) General Reserve

General Reserve represents appropriations of retained earnings and are available for distribution to shareholders.

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the year	**169.66**	169.66
Transfer to Retained Earnings	**-**	-
Balance at the end of the year	**169.66**	169.66

(vi) Retained Earnings

Retained Earnings are the profits of the company earned till date net of appropriations.

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the year	655.86	(306.94)
Movement during the year	(115.48)	821.03
Transfer to Reserve Fund	-	(1.00)
Transfer from General Reserve	-	-
Adjustment on account of Scheme of Arrangement & Amalgamation [note no. 45 (i)]	-	199.31
Adjustment on account of Scheme of Arrangement & Amalgamation [note no. 45 (ii)]	-	(56.54)
Adjustments arising out of Consolidation	(52.17)	-
Balance at the end of the year	488.21	655.86

(vii) Share of other comprehensive income of investments accounted for using the equity method

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the year	**1.31**	2.60
Movement during the year - OCI	**(0.19)**	(1.29)
Balance at the end of the year	**1.12**	1.31

(viii) Remeasurement of defined benefit obligation through Other Comprehensive Income

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the year	**4.46**	2.19
Movement during the year - OCI	**2.20**	2.27
Balance at the end of the year	**6.66**	4.46

Note 18: Non-current borrowings

(Rs. in crore)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
Secured			
Term loans			
- From Banks	(a)	**14.09**	60.03
- From Others	(b)	**22.09**	89.47
		36.18	149.50
Less : Transaction costs on borrowings		**(0.31)**	(0.57)
Total Secured Borrowings		**35.87**	148.93
Unsecured			
- Fixed deposit		**47.76**	116.85
Less : Transaction costs on borrowings		**(0.12)**	(0.44)
- Fixed deposits		**47.64**	116.41
- From Others - Long term loans from companies		**1,480.99**	509.78
Preference Share Liability			
5,626,320 0.01% Cumulative Redeemable Preference Shares of Rs 10/- each, fully paid up	(c)	**3.28**	3.97
Total		**1,567.78**	779.09

Nature of Security & Terms of repayment of Borrowings - Non Current Term Loans

I)	Original Amount	As at 31-Mar-19			As at 31-Mar-18			Terms of Repayment		Nature of Security
		Non-current	**Current**	**Total Rs crore**	Non-current	Current	Total Rs crore	Monthly Instalments	Commencing From	
1	**From Banks:**									
	30.00	**7.92**	**8.04**	**15.96**	15.96	8.04	24.00	60	May'2016	Mortgage of two residential premises at Mumbai.
II	10.00	**6.18**	**3.83**	**10.01**	-	-	-	25	April'2019	
III	50.00	**-**	**-**	**-**	17.71	12.50	30.21	36	Nov.'2016	First pari-passu charge against mortgage/ hypothecation of Mukand's 40.47 hectre of freehold land, immovable and movable fixed assets both present and future of Mukand at its plant at Kalwe and Dighe, Dist. Thane, in the State of Maharashtra and 186 acre 10 gunthas of freehold land, immovable and movable fixed assets both present and future of Mukand at its existing steel plant at Ginigera/ Kankapura, Dist. Ginigera in the State of Karnataka except assets given as security for other term loans at 1(I & II) above and 2(I to VIII) below. These loans were also secured by way of a second and subservient pari-passu charge on stocks (excluding machinery spares) and book debts.
IV	50.00	**-**	**-**	**-**	9.69	16.68	26.37	48	Aug.'2016	
V	50.00	**-**	**-**	**-**	16.67	12.43	29.10	48	Sept.'2016	
VI	50.00	**-**	**-**	**-**		30.80	30.80	42	Oct.'2016	
VII	50.00	**-**	**-**	**-**		28.40	28.40	42	Dec.'2016	
2	**From Other Parties :**									
I	75.00		**5.37**	**5.37**	5.25	28.12	33.37	36	July'2016	Mortgage of 50 acres of lease hold land at Dighe, Thane
II	75.00		**26.71**	**26.71**	26.43	25.66	52.09	36	April'2017	
III	50.00	**15.02**	**16.67**	**31.69**	31.40	15.09	46.49	36	Jan.'2018	
IV	60.00	**-**	**-**	**-**		60.00	60.00	6	April'2018	
V	60.00	**-**	**-**	**-**		10.48	10.48	36	Oct.'2015	
VI	25.00		**7.47**	**7.47**	7.45	10.03	17.48	30	June.'2017	Mortgage of residential premises at Mumbai, residential premises at Delhi and 5 acres of lease hold land at Dighe,Thane.
VII	25.00	**6.58**	**10.13**	**16.71**	16.68	8.32	25.00	30	May'2018	
VIII	6.42	**0.48**	**1.79**	**2.27**	2.26	1.58	3.84	36	April'2017	Hypothecation of Plant & Machinery - Ultrasonic Testing Machine at Ginigera, Kanakapura, Dist Ginigera in the State of Karnataka .
	666.42	**36.18**	**80.01**	**116.19**	149.50	268.13	417.63			

Note (a) : Rate of interest on above loans is in the range 12.00% p.a. to 12.75% p.a.

Note (b) : For details of loans received from related parties, please refer Note No. 44

Note (c) : Terms of redemption of Cumulative reedemable preference shares (CRPS)

Pursuant to the order of the Hon'ble High Court of Judicature at Bombay dated October 14, 2003, Mukand Ltd had cancelled 22½ equity shares issued and unallotted and reduced 20% of the then outstanding equity shares amounting to 5,626,320 equity shares. In lieu of cancelled shares, Mukand Ltd has issued 5,626,320 0.01% Cumulative Redeemable Preference Shares of Rs.10/- each entitled for cumulative preference dividend of 0.01% p.a. and redeemable in five equal annual installments starting from September, 2019. In the event of liquidation of Mukand Ltd before redemption, the holders of CRPS will have priority over equity shares in the payment of dividend and repayment of capital.

Shareholders holding more than 5 %

CRPS of Rs. 10/- each fully paid	**31st March, 2019**		31st March, 2018	
	Numbers	**% holding in the class**	Numbers	% holding in the class
Life Insurance Corporation of India	**5,95,545**	**10.58%**	5,95,545	10.58%
Jamnalal Sons Pvt. Ltd.	**4,74,064**	**8.43%**	4,74,064	8.43%

As per records of Mukand Ltd, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note (d): Mukand ltd has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Notes (Contd.)

Note 19: Other Financial Liabilities - non-current

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Security Deposit	**4.00**	4.00
Total	**4.00**	4.00

Note 20: Provisions - non current

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits (refer note no. 46)	**33.94**	35.94
Total	**33.94**	35.94

Note 21: Borrowings - current

(Rs in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
- Working capital loans from Banks	**383.24**	537.58
Unsecured		
- from others	**476.83**	513.55
Total	**860.07**	1,051.13

Note (a) : Details of security

Working Capital Facilities and other non-funded facilities from the Banks are secured by hypothecation of stocks (excluding machinery spares) and book debts. The said facilities are also secured by way of first pari passu charge against mortgage/ hypothecation of Mukand Ltd's 87 acres 4 gunthas (approx) of freehold land, immovable and movable fixed assets both present and future of Mukand Ltd at its plant at Kalwe and Dighe, Dist. Thane, in the State of Maharashtra and 184 acre 36 gunthas (approx) of freehold land, immovable and movable fixed assets both present and future of Mukand Ltd at its existing steel plant at Ginigera/Kankapura, Dist. Ginigera in the State of Karnataka except assets given as security for other term loans at (18) I 1 (I & II), (18) I 2 (I to VIII). Modification of security is under progress.

Assets excluded from security given to secured lenders at Note No. 18 & 21

Note : Security given for the term loans at Note No. 18 (I) and working capital facilities mentioned above exclude :

i) 60 acres 36 gunthas, 8 annas of grant land at Kalwe and Dighe, Dist. Thane in the State of Maharashtra.

ii) Leasehold land at Dighe, Thane, as it is mortgaged to Lenders covered at Note No.18 (I) (2) (I to III)

iii) 43.14 acres of Leasehold land at Sinnar, Dist. Nashik in the State of Maharashtra.

iv) 161.47 acres of freehold land in the state of Jharkhand, for Company's projects in that state.

v) Ultrasonic Testing machine at Ginigera / Kankapura, District Ginigera in the State of Karnataka is given as security to lenders covered at Note No.18 (I) (2) (VIII).

vi) All other Property Plant & Equipment situated at locations other than its plant at Kalwe, Dighe Thane in the state of Maharashtra and its existing steel plant at Ginigera in the state of Karnataka.

Note (b): Mukand Ltd has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Note 22: Trade Payables

(Rs in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Due to Micro and small enterprises	**3.67**	2.97
Other than Micro and small enterprises		
- Acceptances	**294.55**	299.67
- Other trade payables	**463.58**	680.27
Total	**761.80**	982.91

For Payables to related parties, refer Note 44

Notes (Contd.)

Note 23: Other Current Financial Liabilities

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long-term debts	**149.40**	297.19
Less : Transaction costs on borrowings	**(2.25)**	**(3.06)**
	147.15	294.13
Interest accrued on borrowings	**43.84**	47.03
Unpaid dividend* (represent amount unclaimed) (Rs. 2,565/-)	**-**	0.06
Unpaid maturity deposits	**0.49**	0.60
Employee related liabilities	**8.76**	9.13
Creditors for capital goods	**5.28**	15.82
Others	**8.05**	2.46
Total	**213.57**	369.23

* There are no amounts due for payment to Investor's Education and Protection Fund as at the year end under section 125 of the Act.

