

FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30-09-2007

Rs. Millions

Particulars	THREE MONTHS ENDED		SIX MONTHS ENDED		YEAR ENDED
	30.09.2007	30.09.2006	30.09.2007	30.09.2006	31.03.2007
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Net Sales / Income from operations	17,458.94	16,757.21	33,670.36	30,995.93	71,681.76
2. Other income	111.40	336.62	186.90	475.46	708.03
3. Total income (1+2)	17,570.34	17,093.83	33,857.26	31,471.39	72,389.79
4. Expenditure					
a. (Increase) / decrease in finished / trading goods	(876.49)	(554.36)	(2,143.63)	(1,375.72)	(646.93)
b. Consumption of raw materials and movement in work-in-progress	13,584.70	13,215.60	26,521.66	24,482.29	54,038.27
c. Purchase of trading goods	390.61	269.29	761.24	565.00	1,241.79
d. Employees cost	1,619.17	1,203.48	3,010.27	2,494.72	4,806.95
e. Depreciation	466.20	364.50	879.10	692.20	1,505.74
f. Other expenditure	1,056.10	1,272.76	2,092.99	2,292.65	5,214.83
g. Total	16,240.29	15,771.27	31,121.63	29,151.14	66,160.65
5. Financial expenses - net	126.25	3.71	253.83	8.88	53.32
6. Profit from ordinary activities before tax (3) - (4+5)	1,203.80	1,318.85	2,481.80	2,311.37	6,175.82
7. Tax expense - Income tax	359.94	338.08	714.51	605.82	1,624.71
- Fringe benefit tax	14.00	6.68	32.50	14.50	51.50
8. Net Profit from ordinary activities after tax (6-7)	829.86	974.09	1,734.79	1,691.05	4,499.61
9. Extraordinary item (net of tax)					
- Voluntary retirement scheme compensation a	26.50	20.46	49.55	45.95	86.75
10. Net profit for the period	803.36	953.63	1,685.24	1,645.10	4,412.86
11. Paid-up equity share capital (Face value of Re. 1)	1,330.34	1,309.90	1,330.34	1,309.90	1,323.87
12. Reserves excluding Revaluation Reserves					17,392.26
13. Earnings Per Share (EPS) (Rs.)					
a. Before extraordinary items (not annualised)					
- Basic	0.63	0.76	1.31	1.32	3.45
- Diluted	0.62	0.71	1.30	1.28	3.43
b. After extraordinary items net of tax (not annualised)					
- Basic	0.61	0.74	1.27	1.28	3.38
- Diluted	0.60	0.70	1.27	1.24	3.36
14. Public shareholding					
- Number of shares	638,006,035	631,681,797	638,006,035	631,681,797	631,535,035
- Percentage of shareholding	47.96	48.22	47.96	48.22	47.70

- (1) Out of the US\$ 100 million Foreign Currency Convertible Notes (FCCN) issue in April 2004, 1000 FCCN were outstanding as of September 30, 2007. Note holders have an option to convert each note of US\$ 1000 into 1470 shares of Re. 1 each at the prevailing conversion price of Rs.30. Cumulatively upto September 30, 2007 holders of US\$ 99.00 million have exercised their option and were allotted 141,044,117 equity shares.
- (2) Other expenditure includes exchange difference arising out of restatement of foreign currency assets and liabilities. For the quarter ended September 30, 2007, this was a net gain of Rs. 46.16 million (against a net gain of Rs. 30.48 million for quarter ended September 30, 2006). For the six months ended September 30, 2007 this was a net gain of Rs. 243.10 million (against a net gain of Rs.4.29 million for six months ended September 30, 2006). For the year ended March 31, 2007 this was a net gain of Rs. 29.97 million.
- (3) The Company, together with its associates completed the acquisition of Defiance Testing & Engineering Services Inc., Michigan, USA during the quarter.
- (4) 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.
- (5) Tax expense in line 7 in the above financial results includes deferred tax.
- (6) At the beginning of the quarter, 7 investor complaints were pending. During the quarter, 248 complaints were received. Of these, 245 were resolved and 10 complaints were pending at the end of the quarter. These were resolved by October 5, 2007.
- (7) Figures for the previous periods are regrouped wherever necessary.
- (8) The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on October 23, 2007.
- (9) The statutory auditors have conducted a limited review of the above results.

Place : Chennai
Date : 23.10.2007

R. SESHASAYEE
Managing Director