## TATA STEEL

## Ninety fifth annual report 2001-02

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

A. Cash Flow from Operating Activities :     251.00       Net Provision for industry and use of investments     524.75     462.25       Adjustments for :     0     67.768     (6.31)       Provision for indinution in value of investments     17.82     0.47       Provision for indinution in value of investments     17.82     0.47       Interest income     131.23     0.47       Unterest income     132.20     0.42       Provision for updation Profit and Loss Account     403.15     412.39       Miscellaneous Expenditure (Amortised)     227.02     201.52       Provision for Waking Capital Changes     0.40     0.20       Adjustments in:     1.292.99     20.60     0.20       Trade and Other Receivables     (63.47)     208.49     208.49       Inventories     (19.41.99     208.49     208.49     208.49       Cash Generated from Operations paid     (199.32)     208.49     208.49     208.49       Employee Separation Compensation paid     (199.32)     208.49     208.49     208.49     208.49     208.49     208.49     208.49     208.49			Year Ended 31-3-2002 Rs. crores		Year Ended 31-3-2001 Rs. crores	
Depreciation     524.75     492.25       (Proft)Loss on sale of Assets/Discarded Assets written off (Proft)Loss on sale of investments     (27.68)     (6.31)       Provision for diminution in vestments     (22.83)     (1.91)       Provision for diminution in vestments     (22.83)     (24.50)       Interest charged to Proft and Loss Account     403.15     (24.50)       Interest charged to Profit and Loss Account     403.15     (22.702)       Provision for Wealth Tax     0     (22.702)     (20.20)       Operating Profit before Working Capital Changes     1.041.99     (23.00)     (23.00)       Adjustments for :     7     7     268.86     (23.00)     (23.00)       Trade Payables and Other Receivables     (98.82)     208.49     208.49     208.49       Cash Generated from Operations     1.1406.95     208.49     208.49     208.49       Direct Taxes paid     (199.327)     208.49     208.49     208.49       State of Inced assets     (23.27)     7.00     208.49     208.49       Direct Taxes paid     (199.34)     (48.21)     208.49     208.49	Α.	Net Profit before tax		251.00		602.44
Operating Profit before Working Capital Changes Adjustments for : Trade and Other Receivables Inventories1.292.99Adjustments for : Trade and Other Receivables Inventories268.86 (133.87) (25.06)(133.87) (23.06)Cash Generated from Operations Direct Taxes paid113.96 (65.47)(133.87) (25.06)Cash Flow before Extraordinary Item1,343.48 (198.35)208.49Employee Separation Compensation paid Separation Compensation paid(189.35) (198.35)(605.45) (26.49)B. Cash Flow before Extraordinary Item(134.37) 		Depreciation (Profit)/Loss on sale of Assets/Discarded Assets written off (Profit)/Loss on sale of investments Provision for diminution in value of investments Interest income Dividend income Interest charged to Profit and Loss Account Miscellaneous Expenditure (Amortised)	(27.68) (22.83) 17.82 (31.22) (49.62) 403.15 227.02		(6.31) (1.91) 0.47 (35.85) (44.20) 412.39 201.52	
Adjustments for :ControlTrade and Other Receivables Inventories268.86 (99.82)(133.87) 23.08Trade Payables and Other Liabilities(69.82)208.49Cash Generated from Operations1,406.95208.49Direct Taxes paid(63.47)(133.87)Cash Generated from Operations1,343.48(63.47)Direct Taxes paid(133.87)208.49Cash Flow before Extraordinary Item1,343.48(63.47)B. Cash Flow from Operating Activities :1,154.13(605.45)Purchase of fixed assets(534.95)(605.45)Sale of fixed assets32.277.80Purchase of livestiments(794.62)(622.82)Sale of current investments(794.62)(605.45)Directorprate deposits(143.23)(148.21)Intercorprate deposits(3.49)(48.21)Intercorprate deposits(49.62(560.21)Dividend received33.9434.60Dividend received1.774.20Cash Isol in Investing Activities(143.35)(697.26)C. Cash Flow from Financing Activities(140.00)(10.00)C. Cash Flow from Financing Activities(135.87)(674.46)Dividend spaid(185.96)(143.35)(697.26)Dividend spaid(135.87)(674.46)(153.31)Interest Paid(385.87)(674.46)(141.92)Net Cash from Financing Activities(143.35)(697.26)Dividends paid(185.96)(141.92)(153.31)				1,041.99		1,018.56
