



**TATA MOTORS LIMITED**

Regd. Office : Bombay House, 24, Homi Mody Street, Mumbai 400 001.

**AUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2008**

Particulars	Quarter ended September 30,		Half Year ended September 30,		Year ended March 31,
	2008	2007	2008	2007	2008
(A)					
1 Vehicle Sales:(in Nos.) (includes traded vehicles)					
Commercial vehicles	74237	71112	145646	132745	312935
Passenger cars and Utility vehicles	47870	51618	100320	104191	218055
Exports	12930	13843	22150	27732	54659
	<b>135037</b>	<b>136573</b>	<b>268116</b>	<b>264668</b>	<b>585649</b>
2 Vehicle Production:(in Nos.)					
Commercial vehicles	83509	81201	165903	153376	352728
Passenger cars and Utility vehicles	47151	54474	101469	110884	228630
	<b>130660</b>	<b>135675</b>	<b>267372</b>	<b>264260</b>	<b>581358</b>
(B)					
			(Rupees Lakhs)		
1 (a) Sales / Income from Operations	790982	759015	1570608	1454889	3288503
Less: Excise Duty	88049	99556	178973	193176	436311
<b>Net Sales / Income from Operations</b>	<b>702933</b>	<b>659459</b>	<b>1391635</b>	<b>1261713</b>	<b>2852192</b>
(b) Other Operating Income	4952	7806	9094	11234	20890
<b>Total Income from Operations</b>	<b>707885</b>	<b>667265</b>	<b>1400729</b>	<b>1272947</b>	<b>2873082</b>
2 Expenditure					
(a) Decrease / (Increase) in stock in trade and work in progress	26092	7181	(31287)	(6554)	4048
(b) Consumption of raw materials and components	433970	415485	936483	814937	1859208
(c) Purchase of traded goods	56154	37699	109914	74040	159811
(d) Employee cost	41576	36941	81669	72128	154457
(e) Depreciation and Amortisation	20287	15974	38371	30721	65231
(f) Product development expenses	1047	1879	1841	3812	6435
(g) Other expenditure	92556	90477	193366	184283	400087
(h) Sub total 2(a) to 2(g)	671682	605636	1330357	1173367	2649277
3 <b>Profit from Operations before Other Income, Interest and Discounting Charges and Exceptional Items [1-2]</b>	<b>36203</b>	<b>61629</b>	<b>70372</b>	<b>99580</b>	<b>223805</b>
4 Other Income	42928	7054	74489	15883	48318
5 <b>Profit before Interest and Discounting Charges and Exceptional Items [3+4]</b>	<b>79131</b>	<b>68683</b>	<b>144861</b>	<b>115463</b>	<b>272123</b>
6 Interest and Discounting Charges					
(a) Gross interest and discounting charges	25214	13983	42141	24892	54156
(b) Interest income / Interest capitalised	(10386)	(4334)	(16080)	(7087)	(25919)
(c) Net interest and discounting charges	14828	9649	26061	17805	28237
7 <b>Profit after Interest and Discounting Charges but before Exceptional Items [5-6]</b>	<b>64303</b>	<b>59034</b>	<b>118800</b>	<b>97658</b>	<b>243886</b>
8 Exceptional items					
Notional exchange loss / (gain) (net) on revaluation of foreign currency borrowings, deposits and loans given	28502	(3085)	48490	(23674)	(13761)
9 <b>Profit from Ordinary Activities before tax [7-8]</b>	<b>35801</b>	<b>62119</b>	<b>70310</b>	<b>121332</b>	<b>257647</b>
10 Tax expense	1102	9435	3000	21972	54755
11 <b>Net Profit from Ordinary Activities after tax [9-10]</b>	<b>34699</b>	<b>52684</b>	<b>67310</b>	<b>99360</b>	<b>202892</b>
12 Extraordinary Items (net of tax expense)	-	-	-	-	-
13 <b>Net Profit for the period [11-12]</b>	<b>34699</b>	<b>52684</b>	<b>67310</b>	<b>99360</b>	<b>202892</b>
14 Paid-up Equity Share Capital (Face value of Rs. 10 each)	38570	38550	38570	38550	38554
15 Reserves excluding Revaluation Reserve					742845
16 Earnings Per Share (EPS)					
(a) Basic EPS before and after Extraordinary items Rupees	9.00	13.67	17.46	25.78	52.64
(b) Diluted EPS before and after Extraordinary items Rupees	8.17	12.43	15.85	23.97	48.28
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	
17 Public Shareholding					
- Number of Shares	199558049	200522689	199558049	200522689	207771594
- Percentage of shareholding	51.75%	52.02%	51.75%	52.02%	53.89%

