

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2014

(₹ in crores)

| | Note | Page | 2013-2014 | 2012-2013 |
|---|----------|------|-------------------|------------|
| I. REVENUE FROM OPERATIONS | 23 (1) | 154 | 37,758.00 | 49,319.73 |
| Less : Excise duty | | | (3,469.89) | (4,554.01) |
| | | | 34,288.11 | 44,765.72 |
| II. OTHER INCOME | 23 (2) | 154 | 3,833.03 | 2,088.20 |
| III. TOTAL REVENUE (I + II) | | | 38,121.14 | 46,853.92 |
| IV. EXPENSES : | | | | |
| (a) Cost of materials consumed | 39 | 167 | 20,492.87 | 27,244.28 |
| (b) Purchase of products for sale | 33 | 165 | 5,049.82 | 5,864.45 |
| (c) Changes in inventories of finished goods, work-in-progress, and products for sale | | | 371.72 | (143.60) |
| (d) Employee cost / benefits expense | 24 | 155 | 2,877.69 | 2,837.00 |
| (e) Finance cost | 25 | 155 | 1,337.52 | 1,387.76 |
| (f) Depreciation and amortisation expense | | 147 | 2,070.30 | 1,817.62 |
| (g) Product development expense / Engineering expenses | | | 428.74 | 425.76 |
| (h) Other expenses | 26 | 155 | 6,987.53 | 7,783.32 |
| (i) Expenditure transferred to capital and other accounts | | | (1,009.11) | (953.80) |
| TOTAL EXPENSES | | | 38,607.08 | 46,262.79 |
| V. PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS, EXTRAORDINARY ITEMS AND TAX (III - IV) | | | (485.94) | 591.13 |
| VI. EXCEPTIONAL ITEMS | | | | |
| (a) Exchange loss (net) including on revaluation of foreign currency borrowings, deposits and loans | | | 273.06 | 263.12 |
| (b) Provision for loan given and costs associated with closure of operations of a subsidiary | | | 202.00 | 245.00 |
| (c) Diminution in the value of investments in a subsidiary | | | 17.52 | (9.67) |
| (d) Employee separation cost | | | 47.28 | - |
| (e) Profit on sale of a division | 43 (iii) | 169 | - | (82.25) |
| | | | 539.86 | 416.20 |
| VII. PROFIT / (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI) | | | (1,025.80) | 174.93 |
| VIII. Extraordinary items | | | - | - |
| IX. PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS (VII - VIII) | | | (1,025.80) | 174.93 |
| X. Tax credit (net) | 6 (b) | 144 | (1,360.32) | (126.88) |
| XI. PROFIT AFTER TAX FOR THE YEAR FROM CONTINUING OPERATIONS (IX - X) | | | 334.52 | 301.81 |
| XII. EARNINGS PER SHARE | 27 | 156 | | |
| A. Ordinary shares (Face value of ₹ 2 each) | | | | |
| a. Basic | ₹ | | 1.03 | 0.93 |
| b. Diluted | ₹ | | 1.03 | 0.93 |
| B. 'A' Ordinary shares (Face value of ₹ 2 each) | | | | |
| a. Basic | ₹ | | 1.13 | 1.03 |
| b. Diluted | ₹ | | 1.13 | 1.03 |

XIII. NOTES FORMING PART OF FINANCIAL STATEMENTS

In terms of our report attached

For and on behalf of the Board

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants**CYRUS P MISTRY**
Chairman**N N WADIA**
R A MASHELKAR**R PISHARODY**
Executive Director**B P SHROFF**
Partner**RAVI KANT**
Vice-Chairman**S BHARGAVA**
N MUNJEE**S B BORWANKAR**
Executive Director**V K JAIRATH**
F NAYAR**C RAMAKRISHNAN**
Chief Financial Officer**R SPETH**
Directors**H K SETHNA**
Company Secretary

Mumbai, May 29, 2014

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