

**Mahindra Forgings****Mahindra Forgings Ltd.**

Works : Gat No. 856 to 860.
Chakan Ambethan Road, Tal. : Khed,
Dist. Pune - 410 501, INDIA.
Tel. : +91 (02135) 252677, 663300
Fax : +91 (02135) 663301
Email : www.mahindraforgings.com

31st July, 2012

National Stock Exchange of India Ltd.
Listing Department, Exchange Plaza
Plot no. C/1, G-Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.

Dear Sir,

- Sub:**
1. Unaudited Financial Results for the quarter ended 30th June, 2012
 2. Limited Review Report for the quarter ended 30th June, 2012
 3. Press Release of the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter ended 30th June, 2012.

Scrip ID: MAHINDFORG.

As required under Clause 41 of the Listing Agreement, we are enclosing a copy of the Unaudited Financial Results of the Company for the quarter ended 30th June, 2012, which was approved by the Board of Directors of the Company at its Meeting held today i.e. 31st July, 2012.

We are also enclosing a copy of the Limited Review Report for the quarter ended 30th June, 2012 received from M/s. B. K. Khare & Co., Chartered Accountants, Mumbai.

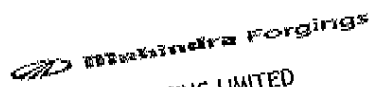
We are also enclosing a copy of the Press Release in respect of the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter ended 30th June, 2012.

Kindly acknowledge receipt of the same.

Yours faithfully,
For Mahindra Forgings Limited

Krishnan Shaṅkar
Company Secretary & Head - Legal

Encl. as above.



MAHINDRA FORGING LIMITED
 Regd. Office : Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400 018.
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED June 30th 2012

Particulars	STANDALONE			Year ended
	Quarter ended		30 June 2011	31 March 2012
	30 June 2012 Rs in Lakhs Un Audited	31 March 2012 Rs in Lakhs Un Audited	Rs in Lakhs Un Audited	Rs in Lakhs Audited
1 Income from operation				
(a) Net sales (Net of Excise duty)	9,363.42	10,295.42	8,611.70	38,981.00
(b) Other operating income	1,136.87	1,220.18	907.62	4,270.93
Total Income from operation (net)	10,500.29	11,515.60	9,519.32	43,251.93
2 Expenses				
(a) Cost of material consumed	6,228.66	6,102.02	5,097.19	23,368.01
(b) Change of inventories of finished goods and work-in progress	(659.44)	531.69	428.49	1,032.98
(c) Employee benefit expenses	741.58	692.56	676.24	2,930.69
(d) Depreciation and amortisation expenses	671.11	633.58	564.61	2,391.89
(e) Power and Fuel	1,013.98	1,129.17	935.46	4,295.41
(f) Other Expenses	1,991.93	2,131.97	1,547.90	7,481.49
Total expenses	9,987.82	11,220.99	9,249.89	41,500.47
3 Profit (loss) from operation before other income finance cost and exceptional items (1 - 2)	512.47	294.61	269.43	1,751.46
4 Other Income	99.39	15.11	38.77	216.21
5 Profit / (Loss) from ordinary activities before finance cost and exceptional items (3 +/-4)	611.86	309.72	308.20	1,967.67
6 Finance cost	159.26	229.20	374.14	1,133.68
7 Profit/(Loss) from ordinary activities after finance cost but before exceptional items (5+/-6)	452.60	80.52	(65.94)	833.99
8 Exceptional items	-	(31.96)	-	155.89
9 Profit/(Loss) from ordinary activities before tax (7+/-8)	452.60	112.48	(65.94)	678.10
10 Tax expense	-	-	-	-
11 Net Profit/(Loss) from ordinary activities after tax(9+/-10)	452.60	112.48	(65.94)	678.10
12 Net Profit / (Loss) for the period (11+/-12)	9,217.33	9,216.91	8,786.98	9,216.91
13 Paid -Up equity share capital (Face value of Rs. 10 per equity share)				76,726
14 Reserve excluding revaluation reserve as per balance sheet of previous accounting year				
15 Earning per share (after extraordinary items) (Of Rs. 10 /- each) (Not annualised)				
(a) Basic	0.49		0.12	(0.08)
(b) Diluted	0.49		0.12	(0.08)

216



MAHINDRA FORGING LIMITED

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED June 30th 2012

	Particulars	Quarter ended			Year ended
		30 June 2012	31 March 2012	30 June 2011	31 March 2012
A	Particulars of shareholding				
1	Public shareholding				
	-Number of shares	43,347,697	43,343,447	43,343,447	43,343,447
	-Percentage of shareholding	47.03%	47.03%	49.33%	47.03%
2	Promoters and Promoter group shareholding				
	a) Pledged/ Encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non - encumbered				
	- Number of shares	48,825,609	48,825,609	44,526,339	48,825,609
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	52.97%	52.97%	50.67%	52.97%

	Particulars	Quarter ended
		30 June 2012
	INVESTOR COMPLAINTS	
	Pending at the beginning of the year	Nil
	Received during the quarter	8
	Disposed of during the quarter	8
	Remaining unsolved at the end of quarter	Nil

316

**MAHINDRA FORGING LIMITED**

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED June 30th 2012**Notes**

- 1 The above results are standalone results of Mahindra Forgings Limited
- 2 The Company operates only in one business segment, viz. Forging Components
- 3 No provision for Income Tax has been made in the above results of the company in view of availability of brought forward tax/ book losses and unabsorbed depreciation.
- 4 The Revised Schedule for disclosure of results has become effective from 16 April, 2012. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure
- 5 The results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 31st July 2012 and subjected to limited review by the auditors.
- 6 Results of Mahindra Forgings Limited can be found on the Company's website www.mahindraforgings.com

