

**MAHINDRA FORGINGS LIMITED**

(Formerly known as Mahindra Automotive Steels Limited)

Registered Office: Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2007**

(Rs. In Lakhs)

		Nine months ended	Quarter ended	Quarter ended	Year ended	Year ended
	Particulars	31st December, 2006	31st March, 2007	31st March, 2006	31st March, 2007	31st March, 2006
		Un-Audited	Un-Audited	Un-Audited	Audited	Audited
1	Gross Sales / Income from Operations	18,374.60	6,213.15	6,265.08	24,587.75	23,160.43
	Less: Excise Duty	2,419.56	1,028.38	887.77	3,447.94	3,268.44
	Net Sales/Income from Operations	15,955.04	5,184.76	5,377.31	21,139.81	19,891.99
2	Other Income	347.15	213.95	174.47	561.10	534.07
	Total Income	16,302.19	5,398.71	5,551.78	21,700.91	20,426.06
3	Total Expenditure :					
	a) (Increase) / decrease in stock in trade	283.84	68.06	336.38	351.90	324.55
	b) Consumption of raw materials	9,209.77	3,037.58	3,362.79	12,247.35	12,237.21
	c) Staff cost	645.22	389.85	354.01	1,035.07	828.11
	d) Other expenditure	4,310.17	1,402.13	2,269.51	5,712.30	5,892.45
	Total	14,449.00	4,897.62	6,322.69	19,346.62	19,282.32
4	Profit before Depreciation, Interest & Tax	1,853.19	501.09	(770.91)	2,354.29	1,143.74
5	Interest	497.48	255.21	172.85	752.69	872.23
6	Amortisation of Goodwill ( Note 3)	1,303.90	434.63	-	1,738.53	-
7	Depreciation	567.63	273.56	115.15	841.19	534.68
8	Provision for Contingency	-	44.71	919.23	44.71	919.23
9	Profit Before Tax	(515.81)	(507.03)	(1,978.14)	(1,022.84)	(1,182.40)
10	Provision for Taxation					
	(a) Current Tax	-	43.50	-	43.50	-
	(b) Deferred Tax	259.66	(83.09)	-	176.57	-
	(c) Fringe benefit tax	6.71	3.49	4.07	10.20	12.33
11	Profit After Taxation	(782.18)	(470.93)	(1,982.21)	(1,253.10)	(1,194.73)
12	Paid-up Equity Share Capital (Face value per share - Rs.10)	2,802.06	2,802.06	822.19	2,802.06	822.19
13	Reserves excluding Revaluation Reserve				11,480.99	5,984.08
14	(a) Basic Earnings per Share	(3.22)	(1.87)	(15.96)	(4.97)	(19.37)
	(b) Diluted Earnings per Share	-	(1.87)	(3.79)	(4.97)	(4.60)
15	Aggregate of Non- Promoter shareholding					
	a) No of shares	14,820,206	14,820,206	-	14,820,206	-
	b) Percentage of shareholding	52.89%	52.89%	-	52.89%	-

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**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2007**

- 1 The Company operates only in one business segment, viz Forging Components.
- 2 The Board of Directors in their meeting held on 20th October, 2006 have resolved to pay Non-Compete Fees of Rs. 500 Lakhs to Amforge Industries Limited ( AFL) & the Promoters of AFL, of which Rs. 250 Lakhs have accrued and paid and the balance shall accrue and become payable only after fulfilment of certain conditions as per Non Compete agreement. Accordingly, out of the payment Rs. 50 Lakhs is amortised during current year. Other expenditure includes Rs. 25 Lakhs as amortised amount in this quarter.
- 3 As an effect of the Scheme of Demerger, approved by the Hon'ble Bombay High Court on March 21, 2006 an amount of Rs.8,693 Lakhs considered as "Goodwill", being the difference between the aggregate value of equity shares and preference shares and net book value of assets and liabilities of the Chakan undertaking as on April 1, 2005, is being amortised over 5 years commencing from 2006-07.
- 4 Other Expenditure includes Prior period expenses of Rs. 35.26 Lakhs.
- 5 During the quarter, there were no investor complaints.( Previous year Nil).
- 6 Previous period / year figures have been regrouped, wherever necessary, in order to make them comparable.
- 7 The above results were approved by the Board of Directors of the Company at its Meeting held on 26th April, 2007.

For and on behalf of Board of Directors

Date: 26th April, 2007  
Place: Mumbai

sd/-  
S. Ravindran  
Managing Director