Tráde and Other Receivables     (133.87)       Inventories     (133.87)       Trade Payables and Other Liabilities     (55.08)       Cash Generated from Operations     (143.69)       Direct Taxes paid     (133.87)       Cash Flow before Extraordinary Item     (1,343.48)       Employee Separation Compensation paid     (189.35)       Net Cash from Operating Activities :     (111.164.13)       B. Cash Flow form Investing Activities :     (132.87)       Purchase of fixed assets     (132.87)       Sale of fixed assets     (132.87)       Sale of fixed assets     (132.87)       Sale of investments     (143.48)       Intercorporate deposits     (132.87)       Intercorporate deposits     (132.87)       Intercorporate deposits     (132.87)       Interest received     (32.94)       Dividend received     (49.62)       Dividend received     (140.00)       Cash Flow from Financing Activities :     (140.00)       Redemption of Preference Shares     (143.35)       Gottoribuitions received     (117.77)       Ac202     (667.46)       Di				1,292.99		1,621.00
Cash Generated from Operations1,406.95Direct Taxes paid(63.47)Cash Flow before Extraordinary Item1,343.48Employee Separation Compensation paid(189.35)Net Cash from Operating Activities1,154.13B. Cash Flow from Investing Activities(199.35)Purchase of fixed assets(534.95)Sale of fixed assets(534.95)Sale of fixed assets(605.45)Sale of fixed assets(63.70)Sale of fixed assets(63.47)Purchase of investments(794.62)Sale of long term investments(63.49)Intercorporate deposits(3.49)Intercorporate deposits(3.49)Intercorporate deposits(48.21)Intercorporate deposits(3.49)Intercorporate deposits(49.62)Sale of long term investments(60.51)Sale of long term investments(49.62)Sale of long term investments(49.70)C. Cash Flow from Financing Activities :(499.70)C. Cash Flow from Financing Activities :(1140.00)Redemption of Preference Shares(1143.35)Capital contributions received1,77Proceeds from long term borrowings(1,178.95Repaid(185.96)Dividends paid(185.97)Interest Piad(185.97)Met cash from Financing Activities(674.46)Net cash and Cash equivalents (A+B+C)(20.03)Cash and Cash equivalents (A+B+C)(20.03)Cash and Cash equivalents (A+B+C)(20.03)		Tráde and Other Receivables Inventories	(99.82)		23.08	
Direct Taxes paid(63.47)Cash Flow before Extraordinary Item1,343.48Employee Separation Compensation paid(189.35)Net Cash from Operating Activities1,154.13B.Cash Flow from Investing Activities :Purchase of investments(154.95)Sale of fixed assets(154.27)Sale of current investments(1794.62)Intercorporate deposits(148.21)Intercorporate deposits(3.49)Intercorporate deposits(3.49)Dividend received33.94Sale of long term investments60.51Sale of long term investments(140.00)Extraordinary Items :(140.00)Sale of long term investments(140.00)Redemption of Preference Shares(140.00)C.Cash Flow from Financing Activities :Redemption of preference Shares(141.43.35)Onide paid(159.31)Interest Paid(159.31)Interest Paid(159.31)Interest Paid(159.31)Interest Paid(141.92)Net Cash from Financing Activities(674.46)Net Cash from Financing Activities(141.92)Net Cash from Financing Activities(141.92)Net Cash from Rinancing Activities(141.92)Net Cash from Rinancing Activities(20.03)C.Cash from Financing Activities(20.03)C.Cash from Financing Activities(20.03)C.Cash from Financing Activities(20.03)Onidends paid(35.87)(674.46) <td></td> <td></td> <td></td> <td>113.96</td> <td></td> <td>97.70</td>				113.96		97.70