Note 24: Other Current Liabilities

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Creditors for Statutory Dues	**16.29**	15.22
Advances from customers	**33.71**	85.41
Other payables	**4.01**	0.20
Total	**54.01**	100.83

Note 25: Provisions - current

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits (refer note no. 46)	**9.26**	7.95
Provision for Warranty Costs (refer note below)	**0.27**	0.46
Total	**9.53**	8.41

Note :

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(Rs. in crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening Balance	**0.46**	0.38
Provision recognised during the year	**0.27**	0.46
Amount utilised during the year	**(0.57)**	(0.30)
Amount reversed/short provision during the year	**0.11**	(0.08)
Closing Balance	**0.27**	0.46

Notes (Contd.)

Note 26: Revenue from Operations

(Rs. in crore)

	Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
i) -	**Revenue from Operations**		
	a) Sale of product and services		
	Special Alloy Steel Products	**1,571.83**	2,106.65
	Stainless Steel Products	**1,417.19**	1,083.18
	Job Works & Others	**508.41**	202.44
	Engineering Contracts (refer note no. (a) & (b) below)	**132.74**	68.24
	b) Interest from Financing Activity	**18.15**	21.84
	A	**3,648.32**	3,482.35
ii) -	**Other operating revenue**		
	Sale of Scrap and Sundries	**10.91**	13.05
	Sales-tax/VAT Refunds	**10.58**	-
	Insurance Claims etc.	**0.13**	0.38
	Credit balances appropriated	**7.24**	0.89
	Excess provisions written back (net)	**2.39**	6.23
	Surplus on account of sale of assets	**4.91**	0.01
	Advisory and other fees	**0.02**	0.02
	Other Miscellaneous receipts	**4.96**	25.02
	B	**41.14**	45.60
Total Revenue from Operations (A + B)		**3,689.46**	3,527.95

Note:

(a) : Disclosure regarding Income from Engineering Contracts of Mukand – Road Construction Division:

(Rs. in crore)

	Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
i)	The amount of Contract revenue recognised as revenue during the year.	**-**	1.42
ii)	The aggregate amount of costs incurred and recognised profits (less recognised losses) upto each reporting date.	**751.73**	751.73
iii)	The amount of advances received (Gross)	**-**	-
iv)	The amount of retentions (included in sundry debtors) (net balance)	**-**	-
v)	Amount due to customers	**-**	-
vi)	Amount due from customers	**54.87**	57.36

Mukand Ltd 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 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 Tribunals exceed Mukand Ltd 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 Mukand Ltd is fully realizable progressively in coming years.

(b) : Disclosure regarding Income from Contracts of Industrial Machinery Division to which Indian Accounting Standard 115 applies :

(Rs. in crore)

	Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
i)	The amount of Contract revenue recognised as revenue during the year.	**132.74**	66.82
ii)	The aggregate amount of costs incurred and recognised profits (less recognised losses) upto each reporting date	**1,993.51**	1,843.45
iii)	The amount of advances received (Gross)	**15.06**	16.84
iv)	The amount of retentions (included in sundry debtors) (net balance)	**107.08**	91.75
v)	Amount due to customers	**-**	-
vi)	Amount due from customers	**194.26**	210.18

(c) : Disagreegation of Revenue

Revenue based on geography	**For the Year Ended 31st March, 2019**
Domestic	**3,355.71**
Export	**292.61**
Total	**3,648.32**

Pending performance obligations on long term engineering contracts:

Revenue is recognized upon transfer of control of products or services to customers.

The Company has entered into long term contracts aggregating Rs. 1044.20 crores pertaining to the industrial machinery division. The pending performance obligation relating to these contracts aggregates to Rs. 223.89 crores as at year end.

The management of Company expects that 78 % of the pending performance obligation amounting to Rs. 175 crores pertaining to these long term contracts will be recognised as revenue during the next reporting period with balance in future reporting periods thereafter.

Notes (Contd.)

Note 27: Other income

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Rent received	**1.18**	1.15
Interest Received - From Customers/Banks/Others	**54.84**	25.42
Dividend Income	**1.65**	1.64
Net gain on foreign currency transactions and translation	**0.18**	0.03
Profit on sale of Land	**2.16**	-
Delay Payment Charges Received	**0.11**	9.28
Others	**0.01**	7.43
Total	**60.13**	44.95

Note 28: Cost of materials consumed

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Opening Stock	**97.67**	100.41
Add : Purchase	**2,098.75**	1,726.27
	2,196.42	1,826.68
Adjustments for Stocks of ASRFB undertaking transferred	**-**	87.95
Less : Closing stock	**(279.55)**	(97.67)
Total	**1,916.87**	1,816.96

Note 29 : Changes in inventories of Work-in-Progress, Finished Goods and Contracts in Progress

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Opening Stock	**774.06**	784.96
Less : Closing stock including stocks of ASRFB	**(792.02)**	(774.06)
Variation in stock	**(17.96)**	10.90
Adjustments for Stocks of ASRFB undertaking transferred	**-**	(16.97)
(Increase)/Decrease in Excise Duty on Opening & Closing Stocks of Finished Goods, net of Excise Duty on Stocks of ASRFB undertaking transferred	**-**	(65.37)
Net increase/(decrease) in stocks	**(17.96)**	(71.44)

Note 30: Employee benefits expense

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Salaries, Wages, Bonus, Compensation and Other Payments	**177.61**	158.12
Contribution towards Employees' State Insurance, Provident and Other Funds	**18.61**	18.24
Staff welfare expenses	**13.46**	14.42
Total	**209.68**	190.78

Note 31: Finance costs

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Interest cost on financial liabilities measured at amortized cost	**321.81**	469.09
Less : Interest capitalised	**(0.22)**	(1.61)
Other Borrowing Costs	**4.92**	5.08
Total	**326.51**	472.56

Notes (Contd.)

Note 32: Depreciation and amortisation expense

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Depreciation of property, plant and equipment	**58.27**	66.58
Amortisation of intangible assets	**0.03**	91.74
Total #	**58.30**	158.32

In previous year, depreciation and amortisation expenses include Rs. 101.86 crore of the Joint Venture which was treated as subsidiary till 29th March, 2018 in accordance with IND-AS 110.

Note 33: Other expenses

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Stores, Spares, Components,Tools, etc. consumed	**589.68**	480.45
Power and Fuel consumed	**247.64**	205.93
Machining and Processing charges	**217.56**	202.08
Sub-contracting expenses	**55.88**	53.78
Other Manufacturing expenses	**53.94**	71.84
Rent (net)	**0.80**	0.74
Repairs to:		
- Buildings	**2.07**	2.49
- Plant and Machinery	**9.30**	9.80
- Other assets	**2.47**	2.79
Rates and Taxes	**5.22**	9.64
Insurance	**1.81**	1.70
Commission	**2.96**	3.36
Freight, Forwarding and Warehousing (net)	**4.66**	18.78
Directors' Fees and Travelling Expenses	**0.27**	0.29
Bad Debts,debit balances and claims written off	**5.10**	48.27
Provision for Non Performing Assets/doubtfull debts/advances	**8.11**	2.81
Provision for Expected Credit Loss	**0.74**	(21.23)
Loss on assets sold	**0.11**	0.06
Loss on assets discarded / impaired	**0.09**	3.38
Loss on Sale of Investments	**-**	8.02
Amortisition of Land Lease	**0.33**	0.33
Loss on variation in foreign exchange rates (net)	**24.18**	8.79
Impairment of Goodwill	**13.33**	-
Miscellaneous Expenses	**69.72**	94.65
Total	**1,315.97**	1,208.75

Note 34 Exceptional Items

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Investment Fair value gain #	**-**	1,296.86
Expenditure in connection with transfer of ASRFB	**-**	(13.46)
Total	**-**	1,283.40

Mukand Ltd had entered into addendum to Share subscription and Shareholders agreement dated 30th March, 2018 in relation to a subsidiary company. Consequent to addendum agreement, the said subsidiary has become joint venture w.e.f. 30th March, 2018. As per para 25 & B98 of INDAS 110, these financial statements recognised gain on account of loss of control in the subsidiary company on retained investment.

Notes (Contd.)

Note 35 Income Tax Expenses

Reconciliation of Tax Expense and accounting profit multiplied by India's Tax rate : (Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Profit before Tax	(177.15)	909.32
Applicable Tax Rate	31.20%	30.90%
Tax Expense as per applicable tax rate	(55.27)	280.98
Tax effect of :		
Permanent disallowances	0.15	(54.72)
Income Taxed at different rate	(3.19)	(115.86)
Lapsing of past losses / MAT Entitlement	-	(0.42)
Others	15.51	(10.92)
Total Tax expenses	(42.80)	99.06
Tax expenses recognised in Statement of Profit or Loss	(42.80)	99.06
Effective tax rate	24%	11%

Note 36: Earnings per share

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Profit/(Loss) attributable to the equity holders of the company (A) (Rs. in crore)	(115.48)	821.03
Weighted average number of shares for Basic EPS (B)	14,14,05,861	14,14,05,861
Adjustments for calculation of Diluted EPS (C)	-	-
Weighted average number of shares for Diluted EPS (D= B+C)	14,14,05,861	14,14,05,861
(a) Basic EPS in Rs.	(8.17)	58.06
(b) Diluted EPS in Rs.	(8.17)	58.06

Note 37: Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and bank balances . Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio at March 31, 2019 is as follows.

