

UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 30-06-2007

Rs.Millions

	THREE MONTHS ENDED		YEAR ENDED
	30.06.2007	30.06.2006	(AUDITED) 31.03.2007
Gross Sales / Income from operations	18,831.90	16,413.77	83,047.17
Less Excise duty	2,620.48	2,175.05	11,365.41
Net Sales / Income from operations	16,211.42	14,238.72	71,681.76
Expenditure			
a) (Increase) / decrease in finished / trading goods	(1,267.14)	(821.36)	(646.93)
b) Consumption of raw materials and movement in work-in-progress	12,936.96	11,266.69	54,038.27
c) Staff cost	1,391.10	1,291.24	4,806.95
d) Other expenditure	1,407.52	1,315.59	6,456.62
Total	14,468.44	13,052.16	64,654.91
Gross operating margin	1,742.98	1,186.56	7,026.85
Other income	75.50	138.84	708.03
Financial expenses - net	127.58	5.17	53.32
Gross profit	1,690.90	1,320.23	7,681.56
Depreciation	412.90	327.70	1,505.74
Profit before tax and extraordinary item	1,278.00	992.53	6,175.82
Extraordinary item			
Voluntary retirement scheme compensation amortised	34.92	38.43	130.76
Profit before tax	1,243.08	954.10	6,045.06
Provision - Current taxation	227.50	175.70	1,350.50
- Deferred taxation	115.20	79.10	230.20
- Fringe benefit tax	18.50	7.50	51.50
Net profit	881.88	691.80	4,412.86
Paid-up equity share capital (Face value per share of Re)	1,323.87	1,309.90	1,323.87
Reserves excluding revaluation reserve			17,392.26
Basic earnings per share (Rs.) - not annualised	0.67	0.55	3.38
Basic earnings per share excluding extraordinary items net of tax (Rs.) - not annualised	0.68	0.57	3.45
Diluted earnings per share (Rs.) - not annualised	0.65		3.36
Diluted earnings per share excluding extraordinary items net of tax (Rs.) - not annualised	0.67		3.43
Dividend Per Share (Rs.)			1.50
Aggregate of public shareholding			
Number of shares	631,535,035	631,681,797	631,535,035
Percentage of shareholding	47.70	48.22	47.70

- (1) As of June 30, 2007, 5400 Foreign Currency Convertible Notes (FCCN) issued in April 2004 were outstanding. Note holders have an option to convert each note of US\$ 1,000 into 1,470 shares of Re. 1 each at the prevailing conversion price of Rs. 30. Cumulatively upto June 30, 2007 holders of US\$ 94.60 million have exercised their option and were accordingly allotted 134,576,117 equity shares, leaving a balance of FCCN amounting to US\$ 5.40 million.
- (2) Diluted earnings per share have been worked out on the basis of option as above. There is no dilution in earnings per share as at June 30, 2006.
- (3) Other expenditure includes exchange difference arising out of restatement of foreign currency assets and liabilities. For the quarter ended June 30, 2007, this was a net gain of Rs. 196.94 million (against a net loss of Rs. 26.19 million for quarter ended June 30, 2006). For the year ended March 31, 2007 this was a net gain of Rs. 29.97 million.
- (4) The company has signed a Share Purchase Agreement to acquire Defiance Testing and Engineering Services, Inc (DTE) based near Detroit, Michigan, U.S.A. The acquisition is subject to completion of the agreed closing conditions and further corporate and statutory approvals. The closing of the deal is expected to be completed by second quarter of this financial year.
- (5) The company is principally engaged in a single business segment viz., Commercial vehicles and related components and operates in one geographical segment as per Accounting standard 17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India.
- (6) Figures for the previous periods are regrouped wherever necessary.
- (7) The above financial results were reviewed by the Audit committee and then approved by the Board of Directors at its meeting held on July 19, 2007.
- (8) The statutory auditors have conducted a limited review of the above results.
- (9) At the beginning of the quarter 4 investor complaints were pending. During the quarter 265 complaints were received. Of these, 262 were resolved and 7 complaints were pending at the end of the quarter. These were resolved by July 6, 2007.

Place : Chennai
Date : 19.07.2007

R. SESHASAYEE
Managing Director