

# Consolidated Profit & Loss Account

for the year ended

(Rupees in Millions)

	Schedule	Dec 31, 2008	Dec 31, 2007
<b>I. INCOME</b>			
1. Sales & services	J	10,203.31	7,442.51
2. Other income	K	3,573.74	1,253.74
<b>Total</b>		<b>13,777.05</b>	<b>8,696.25</b>
<b>II. EXPENDITURE</b>			
1. Materials consumed	L	5,596.31	4,210.18
2. Increase/(Decrease) in stock	M	(356.29)	(617.40)
3. Personnel cost	N	1,800.05	1,625.47
4. Operating and other expenses	O	2,466.97	2,448.56
5. Finance charges	P	846.97	698.87
<b>Total</b>		<b>10,354.01</b>	<b>8,365.68</b>
<b>III. PROFIT BEFORE DEPRECIATION, AMORTISATION &amp; INCOME TAX</b>		<b>3,423.04</b>	<b>330.57</b>
6. Depreciation	E	398.97	363.84
7. Amortisation of miscellaneous expenditure		1.66	13.30
<b>IV. PROFIT / (LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS</b>		<b>3,022.41</b>	<b>(46.57)</b>
8. Exceptional Items			
- Plant shut down cost & Impairment in Investments (Refer Note C.10.1, c (i) and (iii), Schedule 'Q')		-	539.85
- Impairment in Investments (Refer Note C.3, Schedule 'Q')		1,655.94	-
- Exchange loss/ (gain) on FCCBs, ECBs & Forward exchange contracts (net) (Refer Note C.6, Schedule 'Q')		669.90	(240.73)
- Changes in Fair value options embedded in FCCB's (Refer Note C.6, Schedule 'Q')		(452.22)	-
<b>V. PROFIT / (LOSS) BEFORE TAX</b>		<b>1,148.79</b>	<b>(345.69)</b>
Less : Provision for tax :			
- Current		115.68	119.23
- Deferred (Net)		(23.50)	(67.39)
- Fringe benefit tax		7.76	3.98
- MAT Credit entitlement		(14.00)	-
- Prior year taxes		22.00	115.03
<b>VI. PROFIT / (LOSS) AFTER TAX BEFORE SHARE OF MINORITY INTEREST AND ASSOCIATE</b>		<b>1,040.85</b>	<b>(516.54)</b>
Profit / (Loss) from Continuing operations		1,148.79	(350.38)
Less: Tax expense		107.94	167.87
		<b>1,040.85</b>	<b>(518.25)</b>
Profit / (Loss) from Discontinued operations (Refer Note C.15, Schedule 'Q')		-	4.69
Less: Tax expense		-	2.98
		-	<b>1.71</b>
<b>VII. PROFIT / (LOSS) AFTER TAX BEFORE SHARE OF MINORITY INTEREST AND ASSOCIATE</b>		<b>1,040.85</b>	<b>(516.54)</b>
Less: Share of Profit / (Loss) of Minority Interest		(38.78)	(15.27)
Add: Share of Profit in Associate (net)		-	0.06
<b>PROFIT / (LOSS) AFTER MINORITY INTEREST AND SHARE FROM ASSOCIATE</b>		<b>1,079.63</b>	<b>(501.21)</b>
Balance brought forward		243.97	839.96
Consolidation adjustment		(547.28)	(66.67)
<b>VIII. PROFIT AVAILABLE FOR APPROPRIATIONS</b>		<b>776.32</b>	<b>272.08</b>
<b>IX. APPROPRIATIONS</b>			
Dividend paid in subsidiaries		-	0.17
Tax on dividends		4.75	8.78
Transfer to General reserve in subsidiaries		6.10	19.16
Balance carried to balance sheet		765.47	243.97
<b>Total</b>		<b>776.32</b>	<b>272.08</b>
<b>X. EARNINGS / (LOSS) PER SHARE</b>			
(Face value of Rs.10 each)			
- Basic (in Rs.)		26.91	(15.57)
- Diluted (in Rs.)		24.70	(15.57)
(Refer Note C.21, Schedule 'Q')			
Basis of Consolidation,			
Accounting policies and notes on accounts		Q	
The above schedules form an integral part of the financial statements			

As per our report of even date

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
V. Balaji  
Partner  
Membership No. 203685  
Bangalore, February 25, 2009

**For and on behalf of the Board**

Arun Kumar - Vice Chairman & Managing Director  
K.R.Ravishankar - Director  
Kannan.N - Company Secretary