


**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 ENDED  
 September 30, 2006**
*(Rs. in Lakhs)*

	Particulars	Quarter ended September 30, 2006 Unaudited	Quarter ended September 30, 2005 Unaudited	Half Year ended September 30, 2006 Unaudited	Half Year ended September 30, 2005 Unaudited	Financial Year ended March 31, 2006 Audited
1	Gross Sales/Income from Operations	22,867.70	18,138.95	41,052.61	36,504.88	73,886.22
	Less: Excise duty	3,898.48	2,972.50	6,938.61	6,053.31	12,382.53
2	Net Sales/Income from Operations	18,969.22	15,166.45	34,114.00	30,451.57	61,503.69
3	Other Income	32.79	977.53	142.40	1,029.94	972.79
4	Total Expenditure					
	a. (Increase)/Decrease in Stock in Trade	1,220.37	(1,017.37)	1,057.51	(1,809.70)	(2,492.10)
	b. Consumption of raw materials (including outside processing costs)	9,305.21	8,158.33	17,078.12	17,223.96	32,970.57
	c. Staff cost	1,001.84	673.98	1,906.94	1,469.53	3,165.36
	d. Power and Fuel	2,404.75	2,095.67	4,751.86	3,993.08	8,001.13
	e. Other expenditure	2,263.41	2,231.33	4,394.49	4,224.31	8,470.24
	Total Expenditure (a+b+c+d+e)	16,195.58	12,141.94	29,188.92	25,101.18	50,115.20
5	Profit before Interest, Depreciation and Tax (2+3-4)	2,806.43	4,002.04	5,067.48	6,380.33	12,361.28
6	Interest	379.38	274.34	692.24	564.19	1,114.79
7	Depreciation	378.71	308.17	729.50	633.35	1,308.49
8	Profit before tax and exceptional Item (2+3-4-6-7)	2,048.34	3,419.53	3,645.74	5,182.79	9,938.00
9	Provision for taxation					
	a. Current tax (Including Fringe benefit tax)	623.94	1,100.83	1,070.00	1,668.83	3,240.00
	b. Deferred tax	28.00	(73.08)	131.00	(111.08)	(213.00)
10	Profit after tax before exceptional item (8-9)	1,396.40	2,391.78	2,444.74	3,625.04	6,911.00
11	Exceptional items	-	404.56	-	404.56	404.56
12	Profit after tax (10-11)	1,396.40	1,987.22	2,444.74	3,220.48	6,506.44
13	Paid-up Equity Share Capital (face value of Rs. 10/- each )	3,248.25	3,248.25	3,248.25	3,248.25	3,248.25
14	Reserves excluding revaluation reserves					11,077.16
15	Basic Earning per share (not annualised)					
	On profit after tax before exceptional item	Rs 4.27	7.24	7.46	10.91	20.92
	On profit after tax	Rs 4.27	5.99	7.46	9.66	19.68
16	Diluted Earning per share (not annualised)					
	On profit after tax before exceptional item	Rs 4.25	7.24	7.45	10.91	20.92
	On profit after tax	Rs 4.25	5.99	7.45	9.66	19.68
16	Aggregate of non promoters shareholding					
	-no. of shares			14,444,650	14,444,650	15,998,737
	-Percentage of shareholding			44.47	44.47	49.26



Notes

- 1 During the quarter ended September 30, 2006, 37 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.
- 2 Figures for the previous period have been restated wherever necessary to incorporate the impact of the amalgamation of the erstwhile Pranay Sheetmetal Stamping Ltd, Valueline Hotel and Resorts Ltd and Console Estate and Investments Ltd with the company ef
- 3 The Company has declared interim dividend on 7% Redeemable Cumulative Preference shares of Rs. 100/- each aggregating to Rs. 21.79 lacs including tax on dividend.
- 4 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 20, 2006.
- 5 During the quarter ended 30 September,2006, the company has granted 955500(net of option lapsed 930500) stock option to its wmployees at a price of Rs.99 per option, which will vest in four installments during the period, which will vest in four installmen

**Mumbai**  
**October 20, 2006**

For **Mahindra Ugine Steel Co. Limited**

**K. V. Ramarathnam**  
**Managing Director**



**SEGMENT - WISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

*(Rs. in Lakhs)*

<b>PARTICULARS</b>	Quarter ended September 30, 2006 Unaudited	Quarter ended September 30, 2005 Unaudited	Half Year ended September 30, 2006 Unaudited	Half Year ended September 30, 2005 Unaudited	Financial Year ended March 31, 2006 Audited
<b>Segment Revenue (Net Sales/Income from operations)</b>					
a) Steel	15,860.47	13,209.69	28,933.43	26,530.34	53,106.68
b) Stamping	3,108.75	1,911.23	5,180.57	3,875.78	8,397.01
c) Others	-	45.53	-	45.45	45.45
<b>Total</b>	18,969.22	15,166.45	34,114.00	30,451.57	61,549.14
Less: Inter Segment revenue	-	-	-	-	-
<b>Net Sales/Income from operations</b>	18,969.22	15,166.45	34,114.00	30,451.57	61,549.14
<b>Segment Results</b>					
a) Steel	1,322.77	2,143.04	2,428.63	3,490.09	7,022.47
b) Stamping	1,186.59	742.21	2,039.55	1,463.19	3,344.25
c) Others	-	41.61	-	41.61	41.61
<b>Total</b>	2,509.36	2,926.86	4,468.18	4,994.89	10,408.33
Less: 1. Interest	379.38	274.34	692.24	564.19	1,114.79
2. Other un-allocable Expenditure net of un-allocable Income	81.64	(767.01)	130.20	(752.09)	(644.46)
<b>Profit Before Tax and Exceptional item</b>	2,048.34	3,419.53	3,645.74	5,182.79	9,938.00
<b>Capital Employed (Segment Assets - Segment Liabilities)</b>					
a) Steel	21,711.68	15,028.11	21,711.68	15,028.11	19,170.80
b) Stamping	11,196.64	7,369.37	11,196.64	7,369.37	8,751.50
c) Others	-	0.06	-	0.06	0.06

Note: 1. Steel segment and stamping segment comprises of sale of alloy steel and processing and sale of pressed metal components respectively.

2. Other segment comprised of activities related to dealing in shares which has been discontinued.

**Mumbai**  
**October 20, 2006**

For **Mahindra UGINE Steel Co. Limited**

**K. V. Ramarathnam**  
**Managing Director**