


MAHINDRA UGINE STEEL COMPANY LIMITED

 Regd. Office : 74,Ganesh Apartment, 7th Floor, Opp. Sitladevi Temple, Lady Jamshedjee Road,
 Mahim (W), Mumbai 400 016.

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED
 SEPTEMBER 30, 2005**
(Rs. in Lakhs)

	Particulars	Quarter ended September 30,2005 Unaudited	Quarter ended September 30,2004 Unaudited	Half Year ended September 30,2005 Unaudited	Half Year ended September 30,2004 Unaudited	Financial year ended March 31,2005 Audited	
1	Gross Sales/Income from Operations	16,518.99	13,478.17	33,252.11	26,316.36	58,699.80	
	Less: Excise duty	2,380.03	1,520.45	4,849.19	2,583.22	6,499.79	
2	Net Sales/Income from Operations	14,138.96	11,957.72	28,402.92	23,733.14	52,200.01	
3	Other Income	237.89	36.77	285.81	52.68	104.91	
4	Total Expenditure						
	a. (Increase)/Decrease in Stock in Trade	(1,017.38)	38.86	(1,855.40)	(738.10)	(678.52)	
	b. Consumption of raw materials (including outside processing costs)	8,082.06	6,239.65	17,083.58	13,323.65	28,427.43	
	c. Staff cost	607.83	549.76	1,309.33	1,140.03	2,367.18	
	d. Power	1,391.20	1,125.86	2,669.92	2,282.15	4,734.50	
	e. Other expenditure	2,724.40	2,141.85	5,151.43	4,576.70	8,816.47	
	Total Expenditure (a+b+c+d+e)	11,788.11	10,095.98	24,358.86	20,584.43	43,667.06	
5	Profit before Interest, Depreciation, Tax etc. (2+3-4)	2,588.74	1,898.51	4,329.87	3,201.39	8,637.86	
6	Interest	248.51	333.72	503.35	664.39	1,137.59	
7	Depreciation	214.79	244.13	457.77	487.62	962.15	
8	Profit before tax and exceptional item (2+3-4-6-7)	2,125.44	1,320.66	3,368.75	2,049.38	6,538.12	
9	Provision for taxation						
	a. Current tax (including Fringe Benefit Tax)	673.28	104.68	1,130.28	160.70	513.00	
	b. Deferred tax	(45.64)	(37.00)	(104.64)	(37.00)	1,209.00	
10	Profit after Tax before Exceptional Item (8-9)	1,497.80	1,252.98	2,343.11	1,925.68	4,816.12	
11	Premium on redemption of preference shares (Note 3)	404.56	-	404.56	-	-	
12	Profit after Tax (10-11)	1,093.24	1,252.98	1,938.55	1,925.68	4,816.12	
13	Paid-up Equity Share Capital (face value of Rs. 10/- each)	3,093.17	3,093.17	3,093.17	3,093.17	3,093.17	
14	Reserves excluding revaluation reserves					4,392.44	
15	Basic and diluted Earnings per share(not annualised)						
	On profit after tax before exceptional item	Rs.					
			4.70	3.92	7.30	5.96	15.03
	On profit after tax	Rs.					
			3.40	3.92	6.00	5.96	15.03
16	Aggregate of non promoters shareholding						
	-no. of shares			14,447,797	14,383,897	14,383,897	
	-Percentage of shareholding			46.71	46.50	46.50	



Notes

- 1 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at the Board Meeting held on October 28, 2005.
- 2 The Board Of Directors at their meeting held on September 5, 2005 has approved a Scheme of Amalgamation which, subject to the approval of Hon'ble High Court of Bombay in accordance with Section 391 to 394 of Companies Act,1956 and other necessary approvals / formalities envisages amalgamation of Pranay Sheetmetal Stampings Ltd, Valueline Hotels and Resorts Ltd., and the company's wholly owned subsidiary - Console Estate & Investments Ltd., with the company with effect from the appointed date i.e.1st April, 2005. The effect of the above Scheme of Amalgamation, pending approval from the Hon'ble High Court of Bombay and others, has not been considered in the above results.
- 3 The Company shall redeem 11,00,000 - 9.72% Redeemable Cumulative Preference Shares of Rs.100/-each issued in December 2003 , on the redemption date i.e 31st October, 2005. In order to incorporate the understanding always existing between the company and its preference shareholders, a premium of Rs.404.56 lacs payable on redemption has been now provided for.
The Company has declared and will pay interim dividend on these Preference Shares on redemption and on 7% Redeemable Cumulative Preference shares of Rs.100/-each. The outgo on this account shall be Rs.96.54 lacs including tax on dividend.
- 4 During the quarter ended September 30, 2005, 7 investor complaints were received, which were promptly attended to by the Company. No complaints were pending either at the beginning or at the end of the period.
- 5 Previous period/ year's figures have been regrouped wherever necessary in order to make them comparable.
- 6 In compliance with clause 41 of the Listing Agreement, the statutory auditors have carried out a limited review of the results for quarter/half year ended September 30,2005.

Mumbai
October 28, 2005

For Mahindra Ugine Steel Co. Limited

K. V. Ramarathnam
Managing Director



SEGMENT - WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

Particulars	Quarter ended September 30,2005 Unaudited	Quarter ended September 30,2004 Unaudited	Half Year ended September 30,2005 Unaudited	Half Year ended September 30,2004 Unaudited	Financial year ended March 31,2005 Audited
Segment Revenue (Net Sales/Income from operations)					
a) Steel	13209.69	11,161.21	26,530.34	22,175.98	48,683.26
b) Stamping	929.27	796.51	1,872.58	1,557.16	3,516.75
Total	14,138.96	11,957.72	28,402.92	23,733.14	52,200.01
Less: Inter Segment revenue	-	-	-	-	-
Net Sales/Income from operations	14,138.96	11,957.72	28,402.92	23,733.14	52,200.01
Segment Results					
a) Steel	2143.04	1,593.51	3,490.09	2,609.60	7,219.42
b) Stamping	201.29	125.76	370.66	211.69	682.15
Total	2,344.33	1,719.27	3,860.75	2,821.29	7,901.57
Less: 1. Interest	248.51	333.72	503.35	664.39	1,137.59
2. Other un-allocable Expenditure net of un-allocable Income	(29.62)	64.89	(11.35)	107.52	225.86
Profit before Tax and Exceptional item	2,125.44	1,320.66	3368.75	2,049.38	6,538.12
Capital Employed (Segment Assets - Segment Liabilities)					
a) Steel	15028.11	11,024.64	15,028.11	11,024.64	13,696.97
b) Stamping	3663.31	4,047.15	3,663.31	4,047.15	3,846.51

Note: Steel segment and stamping segment comprises of sale of alloy steel and sale of pressed metal components respectively.

For **Mahindra Ugine Steel Co. Limited**

Mumbai
October 28, 2005

K. V. Ramarathnam
Managing Director