For & on behalf of the Board of Directors,


K. Ramaswami
Managing Director

July, 31 2012

Page 3 of 3

Head Office : Mumbai

- Tel : (022) 2200 0607 / 7318 / 6360
(022) 8831 5835 / 36
- Fax : (022) 2200 3476
- E-mail : info@bkkhareco.com
- 706 / 708, Sharda Chambers,
New Marine Lines, Mumbai 400 020

4/6

B. K. KHARE & Co.
CHARTERED ACCOUNTANTS

The Board of Directors
Mahindra Forgings Limited
Mumbai

Dear Sirs,

Limited Review Report

We have reviewed the accompanying statement of unaudited financial results ("the Statement") of **Mahindra Forgings Limited** for the period ended 30th June, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors/Other Committee. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly we do not express an opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

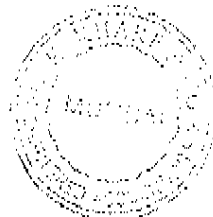


Padmini Khare Kaicker
Partner
M.No.44784

Place: Mumbai
Date: July 31, 2012

Branch Office : Pune

- Tel : (020) 64019743 / 25666932 / 32926341
- E-mail : pune@bkkhareco.com
- Hotel Swaroop, 4th Floor, Lane No.10,
Prabhat Road, Erandwane, Pune - 411 004.

**Branch Office : Bengaluru**

- Tel : (080) 4110 5357 •
- E-mail : bkkhareb@vsnl.net •
- 101, Money Chambers, 1st Floor •
- #6 K. H. Road, Shanthinagar, Bengaluru - 560027

5/06

*For immediate release***MAHINDRA FORGINGS LIMITED ANNOUNCES UNAUDITED FINANCIAL RESULTS**

Mumbai, July 31, 2012: The Board of Directors of Mahindra Forgings Limited (MFL) announced the unaudited financial results for the Quarter ended 30th June, 2012 at its meeting held today.

MFL Consolidated Highlights

Particulars (Rs crs)	Q1 (2012-13)	Q1 (2011-12)	F2012 (2011-12)
Revenue	597	611	2,440
EBIDTA	42	55	208
PAT	5	18	51

MFL Standalone Highlights

Particulars (Rs crs)	Q1 (2012-13)	Q1 (2011-12)	F2012 (2011-12)
Revenue	105	95	432
EBIDTA	12	9	41
PAT	5	-1	7

Highlights : April - June '12**Europe**

Revenue in Q1 F13 is Euro 71 Mn against Euro 80 Mn. in Q1 F 12.

India

Revenue in Q1 F13 is Rs 105 Crs, against Rs 95 Crs in Q1 F 12 representing an increase of 11% over Q1 F12.

Consolidated

- The revenue numbers for the current quarter include a currency translation gain of Rs 36 crores while the EBITDA includes currency translation gain of Rs 14 crores in stock valuation due to fluctuation in Euro-Rupee Exchange Rate.
- Revenue has reduced by 2% in Q1 F13 as compared to Q1 F12. Without considering Currency Translation Gain Revenue is lower by 8% compared to Q1 F12.
- EBITDA Margin in current quarter is 7.1%. After excluding currency translation gain of foreign subsidiaries in Revenue Rs 36 Crs & currency translation gain in EBITDA Rs 14 Crs EBITDA works out to 5.2% in Q1 F13. The reduction in margins is due partly to mix and output changes at heavy truck customers, slower introduction of new products in the European truck industry, as well as higher operating costs due to equipment downtime.

OUTLOOK

India

- The growth trajectory in the Indian auto industry (Passenger Vehicles and Commercial Vehicles) continued to follow an upward trend in Q1-FY13. Compared to corresponding period in FY12, passenger vehicles production grew by 9% led by a phenomenal growth of over 54% in the UV segment. In commercial vehicles, LCVs grew by 9% this quarter over Q1-FY12 with both passenger and goods segments contributing to the growth. However in M/HCVs, while the passenger segment grew by 11%, the goods segment shrunk by 26% resulting in the overall decline of 21% in the M/HCV segment. Slowdown in overall economic activities may have contributed to the decline in the M/HCVs. That said, commercial and passenger vehicles are still expected to grow in FY13 by ~7% and ~12% respectively.

Europe

- Production of heavy trucks in Germany (largest segment for MFL Europe) hovered around ~60-65% of levels existing before the financial crisis experienced in FY09 and FY10. Data on heavy truck production for Q1-FY13 suggest a decline of 5.4% over the same period last year. The decline mainly due to fall in export demand by 6.9% over corresponding quarter last year. Domestic registrations of heavy trucks too have shrunk by 5% over Q1-FY12.
- The strong growth has led to strong pressure on price of inputs like steel and on wage costs.

ABOUT MAHINDRA FORGINGS LIMITED (MFL)

We are one of the leading forging companies in the world. We manufacture and supply engine and chassis forged components for commercial and passenger vehicles and other non-automotive products.

We are a part of the Mahindra group referred to as 'Mahindra Systech'.

We have a diversified and complementary product portfolio across geographies. In India, our Company is focused on design, development and machining of crankshafts and steering knuckles for cars and multi-utility vehicles. Schöneweiss, our German subsidiary, is one of the leading axle beam manufacturers in the world. Jeco-Jellinghaus GmbH ("Jeco"), Gesenkschmiede Schneider GmbH ("GSA") and Falkenroth Umformtechnik GmbH ("Falkenroth"), our other German subsidiaries, are providers of a diverse range of forging products, primarily for heavy commercial vehicles, and collectively manufacture more than 250 products. Stokes Group Limited, our subsidiary in UK, has an expertise in flashless forgings for passenger car applications.

=====