

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

AUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2006

(Rs. in Millions)

Particulars	Three Months Ended 30/09/2006	Three Months Ended 30/09/2005	Half Year Ended 30/09/2006	Half Year Ended 30/09/2005	Year Ended 31/03/2006
	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Reviewed) (Refer Note (i) below)
	1	2	3	4	5
1 Net Sales/Income from Operations	2832.35	1552.02	5117.33	3139.93	7134.29
Domestic Sale	2211.10	1217.39	3895.55	2430.35	5601.30
Export Sale	621.25	334.63	1221.78	709.58	1532.99
2 Other Income	35.88	71.61	55.67	92.11	203.47
Net Income (1+2)	2868.23	1623.63	5173.00	3232.04	7337.76
3 Total Expenditure	2363.36	1290.32	4316.43	2602.18	5916.59
a) (Increase)/Decrease in stock in trade	36.98	(71.07)	16.19	(91.72)	(102.21)
b) Consumption of Raw Materials	1690.56	925.96	3034.64	1800.48	4080.32
c) Staff Cost	224.05	153.66	416.87	298.53	662.69
d) Exchange fluctuation (net)	(21.90)	(15.73)	59.26	(10.71)	(26.74)
e) Other Expenditure	433.67	297.50	789.47	605.60	1,302.53
4 Interest (Net)	43.26	35.02	83.68	45.52	124.89
5 Depreciation	117.97	74.62	206.57	142.27	357.27
6 Profit before Tax (1+2-3-4-5)	343.64	223.67	566.32	442.07	939.01
7 Provision for Taxation					
- Current	76.00	27.40	131.00	81.85	116.21
- Deferred	(11.34)	3.96	(30.34)	(1.76)	(17.28)
- Fringe Benefit	3.00	2.90	5.20	6.20	13.39
8 Net Profit (6-7)	275.98	189.41	460.46	355.78	826.69
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					2025.33
11 Earning per share					
- Basic/ diluted ¹	1.17	0.81	1.96	1.51	3.52
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 HALF YEAR ENDED 30TH SEPTEMBER, 2006**

(Rs. in Millions)

<i>Particulars</i>	<i>Three Months Ended 30/09/2006 (Audited)</i>	<i>Three Months Ended 30/09/2005 (Unaudited)</i>	<i>Half Year Ended 30/09/2006 (Audited)</i>	<i>Half Year Ended 30/09/2005 (Unaudited)</i>	<i>Year Ended 31/03/2006 (Reviewed) (Refer Note (i) below)</i>
1. Segment Revenue					
a. Automotive	2276.82	1395.77	4292.84	2813.14	6293.22
b. Non Automotive	615.29	188.15	924.46	375.08	1022.53
c. Unallocated	17.68	55.40	22.69	63.88	79.00
Total	2909.79	1639.32	5239.99	3252.10	7394.75
Less: Inter Segment Revenue	41.56	15.69	66.99	20.06	56.99
Net Sales/Income from Operations	2868.23	1623.63	5173.00	3232.04	7337.76
2. Segment Results					
a. Automotive	266.24	151.68	534.13	330.58	737.21
b. Non Automotive	97.89	35.88	171.69	82.41	220.94
Total	364.13	187.56	705.82	412.99	958.15
Less i) Interest (Net)	43.26	35.02	83.68	45.52	124.89
ii) Other unallocable expenditure (Net of Unallocable Income)	(22.77)	(71.13)	55.82	(74.60)	(105.75)
Total Profit Before Tax	343.64	223.67	566.32	442.07	939.01
3. Capital Employed					
a. Automotive	4411.61	2985.41	4411.61	2985.41	3761.26
b. Non Automotive	526.71	223.63	526.71	223.63	358.27
c. Others (including investments)	2070.17	2456.44	2070.17	2456.44	2033.72
Total Segment Capital Employed	7008.49	5665.48	7008.49	5665.48	6153.25

Notes:

