



# **Finance and Risk Management**

## **Handout 2F**

### **Cash Flow Statement**

# Cash Flow Statement for the year ended 31st March, 2008

(Figures for the previous year have been rearranged to conform with the revised presentation)

	For the year ended 31st March, 2008 (Rs. in Crores)	For the year ended 31st March, 2007 (Rs. in Crores)
<b>A. Net Profit Before Tax</b>	4571.77	3926.70
ADJUSTMENTS FOR :		
Depreciation	438.46	362.92
Interest etc. – Net	(101.80)	(17.51)
Income from Long Term Investments	(93.73)	(21.09)
Income from Current Investments	(141.95)	(183.13)
Fixed Assets – Loss on Sale/Write off – Net	17.97	17.40
(Profit)/Loss on Sale of Current Investments – Net	(15.22)	(6.84)
Excess of Fair Value over Cost of Current Investments	(23.36)	–
Excess of Cost over Fair Value of Current Investments	–	20.60
Unrealised (Gain)/Loss on Exchange – Net	3.89	(4.61)
Liability no longer required written back	(88.11)	(25.60)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>4567.92</b>	<b>4068.84</b>
ADJUSTMENTS FOR :		
Trade and Other Receivables	(194.35)	(271.32)
Inventories	(696.49)	(717.75)
Trade Payables	459.34	321.83
<b>CASH GENERATED FROM OPERATIONS</b>	<b>4136.42</b>	<b>3401.60</b>
Income Tax Paid	(1413.46)	(1260.41)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>2722.96</b>	<b>2141.19</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(2246.06)	(1742.94)
Sale of Fixed Assets	3.63	3.82
Purchase of Business [See Note 1 Below]	(38.83)	(38.83)
Purchase of Current Investments	(27558.99)	(28539.75)
Sale/Redemption of Current Investments	27741.01	29026.35
Purchase of Long Term Investments	(10.22)	(51.13)
Sale of Long Term Investments	–	0.01
Income from Long Term Investments Received	92.24	20.63
Income from Current Investments Received	143.43	182.96
Interest Received	97.87	21.86
Refund of Deposits towards Property Options	91.19	47.50
Loans Given	(246.79)	(77.37)
Loans Realised	194.74	64.11
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1736.78)</b>	<b>(1082.78)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital	44.63	42.39
Proceeds/(Repayments) from Long Term Borrowings	(5.85)	29.16
Net increase/(decrease) in Cash/Export Credit Facilities and other Short Term Loans	19.40	51.99
Interest etc. Paid	(17.08)	(8.62)
Dividends Paid	(1158.98)	(989.43)
Income Tax on Dividend Paid	(198.21)	(139.56)
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES</b>	<b>(1316.09)</b>	<b>(1014.07)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(329.91)</b>	<b>44.34</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>900.16</b>	<b>855.82</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>570.25</b>	<b>900.16</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE :</b>		
Cash and Bank Balances	570.25	900.16
<i>Note :</i>		
1. Purchase consideration of Rs. 232.99 Crores (net of liability of Rs. 15.03 Crores towards sales tax deferment loans assumed) on acquisition of business in 2004, payable to M/s BILT Industrial Packaging Company Limited.	232.99	232.99
Cash paid [including Rs. 38.83 Crores (2007 - Rs. 38.83 Crores) during the year as per scheme of repayment]	194.15	155.32
Balance Payable	38.84	77.67

Per our Report attached to the Balance Sheet  
For A. F. FERGUSON & CO.

Chartered Accountants

M. S. DHARMADHIKARI  
Partner

Kolkata, 23rd May, 2008

On behalf of the Board

Y. C. DEVESHWAR

K. VAIDYANATH

B. B. CHATTERJEE

Chairman

Director

Secretary