

Cash Flow Statement for the year ended 31st March, 2009

	Year Ended 31-03-2009 Rupees crores	Year Ended 31-03-2008 Rupees crores
A. Cash Flow from Operating Activities :		
Net Profit before tax	7,315.61	7,066.36
Adjustments for :		
Depreciation	973.40	834.61
(Profit)/Loss on sale of Assets/Discarded Assets written off	6.43	(28.26)
(Profit)/Loss on sale of other investments	(186.46)	(0.03)
Impairment of Assets	-	0.06
(Gain)/Loss on cancellation of forward covers/options	(26.62)	(124.30)
Provision for diminution in value of investments	0.10	-
Interest and income from current investment	(336.81)	(142.53)
Income from other investments	(101.62)	(88.42)
Interest charged to Profit and Loss Account	1,489.50	929.03
Amortisation of employee separation compensation	222.34	226.18
Provision for Wealth Tax	1.00	0.95
Contribution for sports infrastructure written off	-	150.00
Exchange (Gain)/Loss on revaluation of foreign currency loans	67.91	(743.60)
Amortisation of long term loan expenses	32.71	57.99
	<u>2,141.88</u>	<u>1,071.68</u>
Operating Profit before Working Capital Changes	9,457.49	8,138.04
Adjustments for :		
Trade and Other Receivables	(159.25)	(143.44)
Inventories	(875.49)	(272.00)
Trade Payables and Other Liabilities	1,772.03	591.80
	<u>737.29</u>	<u>176.36</u>
Cash Generated from Operations	10,194.78	8,314.40
Direct Taxes paid	(2,797.56)	(2,060.20)
Net Cash from Operating Activities	<u>7,397.22</u>	<u>6,254.20</u>
B. Cash Flow from Investing Activities :		
Purchase of fixed assets	(2,786.29)	(2,458.97)
Sale of fixed assets	15.18	63.88
Purchase of investments	(59,903.25)	(31,605.12)
Purchase of investments in Subsidiaries	(4,439.80)	(29,587.40)
Sale of investments	57,181.61	34,110.46
Inter-corporate deposits	90.73	(85.80)
Interest and income from current investments received	312.12	155.95
Dividend received	101.62	88.42
Net Cash used in Investing Activities	<u>(9,428.08)</u>	<u>(29,318.58)</u>

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C. Cash Flow from Financing Activities :			
Issue of Equity Capital	0.25	4,881.45	
Issue of Cumulative Convertible Preference Shares	0.14	5,472.52	
Proceeds from borrowings	6,494.43	17,632.70	
Repayment of borrowings	(894.39)	(10,386.61)	
Amount received on cancellation of forward covers/options	(10.17)	134.41	
Long term loan expenses	(32.51)	(202.38)	
Interest paid	(1,213.96)	(746.07)	
Dividends paid	(1,187.37)	(937.95)	
Net Cash from Financing Activities	3,156.42	15,848.07	
Net increase/(decrease) in Cash or Cash equivalents (A+B+C)	1,125.56	(7,216.31)	
Opening Cash and Cash equivalents [See Schedule I, Page 167]	465.04	(iv) 7,681.35	
Closing Cash and Cash equivalents [See Schedule I, Page 167]	(v) 1,590.60	(v) 465.04	

- Notes :**
- (i) Figures in brackets represent outflows.
 - (ii) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised **Rs. 29.11** crores (31.03.2008 : Rs. 12.24 crores).
 - (iii) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the period and includes application money on investments **Rs. 4,439.80** crores (31.03.2008 : Rs. 29,587.40 crores).
 - (iv) Includes Rs. 7,225.94 crores ringfenced for a specific purpose.
 - (v) Includes **Rs. 0.24** crores (31.03.2008 : Rs. 5.65 crores) refund orders issued on account of over subscription of Rights Issue of Equity Shares not encashed as on 31st March, 2009.
 - (vi) Previous year figures have been recast/restated wherever necessary.

As per our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

P R RAMESH
Partner.

Mumbai, 25th June, 2009

J C BHAM
Company Secretary

For and on behalf of the Board

RATAN N TATA
JAMES LENG
NUSLI N WADIA
S M PALIA
ISHAAT HUSSAIN
JAMSHED J IRANI
SUBODH BHARGAVA
JACOBUS SCHRAVEN
ANDREW ROBB
B MUTHURAMAN
KIRBY ADAMS
H M NERURKAR

Chairman

Directors

Managing Director
Director
Executive Director