

Profit and Loss Account for the year ended 31st March, 2006

Schedule	Page	INCOME :	Rupees crores	Rupees crores	Previous Year Rupees crores
1	68	1. SALE OF PRODUCTS AND SERVICES		17144.22	15876.87
		Less — Excise Duty (See Note 3, Page 86)		2004.83	1377.92
				<u>15139.39</u>	<u>14498.95</u>
2	68	2. OTHER INCOME		254.76	148.03
				<u>15394.15</u>	<u>14646.98</u>
		EXPENDITURE :			
4	69	3. MANUFACTURING AND OTHER EXPENSES	9320.50		8658.41
		4. DEPRECIATION	775.10		618.78
			<u>10095.60</u>		<u>9277.19</u>
		5. Less — EXPENDITURE (OTHER THAN INTEREST) TRANSFERRED TO CAPITAL AND OTHER ACCOUNTS		112.62	204.82
				<u>9982.98</u>	<u>9072.37</u>
3	68	6. INTEREST	118.44		186.80
		7. TOTAL EXPENDITURE		<u>10101.42</u>	<u>9259.17</u>
		PROFIT BEFORE TAXES AND EXCEPTIONAL ITEMS		5292.73	5387.81
		8. EMPLOYEE SEPARATION COMPENSATION (Note 9, Page 87)		(52.77)	(119.11)
		9. PROFIT ON SALE OF LONG TERM INVESTMENTS		—	28.58
		PROFIT BEFORE TAXES		5239.96	5297.28
		10. TAXES			
		(a) CURRENT TAX (See Note 18, Page 88)	1579.00		1833.66
		(b) DEFERRED TAX (See Note 23, Page 95)	127.58		(10.54)
		(c) FRINGE BENEFITS TAX	27.00		—
				<u>1733.58</u>	<u>1823.12</u>
		PROFIT AFTER TAXES		3506.38	3474.16
		11. BALANCE BROUGHT FORWARD FROM LAST YEAR		<u>1790.21</u>	<u>637.42</u>
		AMOUNT AVAILABLE FOR APPROPRIATIONS		5296.59	4111.58
		12. APPROPRIATIONS :			
		(a) PROPOSED DIVIDENDS	719.51		719.51
		(Details as per Directors' Report, Page 23)			
		(b) TAX ON DIVIDENDS	100.92		101.86
			820.43		821.37
		(c) GENERAL RESERVE	1500.00		1500.00
				<u>2320.43</u>	<u>2321.37</u>
		BALANCE CARRIED TO BALANCE SHEET		2976.16	1790.21
		Basic and Diluted Earnings per Share Rs.		63.35	62.77
		(See Note 22, Page 95)			
M	85	NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT			

As per our report attached
to the Balance Sheet

For A F FERGUSON & CO.,
Chartered Accountants,
A K MAHINDRA
Partner.

For S B BILLIMORIA & CO.,
Chartered Accountants,
UDAYAN SEN
Partner.

Mumbai, 18th May, 2006

J C BHAM
Company Secretary

For and on behalf of the Board

RATAN N TATA

Chairman

NUSLI N WADIA
S M PALIA
SURESH KRISHNA
ISHAAT HUSSAIN
JAMSHED J IRANI

Directors

B MUTHURAMAN
T MUKHERJEE
A N SINGH

Executive
Directors