

(Rs in Lacs)

DESCRIPTION	QTR ENDED		HALF YEAR ENDED ON		YEAR ENDED
	30.09.09 Reviewed	30.09.08 Reviewed	30.09.09 Reviewed	30.09.08 Reviewed	31.03.2009 Audited
1. SALES / INCOME FROM OPERATIONS	21,875.94	18,415.25	41,388.72	35,528.72	70,490.73
Less: EXCISE DUTY	1,733.58	2,226.61	3,311.38	4,363.62	7,903.57
Less: SERVICE TAX	0.24	0.20	0.34	0.39	0.50
Less: SALES TAX	719.83	585.70	1,439.67	1,229.22	2,374.57
NET SALES / INCOME FROM OPERATIONS	19,422.29	15,602.74	36,637.33	29,935.49	60,212.09
2. OTHER OPERATING INCOME	10.14	7.05	17.08	37.52	85.58
	19,432.43	15,609.79	36,654.41	29,973.01	60,297.67
3. TOTAL EXPENDITURE					
a) Increase (-)/Decrease(+) in stock in trade	212.24	(945.68)	1,151.57	(1,613.45)	(2,288.83)
b) Consumption of raw material	8,146.57	7,233.51	16,204.94	13,363.39	28,371.77
c) Purchase of Traded goods	232.73	276.39	523.46	314.56	600.06
d) Employee cost	1,989.28	1,584.96	3,816.00	3,334.91	6,875.53
e) Other expenditure	4,521.37	4,432.44	8,004.19	8,126.16	13,853.55
	15,102.19	12,581.62	29,700.16	23,525.57	47,412.08
4. PROFIT FROM OPERATIONS BEFORE OTHER INCOME, DEPRECIATION, INTEREST & EXCEPTIONAL ITEMS (1 + 2- 3)	4,330.24	3,028.17	6,954.25	6,447.44	12,885.59
5. DEPRECIATION	954.62	952.58	1,805.18	1,939.49	3,770.53
6. PROFIT FROM OPERATIONS BEFORE OTHER INCOME, INTEREST & EXCEPTIONAL ITEMS (4 - 5)	3,375.62	2,075.59	5,149.07	4,507.95	9,115.06
7. OTHER INCOME	207.67	328.99	576.51	947.52	1,525.21
8. PROFIT BEFORE INTEREST & EXCEPTIONAL ITEMS (6 + 7)	3,583.29	2,404.58	5,725.58	5,455.47	10,640.27
9. INTEREST	591.32	847.16	1,359.00	1,552.14	3,653.43
10. PROFIT AFTER INTEREST BUT BEFORE EXCEPTIONAL ITEMS (8 - 9)	2,991.97	1,557.42	4,366.58	3,903.33	6,986.84
11. EXCEPTIONAL ITEM					
- INVESTMENT WRITTEN OFF	-	-	-	-	693.00
- PROVISION FOR DIMINUTION IN VALUE OF INVESTMENT	-	243.00	-	243.00	677.32
12. PROFIT BEFORE TAX	2,991.97	1,314.42	4,366.58	3,660.33	5,616.52
13. PROVISION FOR TAXATION					
- CURRENT TAX	(1,130.00)	(639.50)	(1,505.00)	(1,510.50)	(2,128.71)
- DEFERRED TAX CHARGE (-) / CREDIT (+)	(25.72)	109.27	(132.84)	242.70	(118.11)
- FRINGE BENEFIT TAX	14.03	(14.78)	2.03	(33.53)	(62.26)
14. NET PROFIT	1,850.28	769.41	2,730.77	2,359.00	3,307.44
15. PAID UP EQUITY SHARE CAPITAL (Face value of each share Rs. 10 each)	80.00	80.00	80.00	80.00	80.00
16. RESERVE EXCLUDING REVALUATION RESERVE	-	-	-	-	25,538.01
17. BASIC AND DILUTED EPS FOR THE PERIOD (NOT ANNUALISED)	231.29	96.18	341.35	294.88	413.43
18. AGGREGATE OF PUBLIC SHARE HOLDING					
Number of shares	NIL	NIL	NIL	NIL	NIL
% of shareholding	-	-	-	-	-
19. PROMOTERS AND PROMOTERS GROUP SHAREHOLDING					
a) Pledged / Encumbered					
- Number of Shares	NIL	-	NIL	-	NIL
- 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)	-	-	-	-	-
a) Non Encumbered					
- Number of Shares	800,000	-	800,000	-	800,000
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	-	100.00	-	100.00
- Percentage of Shares (as a % of the total share capital of the company)	100.00	-	100.00	-	100.00