(Rs. in crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Borrowings		
Long term and Short term borrowings	2,427.85	1,830.22
Current maturities of Long term borrowings	147.15	294.13
Less: cash and bank balances	(68.72)	(67.17)
Adjusted net debt	2,506.28	2,057.18
Total Equity	914.96	1,079.75
Adjusted net debt to adjusted equity ratio	2.74	1.91

Notes (Contd.)

Note 38 : Contingnt liabilities not provided for

(Rs. in crore)

	Particulars	**As at 31st March, 2019**	As at 31st March, 2018
i.	Disputed matters in appeal/contested in respect of:		
	Income Tax*	**33.72**	21.85
	Excise Duty, Customs Duty etc.	**8.70**	7.82
	Sales Tax, Works Contract Tax etc. **	**3.47**	1.73
	Other matters	**22.37**	14.06
	* included in this amount (not provided in the Accounts) is the liability under Sec 115JB of the Income Tax Act, 1961 for Assessment Year 2005-06 as the Mukand Ltd's appeal is pending disposal. Mukand Ltd places reliance on certain judicial pronouncements and has also obtained a legal opinion on the matter.		
	** In the matter of certain ex-parte assessments completed by Commercial Tax Officer in the State of Uttar Pradesh, Mukand Ltd is advised that liability, if any, that may arise will be determined after the matter is remanded to the Assessing Officer and on completion of reassessment proceedings and therefore, the same is not included herein.		
ii.	Claims against the Mukand Ltd not acknowledged as debt as these are disputed and pending disposal at various fora.	**12.98**	13.12
	For items (i) & (ii) above		
	The Company has taken legal and other steps to protect its interest in respect of these matters, which is based on legal advice and/or precedents in its own/other cases. It is not possible to make any further determination of the liability which may arise in these matters.		
	Guarantees and Counter guarantees given by Mukand Ltd :	**408.40**	120.76
iii.	Bonds / Undertakings given by the Mukand Ltd under concessional duty/ exemption to Customs / Excise Authorities (Net of redemption applied for)	**0.66**	0.66
iv.	Share in contingent Liabilities of Associates	**7.95**	6.62
v.	Share in contingent Liabilities of Joint Ventures	**2.84**	9.67

vi. Arrears of dividend on preference shares for FY 2018-19 Rs. 5,627/-, FY 2017-18 Rs. 5,627/-, FY 2016-17 Rs.5,627/-, FY 2015-16 Rs.5,627/- and FY 2014-15 Rs. 5,627/- in view of ammendment to section 123 of the Companies Act, 2013. However for the purpose of accounting, interest expenditure have been booked in Statement of Profit & Loss.

vii. Demand for Annual Bonus for the financial years 1995-96 to 2006-07 by Staff and Officers' Association of Mukand Ltd is pending at different stages in proceedings under The Industrial Disputes Act, 1947. Bulk of these employees are statutorily not covered by The Payment of Bonus Act, 1965 and many of the employees are also not covered by The Industrial Disputes Act, 1947. Liability arising there from cannot therefore be determined at present.

viii. Government of Maharashtra had served a Demand Notice on the Mukand Ltd for payment of electricity duty for power generated during the period 01.04.2000 to 30.04.2005 and penal interest thereon in Company's Captive Power Plant amounting to Rs.14.27 crore. The Writ Petition filed by Mukand Ltd was disposed by the Hon'ble Bombay High Court on 7th November, 2009 quashing the said Demand Notice. Government of Maharashtra has however, filed an appeal in the Supreme Court of India against the aforesaid judgment of High Court.

ix. There have been minor delays in payment of tax deducted at source. Interest payable on delays has been accounted for in respect of cases where appropriate orders have been received from Income Tax authorities or at the time of Filing the Quarterly TDS Returns.

x. A claim towards difference in price of calibrated iron ore for the period 1st April, 2006 to 28th February, 2007 amounting to Rs.33.07 crore has been raised by a supplier in March 2007 on Mukand Ltd. Mukand Ltd has been legally advised that the supplier cannot seek this price revision under a concluded agreement and hence no provision is made in the Accounts for the same. The issue along with method of review and re-fixing of price of calibrated iron ore effective on 1st of April each year in terms of agreement is referred to an arbitral tribunal whose award was pronounced on 28th February 2014. In terms of the said award, the supplier is directed to re-compute amount payable by the Mukand Ltd. Pending receipt of the revised claim, the final liability arising there from is not ascertainable. Moreover, the said supplier has also unilaterally increased the price of calibrated iron ore w.e.f. 1st April, 2007 and thereafter w.e.f. 1st April, every year. This issue too was settled by the aforesaid arbitral tribunal. However, pending such determination of final price, the supplier has raised invoices at an ad-hoc interim mutually agreed price on the marketing contractor who in turn, has billed Mukand Ltd at the same price and which liability, has been fully accounted for. An appeal has been preferred for challenging the said arbitration award.

Note 39 : Commitments

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**4.19**	3.75
Share of Capital Commitment of Joint Ventures/Associates	**0.25**	1.28

Note 40: Leases

As Lessee:

Future Rental obligations in respect of premises taken on operating Lease. (Rs. in crore)

	Particulars	As at 31st March, 2019	As at 31st March, 2018
i.	For a period not later than one year	**0.55**	0.69
ii.	For a period later than one year but not later than five years	**0.42**	0.46
iii.	For a period later than five years	**-**	-
	Total	**0.97**	1.15

Lease rentals charged to revenue for the current year Rs. 0.74 crore (March 31, 2018 : Rs.2.42 crore).

These premises comprise residential flats, office premises and warehouses. The agreements for lease are executed for tenure of 11 to 72 months with a provision for renewal and termination by either party giving a prior notice of 1 to 3 months.

As Lessor:

Future Rental income in respect of premises/ plot of land given on lease – Operating Lease.

(Rs in crore)

	Particulars	As at 31st March, 2019	As at 31st March, 2018
i.	For a period not later than one year	**0.88**	0.15
ii.	For a period later than one year but not later than five years	**0.88**	0.23
iii.	For a period later than five years	**-**	-
	Total	**1.76**	0.38

These premises comprise office premises and a residential flat given on lease for tenure of two years with a provision for renewal in case of office premises.

Note 41: There are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at the reporting date.

Note 42 : Statement of voting power of Mukand Limited in Subsidiaries, Stepdown Subsidiaries, Joint Ventures and Asssociates.

Sr. No.	Name of the Company	Nature of relationship	Country of Incorporation	Principal Activity	Proportion of voting power as at	
					31-Mar-19	31-Mar-18
1	Mukand Global Finance Ltd. (MGFL)	Subsidiary	India	NBFC	**100%**	100%
2	Vidyavihar Containers Ltd. (VCL)	Subsidiary	India	Real Estate	**100%**	100%
3	Mukand International Ltd. (MIL)	Subsidiary	UK	Trading - steel *	**100%**	100%
4	Mukand International FZE (MIFZE)	Subsidiary	UAE	Trading - steel	**100%**	100%
5	Adore Trader & Realtor Pvt. Ltd. (ATRPL) #	Stepdown Subsidiary	India	Trading & Real Estate	**100%**	-
6	Mukand Sumi Special Steel Ltd (MSSSL) formerly known as (Mukand Alloy Steels Ltd.)	Joint Venture	India	Alloy Steel Rolling and Finishing business	**51%**	100% $
7	Mukand Sumi Metal Processing Ltd. (MSMPL)	Joint Venture	India	Manufacturing of Cold finished, Bars/Rods	**60.07%**	60.07%
8	Hospet Steels Ltd. (HSL)	Joint Venture	India	Management Company	**39.00%**	39.00%
9	Mukand Vini Mineral Ltd. (MVML) @	Joint Venture	India	Mining Company	**49.01%**	49.01%
10	Mukand Engineers Ltd. (MEL)	Associate	India	Engineering, Construction project and ITES	**36.11%**	36.11%
11	Bombay Forgings Ltd. (BFL)	Associate	India	Manufacturing of Steel Forging	**33.17%**	33.17%
12	Stainless India Ltd. (SIL)	Associate	India	Manufacturing of stainless steel products	**48.30%**	48.30%

$ Subsidiary till 29th March, 2018 and Joint venture with effect from 30th March, 2018 by virtue of addendum to Share subscription and Shareholders agreement dated 30th March, 2018.

* Trading activity of MIL ceased w.e.f. April 01, 2010.

@ MVML has filed form STK - 2 with Registrar of Companies for striking off its name, which is currently under process.

ATRPL is wholly owned subsidiary of MGFL w.e.f. April 30, 2018.

Notes (Contd.)

Note 43: Investment in Joint Ventures and Associates

(i) Interest in associates and joint ventures

Set out below are associates and joint ventures of the group as at 31st March 2019 which in the opinion of Directors are material to the group. The entities listed below have share capital consisting mainly of equity shares which are directly held by the group.