- (i) The Hon'ble High Court of Delhi has on September 4, 2006 approved the amalgamation of Motherson Advanced Polymers Limited (MAPL), a 100% subsidiary of the Company, with effect from February 1, 2006 with the Company and the Registrar of Companies has registered the amalgamation order on October 27, 2006. Accordingly, the Company has prepared the financial results for the quarter and half year ended September 30, 2006 after giving effect to the amalgamation as at the appointed date i.e. February 1, 2006 and redrawn the audited financial statements of the Company for the year ended March 31, 2006 to give effect to this order. Accordingly the results for the quarter and the half year ended September 30, 2006 include the results of MAPL and are not strictly comparable.
- (ii) The Company through MSSSL GB Limited (a 100% subsidiary) has acquired the business and assets of ASL Systems Limited (in administration) (ASL), based at Gateshead, New Castle, UK from the administrator on August 4, 2006. ASL was engaged in the manufacture and supply of wiring harnesses and related products.
- (iii) 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. 32.48 million (net of income of Rs 10.12 million on unutilised funds) and Rs. 63.62 million (net of income of Rs 21.58 million on unutilised funds) for the quarter and six months ended September 30, 2006 respectively 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 September 30, 2006, an amount of € 19.50 million is lying unutilised.
- (iv) The above financial results were approved by Board of Directors of the Company at the meeting held on 6th November 2006.
- (v) Statutory Auditors have carried out an audit of the financial results for the periods ended September 30, 2006.
- (vi) Investors Complaints received and disposed off during quarter ended September 30, 2006: (Nos.)
- | | |
|---|----|
| Complaints pending at the beginning of the quarter | 6 |
| Complaints received during the quarter | 36 |
| Disposal of complaints | 36 |
| Complaints lying unresolved at the end of the quarter | 6 |
- (vii) Previous year/period figures have been regrouped/ reclassified wherever necessary including the effect of amalgamation as explained in (i) above.

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

Place: Noida
Date: 6th November 2006

V C Sehgal
CHAIRMAN

Together we make it happen

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2006

(Rs. in Millions)

Particulars		Three Months Ended 30/09/2006 (Unaudited)	Three Months Ended 30/09/2005 (Unaudited)	Half Year Ended 30/09/2006 (Unaudited)	Half Year Ended 30/09/2005 (Unaudited)	Year Ended 31/03/2006 (Reviewed) (Refer Note (i) below)
1	Net Sales/Income from Operations	3817.80	2330.90	7200.43	4611.05	10155.39
	Within India	2519.18	1655.00	4581.46	3150.65	6787.74
	Outside India	1298.62	675.90	2618.97	1460.40	3367.65
2	Other Income	32.86	31.40	60.34	50.68	269.49
	Net Income (1+2)	3850.66	2362.30	7260.77	4661.73	10424.88
3	Total Expenditure	3271.28	2001.33	6208.79	3885.06	8543.29
a)	(Increase)/Decrease in stock in trade	(92.33)	(86.71)	(39.79)	(93.73)	(206.15)
b)	Consumption of Raw Materials	2327.75	1363.57	4206.61	2617.25	5809.39
c)	Staff Cost	428.89	267.14	770.53	440.78	1024.48
d)	Exchange Fluctuation (Net)	(23.15)	0.78	52.80	10.40	(15.25)
e)	Other Expenditure	630.12	456.55	1218.64	910.36	1930.82
4	Interest (Net)	52.73	43.08	105.77	60.44	158.25
5	Depreciation	144.14	97.69	275.88	184.86	464.58
6	Profit before Tax (1+2-3-4-5)	382.51	220.20	670.33	531.37	1258.76
7	Provision for Taxation					
	- Current	89.58	36.44	152.99	102.32	168.40
	- Deferred	(11.94)	(3.95)	(28.47)	(8.93)	(13.51)
	-Fringe Benefit	3.20	3.55	5.86	7.16	14.51
8	Profit After Taxation before share of Profit/(Loss) of associates and minority interests (6-7)	301.67	184.16	539.95	430.82	1089.36
9	Share of Profit/(Loss) of Associates	1.21	0.66	1.14	1.41	2.17
10	Profit After Taxation before Minority Interests (8+9)	302.88	184.82	541.09	432.23	1091.53
11	Minority Interests	5.26	1.70	1.41	4.23	20.33
	NET PROFIT (10-11)	297.62	183.12	539.68	428.00	1071.20
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		-		-	2724.75
14	Earning per share					
	- Basic/ diluted ¹	1.27	0.78	2.30	1.82	4.56
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%

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- (ii) The Company through MSSL GB Limited (a 100% subsidiary) has acquired the business and assets of ASL Systems Limited (in administration) (ASL), based at Gateshead, New Castle, UK from the administrator on August 4, 2006. ASL was engaged in the manufacture and supply of wiring harnesses and related products.

Together we make it happen

The above-consolidated financial results were approved by Board of Directors of the Company at the meeting held on 6th November 2006.

- (iii) 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. 32.48 million (net of income of Rs 10.12 million on unutilised funds) and Rs. 63.62 million (net of income of Rs 21.58 million on unutilised funds) for the quarter and six months ended September 30, 2006 respectively 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 September 30, 2006, an amount of € 19.50 million is lying unutilised.
- (iv) Previous year/period figures have been regrouped/ reclassified wherever necessary including the effect of amalgamation as explained in (i) above.

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For Motherson Sumi Systems Limited

Place: Noida
Date: 6th November 2006

V C Sehgal
CHAIRMAN