*Include Rs.15.29 Lacs net credit related to previous year

**Include Rs.64.50 Lacs related to previous year

*** Include credit of Rs.65.93 Lacs related to previous year

NATIONAL ENGINEERING INDUSTRIES LTD.
REGD. OFFICE: 9/1 R. N. MUKHERJEE ROAD, KOLKATA - 700001
UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED SEPTEMBER 30, 2009

(Rs in Lacs)

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED	QTR ENDED		HALF YEAR ENDED ON		YEAR ENDED
	30.09.09 Reviewed	30.09.08 Reviewed	30.09.09 Reviewed	30.09.08 Reviewed	31.03.2009 Audited
1. Segment Revenue					
a) Bearing Division	17,889.09	14,788.79	34,644.93	28,219.00	57,064.75
b) Others *	1,668.06	867.37	2,276.71	1,847.15	3,420.40
Total Net Sales/Income from operations	19,557.15	15,656.16	36,921.64	30,066.15	60,485.15
Less : Inter segment revenue	-	-	-	-	-
Net sale/Income from operations	19,557.15	15,656.16	36,921.64	30,066.15	60,485.15
2. Segment Results (from each segment)					
a) Bearing Division	3,103.44	2,568.34	5,286.31	5,115.47	8,841.52
b) Others *	922.09	268.40	1,037.74	726.60	987.26
Segmentwise profit before interest & tax	4,025.53	2,836.74	6,324.05	5,842.07	9,828.78
Less : i. Interest	591.32	847.16	1,359.00	1,552.14	3,653.43
ii. Other un-allocable expenditure					
net off un-allocable income	442.24	675.16	598.47	629.60	558.83
Total Profit before Tax	2,991.97	1,314.42	4,366.58	3,660.33	5,616.52
3. Capital Employed (Segment Assets-Segment Liabilities)					
a) Bearing Division	48,873.28	50,948.94	48,873.28	50,948.94	55,431.50
b) Others*	3,188.27	1,805.18	3,188.27	1,805.18	2,642.08
c) Un-Allocated	8,584.08	12,217.91	8,584.08	12,217.91	8,922.74
Total	60,645.63	64,972.03	60,645.63	64,972.03	66,996.32
* 'Others' includes technical services, agency services and manufacturing and marketing of rubber products.					

Notes:

1. The Company has given a loan to an unlisted company whose accumulated losses exceed its paid up capital, of which a net amount of Rs. 1,310.01 lacs is outstanding as at September 30, 2009. However having regard to the long term and strategic involvement of the Company with this company, no provision is considered necessary on this account. This matter was also the subject matter of qualification in the report of auditors on the accounts for the year ended March 31,2009 and quarter ended June 30,2009.
2. The Company did not have any unresolved investor complaints as at the beginning/end of the quarter. During the quarter, the Company has not received any complaints.
3. Other Income for the half year ended September 30,2008 includes Rs. 312.66 lacs pertaining to profit on sale of investment in shares.
4. The Company has entered into an 'Advisory and Consultancy Agreement' with another Company on September 28, 2009 which is effective from January 1, 2009. Pursuant to the said agreement, the Company has accounted for an income of Rs. 607.75 lacs in respect of the period from January 1, 2009 to June 30, 2009 during the current quarter ended September 30,2009.
5. The promoters' group shareholding in the Company has become 100% with effect from May 26,2006 under the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations 2006. Consequently the Company had filed application dated June 19, 2006 for delisting with both The Delhi Stock Exchange Association Limited and Madhya Pradesh Stock Exchange, where the shares of the Company are listed. Madhya Pradesh Stock Exchange has approved delisting of such Shares during the quarter ended June 30,2007.
6. Pursuant to notification of the Companies (Accounting Standards) Amendment Rules 2009 on March 31,2009, the Company has, in the financial results for the year ended March 31, 2009 and half year ended September 30,2009, exercised the option of deferring the charge to the Profit and Loss Account arising on exchange differences on long-term foreign currency monetary items. Exchange differences that relate to the acquisition of depreciable capital assets have been adjusted with the cost of such asset and are depreciated over the balance life of the asset. The financial results for the quarter and half year ended September 30,2008 do not incorporate the above change.
7. Figures have been regrouped / rearranged wherever necessary.
8. The above audited financial results have been reviewed by audit committee and taken on record by the Board of Directors of the Company at the meeting held on October 30,2009.

Place: New Delhi

By order of the Board

Date: 30.10.2009