Cash Flow before Extraordinary Item1,343.48Employee Separation Compensation paid(189.35)Net Cash from Operating Activities1,154.13B. Cash Flow from Investing Activities1,154.13Purchase of fixed assets(534.95)Sale of fixed assets32.27Sale of investments(794.62)Intercorporate deposits(3.49)Intercorporate deposits(3.49)Intercorporate deposits(3.49)Intercorporate deposits(482.71)Intercorporate deposits(482.71)Intercorporate deposits(482.71)Intercorporate deposits(499.70)C. Cash Flow from Financing Activities :(140.00)Redemption of Preference Shares(140.00)C. Cash Flow from long term borrowings1,178.95Repayment of long term borrowings(14.335)Dividends paid(159.31)Interest Paid(385.87)Net Cash nucles paid(385.87)Met Cash and Cash equivalents (A+B+C)(20.03)C. Cash and Cash equivalents (A+B+C)(		Cash Generated from Operations		1,406.95		1,718.70
Employee Separation Compensation paid(189.35)Net Cash from Operating Activities1,154.13B.Cash Flow from Investing Activities : Purchase of investments(534.95)Sale of fixed assets32.27Purchase of investments(794.62)Sale of current investments(657.02Intercorporate deposits(3.49)Intercorporate deposits(3.49)Intercorporate deposits(3.49)Dividend received49.62Extraordinary Items : Sale of long term investments60.51Net Cash used in Investing Activities : Redemption of Preference Shares(140.00)Redemption of Preference Shares(140.00)C.Cash Flow from Financing Activities : Repayment of long term borrowings(11.77Redemption of preference Shares(11.43.35)Dividends paid(185.96)Dividends paid(185.96)Net Cash from Financing Activities(11.43.35)Repayment of long term borrowings(1.143.35)Net Cash from Financing Activities(11.43.92)Net Cash from Financing Activities(11.43.35)Net Cash from Financing Activities(11.43.35)Net Cash from Financing Activities(11.43.92)Net Cash from Financing Activities(11.43.92)Net Cash from Financing Activities(20.03)Dividends paid(185.96)Net cash from Financing Activities(20.03)C.Cash from Financing ActivitiesCash from Financing Activities(20.03)Net cash from Financing Activities <td></td> <td></td> <td></td> <td><u> </u></td> <td></td> <td>(66.16)</td>				<u> </u>		(66.16)
Net Cash from Operating Activities1,154.13B. Cash Flow from Investing Activities : Purchase of fixed assets(534.95) 32.27(605.45)Sale of fixed assets32.277.80Purchase of investments(794.62)(52.82)Sale of current investments(657.02)0.03Intercorporate deposits(3.49)(48.21)Intercorporate deposits(3.49)(48.21)Intercorporate deposits49.62(560.21)Extraordinary Items : Sale of long term investments60.5144.20Extraordinary Items : Sale of long term investments(140.00)(10.00)C. Cash Flow from Financing Activities(140.00)(10.00)C. Cash Flow from Financing Activities(143.35)(697.26)Dividends paid Interest Paid(185.96)(141.32)Net Cash from Financing Activities(143.35)(674.46)Net Cash from Financing Activities(141.92)(411.92)C. Cash from Financing Activities(141.92)(141.92)Net Cash from Strowings(1,177, 4.20)(120.03)Dividends paid Interest Paid(385.87)(674.46)Net Cash from Financing Activities(674.46)(411.92)Net Cash and Cash equivalents (A+B+C) (Opening Balance)239.23239.23						1,652.54
B.Cash Flow from Investing Activities : Purchase of fixed assets Sale of fixed assets Sale of fixed assets Sale of investments Intercorporate deposits Intercet received Dividend received(534.95) 32.27 (734.62) (605.45)Sale of current investments Intercet received Dividend received(637.02 (3.49) (3.49)(605.45) (52.82) (0.03)Extraordinary Items : Sale of long term investments(605.42) (48.21) 						(197.09)
Purchase of fixed assets(534.95)(605.45)Sale of fixed assets32.277.80Sale of current investments(744.62)(52.82)Sale of current investments(3.49)(48.21)Intercorporate deposits(3.49)(48.21)Intercorporate deposits(3.49)(44.20)Extraordinary Items :60.51(49.70)Sale of long term investments60.51(49.70)Extraordinary Items :60.51(10.00)Sale of long term investments(149.70)(10.00)C. Cash Flow from Financing Activities(117.77)4.20Proceeds from long term borrowings(1,178.35)(697.26)Dividends paid(185.96)(159.31)Interest Paid(385.87)(674.46)Net Cash from Financing Activities(11.92)Redemption of Preference Shares(141.92)Quidends paid(185.96)(159.31)Interest Paid(385.87)(674.46)Net Cash from Financing Activities(11.92)Dividends paid(125.96)(141.92)Interest Paid(20.03)(20.03)Cash and Cash equivalents (A+B+C)(20.03)Cash and Cash equivalents as at 1st April, 2001239.23(Opening Balance)239.23(29.23)				1,154.13		1,455.45