Rs. In crore

Sr. No.	Name of Entity	Place of Business	% of Ownership Interests		Relationship	Accounting Method	Carrying amount	
			31st March, 2019	**31st March, 2018**			**31st March, 2019**	31st March, 2018
1	Mukand Sumi Special Steel Ltd (MSSSL) #	India	**51.00%**	100.00%	Joint Venture	Equity Method	**1,141.80**	1,125.00
2	Mukand Sumi Metal Processing Ltd (MSMPL)	India	**60.07%**	60.07%	Joint Venture	Equity Method	**126.66**	116.70
	Total Equity accounted investments						**1,268.46**	1,241.70

Subsidiary till 29th March, 2018 and Joint venture with effect from 30th March, 2018 by virtue of addendum to Share subscription and Shareholders agreement dated 30th March, 2018.

i) MSSSL is a joint venture between Mukand Ltd and Sumitomo Corporation Japan which is engaged in the manufacture of Alloy Steel in India.

ii) MSMPL is a joint venture between Mukand Ltd and Sumitomo Corporation Japan which is engaged in the manufacture of cold finished bars and wires in India.

(ii) Summarised financial information of joint ventures

The tables below provide summarised financial information for those joint ventures that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Rs. In crore

(A)	Summarised Balance Sheet	Mukand Sumi Special Steel Ltd		Mukand Sumi Metal Processing Ltd	
		31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
	Current assets				
	Cash and cash equivalents	**6.68**	14.79	**3.08**	10.16
	Other assets	**324.09**	389.76	**223.81**	171.39
	Total Current Assets	**330.77**	404.55	**226.89**	181.55
	Total Non Current Assets	**1,900.14**	1,921.23	**127.14**	137.21
	Current Liabilities				
	Financial Liabilities (excluding trade payables)	**216.63**	1,248.23	**34.78**	25.87
	Other Liabilities	**89.96**	389.33	**39.02**	16.71
	Total Current Liabilities	**306.59**	1,637.56	**73.80**	42.58
	Non Current Liabilities				
	Financial Liabilities (excluding trade payables)	**26.39**	-	**-**	-
	Other Liabilities	**2.16**	3.16	**0.25**	0.15
	Total Non Current Liabilities	**28.55**	3.16	**0.25**	0.15
	Net Assets	**1,895.77**	685.06	**279.98**	276.03

Notes (Contd.)

Rs. In crore

(B)	Summarised Statement of Profit and Loss	Mukand Sumi Special Steel Ltd		Mukand Sumi Metal Processing Ltd	
		31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
	Total Revenue (except interest income)	**2,055.98**	1,992.39	**813.37**	629.16
	Interest Income	**3.24**	0.23	**2.20**	2.54
	Purchases and variation in stocks	**1,532.03**	1,441.23	**681.24**	507.79
	Depreciation and amortisation *	**102.95**	101.86	**20.79**	19.99
	Interest expense	**46.47**	182.54	**2.42**	2.19
	Tax expenses	**(5.58)**	55.82	**4.00**	5.53
	Profit/(loss) for the year	**29.90**	(119.14)	**7.25**	10.52
	Other Comprehensive Income	**(0.20)**	-	**(0.01)**	-
	Total Comprehensive Income	**29.70**	(119.14)	**7.24**	10.52
	Dividend received	**-**	-	**-**	-

* In accordance with the Scheme of Arrangement and Amalgamation for transfer of Alloy Steel Rolling and Finishing business of Mukand, the Amalgamation as sanctioned by the NCLT has been accounted in the books of MSSSL in FY 2017-18. MSSSL has also recognized goodwill on amalgamation amounting to Rs.1,834.84 Crores which is amortized over its useful life as per the sanctioned scheme. Depreciation and amortization charge for the year includes Rs. 91.74 Crores on account of Goodwill amortization. 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.

Rs. In crore

(C)	Reconciliation of Carrying Amount				
		31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
	Opening Net Assets	**685.06**	0.01	**276.03**	268.79
	Profit for the year	**29.70**	(119.14)	**7.24**	10.52
	Fair Value on account of Loss of Control	**-**	1,296.86	**-**	-
	Adjustments on consolidation*	**1,524.06**	(52.73)	**(72.42)**	(85.04)
	Closing Net Assets	**2,238.82**	1,125.00	**210.85**	194.27
	Group's Share in %	**51%**	100%	**60.07%**	60.07%
	Group's share in Rupees	**1,141.80**	1,125.00	**126.66**	116.70
	Carrying amount	**1,141.80**	1,125.00	**126.66**	116.70

***** Including Fair Value on account of Loss of Control in FY 2017-18 - Rs. 1,296.86 crore

Note 44: Related Party Disclosure

Related Party Disclosures

(a) Relationship :

(i) Associates :

Mukand Engineers Ltd. (MEL), Bombay Forgings Ltd. (BFL), Stainless India Ltd. (SIL).

(ii) Joint Ventures :

Mukand Sumi Special Steel Ltd (w.e.f 30th March, 2018), Mukand Sumi Metal Processing Ltd, Mukand Vini Mineral Ltd. (MVML), Hospet Steels Ltd. (HSL).

(iii) Key Management Personnel

Niraj Bajaj, Rajesh V Shah, Suketu V Shah, Pratap V Ashar (with effect from May 29, 2018), Prakash Vasantlal Mehta, Vinodchand Sakarchand Shah(Expired on April 8, 2018) , Dhirajlal Shantilal Mehta, Narendra Jeewanlal Shah (Resigned on November 14, 2018), Naresh Chandra Sharma, Bharti Ram Gandhi, Amit Yadav, other KMPs, Relatives of a Director/ Other KMPs

(iv) Other related parties where significant influence exists or where the related party has significant influence on the Company :

Kalyani Mukand Ltd., Jamnalal Sons Pvt. Ltd. (JSPL), Adonis Laboratories Pvt Ltd. (ALPL), Baroda Industries Pvt Ltd (BIPL).

Notes (Contd.)

(b) (i) **Details of transactions with the related parties referred in (a) above :** (Rs. in Crore)

Nature of transactions	a (i) above	a (ii) above	a (iii) above	a (iv) above	Total
1. Purchase of Goods	**16.28**	**162.30**			**178.58**
	22.77	84.15			106.92
2. Sale of Goods	**9.24**	**1,931.75**			**1,940.99**
	14.90	128.94			143.84
3. Transfer of Fixed Assets		**26.00**			**26.00**
		-			-
4. Services Received	**9.06**	**96.00**			**105.06**
	8.74	61.28			70.02
5. Services Rendered	**2.15**	**333.52**			**335.67**
	7.98	52.14			60.12
6. Remuneration/Sitting Fees to MDs and KMPs			**7.42**		**7.42**
			6.06		6.06
7. Interest on FDs to Director/KMPs / relatives of a Director/ KMPs			**0.47**		**0.47**
			0.43		0.43
8. Interest / Dividend Paid / (Received) Net	**(1.08)**	**0.11**		**96.97**	**96.00**
	(0.19)	(0.06)		47.24	46.99
9. Reimbursement of Expenses - Receipt		**25.99**			**25.99**
		-			-
10. Finance taken including equity / (re-payment of loans & advances) - Net		**2.20**	**-**	**508.90**	**511.10**
		-	0.10	214.68	214.78
11. Finance given including equity / (re-payment of loans & advances) - Net	**31.31**	**-**	**0.65**	**0.01**	**31.97**
	2.90	-	-	0.02	2.92
12. Bad debts / Advances written off	**-**	**-**			**-**
	-	0.61			0.61
13. Balances at the close of the year					
i) Amount Receivable	**87.77**	**91.15**		**0.30**	**179.22**
	86.18	326.50		0.29	412.97
ii) Amount Payable	**9.71**	**34.86**	**0.25**		**44.82**
	8.32	33.24	0.41		41.97
iii) Amount Receivable in respect of loans & advances	**50.76**	**1.51**			**52.27**
	18.76	5.86			24.62
iv) Amount Payable in respect of loans & advances		**2.20**	**5.53**	**962.28**	**970.01**
		-	3.93	444.94	448.87
v) Property Deposit taken	**0.07**				**0.07**
	0.07				0.07
14. Guarantees given by the Company	**115.00**	**287.64**			**402.64**
	115.00	-			115.00
15. Collateral given on behalf of the Company #				**#**	
				#	

Notes : Figures in bold type relate to the current year and figures in normal type relate to previous year.

* Interest on FDs to relatives of a Director / includes amount payable for FDs / interest thereon Rs. 3.93 crore (previous year Rs 3.34 crore)

2,513,000 Equity Shares of the Company.

