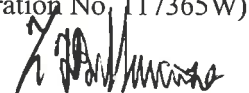


INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF MAHINDRA COMPOSITES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **MAHINDRA COMPOSITES LIMITED** ("the Company") for the Quarter and Six Months ended 30th September, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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 misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures 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 audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended 30th September, 2014 of the Statement, from the details furnished by the Management/Registrars.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)


Z.F. Billimoria

Partner
(Membership No. 42791)

MUMBAI, 21st October, 2014



PART I						
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER, 2014						
(Rupees in Lakhs)						
PARTICULARS	Quarter ended	Quarter ended	Quarter ended	Half Year ended	Half Year ended	Year ended
	(30/09/2014)	(30/06/2014)	(30/09/2013)	30/09/2014	30/09/2013	(31/03/2014)
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1 Income from operations						
(a) Net sales/income from operations (Net of excise duty)	1,846	1,907	1,733	3,753	3,054	6,604
(b) Other operating income	5	6	31	11	31	37
Total income from operations (net)	1,851	1,913	1,764	3,764	3,085	6,641
2 Expenses						
(a) Cost of materials consumed	1,346	1,414	1,243	2,760	2,144	4,651
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(14)	(46)	(1)	(60)	13	51
(c) Employees benefits expense	138	140	136	278	270	550
(d) Depreciation and amortisation expense	45	45	51	90	98	203
(e) Other expenses	336	291	321	627	566	1,109
Total expenses	1,851	1,844	1,750	3,695	3,091	6,564
3 Profit / (Loss) from operations before other income, finance costs and exceptional items	0	69	14	69	(6)	77
4 Other income	-	-	-	-	-	-
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items	0	69	14	69	(6)	77
Profit / (loss) before Depreciation, Interest, Exceptional items and Tax (5) + 2(d) [EBIDTA]	45	114	65	159	92	280
6 Finance costs	33	35	24	68	49	102
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items	(33)	34	(10)	1	(55)	(25)
8 Exceptional items (Refer Note 5)	-	-	-	-	96	96
9 Profit / (Loss) from ordinary activities before tax	(33)	34	(10)	1	41	71
10 Tax expense	(12)	6	(10)	(6)	(6)	(7)
11 Net Profit / (Loss) from ordinary activities after tax	(21)	28	-	7	47	78
12 Extraordinary items	-	-	-	-	-	-
13 Net Profit / (Loss) for the period	(21)	28	-	7	47	78
14 Paid-up equity share capital (Face Value Rs.10/- each)	442	442	442	442	442	442
15 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	1,101
15.i Earnings per share (before extraordinary items)						
(of Rs. 10/- each) (not annualised):						
(a) Basic	(0.47)	0.63	-	0.16	1.07	1.77
(b) Diluted	(0.47)	0.62	-	0.16	1.07	1.77
15.ii Earnings per share (after extraordinary items)						
(of Rs. 10/- each) (not annualised):						
(a) Basic	(0.47)	0.63	-	0.16	1.07	1.77
(b) Diluted	(0.47)	0.62	-	0.16	1.07	1.77

* less than Rs. 0.5 lakh.

Mahindra Composites Limited

CIN No. : L24117PN1982PLC028040

Regd., Head Office & Pune Works : 145, Nehru Nagar Road, Off. Mumbai-Pune Road, Pimpri, Pune - 411 018. INDIA.

Tel. : +91-20-2742 5265 / 66 Fax : +91-20-2742 5272

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Email: info@mahindracomposites.com Website : www.mahindracomposites.com





STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER, 2014						
PART II						
PARTICULARS	Quarter ended	Quarter ended	Quarter ended	Half Year ended	Half Year ended	Year ended
	(30/09/2014)	(30/06/2014)	(30/09/2013)	30/09/2014	30/09/2013	(31/03/2014)
	(Reviewed)	(Reviewed)	(Reviewed)	Reviewed)	(Reviewed)	(Audited)
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	1,273,449	1,273,449	2,438,065	1,273,449	2,438,065	1,273,449
- Percentage of shareholding	28.84%	28.84%	55.22%	28.84%	55.22%	28.84%
2 Promoters and Promoter Group Shareholding						
(a) Pledged / Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
(b) Non - encumbered						
- Number of shares	3,141,819	3,141,819	1,977,203	3,141,819	1,977,203	3,141,819
- Percentage of shares (as a % of the total shareholding of the Promoters and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	71.16%	71.16%	44.78%	71.16%	44.78%	71.16%
B INVESTOR COMPLAINTS		QUARTER ENDED (30.09.2014)				
Pending at the beginning of the quarter		NIL				
Received during the quarter		-				
Disposed of during the quarter		-				
Remaining unresolved at the end of the quarter		NIL				

Notes :

- The above results have been reviewed by the audit committee and approved by the Board of Directors in its meeting held on 21st Oct, 2014.
- Segment information is enclosed in Annexure I.
- Statement of Assets and Liabilities is enclosed in Annexure II.
- As stated in the earlier quarters, as a part of Mahindra Group Strategy to consolidate the auto components business and formation of global alliance with CIE Automotive, Spain (CIE), the Board of Directors of the Company, at their meeting held on 15th June, 2013, duly considering the recommendation of the Audit committee, has approved the Composites Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, involving merger of the Company with Mahindra CIE Automotive Limited (MCIE) (Formerly known as Mahindra Forgings Limited)', with effect from 1st October, 2013 (the "Scheme").
The Company had intimated the Stock Exchange on which it is listed on June 15, 2013 detailing the share swap ratios.

