

Profit And Loss Account For The Year Ended 31st December 2006

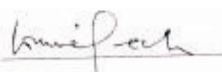
	Note	2006 ¢'m	2005 ¢'m
GROSS SALES		533,088	519,226
Value Added Tax		(40,625)	(41,499)
NET SALES		492,463	477,727
Cost of Sales		(438,721)	(416,843)
GROSS PROFIT		53,742	60,884
General, Administrative and Selling Expenses		(32,433)	(28,068)
TRADING PROFIT	2	21,309	32,816
Sundry Income	3	2,116	2,785
PROFIT BEFORE INTEREST AND TAXATION		23,425	35,601
Net Interest Expense	4	(4,731)	(7,278)
PROFIT BEFORE TAXATION		18,694	28,323
Taxation	5	(2,294)	(5,743)
PROFIT AFTER TAXATION transferred to Income Surplus Account		16,400	22,580

INCOME SURPLUS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2006

	2006 ¢'m	2005 ¢'m
Balance at 1st January 2006	65,560	63,819
Profit for the year	16,400	22,580
	81,960	86,399
Proposed Dividend: ¢550 (2005: ¢500) per share	(22,923)	(20,839)
Balance at 31st December 2006	59,037	65,560

Balance Sheet At 31st December 2006

	Note	2006 ₹'m	2005 ₹'m
FIXED ASSETS	6	80,053	63,393
INVESTMENTS	7	276	276
CURRENT ASSETS			
Stocks	8	100,923	140,579
Taxation	5	4,076	7,435
Debtors	9	80,513	66,690
Cash and Bank balances		22,337	2,871
		207,849	217,575
CURRENT LIABILITIES			
Bank Overdraft and Loans	10	43,565	96,727
Creditors	12	89,012	43,465
Dividend Payable	14	21,894	17,578
		154,471	157,770
NET CURRENT ASSETS		53,378	59,805
		133,707	123,474
LONG TERM LIABILITIES			
Deferred Taxation	5	(5,475)	(7,016)
Loans	11	(18,276)	-
		(23,751)	(7,016)
NET ASSETS		109,956	116,458
FINANCED BY:			
STATED CAPITAL	13	50,024	50,024
SHARE DEALS ACCOUNT	14	895	874
INCOME SURPLUS		59,037	65,560
		109,956	116,458



 W. E. INKUMSAH



 K. VENKATARAMANA

 The Directors approved the financial statements on 7th May, 2007

Cash Flow Statement For The Year Ended 31st December 2006

	2006 €'m	2005 €'m
Cash flows from operating activities		
Profit before taxation	18,694	28,323
Adjustments for:		
Depreciation	6,062	7,078
Profit on disposal of property, plant and equipment	(78)	(288)
Net Interest expense	4,731	7,278
Dividend received	-	(60)
	29,409	42,331
Decrease/(Increase) in stocks	39,656	(64,806)
Increase in debtors	(13,823)	(24,910)
Increase in creditors	45,547	30,265
	100,789	(17,120)
Cash generated from operations	100,789	(17,120)
Interest paid	(4,793)	(7,300)
Income taxes paid	(476)	(6,357)
	95,520	(30,777)
Net cash from operating activities	95,520	(30,777)
Cash flows from investing activities		
Property, plant and equipment purchased	(22,722)	(1,015)
Proceeds from sale of property, plant and equip.	78	350
Interest received	62	22
Dividend received	-	60
	(22,582)	(583)
Net cash used in investing activities	(22,582)	(583)
Cash flow from financing activities		
Loan (paid)/received net	(47,655)	25,338
Proceeds from sale of treasury shares	21	-
	(18,607)	(15,765)
Dividend paid	(18,607)	(15,765)
	(66,241)	9,573
Net cash used in financing activities	(66,241)	9,573
Net Increase/(Decrease) in cash and cash equivalents	6,697	(21,787)
Analysis of changes in cash and cash equivalents during the year		
Balance at 1st January	(27,925)	(6,138)
Net cash inflow/(Outflow)	6,697	(21,787)
	(21,228)	(27,925)
Balance at 31st December	(21,228)	(27,925)
Analysis of balances of cash and cash equivalents as shown in the balance sheet		
Cash and Bank balances	22,337	2,871
Bank Overdraft and Loans	(43,565)	(30,796)
	(21,228)	(27,925)