

MAHINDRA FORGINGS LIMITED
(Formerly known as Mahindra Automotive Steels Limited)
Registered Office: Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018

UNAUDITED FINANCIAL RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2006

		Quarter ended		Half Year ended		Year ended
Particulars		30th September, 2006 Unaudited	30th September, 2005 Unaudited	30th September, 2006 Unaudited	30th September, 2005 Unaudited	31st March, 2006 Audited
1	Gross Sales / Income from Operations	6,345.28	5,328.61	11,976.27	10,623.75	23,160.43
	Less: Excise Duty	791.83	749.82	1,518.73	1,503.16	3,268.44
	Net Sales/Income from Operations	5,553.45	4,578.79	10,457.53	9,120.59	19,891.99
2	Other Income	123.19	177.05	230.50	186.71	534.07
	Total Income	5,676.64	4,755.84	10,688.03	9,307.30	20,426.06
3	Total Expenditure :					
	a) (Increase) / decrease in stock in trade	(95.14)	(317.74)	(241.60)	(214.48)	324.55
	b) Consumption of raw materials	3,403.41	3,146.93	6,432.70	5,884.47	12,237.21
	c) Staff cost	227.11	169.34	406.06	317.27	828.11
	d) Other expenditure	1,484.45	1,049.08	2,758.20	2,153.60	5,923.19
	Total	5,019.83	4,047.60	9,355.37	8,140.86	19,313.06
4	Profit before Depreciation, Interest & Tax	656.82	708.24	1,332.66	1,166.44	1,113.00
5	Interest	153.89	176.42	320.77	349.46	841.49
6	Amortisation of Goodwill (Note 3)	434.64	-	869.27	-	-
7	Depreciation	207.35	135.38	356.14	270.76	534.68
8	Provision for Contingency					919.23
9	Profit Before Tax	(139.07)	396.44	(213.52)	546.22	(1,182.40)
10	Provision for Taxation					-
	(a) Current Tax			-	-	-
	(b) Deferred Tax	150.00		150.00	-	-
	(c) Fringe benefit tax	1.88	4.38	4.54	4.38	12.33
11	Profit After Taxation	(290.95)	392.06	(368.06)	541.84	(1,194.73)
12	Paid-up Equity Share Capital (Face value per share - Rs.10)	2,802.06	822.19	2,802.06	822.19	822.19
13	Reserves excluding Revaluation Reserve					5,984.08
14	(a) Basic Earnings per Share	(1.30)	9.53	(1.64)	13.16	(19.37)
	(b) Diluted Earnings per Share	-	1.64	-	2.27	(4.60)
15	Aggregate of Public shareholding					
	a) No of shares	14,820,206	-	14,820,206	-	-
	b) Percentage of shareholding	52.89%	-	52.89%	-	-

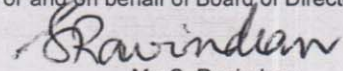
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1. The company operates only in one business segment, viz Manufacturing of Forging Components.
2. In accordance with the Scheme of Arrangement and Demerger which was approved by the Hon'ble Bombay High Court on March 21, 2006, the Company has allotted 1,48,20,206 equity shares of Rs.10 each aggregating to Rs.1,482 lakhs and 1,48,20,206 4% Non Cumulative Redeemable Non Convertible Preference Shares of Rs.31 each aggregating to Rs.4,594 lakhs. These shares have been allotted in the ratio of one equity share & one preference share for every one equity share held by the shareholders of Amforge Industries Limited.
- 3 As an effect of the Scheme of Demerger, an amount of Rs.8,693 lakhs arising 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 60 months commencing from April, 2006.
- 4 There were no unresolved investor complaints as of 30th June, 2006. During the quarter there is no investor complaint.
- 5 Previous year's figures have been regrouped, wherever necessary, in order to make them comparable.
- 6 The above results were approved by the Board of Directors of the Company at its Meeting held on 20th October, 2006.
- 7 In compliance with Clause 41 of the Listing Agreement with the Stock Exchange, a limited review of the results for the half year ended 30th September, 2006 has been carried out by the Statutory Auditors. The figures for the corresponding half year ended 30th September 2005, are not reviewed by the statutory Auditors of the company as the company was not listed during that period.

Mumbai
October 20, 2006

For and on behalf of Board of Directors


Mr. S. Ravindran
Managing Director