



MOTHERSON SUMI SYSTEMS LIMITED

Regd. Office: 3rd Floor, 43, Community Centre, Bhageria House, New Friends Colony, New Delhi-110065

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2006

(Rs. in Millions)

	<i>Particulars</i>	<i>Nine Months Ended 31.12.2005</i>	<i>Quarter Ended 31.03.2006</i>	<i>Quarter Ended 31.03.2005</i>	<i>Year Ended 31.03.2006 (Audited)</i>	<i>Year Ended 31.03.2005 (Audited)</i>
1	Net Sales/Income from Operations	4834.76	2206.64	1482.97	7041.40	5535.51
	Domestic Sale	3737.44	1770.97	1192.99	5508.41	4477.61
	Export Sale	1097.32	435.67	289.98	1532.99	1057.90
2	Other Income	156.93	71.81	48.70	228.74	90.94
	Net Income (1+2)	4991.69	2278.45	1531.67	7270.14	5626.45
3	Total Expenditure	4034.12	1820.24	1224.36	5854.36	4492.67
<i>a)</i>	(Increase)/Decrease in stock in trade	(102.11)	(0.39)	(24.44)	(102.50)	(95.92)
<i>b)</i>	Consumption of Raw Materials	2751.95	1263.07	821.83	4015.02	3051.71
<i>c)</i>	Staff Cost	468.26	189.52	132.64	657.78	501.70
<i>d)</i>	Other Expenditure	916.02	368.04	294.33	1284.06	1035.18
4	Interest (Net)	82.98	40.94	(5.59)	123.92	19.57
5	Depreciation	223.63	124.99	77.45	348.62	264.22
6	Profit before Tax (1+2-3-4-5)	650.96	292.28	235.45	943.24	849.99
7	Provision for Taxation					
	- Current (net)	123.95	62.26	61.72	186.21	237.62
	- Deferred	(3.95)	(20.61)	(8.36)	(24.56)	(8.58)
	- Fringe Benefit Tax	9.00	4.15	-	13.15	-
8	Net Profit (6-7)	521.96	246.48	182.09	768.44	620.95
9	Paid-up Equity Share Capital (Ordinary share Rs.1/- each)	234.89	234.89	234.89	234.89	234.89
10	Reserves excluding Revaluation Reserves	-	-	-	1967.30	1486.04
11	Earning per share (Basic and Diluted) ¹	2.22	1.05	0.78	3.27	2.64
12	Aggregate of Non Promoting Shareholding					
	- No of Shares	66481898	66481898	66481898	66481898	66481898
	- Percentage of Shareholding	28.30%	28.30%	28.30%	28.30%	28.30%

¹Potential conversion of Zero Coupon Foreign Currency Convertible bonds is anti dilutive during the period, hence not considered.

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**SEGMENT REPORTING UNDER CLAUSE 41 OF THE LISTING AGREEMENT
WITH STOCK EXCHANGE FOR THE QUARTER YEAR ENDED 31ST MARCH, 2006**

(Rs. in Millions)

<i>Particulars</i>	<i>Quarter Ended 31.03.2006</i>	<i>Quarter Ended 31.03.2005</i>	<i>Year Ended 31.03.2006 (Audited)</i>	<i>Year Ended 31.03.2005 (Audited)</i>
1. <u>Segment Revenue</u>				
a. Automotive	1970.72	1384.94	6294.51	5081.87
b. Non Automotive	317.38	145.73	926.88	532.90
c. Unallocated	11.88	3.62	105.74	21.52
Total	2299.98	1534.29	7327.13	5636.29
Less: Inter Segment Revenue	21.53	2.62	56.99	9.84
Net Sales/Income from Operations	2278.45	1531.67	7270.14	5626.45
2. <u>Segment Results</u>				
a. Automotive	190.10	217.37	737.23	758.22
b. Non Automotive	118.41	10.34	224.19	92.77
Total	308.51	227.71	961.42	850.99
Less i) Interest (Net)	40.94	(5.59)	123.92	19.57
ii) Other unallocable expenditure (Net of Unallocable Income)	(24.71)	(2.15)	(105.74)	(18.57)
Total Profit Before Tax	292.28	235.45	943.24	849.99
3. <u>Capital Employed</u>				
a. Automotive	3775.82	2559.71	3775.82	2559.71
b. Non Automotive	202.05	187.96	202.05	187.96
c. Others (including investments)	2087.64	(203.81)	2087.64	(203.81)
Total Segment Capital Employed	6065.51	2543.86	6065.51	2543.86

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AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2006

(Rs. in Millions)