The BSE Limited ("BSE"), vide their Observation letter dated 7th March 2014, have conveyed their no-objection to file the Scheme with the Hon'ble High Court of Judicature at Bombay ("High Court").

Subsequently, as per the directions of the High Court, a meeting of the equity shareholders of the Company was held on 6th June 2014 to seek their approval to the Scheme. The equity shareholders approved the Scheme with requisite majority. The High Court had dispensed with the requirement of convening meeting of the secured creditors and unsecured creditors of the Company to seek their approval to the Scheme. The results of the meeting were informed to the Stock Exchanges on 7th June 2014.

Further, as required under the provisions of the relevant circulars issued by the Securities Exchange Board of India ("SEBI"), approval of the public shareholders of the Company to the Scheme was also sought through postal ballot and e-voting. The public shareholders approved the Scheme with requisite majority. The results of the Postal ballot and e-voting were informed to the Stock Exchanges on 19th June 2014.

Thereafter, the Company has filed a petition under Sections 391-394 of the Companies Act, 1956 before the High Court seeking its approval to the Scheme. The said petition was admitted in the High Court on 01st August, 2014 and next date of hearing is on 31st October, 2014.

Mahindra Composites Limited

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Mahindra composites

- 5 Exceptional item represents part write back of balance provision made earlier on account of GRP Pipe Project.
- 6 The Company has revised depreciation rates on fixed assets effective April 1, 2014 in accordance with requirements of schedule II of Companies Act 2013 ("the Act"). The remaining useful life has been revised by adopting standard useful life as per New Companies Act, 2013. The carrying amount as on April 1, 2014 is depreciated over the revised remaining useful life. As a result of these changes, the depreciation charge for the half year ended 30th September, 2014 is lower by Rs. 6.48 Lakhs. For the assets of which remaining life is reduced to NIL in accordance with revised prescribed life, this effect relating to the period prior to April 1, 2014 is net debit of Rs. 64.15 Lakhs which has been adjusted in opening retained earnings of the Company as permitted under Note 7(b) to Part C of Schedule II of Companies Act 2013.
- 7 The figures of the previous period have been regrouped / restated wherever necessary to conform to current period's classification.

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants


Z.F. Billimoria
Partner

For Mahindra Composites Limited


Chairman/Director

Place : Mumbai
Date : 21/10/2014

Mahindra Composites Limited

CIN No. : L24117PN1982PLC028040

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SEGMENT INFORMATION

ANNEXURE I

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED ON 30TH SEPTEMBER, 2014
(Rupees in Lakhs)

Particulars	Quarter ended 30/09/2014 (Reviewed)	Quarter ended 30/06/2014 (Reviewed)	Quarter ended 30/9/2013 (Reviewed)	Half Year ended 30/09/2014 (Reviewed)	Half Year ended 30/09/2013 (Reviewed)	Year ended 31/03/2014 (Audited)
1 Segment Revenue						
(including Other Operating Income allocable to segments)						
(a) Polymer Composite Compounds	1,479	1,520	1,235	2,999	2,233	4,719
(b) Polymer Composite Components	553	568	718	1,121	1,131	2,330
(c) Others *	14	182	8	196	28	205
Total	2,046	2,270	1,961	4,316	3,392	7,254
Less : Inter Segment Revenue	195	357	197	552	307	613
Net Sales / Income From Operations	1,851	1,913	1,764	3,764	3,085	6,641
2 Segment Results						
(a) Polymer Composite Compounds	70	132	63	202	56	127
(b) Polymer Composite Components	(79)	(90)	(45)	(169)	(66)	(107)
(c) Others *	16	24	5	40	12	70
Total	7	65	23	73	2	90
Less : Interest	33	35	29	68	49	102
Add : Exceptional Items					96	96
Less : Other unallocable expenditure net of unallocable income	9	(4)	4	5	8	13
Profit Before Tax	(35)	34	(10)	-	41	71
3 Capital Employed						
(a) Polymer Composite Compounds	1,021	1,215	1,149	1,021	1,149	1,123
(b) Polymer Composite Components	1,321	1,151	1,201	1,321	1,201	1,197
(c) Others *	20	21	-	20	2	2
(d) Unallocated	(863)	(860)	(839)	(863)	(839)	(780)
Total	1,499	1,527	1,511	1,499	1,511	1,542

Note: * Others represents manufacturing of moulds.



ANNEXURE II

STATEMENT OF ASSETS AND LIABILITIES		
(Rupees in Lakhs)		
PARTICULARS	As at 30/09/2014 (Reviewed)	As at 31/03/2014 (Audited)
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	442	442
Reserves and surplus	1,057	1,100
Sub-total - Shareholders' funds	1,499	1,542
Non-current liabilities		
Long-term borrowings	87	148
Deferred tax liabilities (net)	-	37
Sub-total - Non-current liabilities	87	185
Current liabilities		
Short-term borrowings	699	550
Trade payables	1,560	1,387
Other current liabilities	272	374
Short-term provisions	148	146
Sub-total - Current liabilities	2,679	2,457
TOTAL - EQUITY AND LIABILITIES	4,265	4,184
ASSETS		
Non-current assets		
Fixed assets	875	989
Long-term loans and advances	39	39
Other non-current assets	-	-
Sub-total - Non-current assets	914	1,028
Current assets		
Inventories	578	562
Trade receivables	2,369	2,175
Cash and cash equivalents	32	54
Short-term loans and advances	372	364
Other current assets	-	1
Sub-total - Current assets	3,351	3,156
TOTAL - ASSETS	4,265	4,184

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