Sale of long term investments   60.51     Net Cash used in Investing Activities   (499.70)     C. Cash Flow from Financing Activities :   (499.70)     Redemption of Preference Shares   (140.00)     Capital contributions received   1.77     Proceeds from long term borrowings   1,178.95     Repayment of long term borrowings   (1,143.35)     Dividends paid   (159.31)     Interest Paid   (385.87)     Net Cash from Financing Activities   (674.46)     Net Cash from Financing Activities   (674.46)     Interease/(decrease) in Cash and Cash equivalents (A+B+C)   (20.03)     Cash and Cash equivalents as at 1st April, 2001   239.23	В.	Purchase of fixed assets Sale of fixed assets Purchase of investments Sale of current investments Intercorporate deposits Interest received	32.27 (794.62) 657.02 (3.49) 33.94	(560.21)	7.80 (52.82) 0.03 (48.21) 34.60	(619.85)
Net Cash used in Investing Activities(499.70)C. Cash Flow from Financing Activities : Redemption of Preference Shares(140.00)Capital contributions received1.77Proceeds from long term borrowings1,178.95Repayment of long term borrowings(11.43.35)Dividends paid(185.96)Interest Paid(385.87)Net Cash from Financing Activities(674.46)Net cash from Financing Activities(20.03)Cash and Cash equivalents as at 1st April, 2001239.23						
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   (1,143.35)   (697.26)     Dividends paid   (185.96)   (159.31)     Interest Paid   (385.87)   (674.46)     Net Cash from Financing Activities   (674.46)   (411.92)     Net increase/(decrease) in Cash and Cash equivalents (A+B+C)   (20.03)   239.23     Cash and Cash equivalents as at 1st April, 2001   239.23   239.23		-				22.29
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)   (674.46)     Net Cash from Financing Activities   (674.46)   (411.92)     Net increase/(decrease) in Cash and Cash equivalents (A+B+C)   (20.03)   239.23     (Opening Balance)   239.23   (11.00)				(499.70)		(597.56)
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)   (20.03)     Cash and Cash equivalents as at 1st April, 2001   239.23     (Opening Balance)   239.23	C.	Redemption of Preference Shares Capital contributions received Proceeds from long term borrowings Repayment of long term borrowings Dividends paid	1.77 1,178.95 (1,143.35) (185.96)	(674.46)	4.20 462.25 (697.26) (159.31)	(812.04)
Cash and Cash equivalents as at 1st April, 2001 239.23 (Opening Balance)		-		(674.46)		(812.04)
(Opening Balance)						45.85
Cook and Cook any valente on at 24 at Marsh, 2000		(Opening Balance)				
Cash and Cash equivalents as at 31st March, 2002 219.20 (Closing Balance)		Cash and Cash equivalents as at 31st March, 2002 (Closing Balance)		219.20		239.23

(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) of which Rs. 63.99 crores (31.3.2001 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.2001 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.2001 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 63.99 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 47.37 crores) of which Rs. 47.37 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 47.37 crores) of which Rs. 47.37 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 47.37 crores) of which Rs. 47.37 crores (31.3.201 : Rs. 47.37 crores) of which Rs. 47.37 crores) of which Rs. 47.37 crores (31.3.201 : Rs. 47.37 cr

(v) Flevious fear h	gures have been recasivestated wherever necessary.	For and on behalf of the Board,		
Mumbai, 30th May, 2002.	J.C. BHAM	B. MUTHURAMAN	RATAN N. TATA	
	Company Secretary	Managing Director	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 Accountants A. K. MAHINDRA Partner Mumbai, 30th May, 2002.

For S. B. BILLIMORIA & CO. Chartered Accountants Y. H. MALEGAM Partner