	<i>Particulars</i>	<i>Nine Months Ended 31.12.2005 (Unaudited)</i>	<i>Quarter Ended 31.03.2006 (Unaudited)</i>	<i>Quarter Ended 31.03.2005 (Unaudited)</i>	<i>Year Ended 31.03.2006 (Audited)</i>	<i>Year Ended 31.03.2005 (Audited)</i>
1	Net Sales/Income from Operations	7101.21	3054.18	2170.36	10155.39	7812.25
	Within India	4756.51	2031.23	1479.05	6787.74	5581.84
	Outside India	2344.70	1022.95	691.31	3367.65	2230.41
2	Other Income	90.62	194.12	50.52	284.74	107.12
	Net Income (1+2)	7191.83	3248.30	2220.88	10440.13	7919.37
3	Total Expenditure	5987.52	2571.02	1779.20	8558.54	6417.66
a)	(Increase)/Decrease in stock in trade	(150.46)	(55.69)	(39.86)	(206.15)	(170.85)
b)	Consumption of Raw Materials	4021.79	1787.60	1210.18	5809.39	4447.50
c)	Staff Cost	714.36	310.12	178.84	1024.48	691.05
d)	Other Expenditure	1401.83	528.99	430.04	1930.82	1449.96
4	Interest (Net)	108.63	49.62	(7.47)	158.25	33.54
5	Depreciation	287.88	176.70	107.90	464.58	341.16
6	Profit before Tax (1+2-3-4-5)	807.80	450.96	341.25	1258.76	1127.01
7	Provision for Taxation					
	- Current	157.25	81.15	75.94	238.40	281.93
	- Deferred	(15.50)	(5.30)	(9.31)	(20.80)	(9.69)
	- Fringe Benefit	9.94	4.57		14.51	
8	Profit After Taxation before share of Profit/(Loss) of associates and minority interests (6-7)	656.11	370.54	274.62	1026.65	854.77
9	Share of Profit/(Loss) of Associates	1.75	0.41	1.01	2.16	3.52
10	Profit After Taxation before Minority Interests (8+9)	657.86	370.95	275.63	1028.81	858.29
11	Minority Interests	8.30	12.03	5.18	20.33	18.32
	NET PROFIT (10-11)	649.56	358.92	270.45	1008.48	839.97
12	Paid-up equity share capital (Ordinary share Re. 1/- each)	234.89	234.89	234.89	234.89	234.89
13	Reserves excluding Revaluation Reserves	-	-	-	2662.03	1944.76
14	Earning per share (Basic and Diluted) ¹	2.77	1.53	1.15	4.29	3.58
15	Aggregate of non promoting shareholding					
	- No of shares	66481898	66481898	66481898	66481898	66481898
	- Percentage of shareholding	28.30%	28.30%	28.30%	28.30%	28.30%

¹ Potential conversion of Zero Coupon Foreign Currency Convertible bonds is anti dilutive during the period, hence not considered.

Notes :

- (i) The above financial results were approved by Board of Directors of the Company at the meeting held on May 26, 2006.
- (ii) The Board of Directors have recommended a dividend @115% (Rs. 1.15/- per share) for the year ended March 31, 2006. The Annual General Meeting of the Company shall be held on 7th August 2006. The Register of Members and share transfer books shall remain closed from 01/08/06 to 07/08/06 (both days inclusive) for the purpose of Annual General Meeting and Dividend.
- (iii) The Hon'ble high court of Delhi has on March 27, 2006 approved the amalgamation of Draexalmaier & Motherson Electrical Systems India Limited (DMESIL) with the Company. Accordingly the results for the current quarter and the year ended March 31, 2006 include the results of DMESIL and are not strictly comparable.

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- (iv) The Shareholders have approved the amalgamation of Motherson Advance Polymers Limited with the Company with effect from February 1, 2006 subject to the necessary approvals.
- (v) The Company during the quarter has revised the useful lives in respect of certain fixed assets resulting in an additional charge in the quarter and in the year ended March 31, 2006 amounting to Rs. 38.41 million in the financial results and the consolidated financial results respectively.
- (vi) The Company has on July 15, 2005 issued € 50.30 million Zero Coupon Convertible Bonds due 2010, listed on the Singapore Exchange Securities Trading Limited and accordingly an amount of Rs. 88.87 million (net of income of Rs 32 million on unutilised funds) for the twelve months ended March 31, 2006 has been charged to profit and loss account as finance cost being amortisation of the amount of premium payable on redemption and other ancillary costs incidental to the issue. As on March 31, 2006, an amount of € 29.31 million is lying unutilised.
- (vii) Investors Complaints received and disposed off during quarter ended March 31, 2006:
- | | (Nos.) |
|---|--------|
| Complaints pending at the beginning of the quarter | 6 |
| Complaints received during the quarter | 10 |
| Disposal of complaints | 10 |
| Complaints lying unresolved at the end of the quarter | 6 |
- (viii) Previous period / year figures have been regrouped wherever necessary.

By Order of the Board of Directors
For Motherson Sumi Systems Limited

Place: Noida
Date: 26th May 2006

V C Sehgal
CHAIRMAN