

Cash Flow Statement for the year ended 31st March, 2002

	Year Ended 31-3-2002 Rs. crores	Year Ended 31-3-2001 Rs. crores
A. Cash Flow from Operating Activities :		
Net Profit before tax	251.00	602.44
Adjustments for :		
Depreciation	524.75	492.25
(Profit)/Loss on sale of Assets/Discarded Assets written off	(27.68)	(6.31)
(Profit)/Loss on sale of investments	(22.83)	(1.91)
Provision for diminution in value of investments	17.82	0.47
Interest income	(31.22)	(35.85)
Dividend income	(49.62)	(44.20)
Interest charged to Profit and Loss Account	403.15	412.39
Miscellaneous Expenditure (Amortised)	227.02	201.52
Provision for Wealth Tax	0.60	0.20
	<u>1,041.99</u>	<u>1,018.56</u>
Operating Profit before Working Capital Changes	1,292.99	1,621.00
Adjustments for :		
Trade and Other Receivables	268.86	(133.87)
Inventories	(99.82)	23.08
Trade Payables and Other Liabilities	(55.08)	208.49
	<u>113.96</u>	<u>97.70</u>
Cash Generated from Operations	1,406.95	1,718.70
Direct Taxes paid	(63.47)	(66.16)
Cash Flow before Extraordinary Item	1,343.48	1,652.54
Employee Separation Compensation paid	(189.35)	(197.09)
Net Cash from Operating Activities	<u>1,154.13</u>	<u>1,455.45</u>
B. Cash Flow from Investing Activities :		
Purchase of fixed assets	(534.95)	(605.45)
Sale of fixed assets	32.27	7.80
Purchase of investments	(794.62)	(52.82)
Sale of current investments	657.02	0.03
Intercorporate deposits	(3.49)	(48.21)
Interest received	33.94	34.60
Dividend received	49.62	44.20
	<u>(560.21)</u>	<u>(619.85)</u>
Extraordinary Items :		
Sale of long term investments	60.51	22.29
Net Cash used in Investing Activities	<u>(499.70)</u>	<u>(597.56)</u>
C. Cash Flow from Financing Activities :		
Redemption of Preference Shares	(140.00)	(10.00)
Capital contributions received	1.77	4.20
Proceeds from long term borrowings	1,178.95	462.25
Repayment of long term borrowings	(1,143.35)	(697.26)
Dividends paid	(185.96)	(159.31)
Interest Paid	(385.87)	(411.92)
	<u>(674.46)</u>	<u>(812.04)</u>
Net Cash from Financing Activities	<u>(674.46)</u>	<u>(812.04)</u>
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	<u>(20.03)</u>	<u>45.85</u>
Cash and Cash equivalents as at 1st April, 2001 (Opening Balance)	<u>239.23</u>	<u>193.38</u>
Cash and Cash equivalents as at 31st March, 2002 (Closing Balance)	<u>219.20</u>	<u>239.23</u>

- Notes : (i) Figures in brackets represent outflows.
(ii) Cash and cash equivalents is after adjustment of exchange rate difference for Rs. Nil (31.3.2001 : Rs. 1.31 crores) and represent Cash and Bank Balances as per Balance Sheet (Item 10(e), Page 32).
(iii) Interest paid is exclusive of and purchase of Fixed Assets is inclusive of interest capitalised Rs. 16.01 crores (2000-2001 : Rs. 69.51 crores).
(iv) Proceeds from long term borrowing includes translation loss on foreign currency loans Rs. 63.99 crores (31.3.2001 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.2001 : Rs. 47.37 crores) has been included in purchase of Fixed Assets.
(v) Previous Year figures have been recast/restated wherever necessary.

For and on behalf of the Board,

Mumbai, 30th May, 2002.

J.C. BHAM
Company SecretaryB. MUTHURAMAN
Managing DirectorRATAN N. TATA
Chairman

AUDITORS' CERTIFICATE

To,
The Board of Directors,
The Tata Iron and Steel Company Ltd.,
Bombay House, 24, Homi Mody Street,
Fort, Mumbai - 400 001.

We have examined the attached Cash Flow Statement of The Tata Iron and Steel Company Limited for the year ended 31st March, 2002. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with the Stock Exchanges and is based on and in agreement with the corresponding profit and loss account and balance sheet of the Company covered by our report of 30th May, 2002 to the members of the Company.

For A. F. FERGUSON & CO.
Chartered AccountantsA. K. MAHINDRA
Partner

Mumbai, 30th May, 2002.

For S. B. BILLIMORIA & CO.
Chartered AccountantsY. H. MALEGAM
Partner