

## PROFIT AND LOSS ACCOUNT

For the Period Ended March 31, 2010

(All amounts in millions of Indian ₹)

	Notes	For the period ended March 31, 2010	For the year ended December 31, 2008
<b>INCOME</b>			
Sales and services	1(f)	18,729.84	14,531.29
Add/(Less): Excise Duty		(44.78)	(85.83)
		18,685.06	14,445.46
Other income	14	333.87	415.98
<b>TOTAL</b>		<b>19,018.93</b>	<b>14,861.44</b>
<b>EXPENDITURE</b>			
Materials consumed and purchase of goods	15	8,996.74	6,623.11
(Increase)/decrease in inventories	1(d) & 16	(292.28)	140.19
Operating and other expenses	17	5,064.97	4,400.62
Research and development expenses	18	399.08	299.68
		14,168.51	11,463.60
<b>PROFIT BEFORE DEPRECIATION, INTEREST AND TAX</b>			
		4,850.42	3,397.84
Less: Depreciation/Amortisation	1(a) & 7	710.48	460.28
<b>PROFIT BEFORE INTEREST AND TAX</b>			
		4,139.94	2,937.56
(Add)/Less: Exchange fluctuation, net		180.07	558.39
(Add)/Less: FCCB premium		268.30	1,294.91
(Add)/Less: Financial expenses	19	2,319.73	1,216.71
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>			
		1,371.84	(132.45)
Less: Exceptional Items	22	9,305.24	4,438.33
<b>PROFIT/(LOSS) BEFORE TAX</b>			
		(7,933.40)	(4,570.78)
Provision for tax:	1(h)		
Current tax		–	–
Deferred tax		–	1,121.21
Fringe benefit tax		(8.74)	(38.01)
<b>NET PROFIT/(LOSS) AFTER TAX</b>			
		(7,942.14)	(3,487.58)
Balance brought forward from previous year		(2,967.59)	519.99
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>			
		(10,909.73)	(2,967.59)
<b>APPROPRIATIONS</b>			
Transferred from general reserve		(8,793.59)	–
Surplus/(deficit) carried to Balance Sheet		(2,116.14)	(2,967.59)
		(10,909.73)	(2,967.59)
Earnings per share	21		
– Earnings per share in ₹ – Basic		(72.57)	(31.87)
– Earnings per share in ₹ – Diluted		(72.57)	(31.87)
Nominal Value of shares in ₹		5.00	5.00

The notes from 1 to 37 form an integral part of the Profit and Loss Account.

As per our attached report of even date

**For Haribhakti & Co.**  
Chartered Accountants

**Shailesh Haribhakti**  
Partner

Place: Mumbai  
Date : May 20, 2010

**J. B. Manmadkar**  
Company Secretary

For and on behalf of the Board of Directors

**H. F. Khorakiwala**  
Chairman

**Huzaifa Khorakiwala**  
Executive Director

**Murtaza Khorakiwala**  
Managing Director

**Shekhar Datta**  
**Abid Hussain**  
**Aman Mehta**  
**Bharat Patel**  
**R. A. Shah**

Directors