

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2006**

	Schedule	2005-2006 Rupees in lacs	2004-2005 Rupees in lacs
<b>INCOME</b>			
Sales		<b>37,752.30</b>	35,005.45
Less: Excise duty		<b>3,861.14</b>	2,855.44
		<b>33,891.16</b>	32,150.01
Other income	' I '	<b>2,595.13</b>	2,288.37
Interest (Net)	' J '	<b>11.38</b>	22.25
<b>TOTAL</b>		<b>36,497.67</b>	34,460.63
<b>EXPENDITURE</b>			
Cost of materials	' K '	<b>15,383.83</b>	16,707.10
Employees' cost	' L '	<b>3,662.86</b>	2,966.77
Operating expenses	' M '	<b>8,090.11</b>	6,953.90
Depreciation		<b>804.80</b>	715.42
Less: Transfer from revaluation reserve		<b>8.77</b>	8.77
		<b>796.03</b>	706.65
<b>TOTAL</b>		<b>27,932.83</b>	27,334.42
<b>Profit before taxation and exceptional item</b>		<b>8,564.84</b>	7,126.21
Amortisation of voluntary retirement scheme expenses		<b>142.05</b>	142.05
<b>Profit before taxation</b>		<b>8,422.79</b>	6,984.16
Provision for taxation			
For the year			
- Current		<b>1,205.00</b>	1,360.00
- Deferred		<b>12.23</b>	170.68
- Fringe benefit tax		<b>187.00</b>	-
		<b>1,404.23</b>	1,530.68
For earlier year - current, written off		<b>74.94</b>	-
		<b>1,479.17</b>	1,530.68
<b>Profit after taxation</b>		<b>6,943.62</b>	5,453.48
Balance brought forward		<b>4,860.18</b>	4,030.34
<b>Amount available for appropriation</b>		<b>11,803.80</b>	9,483.82
<b>APPROPRIATIONS</b>			
Interim dividend		<b>957.31</b>	1,435.98
Final dividend - proposed		<b>574.39</b>	-
Dividend tax		<b>214.82</b>	187.66
Transfer to General Reserve		<b>4,000.00</b>	3,000.00
<b>Balance carried to Balance Sheet</b>		<b>6,057.28</b>	4,860.18
		<b>11,803.80</b>	9,483.82
<b>Significant Accounting Policies</b>	' N '		
<b>Notes to Accounts</b>	' O '		
<b>Earnings per share</b>			
<b>Basic and diluted - Par value Re. 1 per share</b>		<b>3.63</b>	2.85
(Refer Note 15 of Schedule 'O')			

As per our report of even date

For **RSM & Co.**  
Chartered Accountants**VIJAY N. BHATT**  
Partner (F-36647)Place : Mumbai  
Date : June 24, 2006

For and on behalf of the Board

**MOHAN A. CHANDAVARKAR**  
Chairman and Managing Director**SHALINI KAMATH**  
Company Secretary**ASHOK A. CHANDAVARKAR**  
Director