

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2004**

	2003-04 Rs.Millions	2002-03 Rs.Millions
<b>A. Cash flow from operating activities:</b>		
Net profit before tax adjustments for :		256.989
Description	188.825	
Security deposit written off	60.000	
Bad debt written off	1.575	
Provision for bad debt	2.585	
Foreign Exchange fluctuation (Net)	12.155	
(Profit) / Loss on sale of assets	(0.335)	
Interest Income	(3.907)	
Interest	105.126	
Lease finance charges	—	
Other investment income	(0.328)	
	<u>365.696</u>	365.696
Operating profit before working capital charges		622.685
Adjustments for :		
Trade and other receiveables	(249.735)	
Inventories	213.604	
Trade payable	(93.820)	
	<u>(129.951)</u>	(129.951)
Cash generated from operations		492.734
Interest paid	(104.960)	
Direct taxes paid	(107.311)	
	<u>(212.271)</u>	(212.271)
Net case flow from operating activites	280.463	
<b>B. Cash flow from investing activities:</b>		
Purchase of fixes assets	(287.427)	
Sale/Transfer of fixed assets	10.233	
Interest recived	3.907	
Purchase of investments	(23.107)	
Other investment income	0.328	
	<u>(296.066)</u>	(296.066)
Net cash used in investing activites		
<b>C. Cash Flow from financing activities:</b>		
Debentures	40.000	
Long term borrowings	(149.077)	
Unsecured Loans & deposits	(10.643)	
Working Capital borrowings	173.717	
Lease finance liabilities	—	
Dividends & Tax on Dividend paid	(20.738)	
	<u>33.259</u>	33.259
Net cash used in financing activities		
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>17.566</b>
Cash and cash equivalents as at 1.4.2002 and 1.4.2001 (Operating balance)		82.479
Cash and cash equivalents as at 31.3.2003 and 31.3.2002 Closing balance		<u>100.135</u>

As per our report of date attached

For and on behalf of the Board