Notes:-

- 1) Figures for the previous period have been regrouped / reclassified wherever necessary.
- 2) Total Income from operations for the quarter and half year ended September 30, 2007 included : (a) Rs. 16940 lakhs towards transfer of technology to two subsidiary companies and (b) a gain of Rs. 3000 lakhs on transfer of activity relating to financing of Construction Equipment to Tata Capital Ltd.
- 3) During the quarter ended September 30, 2008, the Company has sold part of its long term investments. The resultant profit of Rs.35881 lakhs is included in the other income.
- 4) Effective from April 1, 2008, the Company has applied hedge accounting principles in respect of forward exchange contracts as set out in Accounting Standard (AS) 30 – Financial Instruments: Recognition and Measurement, issued by the Institute of Chartered Accountants of India. Accordingly, all such contracts outstanding as on September 30, 2008 are marked to market and a notional loss aggregating to Rs. 18294 lakhs (net of tax) arising on contracts that were designated and effective as hedges of future cash flows, has been directly recognised in the Hedging Reserve Account to be ultimately recognised in the Profit and Loss Account depending on the exchange rate fluctuation till and when the underlying forecasted transaction occurs. Earlier such notional loss / gain was recognised in the Profit and Loss Account on the basis of exchange rate on the reporting date.
- 5) During the period, the Company, has reviewed the estimation for provisioning for doubtful receivables in respect of its vehicle financing business based on past performance trends. The Company continues to provide for such doubtful receivables based on an assessment and the probable inherent loss in the business, and more conservatively than required under the RBI guidelines applicable to NBFC's. The revised estimation has resulted in lower provisioning of Rs 4765 lakhs in the current half year.
- 6) The Company was in the process of construction of plant for manufacture of small car NANO at Singur in the state of West Bengal. In view of continued agitations and hostility at Singur, on October 3, 2008, the Company announced its decision to move the NANO project out of the State. Further, on October 7, 2008, the Company announced its decision to relocate the NANO project at Sanand in the State of Gujarat. Based on the management's assessment of the cost and benefits in connection with the relocation of the Project from Singur to Sanand, and pending a detailed evaluation of the options, no provision is considered necessary to the carrying cost of Capital work in progress.
- 7) The Company made a simultaneous but unlinked rights issues of 64,276,164 Ordinary Shares of Rs.10 each at a premium of Rs. 330 per share, aggregating Rs. 218539 lakhs and 64,276,164 'A' Ordinary Shares of Rs.10 each at a premium of Rs. 295 per share, aggregating Rs. 196042 lakhs. The Committee of Directors have on October 27, 2008 allotted 64,175,655 Ordinary Shares and 'A' Ordinary Shares each, after holding in abeyance 100,509 Ordinary Shares and 'A' Ordinary Shares each due to legal cases. Post rights issue the public shareholding for Ordinary Shares has decreased to 45.80%. The public shareholding for 'A' Ordinary Shares is 15.73%.
- 8) Public Shareholding as on September 30, 2008 excludes 14.91% (post rights issue 12.37%) (14.56% as on September 30, 2007) of Citibank N.A. as Depository for American Depository Shares (ADS) holders.
- 9) The Company is engaged mainly in the business of automobile products consisting of all types of commercial and passenger vehicles including financing of the vehicles sold by the Company. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standards) Rules, 2006, are considered to constitute one single primary segment.
- 10) As on June 30, 2008, 1 investor complaint was outstanding. The Company received 23 complaints and resolved 7 complaints during the quarter. There are 17 complaints unresolved as on September 30, 2008, of which 15 complaints are pertaining to non-receipt of dividend.
- 11) The Company's securities (ADS) are registered at the New York Stock Exchange Inc. The Company has filed annual report for the year ended March 31, 2008, as per the requirement of Securities Exchange Act of 1934 in Form 20-F on September 30, 2008. Any shareholder desirous of obtaining hard copy of the said Form 20-F may request for the same which will be provided free of the charge by the Company. A request for this should be made to the Company Secretary.
- 12) The Statutory Auditors have carried out an audit of the results stated in (B) above for the quarter and half year ended September 30, 2008.

The above Results have been reviewed by the Audit Committee of the Board and were approved by the Board of Directors at its meeting held on October 31, 2008.

Tata Motors Limited

Mumbai, October 31, 2008

Ravi Kant  
Managing Director