

Profit and Loss Account for the year ended March 31, 2008

| (Amount in Rupees) | | | |
|---|------------------|------------------------------|------------------------------|
| | Schedules No. | Year ended March 31, 2008 | Year ended March 31, 2007 |
| I. INCOME | | | |
| Operating Income | 11 | 1,027,670,401 | 333,944,281 |
| Other Income | 12 | 94,293,238 | 7,400,943 |
| | | 1,121,963,639 | 341,345,224 |
| II. EXPENDITURE | | | |
| Administration and Other Expenditure | 13 | 211,601,846 | 87,086,545 |
| Finance Charges | 14 | 253,655,318 | 199,550,837 |
| Depreciation | | 1,293,226 | 1,988,151 |
| | | 466,550,390 | 288,625,533 |
| III. PROFIT BEFORE TAXATION | | | |
| Provision for Taxation | | | |
| - Current | | 27,500,000 | 24,126,360 |
| - Deferred | | 180,269 | (1,704,494) |
| - Fringe Benefit Tax | | 750,000 | 1,515,910 |
| IV. PROFIT AFTER TAXATION | | | |
| | | 626,982,980 | 28,781,915 |
| Surplus brought forward from previous year | | 817,810,488 | 602,903,573 |
| V. PROFIT AVAILABLE FOR APPROPRIATION | | | |
| | | 1,444,793,468 | 631,685,488 |
| Transfer (from)/to Debenture Redemption Reserve | | (51,375,000) | (186,125,000) |
| VI. AVAILABLE SURPLUS CARRIED TO BALANCE SHEET | | | |
| Earnings per Share (Rs.) - Basic and Diluted | | 0.37 | 0.02 |
| Statement on Significant Accounting Policies and Notes to the Accounts. | 15 | | |

The Schedules referred to above form an integral part of the Profit and Loss Account.

This is the Profit and Loss Account referred to in our report of even date.

For and on behalf of the Board of Directors

P. Rama Krishna
Partner
Membership Number 22795

For and on behalf of

Price Waterhouse
Chartered Accountants

Place : Bangalore

Date : May 21, 2008

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| G.M.Rao Executive Chairman | G. B. S Raju Managing Director & Group CFO | A. S. Cherukupalli Company Secretary |
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