



TATA MOTORS LIMITED

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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2006

Particulars	Nine months ended December 31, 2005	Quarter ended March 31,		Year ended	
		2006	2005	2006	2005
		(Rupees Crores)			
(A)					
1 Vehicle Sales: (in Nos.) (includes traded vehicles)					
Commercial vehicles	143420	71416	55132	214836	189993
Passenger Cars and Utility vehicles	127517	61553	54080	189070	179076
Exports	34849	15374	11198	50223	30497
	305786	148343	120410	454129	399566
2 Vehicle Production: (in Nos.)					
Commercial vehicles	170083	76280	60780	246363	209886
Passenger Cars and Utility vehicles	142177	67782	59489	209959	191055
	312260	144062	120269	456322	400941
(B)					
Sales / Income from operations	16024.85	7979.27	6262.40	24004.12	20482.57
Less : Excise Duty	2305.40	1096.52	923.53	3401.92	3063.44
1 Net Sales/Income from operations	13719.45	6882.75	5338.87	20602.20	17419.13
2 Total Expenditure					
(a) (Increase) / Decrease in stock in trade and work in progress	(670.64)	413.73	127.17	(256.91)	(144.00)
(b) Consumption of Raw Materials & Components	9871.50	4392.36	3545.37	14263.86	11929.48
(c) Staff Cost	829.04	314.09	284.88	1143.13	1039.34
(d) Other expenditure	2002.70	869.73	740.88	2872.43	2423.22
(e) Sub Total 2(a) to 2(d)	12032.60	5989.91	4698.30	18022.51	15248.04
3 Operating Profit [1-2]	1686.85	892.84	640.57	2579.69	2171.09
4 Other Income	284.69	4.42	29.60	289.11	166.09
5 Interest					
(a) Gross interest	216.16	80.33	57.42	296.49	220.77
(b) Interest income / Interest capitalised	(58.98)	(11.16)	(26.07)	(70.14)	(66.62)
(c) Net interest	157.18	69.17	31.35	226.35	154.15
6 Product Development expenses	20.87	52.91	18.54	73.78	67.12
7 Depreciation and Amortisation	384.69	136.25	144.24	520.94	450.16
8 Profit before exceptional items and tax [3+4-5-6-7]	1408.80	638.93	476.04	2047.73	1665.75
9 Exceptional Items					
(a) Employee separation cost	3.03	1.01	1.09	4.04	4.18
(b) Provision / (reversal) for diminution in value of investments (net)	-	(9.69)	9.67	(9.69)	9.67
(c) Sub Total 9(a) and 9(b)	3.03	(8.68)	10.76	(5.65)	13.85
10 Profit Before Tax [8-9]	1405.77	647.61	465.28	2053.38	1651.90
11 Less: Tax expense	335.00	189.50	77.11	524.50	414.95
12 Profit After Tax [10-11]	1070.77	458.11	388.17	1528.88	1236.95
13 Paid-up Equity Share Capital (Face value of Rs. 10 each)	376.30	382.87	361.79	382.87	361.79
14 Reserves excluding Revaluation Reserve				5127.81	3749.60
15 Basic EPS (not annualised) Rupees	28.46	12.10	10.73	40.57	34.38
Diluted EPS (not annualised) Rupees	26.78	11.44	10.06	38.20	32.23
16 Aggregate of Non-Promoter Shareholding					
- Number of Shares	247420295	253997726	244718237	253997726	244718237
- Percentage of shareholding	65.76%	66.35%	67.65%	66.35%	67.65%

Notes:-

- 1) Figures for the previous periods have been regrouped/reclassified wherever necessary.
- 2) The above financial results for the quarter / year ended March 31, 2006, include the results of the operations of erstwhile Tata Finance Limited (TFL), Telco Dadajee Dhackjee Limited (TDDL) and Suryodaya Capital and Finance (Bombay) Limited (SCFL), for the period April 1, 2005 to March 31, 2006, consequent to the merger of these companies effective April 1, 2005. The comparative figures for the quarter / year ended March 31, 2005 as shown above, do not include the result of the operations of TFL, TDDL and SCFL, and as such, the financial results for the quarter / year ended March 31, 2006, are not comparable to this extent.
- 3) Other expenditure includes foreign exchange gain of Rs. 22.07 crores for the quarter ended March 31, 2006 as against a loss of Rs. 3.49 crores in the quarter ended March 31, 2005. The corresponding figures for the year ended March 31, 2006, March 31, 2005 and for the nine months ended December 31, 2005 are losses of Rs. 21.66 crores, Rs. 29.04 crores and Rs. 43.73 crores respectively.
- 4) 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, issued by the Institute of Chartered Accountants of India, are considered to constitute one single primary segment.
- 5) The Company allotted 1,45,04,949 Ordinary shares on August 18, 2005, to the Equity shareholders of erstwhile Tata Finance Limited, as per the Scheme of Amalgamation approved by the Hon'ble High Court of Judicature at Bombay.
- 6) During the quarter, the Company has raised funds aggregating JPY 11.76 billion (Rs. 450.03 crores at issue) by way of issue of zero coupon Foreign Currency Convertible Notes (FCCN). As per the terms of the issue, the holders have an option to convert FCCN into Ordinary Shares or ADS at an initial conversion price of Rs.1001.39 per Ordinary Share at a fixed exchange rate of conversion of Rs.1.00 =¥ 2.66. Further, the Company has a right to redeem FCCN, subject to certain conditions.
- 7) Subsequent to the quarter ended March 31, 2006, 2,550 Zero coupon Foreign Currency Convertible Notes (2009) representing 2.55% of the said Notes, have been converted into 1,95,107 Ordinary Shares of Rs.10/- each at a premium as per the terms of issue.
- 8) As on January 1, 2006, 2 Investor complaints were outstanding. The Company received 14 complaints during the said quarter and disposed off 13 complaints by March 31, 2006. There were 3 complaints unresolved as on March 31, 2006.
- 9) The Statutory Auditors have carried out an audit of the results stated in (B) above for the quarter and year ended March 31, 2006.
- 10) The Board of Directors has recommended a dividend of Rs. 13.00 per share of Rs. 10/- each for financial year 2005-06 (Previous year normal dividend of Rs.10.00 per share and a Special Dividend of Rs. 2.50 per share, being the Diamond jubilee year), subject to approval of the Shareholders. Tax on dividend will be borne by the Company.

The Audited Financial Statements have been reviewed by the Audit Committee and were taken on record by the Board of Directors at its meeting held on May 19, 2006.

Tata Motors Limited

Mumbai, May 19, 2006

Ratan N Tata
Chairman