



MODERN STEELS LIMITED

Corporate Office : SCO 98-99, Sub City Centre, Sector 34, Chandigarh - 160 022
Registered Office & Works : G.T. Road, Mandi Gobindgarh (Punjab) - 147 301

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2011 ₹ in Lacs

| PARTICULARS | Quarter Ended | | | Nine Months Ended | | Year Ended |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
| | 31.12.2011 Unaudited | 30.09.2011 Unaudited | 31.12.2010 Unaudited | 31.12.2011 Unaudited | 31.12.2010 Unaudited | 31.03.2011 Audited |
| INCOME | | | | | | |
| a) Net Sales/Income from Operations | 8528 | 8648 | 8095 | 25923 | 24723 | 34655 |
| b) Other Operating Income | 20 | 10 | 7 | 42 | 23 | 39 |
| Total Income | 8548 | 8658 | 8102 | 25965 | 24746 | 34694 |
| EXPENDITURE | | | | | | |
| a) (Increase) / decrease in stock in trade and work in progress | 380 | 239 | (89) | 1083 | (898) | (1095) |
| b) Consumption of raw materials | 4710 | 4637 | 4099 | 13792 | 12870 | 18328 |
| c) Power and Fuel | 1236 | 1240 | 1111 | 3644 | 3613 | 4989 |
| d) Consumption of Stores | 1265 | 1222 | 1423 | 3790 | 4215 | 5831 |
| e) Employees cost | 334 | 343 | 317 | 1004 | 952 | 1285 |
| f) Depreciation | 119 | 119 | 115 | 357 | 343 | 476 |
| g) Other expenditure | 1218 | 514 | 543 | 2316 | 1860 | 2645 |
| Total Expenditure | 9262 | 8314 | 7519 | 25986 | 22955 | 32459 |
| Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items | (714) | 344 | 583 | (21) | 1791 | 2235 |
| Other Income | 85 | 89 | 57 | 244 | 173 | 228 |
| Profit/(Loss) before interest and Exceptional Items | (629) | 433 | 640 | 223 | 1964 | 2463 |
| Interest | 402 | 406 | 328 | 1176 | 903 | 1237 |
| Profit/(Loss) after interest but before Exceptional Items | (1031) | 27 | 312 | (953) | 1061 | 1226 |
| Exceptional items | - | - | - | - | - | - |
| Profit/(Loss) from Ordinary Activities before tax | (1031) | 27 | 312 | (953) | 1061 | 1,226 |
| Tax expense: | | | | | | |
| - Current | (40) | 24 | 95 | - | 352 | 458 |
| - Deferred Tax | - | - | - | - | - | (55) |
| - Previous Year Tax adjustment | (1) | (1) | - | (1) | - | - |
| Add: MAT Tax Asset | - | - | - | - | - | - |
| Net Profit/(Loss) from ordinary activities after tax | (990) | 4 | 217 | (952) | 709 | 823 |
| Extraordinary Item (net of tax expense) | - | - | - | - | - | - |
| Net Profit / (Loss) for the period | (990) | 4 | 217 | (952) | 709 | 823 |
| Paid-up equity share capital | 1259 | 1259 | 1196 | 1,259 | 1196 | 1259 |
| Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | - | - | - | - | - | 4451 |
| Earnings Per Share (EPS) | | | | | | |
| a) Basic and diluted EPS before Extraordinary items (not to be annualized) | (7.86) | 0.03 | 1.81 | (7.56) | 5.93 | 6.54 |
| b) Basic and diluted EPS after Extraordinary items (not to be annualized) | (7.86) | 0.03 | 1.81 | (7.56) | 5.93 | 6.54 |
| Public Shareholding | | | | | | |
| - No. of shares | 4743423 | 4743423 | 4743423 | 4743423 | 4743423 | 4743423 |
| - Percentage of shareholding | 38% | 38% | 40% | 38% | 40% | 38% |
| Promoters and promoter group shareholding | | | | | | |
| a) Pledged/Encumbered | | | | | | |
| - No. of shares | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Non-encumbered | | | | | | |
| - No. of shares | 7848936 | 7848936 | 7220577 | 7848936 | 7220577 | 7848936 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | 100% | 100% | 100% | 100% | 100% |
| - Percentage of shares (as a % of the total share capital of the company) | 62% | 62% | 60% | 62% | 60% | 62% |

NOTES:

- As per Accounting Standard - 17 "Segment Reports" the Company is engaged in steel products only, hence no segment reporting is required.
- The Company had no investor complaint pending as on beginning of the 3rd quarter. There were 4 complaints received during the quarter ended 31st December, 2011 and all of these were disposed off.
- The Auditors have carried out a Limited Review of the financial results for the quarter ended 31st December, 2011.
- The Company has provided for exchange loss for the quarter under review amounting to ₹ 384 lac. It includes foreign currency loss of ₹ 172 lac pertaining to previous quarter ended 30th September, 2011 wherein the above liability was not restated.
- The operations for the quarter under review were affected because of increase in raw materials cost, exchange fluctuations and other factors. The increase in cost could not be passed on to the customers.
- The provision for deferred tax shall be made at the end of the financial year.
- Previous Year figures have been recasted / regrouped wherever necessary.
- The above results were taken on record at the Board Meeting held on 14th February, 2012.

For and on behalf of the Board

Place : Chandigarh
Dated : 14th February, 2012

Krishan Kumar Goyal
Managing Director & CEO



24x3 Col.

A. GOEL & ASSOCIATES

CHARTERED ACCOUNTANTS

2215088,2219616 (O)

2216589 (R)

S.C.F. 50 (1st Floor),
Leela Bhawan Complex,
PATIALA - 147001.

Ref. No.

Dated.....

LIMITED REVIEW REPORT

TO
THE BOARD OF DIRECTORS OF
MODERN STEELS LIMITED

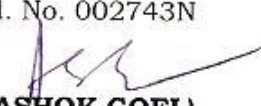
1. "We have reviewed the accompanying statement of un-audited financial results of **MODERN STEELS LTD.** for the period ended **31.12.2011**. The statement is the responsibility of the company's Management and has been approved by Board of Directors. Our responsibility is to issue a report on these Financial Statements.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400 "Engagements to Review Financial Statements" 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 financial statements are 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 above, nothing has come to our Notice that causes us to believe that the accompanying statement of Un-Audited Financial Results prepared in accordance with recognition and measurement principals laid down in Accounting Standards 25" interim Financial Reporting [notified pursuant to the Co's (Accounting Standard) Rule 2006] and other recognized accounting practices and policy has not disclose the information required to be disclosed in terms of clause 41 of the listing agreement including the manner in which it is to be disclosed our that it contains any material misstatement.

FOR A. GOEL & ASSOCIATES,
CHARTERED ACCOUNTANT
Firm Regd. No. 002743N

Place: **PATIALA**
Dated: 14 Feb 2012


(ASHOK GOEL)
Partner
M. NO. 81342