

Particulars	Quarter ended		Nine Months Ended		Year ended
	31 st December, 2007 UNAUDITED	31 st December, 2006 UNAUDITED	31 st December, 2007 UNAUDITED	31 st December, 2006 UNAUDITED	31 st March, 2007 AUDITED
1 Gross Sales/Income from Operations	5,906.44	6,398.34	18,396.93	18,374.60	24,587.75
Less: Excise Duty	1,029.94	900.83	2,602.86	2,419.56	3,447.94
Net Sales/Income from Operations	4,876.51	5,497.51	15,794.07	15,955.04	21,139.81
2 Other Income	110.12	116.65	169.75	347.15	561.10
3 Total Income (1+2)	4,986.63	5,614.16	15,963.83	16,302.19	21,700.91
4 Expenditure					
a. (Increase)/decrease in stock in trade and work in progress	505.13	525.44	(579.97)	283.84	351.90
b. Consumption of raw materials	2,465.00	2,777.06	9,707.38	9,209.77	12,247.35
c. Purchase of traded goods	-	-	-	-	-
d. Employee cost	366.54	330.74	1,112.47	898.48	1,035.07
e. Depreciation	294.79	211.49	789.84	567.63	841.19
f. Other expenditure	1,227.74	1,460.38	4,245.37	4,056.91	5,712.30
Total	4,859.20	5,305.11	15,275.10	15,016.63	20,187.81
5 Interest	336.82	176.71	869.95	497.48	752.69
6 Exceptional items	441.17	434.63	1,365.48	1,303.90	1,783.24
7 Profit before Depreciation, Interest and Exceptional items and Tax (3)-(4)+(4e)	422.22	520.54	1,478.58	1,853.19	2,354.29
8 Profit (+)/ Loss(-) from ordinary activities before tax (3)-(4+5+6)	(650.57)	(302.29)	(1,546.70)	(515.81)	(1,022.83)
9 Tax expenses					
-Current Tax	0.22	-	(42.27)	-	43.50
-Deferred Tax	(52.01)	109.66	(82.05)	259.66	176.57
-Prior Period adjustments for Deferred Tax (Net)	-	-	(381.22)	-	-
-Fringe Benefit Tax	4.55	2.17	17.55	6.71	10.20
10 Profit (+)/ Loss(-) from ordinary activities after tax (8-9)	(603.33)	(414.11)	(1,058.72)	(782.18)	(1,253.10)
11 Extraordinary items (net of tax expenses)	-	-	-	-	-
12 Net profit(+)/loss(-) for the period (10-11)	(603.33)	(414.11)	(1,058.72)	(782.18)	(1,253.10)
13 Paid-up Equity Share Capital of Rs. 10 each	2,802.06	2,802.06	2,802.06	2,802.06	2,802.06
14 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year					11,480.99
15 Basic & Diluted Earnings Per Share (Rs.) (Not annualised)					
a) Before Extraordinary Items	(0.88)	(1.70)	(1.54)	(3.22)	(4.97)
b) After Extraordinary Items	(0.88)	(1.70)	(1.54)	(3.22)	(4.97)
16 Public shareholding					
a) No. of shares	14,820,206	14,820,206	14,820,206	14,820,206	14,820,206
b) Percentage of shareholding	52.89%	52.89%	52.89%	52.89%	52.89%

Notes :-

- The Company operates only in one business segment, viz Forging Components.
- As of last year, the Company followed the accounting policy of writing off Dies over a period of two years. From the current year onwards, the Company has decided to write off the cost of Dies as and when incurred in view of their short life. If such accounting policy change had not taken place, PBT for the quarter and nine months ended would have been higher by Rs. 154.08 Lakhs and Rs. 423.03 Lakhs respectively.
- The Honourable High Court of Judicature at Mumbai, vide its order dated 23rd November, 2007 has sanctioned the scheme of arrangement/amalgamation of Mahindra Stokes Holding Company Ltd. (MSHCL) ultimately holding Stokes Group of Companies, Mahindra Forgings Overseas Ltd. (MFOL) ultimately holding Jeco Group of Companies, and Mahindra Forgings Mauritius Ltd. (MFML) ultimately holding Schoeneweiss Group of Companies, with the Company (MFL). The scheme is operative from the appointed date of 1st April, 2007 and has come into effect (effective date) from 27th December, 2007.
 - The amalgamation has been accounted for under the "pooling of interests" method as prescribed by Accounting Standards (AS-14) issued by the Institute of Chartered Accountants of India. Consequent upon giving effect to the scheme of amalgamation, an amount of Rs. 58,810.98 Lakhs arising as Surplus on Amalgamation has been considered under 'Reserves'.
 - After issue of shares to the share holders of erstwhile MSHCL, MFOL & MFML in the agreed swap ratio, the paid up equity share capital would increase by Rs. 4,054.71 lakhs. Pending allotment, the said amount has been considered under 'Share Capital Suspense Account'. Consequent upon the issue & allotment of equity shares the shareholding of Mahindra & Mahindra Limited will increase to 60.56% from existing 47.11%.
- From 1st April, 2007, the Company implemented SAP. During the year the Company has moved from valuation of Raw material & Die steel inventory from 'Specific identification method' to 'Moving Weighted Average method'. However, it does not have any material impact on Profit/Loss of the Company.
- Revised AS-11 has become effective from 1st April, 2007. Accordingly net Foreign Exchange Gain of Rs. 25.41 Lakhs relating to acquisition of fixed assets has been adjusted in the Profit and Loss Account.
- Exceptional items include amortisation of Goodwill Rs. 1303.89 Lakhs, amortisation of Non Compete Fees Rs. 37.50 Lakhs and Amalgamation expenses Rs. 24.08 Lakhs.
- Current tax includes reversal of earlier period's provisions of Rs. 43.00 Lakhs and provision for wealth tax of Rs. 0.73 Lakhs.
- The financial results do not include results of the subsidiaries. Net Revenues, EBIDTA and Profit after tax of these subsidiaries (including their subsidiaries) for the nine month period ended 31st December, 2007 (neither audited nor subjected to limited review) are Rs. 1535 crore, Rs. 144 crore and Rs. 24 crore respectively.
- During the quarter, there were no investor complaints. (Previous quarter Nil).
- In compliance with Clause 41 of the listing agreement with the stock exchange, a limited review of the results for the quarter ended 31st December, 2007 has been carried out by the Statutory Auditors.
- The results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 24th January, 2008.

For and on behalf of Board of Directors

Sd/-
S. Ravindran
Managing Director

Date : 24th January, 2008

Place : Mumbai