Notes (Contd.)

ii) **Details in respect of material transactions with related parties**

(Rs. in Crore)

Purchase of Goods:	
Mukand Sumi Metal Processing Ltd	**118.96**
	84.15
Mukand Sumi Special Steel Ltd	**43.34**
	-
Bombay Forgings Ltd	**-**
	0.49
Mukand Engineers Ltd	**16.28**
	22.28
Sale of Goods:	
Bombay Forgings Ltd	**9.24**
	14.90
Mukand Sumi Metal Processing Ltd	**329.49**
	128.94
Mukand Sumi Special Steel Ltd	**1,602.26**
	-
Transfer of Fixed Assets	
Mukand Sumi Metal Processing Ltd	**6.56**
	-
Mukand Sumi Special Steel Ltd	**19.44**
	-
Services Received:	
Hospet Steels Ltd	**56.90**
	52.38
Mukand Engineers Ltd	**9.06**
	8.74
Mukand Sumi Metal Processing Ltd	**11.68**
	8.90
Mukand Sumi Special Steel Ltd	**27.42**
	-
Remuneration to Executive Directors & Other KMPs #	
Short term employment benefit	**6.72**
	5.38
Post Employment Benefits	**0.41**
	0.40
Remuneration to Non-Executive / Independent Directors	
Sitting Fees	**0.29**
	0.28
Services Rendered:	
Mukand Sumi Metal Processing Ltd	**75.99**
	52.14
Mukand Sumi Special Steel Ltd	**257.53**
	-
Mukand Engineers Ltd	**2.14**
	7.97
Bombay Forgings Ltd	**0.01**
	0.01
Interest / Dividend Paid / (Received) Net	
Mukand Engineers Ltd	**(1.07)**
	(0.19)
Jamnalal Sons Pvt Ltd	**95.22**
	46.94
Adonis Laboratories Pvt Ltd	**0.24**
	0.30
Mukand Sumi Metal Processing Ltd	**(0.13)**
	(0.06)
Mukand Sumi Special Steel Ltd	**0.24**
	-
Baroda Industries Pvt. Ltd.	**1.51**
	-
Stainless India Ltd	**(0.01)**
	-
To relatives of a Director & KMPs (Interest on FD)	**0.47**
	0.43
Bad Debts/Advances written off	
Mukand Vini Mineral Ltd	**-**
	0.61
Reimbursement of Expenses - Receipt	
Mukand Sumi Special Steel Ltd	**25.99**
	-
Finance taken including equity / (re-payment of loans & advances) - Net	
Jamnalal Sons Pvt Ltd	**488.80**
	214.68
Mukand Sumi Special Steel Ltd	**2.20**
	-
FDs from Relatives of a Director	**-**
	0.10
Baroda Industries Pvt. Ltd.	**20.10**
	-
Finance given including equity / (re-payment of loans & advances) - Net	
Kalyani Mukand Ltd	**0.01**
	0.02
Mukand Engineers Ltd	**19.28**
	2.90

Bombay Forgings Ltd	**12.03**
	-
FDs repaid to relatives of a Director	**0.65**
	-
Balances at the close of the year:	
i) Amount Receivable	
Bombay Forgings Ltd	**64.29**
	70.58
Mukand Sumi Metal Processing Ltd	**13.77**
	6.02
Mukand Sumi Special Steel Ltd	**77.38**
	320.48
Mukand Engineers Ltd	**23.48**
	15.60
Kalyani Mukand Ltd	**0.30**
	0.29
ii) Amount Payable	
Mukand Engineers Ltd	**9.71**
	8.32
Hospet Steels Ltd	**7.29**
	4.56
Mukand Sumi Metal Processing Ltd	**22.88**
	13.74
Mukand Sumi Special Steel Ltd	**4.69**
	14.94
Remuneration to Key Management Personnel/Exp payable to Relatives of KMP	**0.25**
	0.41
iii) Amount Receivable in respect of loans & advances	
Bombay Forgings Ltd	**27.75**
	15.72
Mukand Sumi Special Steel Ltd	**1.51**
	5.86
Mukand Engineers Ltd	**22.90**
	3.04
Stainless India Ltd	**0.11**
	-
iv) Amount Payable in respect of loans & advances	
Jamnalal Sons Pvt Ltd	**934.53**
	442.93
Adonis Laboratories Pvt Ltd	**2.00**
	2.01
Baroda Industries Pvt Ltd	**25.75**
	-
Mukand Sumi Special Steel Ltd	**2.20**
	-
FDs / interest thereon from Relatives of a Director	**5.53**
	3.93
v) Property Deposit taken	
Mukand Engineers Ltd	**0.07**
	0.07
Guarantees given by the Company	
Mukand Engineers Ltd	**115.00**
	115.00
Mukand Sumi Special Steel Ltd	**287.64**
	-

Notes: Figures in bold type relate to the current year and figures in normal type relate to previous year.

The aforesaid amount does not include amount in respect of Gratuity and Leave as the same are not determinable.

Note 45: Transfer of Alloy Steel Rolling & Finishing Business (ASRFB) of Mukand Limited

(i) A Scheme of Arrangement and Amalgamation for transfer of Alloy Steel Rolling & Finishing Business (ASRFB) of Mukand Ltd, with appointed date of January 1, 2017, became effective from January 15, 2018 on filing of the Order received from NCLT Mumbai Bench with the respective Registrars of Companies. The effect of the said Order was given in the accounts of FY 2017-18. Net assets transferred under the Scheme to Mukand Vijayanagar Steel Limited (since amalgamated with Mukand Sumi Special Steels Ltd under the Scheme) amounted to Rs.227.48 crores for a lumpsum consideration of RS.227.00 crores. Following adjustments were carried out in FY 2017-18:

		Rs. In Crore
(a)	In retained earnings under other equity Loss before tax of ASRFB from 1-1-2017 to 31-3-2017	56.54
(b)	Adjustment of debit balance in Statement of P & L with the balance in the Security Premium Account as at December 31, 2016	199.31

(ii) On 16th July 2018, on the recommendation of the Audit Committee, the Board of Directors of Mukand Ltd, 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 Mukand Ltd. The Appointed Date for the amalgamation is 1st April, 2019. Mukand Ltd 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.

Note 46: Employee Benefits

(a) Long term employee benefit obligations

The leave obligations cover the Group's liability for casual and earned leave.

The compensated absences charge for the year ended March 31, 2019 based on actuarial valuation amounting to Rs. 0.38 crore (March 31, 2018 Rs. 0.06 crore) has been charged in the Statement of Profit and Loss.

(b) Post employment obligations

Defined contribution plans

The Group also contributes on a defined contribution basis to employees' provident fund and superannuation fund.

Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund (an exempted Trust). The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The expense recognised during the period towards defined contribution plan

(Rs. in crore)

	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Employer's Contribution to Provident Fund	**5.63**	5.50
Employer's Contribution to FPF	**2.01**	2.29
Employer's Contribution to EDLI	**0.66**	0.51
Employer's Contribution to ESIC	**0.12**	0.30
Employer's Contribution to Maharashtra Labour Welfare fund	**0.01**	0.01
Employer's Contribution to superannuation fund	**2.74**	2.63

Defined benefit plans

Gratuity

The Group provides for gratuity for employees as per Company's Scheme/s. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month and as per the Schemes applicable to those employees. The gratuity plan is a funded plan. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Rs. In crore)

	Defined benefit plans	**For the year ended March 31, 2019**	For the year ended March 31, 2018
		Gratuity (funded)	Gratuity (funded)
I	**Expenses recognised in statement of profit and loss during the year:**		
	Current Service Cost	**4.65**	4.54
	Past Service Cost	**-**	-
	Expected return on plan assets	**-**	-
	Interest cost on benefit obligation	**1.80**	1.78
	Total Expenses	**6.45**	6.32
II	**Expenses recognised in OCI**		
	Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	**(0.83)**	(0.79)
	Actuarial (Gain)/ Losses due to Experience on DBO	**(2.19)**	(2.37)
	Return on plan assets,excluding amount recognised in net interest expense	**(0.18)**	(0.14)
	Total Expenses	**(3.20)**	(3.30)

	Defined benefit plans	For the year ended March 31, 2019	For the year ended March 31, 2018
		Gratuity (funded)	Gratuity (funded)
III	**Net Asset /(Liability) recognised as at balance sheet date:**		
	Present value of defined benefit obligation	**(46.80)**	(44.53)
	Fair Value of Plan Assets	**25.33**	21.11
	Funded status [Surplus/(Deficit)]	**(21.47)**	(23.42)
IV	**Movements in present value of defined benefit obligation**		
	Present value of defined benefit obligation at the beginning of the year	**44.53**	43.98
	Current Service Cost	**2.54**	2.46
	Past service cost / acquisition adjustment	**-**	(1.74)
	Interest Cost	**3.42**	3.22
	Actuarial (Gain)/Loss	**(3.01)**	(3.16)
	Benefits paid	**(0.69)**	(0.23)
	Present value of defined benefit obligation at the end of the year	**46.80**	44.53
V	**Movements in fair value of the plan assets**		
	Opening fair value of plan assets	**21.11**	19.63
	Investment income	**1.62**	1.46
	Return on plan assets,excluding amount recognised in net interest expense	**0.18**	0.15
	Contribution from Employer	**3.11**	0.10
	Benefits paid	**(0.69)**	(0.23)
	Closing fair value of the plan asset	**25.33**	21.11
VI	**Maturity profile of defined benefit obligation**		
	Within the next 12 months (next annual reporting period)	**12.15**	8.09
	Between 2 and 5 years	**14.38**	17.41
	Between 6 and 10 years	**22.72**	20.12
VII	**Quantitative sensitivity analysis for significant assumptions is as below:**		
1	**Increase/(decrease) on present value of defined benefit obligation at the end of the year**		
	(i) +100 basis points increase in discount rate	**(2.97)**	(2.92)
	(ii) -100 basis points decrease in discount rate	**3.40**	3.34
	(iii) +100 basis points increase in rate of salary increase	**3.46**	3.40
	(iv) -100 basis points decrease in rate of salary increase	**(3.08)**	(3.02)
2	**Sensitivity analysis method**		
	Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.		

