

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 2005

(Rs.in Thousands)

	SCHEDULE	For The Year Ended 31st December, 2005	For The Year Ended 31st December, 2004
<b>INCOME</b>			
Gross Sales		4,984,077	4,539,117
Less: Excise Duty & Sales Tax		<u>655,473</u>	<u>598,906</u>
Net Sales	9	4,328,604	3,940,211
Other Income	10	<u>94,943</u>	<u>55,120</u>
		4,423,547	3,995,331
<b>EXPENDITURE</b>			
Material Costs	11	2,974,961	2,694,207
Manufacturing & Operating Expenses	12	269,066	232,697
Personnel Expenses	13	321,373	297,025
Administration & Sales Expenses	14	216,454	207,791
Depreciation & Amortisation (Refer Schedule 4 Note 6)	4	<u>249,360</u>	<u>220,886</u>
<b>OPERATING PROFIT</b>		392,333	342,725
Financial Expenses (Net)	15	<u>5,429</u>	<u>6,232</u>
<b>PROFIT BEFORE TAX &amp; EXTRAORDINARY ITEMS</b>		386,904	336,493
<b>Extraordinary Items</b>			
Loss due to Flood (Net) (Refer Schedule 17 Note 19)		<u>7,959</u>	<u>-</u>
<b>PROFIT BEFORE TAX &amp; AFTER EXTRAORDINARY ITEMS</b>		378,945	336,493
<b>Provision for Current Taxes</b>			
- Current year		128,500	109,100
- Previous years		-	(7,373)
Provision for Deferred Taxes		(29,706)	(6,333)
Provision for Fringe Benefits Tax		<u>3,400</u>	<u>-</u>
<b>PROFIT AFTER TAX</b>		276,751	241,099
Balance brought forward from last year		<u>291,301</u>	<u>165,740</u>
Amount available for appropriation		<u>568,052</u>	<u>406,839</u>
<b>APPROPRIATIONS</b>			
Transferred to General Reserve		27,675	30,000
Proposed Dividend @ Rs.7/- per Equity Share (Previous Year @ Rs.6/- per Equity Share)		87,762	75,225
Provision for Dividend Tax on above (Including Rs. 719 Thousands (Previous Year Rs. 482 Thousands) being surcharge & education cess on dividend tax for Prior Year)		13,028	10,313
Balance carried to Balance Sheet		<u>439,587</u>	<u>291,301</u>
		<u>568,052</u>	<u>406,839</u>
Significant Accounting Policies	16		
Notes to Accounts	17		
Weighted average number of shares (Face value Rs.10/- per equity share)		12,537,438	12,537,438
Basic & Diluted Earning per share excluding Extraordinary Items (Rs.)		22.71	19.23
Basic & Diluted Earning per share including Extraordinary Items (Rs.)		22.07	19.23
The accompanying Schedules referred to above form an integral part of the Accounts.			

As per our report of even date attached

For BSR & Associates  
*Chartered Accountants*

K.C. NARANG  
*Chairman*

SANJAY AGGARWAL  
*Partner*  
Membership No. 040780  
Mumbai  
31st January, 2006

PRADEEP PASARI  
*Company Secretary*

SURESH GUPTA  
*Managing Director & President*

PARAG VYAVAHARE  
*Controller - Accounts*

RAVI CHIDAMBARAM  
*Controller - Finance*