VIII	Actuarial Assumptions:	As at March 31, 2019	As at March 31, 2018
1	Discount rate	**7.6 % to 7.7%**	7.67% to 7.7%
2	Expected rate of salary increase	**4.75% p.a. to 6.79% p.a.**	5.00% p.a. to 6.50% p.a.
3	Attrition rate	**0.80% to 2%**	0.80% to 2%
4	Mortality	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The gratuity fund is managed by life insurance company, details of fund invested by insurer are not available with company.

d) The Group expects to make a contribution of Rs 4.50 Crore to the defined benefit plans (gratuity - funded) during the next financial year.

e) The average duration of the defined benefit plan obligation at the end of the reporting period is 7 years.

Risk exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory frame work which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability

Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time) and Company's Schemes for different category of employees.There is a risk of change in regulations requiring higher gratuity payouts(e.g. Increase in the maximum limit on gratuity of Rs.20,00,000).

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to the market risk for volatilities/fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Note 47: Reconciliation of liabilities arising from financing activities

(Rs in crore)

Particulars	Opening Balance	Cash Movement	Foreign exchange changes	Fair value changes	Others	Closing Balance
March 31, 2019						
Fixed Deposits	116.41	(68.77)	-	-	-	47.64
Working capital loans from Banks	537.58	(154.34)	-	-	-	383.24
Preference Share Liability	3.97				0.44	4.41
Borrowings (secured & unsecured)	1,466.39	673.32	-	-	-	2,139.71
Total	**2,124.35**	**450.21**	**-**	**-**	**0.44**	**2,575.00**
March 31, 2018						
Fixed Deposits	98.85	17.56	-	-	-	116.41
Working capital loans from Banks	640.07	(102.49)	-	-	-	537.58
Preference Share Liability	3.59	-			0.38	3.97
Borrowings (secured & unsecured)	2,236.36	(769.97)	-	-	-	1,466.39
Total	**2,978.87**	**(854.90)**	**-**	**-**	**0.38**	**2,124.35**

These cash movements are included in the cash flow statement under cash flow from financing activites.

Note 48 : Fair Value Measurements

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. In crore)

		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
1	**Financial Assets and Liabilities as at March 31, 2019**								
a	**Non-Current Financial Assets**								
	Investments in Quoted Equity Instruments	0.07			0.07	0.67		-	0.67
	Other Financial Assets			15.68	15.68			15.68	15.68
b	**Current Financial Assets**								
	Trade Receivable			455.03	455.03			455.03	455.03
	Cash & Cash Equivalents			7.80	7.80			7.80	7.80
	Other Bank Balance			60.92	60.92			60.92	60.92
	Loans			273.14	273.14			273.14	273.14
	Other Financial Assets			306.12	306.12			306.12	306.12
	Total	0.07	-	1,118.69	1,118.76	0.67	-	1,118.69	1,119.36
c	**Non-current Financial liabilities**								
	Borrowings			1,567.78	1,567.78			1,567.78	1,567.78
	Other Financial Liabilities			4.00	4.00			4.00	4.00
d	**Current Financial liabilities**								-
	Short term borrowings			860.07	860.07			860.07	860.07
	Trade Payables			761.80	761.80			761.80	761.80
	Other Financial Liabilities			213.57	213.57		4.25	209.32	213.57
	Total	-	-	3,407.22	3,407.22	-	4.25	3,402.97	3,407.22
2	**Financial Assets and Liabilities as at March 31, 2018**								
a	**Non-Current Financial Assets**								
	Investments in Quoted Equity Instruments	0.07			0.07	0.49		-	0.49
	Other Financial Assets			31.60	31.60			31.60	31.60
b	**Current Financial Assets**								
	Trade Receivable			294.27	294.27			294.27	294.27
	Cash & Cash Equivalents			16.82	16.82			16.82	16.82
	Other Bank Balance			50.35	50.35			50.35	50.35
	Loans			255.29	255.29			255.29	255.29
	Other Financial Assets			586.88	586.88			586.88	586.88
	Total	0.07	-	1,235.21	1,235.28	0.49	-	1,235.21	1,235.70
c	**Non-current Financial liabilities**								
	Borrowings			779.09	779.09			779.09	779.09
	Other Financial Liabilities			4.00	4.00			4.00	4.00
d	**Current Financial liabilities**								-
	Short term borrowings			1,051.13	1,051.13			1,051.13	1,051.13
	Trade Payables			982.91	982.91			982.91	982.91
	Other Financial Liabilities			369.23	369.23		0.93	368.30	369.23
	Total	**-**	**-**	**3,186.36**	**3,186.36**	**-**	**0.93**	**3,185.43**	**3,186.36**

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances if required, are taken to account for expected losses of these receivables.

c) The fair values for investment in unquoted equity shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Note 49: Financial Risk Management

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Directors of the Company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has in place adequate Internal Financial Controls with reference to financial statements and such internal financial controls are operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial statements. The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i. Trade receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

The ageing analysis of trade receivables (net of provision) has been considered from the date the invoice falls due -

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Not due		
0 to 180 days due past due date	**439.22**	231.61
More than 180 days past due date	**15.81**	62.66
	455.03	294.27

The following table summarizes the changes in loss allowances measured using life time expected credit loss model -

(Rs. in crore)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Opening Provision	**54.61**	61.75
Addition/(Reversal) during the year	**2.43**	(7.14)
Closing provision	**57.04**	54.61

ii. Provision for ECL of Loans, Unbilled Revenue and Trade Receivables

Financial assets for which loss allowance is measured using 12 month expected credit losses

The movement in the allowance for impairment in respect of loans, unbilled revenue and trade receivables during the year was as follows:

Rs in crore

Particulars	**Loan**	**Unbilled Revenue**	**Trade Receivable**
Balance as at 31st March 2018	16.35	25.22	54.61
Provision for ECL	(1.69)	(2.51)	2.43
Balance as at 31st March, 2019	14.66	22.71	57.04

iii. Cash and bank balances

The Group held cash and cash equivalent and other bank balance of Rs. 69.03 crore at March 31, 2019 (March 31, 2018: Rs. 67.17 crore). The same are held with bank and financial institution counterparties with good credit rating. Also, Group invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Group to credit risk.

iv. Others

Other than trade financial assets reported above , the Group has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

(Rs. in crore)

Contractual maturities of financial liabilities 31st March 2019	**1 year or less**	**1-2 years**	**More than 2 years**	**Total**
Non-Derivative				
Long term borrowings	147.15	36.84	1,530.94	1,714.93
Short term borrowings	860.07			860.07
Trade payables	761.80			761.80
Other financial liabilities	66.42	-	4.00	70.42
Total	1,835.44	36.84	1,534.94	3,407.22
Derivatives	252.43			252.43
Total	252.43	-	-	252.43

				(Rs. in crore)
Contractual maturities of financial liabilities 31st March 2018	**1 year or less**	**1-2 years**	**More than 2 years**	**Total**
Non-Derivative				
Long term borrowings	294.13	179.67	599.42	1,073.22
Short term borrowings	1,051.13			1,051.13
Trade payables	982.91			982.91
Other financial liabilities	75.10		4.00	79.10
Total	2,403.27	179.67	603.42	3,186.36
Derivatives	121.73			121.73
Total	121.73	-	-	121.73

(C) Market risk

Market risk is the risk that changes in market prices, such as interest rates (interest rate risk), will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(D) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligation at floating interest rates. The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(E) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rs. in crore)

Particulars	**31st March 2019**	31st March 2018
Variable rate borrowings	**116.19**	417.63
Fixed rate borrowings	**2,458.81**	1,706.72
Total borrowings	**2,575.00**	2,124.35

Notes (Contd.)

(F) Sensitivity:

A change of 100 basis points in interest rates would have following impact on profit after tax and equity -

(Rs. in crore)

	31st March 2019	31st March 2018
Interest rates – increase by 100 basis points *	**0.52**	1.96
Interest rates – decrease by 100 basis points *	**(0.52)**	(1.96)

* Hoding all other variables constant

(G) Foreign Exchange Risk :

a. Derivative instruments outstanding: (Amount in crore)

	As at 31-Mar-19		Equivalent (Rs)	As at 31-Mar-18		Equivalent (Rs.)
For Imports	**USD**	**3.53**	251.00	USD	0.79	51.83
	EURO	**-**	-	EURO	-	-
For Exports	**USD**	**0.02**	1.43	USD	0.53	34.68
	EURO	**-**	-	EURO	0.44	35.22

b. Foreign Currency exposure that are not hedged by derivative instruments:

(Amount in crore)

	Debtors	**Equiv Rs.**	**Creditors**	**Equiv Rs.**	**Cash Bank Balances**	**Equiv Rs.**	**Other Payables**	**Equiv Rs.**	**Export Advance**	**Equiv Rs.**	**Other Receivable**	**Equiv Rs.**	**Total**	**Equiv Rs.**
USD	**0.163**	**11.253**	**-**	**-**	**-**	**-**	**0.001**	**0.101**	**0.011**	**0.745**	**-**	**-**	**0.175**	**12.099**
	-	-	5.895	384.207	-	-	0.022	1.423	0.321	20.948	0.001	0.044	6.239	406.622
EURO	**0.102**	**7.900**	**0.054**	**4.173**	**0.005**	**0.390**	**0.025**	**1.939**	**-**	**-**	**-**	**-**	**0.185**	**14.402**
	0.143	11.530	0.113	9.110	0.021	1.690	-	-	0.098	7.907	0.098	7.910	0.472	38.147
AUD	**-**	**-**	**0.000**	**0.009**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.000**	**0.009**
	-	-	0.000	0.009	0.000	0.010	-	-	-	-	-	-	0.000	0.019
SEK	**-**	**-**	**0.018**	**0.134**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.018**	**0.134**
	-	-	0.034	0.267	-	-	-	-	-	-	-	-	0.034	0.267
CAD	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	0.092	4.656	-	-	-	-	-	-	-	-	0.092	4.656
GBP	**-**	**-**	**0.000**	**0.001**	**0.000**	**0.010**	**-**	**-**	**-**	**-**	**-**	**-**	**0.000**	**0.011**
	-	-	0.002	0.186	-	-	-	-	-	-	-	-	0.002	0.186
JPY	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	0.517	0.318	0.020	0.010	-	-	-	-	-	-	0.537	0.328
Total													**0.379**	**26.655**
													7.375	450.225

Figures in bold type relate to current year and figures in normal type relate to previous year

c. Sensitivity if the Exchange rate moves upward / downward by Rs. 1/-

		Amount in crore
Liability	Increase	Decrease
Upward	**0.379**	
	7.375	
Downward		**(0.379)**
		(7.375)

Notes (Contd.)

Note 50 : Segment Information for the year ended 31st March, 2019

A. Primary Segment - (Business Segment) :

(Rs. In crore)

Particulars	**2018-19**	2017-18
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 Joint Venture	**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	**31-Mar-19**	31-Mar-18
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	**2018-19**	2017-18
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

Notes (Contd.)

(Rs. In crore)

Particulars	2018-19	2017-18
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	**3,396.85**	3,237.32
Rest of the World	**292.61**	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 Engineeering 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 crore (PY Rs. 534.83 crore).

Note 51 : Statement of Net Assets and Profit or Loss Attributable to owners.

Rs. in crore

Sr. No.	Name	Net Assets				Share in Profit or (Loss)				Share in Other Comprehensive Income				Share in Total Comprehensive Income			
		31-03-2019		31-Mar-18		2018-19		2017-18		2018-19		2017-18		2018-19		2017-18	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Mukand Limited - Holding Co	**115.14%**	**1,053.46**	105.03%	1,134.06	72.84%	(84.12)	5.37%	44.06	**122.38%**	**3.50**	2897%	30.71	**71.59%**	**(80.62)**	9.10%	74.77
A	Subsidiaries																
(a)	Indian																
(i)	Mukand Global Finance Ltd. (MGFL)	**3.18%**	**29.13**	2.54%	27.43	(1.47%)	1.70	0.45%	3.66	**0.00%**	**-**	0%	-	**(1.51%)**	**1.70**	0.45%	3.66
(ii)	Vidyavihar Containers Ltd. (VCL)	**(5.75%)**	**(52.61)**	(4.07%)	(43.93)	8.16%	(9.42)	(0.19%)	(1.54)	**0.00%**	**-**	0%	-	**8.36%**	**(9.42)**	(0.19%)	(1.54)
(iii)	Adore Trader & Realtor Pvt Ltd	**(1.68%)**	**(15.33)**	0.00%		1.76%	(2.03)	0.00%	-	**0.00%**	**-**	0%	-	**1.80%**	**(2.03)**	0.00%	-
(iv)	Mukand Sumi Special Steel Ltd (MSSSL) formerly known as (Mukand Alloy Steel Ltd (MASL)) - $	**0.00%**	**-**	0.00%	-	0.00%		0.00%		**0.00%**	**-**	0%	-	**0.00%**	**-**	0.00%	-
(b)	Foreign																
(i)	Mukand International FZE (MIFZE)	**1.93%**	**17.66**	1.36%	14.66	(1.94%)	2.24	0.12%	1.01	**29.72%**	**0.85**	8%	0.08	**(2.74%)**	**3.09**	0.13%	1.09
(ii)	Mukand International Ltd. (MIL)	**0.00%**	**0.02**	0.00%	0.02	0.00%	-	0.00%	-	**0.00%**	**-**	0%	-	**0.00%**	**-**	0.00%	-
B	Joint Ventures																
(i)	Mukand Sumi Special Steel Ltd (MSSSL) formerly known as (Mukand Alloy Steel Ltd (MASL)) - $	**207.20%**	**1,895.76**	63.45%	685.06	(13.20%)	15.25	(14.51%)	(119.14)	**3.57%**	**0.10**	0%	-	**(13.63%)**	**15.35**	(14.49%)	(119.14)
(ii)	Mukand Sumi Metal Processing Ltd. (MSMPL)	**30.59%**	**279.90**	25.56%	276.03	(3.77%)	4.36	0.77%	6.32	**0.21%**	**0.01**	0%	-	**(3.87%)**	**4.36**	0.77%	6.32
(iii)	Hospet Steels Ltd. (HSL)	**0.00%**	**-**	0.00%	-	0.00%	-	0.00%	-	**0.00%**	**-**	0%	-	**0.00%**	**-**	0.00%	-
(iv)	Mukand Vini Mineral Ltd. (MVML)	**0.00%**	**-**	0.00%	-	0.00%	-	0.00%	-	**0.00%**	**-**	0%	-	**0.00%**	**-**	0.00%	-
C	Associates																
(i)	Mukand Engineers Ltd. (MEL)	**1.86%**	**16.99**	3.65%	39.36	6.93%	(8.00)	(0.48%)	(3.92)	**(2.78%)**	**(0.08)**	(122%)	(1.29)	**7.17%**	**(8.08)**	(0.63%)	(5.21)
(ii)	Bombay Forgings Ltd. (BFL)	**0.00%**	**-**	0.00%	-	0.00%	-	0.00%	-	**0.00%**	**-**	0%	-	**0.00%**	**-**	0.00%	-
(iii)	Stainless India Ltd. (SIL)	**0.00%**	**-**	0.00%	-	0.00%	-	0.00%	-	**0.00%**	**-**	0%	-	**0.00%**	**-**	0.00%	-
	Total	**352.47%**	**3,224.98**	197.52%	2,132.69	69.30%	(80.02)	(8.47%)	(69.55)	**153.10%**	**4.38**	2783%	29.50	**67.17%**	**(75.65)**	(4.87%)	(40.05)
	Intercompany elimination and consolidation adjustments	**(252.47%)**	**(2,310.02)**	(97.52%)	(1,052.94)	30.70%	(35.46)	108.47%	890.58	**(53.10%)**	**(1.52)**	(2683%)	(28.44)	**32.83%**	**(36.97)**	104.87%	862.14
	Total	**100%**	**914.96**	**100%**	**1,079.75**	**100%**	**(115.48)**	**100%**	**821.03**	**100%**	**2.86**	**100%**	**1.06**	**100.00%**	**(112.62)**	**100.00%**	**822.09**

Mukand Vijayanagar Steel Ltd got amalgamated with Mukand Sumi Special Steel Ltd

$ Subsidiary till 29th March, 2018 and Joint venture with effect from 30th March, 2018 by virtue of addendum to Share subscription and Shareholders agreement dated 30th March, 2018.

Note 52 : Other Notes

(i) MGFL has complied with the Prudential Norms relating to Income Recognition, Accounting Standards, Asset Classification and Provisioning for Bad and Doubtful Debts as required by the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. MGFL has also made provision on Standard Assets as on 31st March, 2019 as prescribed by Reserve Bank of India (RBI) in their Notifications No. DNBS. 222 CGM(US)2011 and No. DNBS. 223 CGM (US) 2011 both dated January 17, 2011. Various Returns required to be filed with RBI have been filed with RBI in time.

(ii) Since the assets size of MGFL is less than Rs.500 crore, it is exempted from compliance of Credit Concentration Norms of Reserve Bank of India circular No. DNBR (PD) CC.No.002/03.10.001/2014-15 dated 10/11/2014. As a matter of prudent practice, MGFL continued the disclosure in respect of CRAR, Exposure to Real Estate Sector, Leverage Ratio and Maturity Pattern of certain items of Assets and Laibilities.

(iii) SIL's operations have been suspended w.e.f. 27.10.2008. For past several years SIL's net worth has been fully eroded. The accounts have however been prepared under going concern assumption.

(iv) The management of VCL plans to, and is hopeful of, reviving in the foreseeable future, economically viable non-industrial commercial activity. The accounts of VCL have been drawn up based on the going concern assumption based on the VCL management's perception of the future of VCL.

(v) Further to de-allocation of coal block by Ministry of Coal, the Supreme Court of India cancelled allotment of all coal blocks in the Writ Petitions before it including the allotment received by Joint Venture Company, M/s. Mukand Vini Mineral Ltd (MVML). In Current year MVML has filed form STK - 2 with Registrar of Companies for striking off its name, which is currently under process.

(vi) Mukand Ltd had, during the Financial Year 1998-99, entered into a strategic alliance with Kalyani Steels Limited to set-up a steel plant to be operated by a company – Hospet Steels Limited.Expenses and liabilities arising out of this alliance to Hospet Steels Limited are shared on the basis stipulated in the relevant Agreements, and its accounting in the books of Mukand Ltd is carried out, accordingly.Wherever, due to the terms of the alliance, estimations are required to be made in respect of expenses, liabilities, production, etc., the same have been relied upon by the auditors, being technical matters.

Note 53 : Previous Year's figures have been regrouped / recast wherever necessary

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai, May 20, 2019

For and on behalf of Board of Directors

Niraj Bajaj Chairman & Managing Director DIN : 00028261	**Rajesh V Shah** Co-Chairman & Managing Director DIN : 00021752	**Suketu V Shah** Joint Managing Director DIN : 00033407
Umesh V Joshi Chief Financial Officer	**A M Kulkarni** Chief Executive Officer	**K J Mallya** Company Secretary

Mumbai, May 20, 2019

MUKAND LIMITED
(CIN No.: L99999MH1937PLC002726)
Registered Office: Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021
Tel: 022–61216666, Fax: 022-22021174, E-mail: investors@mukand.com, Website: www.mukand.com

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

81st ANNUAL GENERAL MEETING ON THURSDAY, 8th AUGUST, 2019

CIN : L99999MH1937PLC002726

Name of the company : MUKAND LIMITED

Registered office : Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai 400021
Tel: 022–61216666, Fax: 022-22021174,
E-mail: investors@mukand.com, Website: www.mukand.com

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id /DP Id :

I/We, being the member (s) of .... shares of Mukand Ltd. hereby appoint:

1. Name :……………………………... Address: ………………………..……........…....................
E-mail Id:…………………………….. Signature:……………………..…………............................ or failing him/her
2. Name :……………………………... Address: ………………………..……........…....................
E-mail Id:…………………………….. Signature:……………………..…………............................ or failing him/her
3. Name :……………………………... Address: ………………………..……........…....................
E-mail Id:…………………………….. Signature:……………………..…………............................

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 81st Annual General Meeting of the Company, to be held on Thursday, 8th August 2019 at 4:00 P.M. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Sr. No.	Summary of businesses to be transacted at the 81st AGM	Option	
	Ordinary Businesses: Ordinary Resolutions	**For**	**Against**
1.	Adoption of audited standalone financial statements and audited consolidated financial statements of the Company for the year ended March 31, 2019, together with the Report/s of the Board of Directors and the Auditors thereon		
2.	Re-appointment of Shri Suketu V. Shah (DIN: 00033407) who retires by rotation		
3.	Re-appointment of Statutory Auditors of the Company and to fix their remuneration		
	Special Businesses: Ordinary Resolutions (4 to 6 & 14) and Special Resolutions (7 to 13 & 15 to 17)		
4.	Ratification of Cost Auditor's Remuneration		
5.	Approval/Ratification of Material Related Party Transactions for FY: 2018-19		
6.	Approval of Material Related Party Transactions for FY: 2019-20		
7.	Issue of Redeemable Non-convertible Debentures on private placement basis		
8.	Continuation of Shri Dhirajlal S. Mehta as an Independent Director		
9.	Continuation of Shri N. C. Sharma as an Independent Director		
10.	Continuation of Shri Prakash V. Mehta as an Independent Director		
11.	Re-appointment of Shri Prakash V. Mehta as an Independent Director		
12.	Re-appointment of Shri Amit Yadav as an Independent Director		
13.	Re-appointment of Smt. Bharti R. Gandhi as an Independent Director		
14.	Appointment of Shri Sankaran Radhakrishnan as an Independent Director		
15.	Remuneration to Shri Niraj Bajaj, Chairman & Managing Director		
16.	Remuneration to Shri Rajesh V. Shah, Co-Chairman & Managing Director		
17.	Remuneration to Shri Suketu V. Shah, Joint Managing Director		

Signed this .... day of .... 2019.

Affix
Re. 1/-
Revenue
Stamp

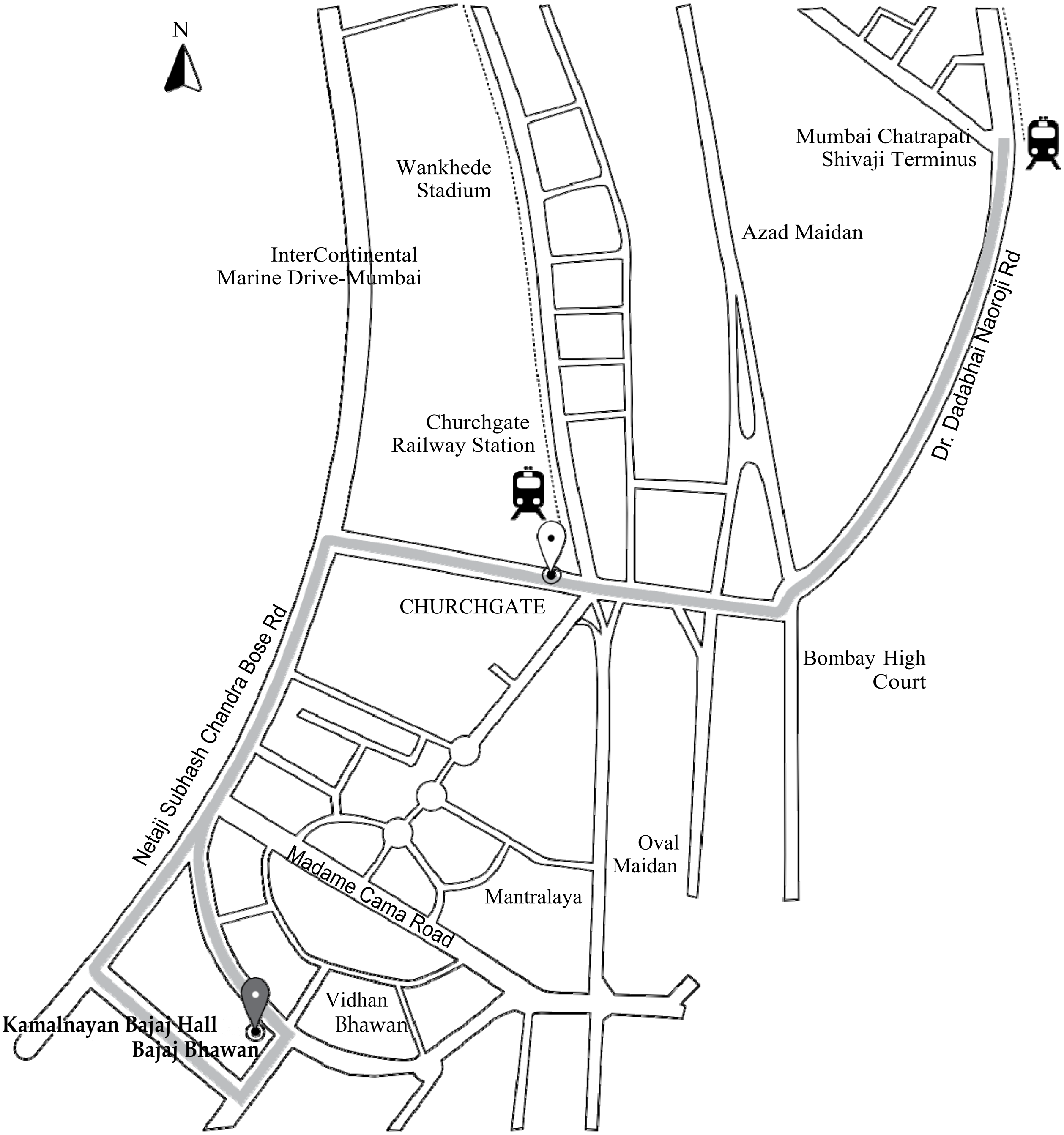
Signature of shareholder

Signature of Proxy holder(s)

Note:
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as Proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10 percent of total paid up Share Capital of the Company . In case a proxy is proposed to be appointed by a Member holding more than 10% of the Paid up Share Capital of the Company, then such proxy shall not act as a proxy for any other person or Member.

Route Map to the AGM Venue of:

MUKAND LIMITED
81st Annual General Meeting
Thursday, 8th August, 2019 at 4:00 p.m.



Venue of AGM:

Kamalnayan Bajaj Hall,
Bajaj Bhavan, Jamnalal Bajaj Marg,
Nariman Point,
Mumbai - 400021
Ph.: 022 2202 3626

MUKAND
Infinite resolve

MUKAND LIMITED, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021.
www.mukand.com

MUKAND LIMITED

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Tel: 022-61216666, Fax: 022-22021174, E-mail: investors@mukand.com, Website: www.mukand.com

ATTENDANCE SLIP

Serial No.

1. Folio No./DP ID No. /Client ID No. :
2. Name of the Shareholder :
3. Address of the sole/first named Shareholder :
4. Name of the Joint Shareholder – 1 :
   Name of the Joint Shareholder – 2 :
5. Number of equity shares held :
6. Number of CRPS* held :

I/We hereby record my/our presence at the **81st Annual General Meeting of the Company** held on Thursday, 8th August, 2019 at 4.00 p.m. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021.

* 0.01 % Cumulative Redeemable Preference Shares

Signature of the Shareholder/Proxy/Representative

Note: Please sign this Attendance Slip and hand it over at the venue of the Meeting. Members are requested to bring their copies of the Annual Report to the AGM.

E-VOTING PARTICULARS

[Users who wish to opt for e-voting may use the following login credentials]

Class of Shares	EVEN (e-Voting Event No.)	User ID	Password
Equity			
CRPS			

Note: Please follow steps for e-voting procedure as given in the Notice of AGM or as available on https://evoting.karvy.com. The e-Voting starts from 9:00 A.M. on Monday 5th August 2019 and ends at 5:00 P.M. on Wednesday 7th August 2019.

In view of non-payment of dividend on 0.01 % Cumulative Redeemable Preference Shares (CRPS), pursuant to the provisions of section 47 of the Companies Act, 2013, the holders of CRPS have a right to vote on resolutions relating to all items of business mentioned in the Notice of AGM.