

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	(₹ in crores)	
	2011-2012	2010-2011
A. Cash flow from operating activities		
Profit after tax	1,242.23	1,811.82
Adjustments for:		
Depreciation / amortisation (including lease equalisation adjusted in income)	1,602.22	1,356.26
Loss / (profit) on sale of assets (net) (including assets scrapped / written off)	(1.79)	5.18
Profit on sale of investments (net)	(29.78)	(2.28)
Provision for loan given to a subsidiary	130.00	-
Provision for diminution in value of investments (net)	-	34.00
Reversal of provision for loans and inter corporate deposits (net)	-	(8.02)
Wealth tax	0.90	0.81
Tax expense	98.80	384.70
Interest / dividend (net)	674.32	965.27
Exchange differences	587.59	108.97
	<u>3,062.26</u>	<u>2,844.89</u>
Operating Profit before working capital changes	4,304.49	4,656.71
Adjustments for:		
Inventories	(696.84)	(955.80)
Trade receivables	(92.79)	(216.44)
Finance receivables	144.97	366.41
Other current and non-current assets	33.80	(505.91)
Trade payables & acceptances	(78.02)	(1580.16)
Other current and non-current liabilities	170.42	5.14
Provisions	204.04	240.47
	<u>(314.42)</u>	<u>(2,646.29)</u>
Cash generated from operations	3,990.07	2,010.42
Income taxes paid (net)	(336.48)	(504.86)
Net cash from operating activities	<u>3,653.59</u>	<u>1,505.56</u>
B. Cash flow from investing activities		
Purchase of fixed assets	(2,852.56)	(2,391.12)
Sale of fixed assets	17.09	9.47
Loans to associates and subsidiaries	(86.92)	(174.24)
Refund received against loans to associates and subsidiaries	-	8.62
Advance towards investments in subsidiary companies	(122.86)	(20.00)
Advance towards investments in other companies	(25.00)	-
Investments in subsidiary companies	(1,684.01)	(463.36)
Investments in associate companies	(4.45)	(4.09)
Investments in joint venture	(42.50)	(200.00)
Investments - others	-	(106.08)
Investments in Mutual Fund sold (net)	114.78	437.28
Decrease in investments in retained interests in securitisation transactions	0.18	3.20
Redemption of investments in subsidiary companies	4,146.98	-
Redemption of investments - others	0.75	0.75

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	(₹ in crores)	
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Decrease in short term Inter-corporate deposits	16.04	34.11
Deposits of margin money / cash collateral	(5.85)	(59.89)
Realisation of margin money / cash collateral	364.24	215.74
Fixed/restricted deposits with scheduled banks made	(868.44)	(1,090.10)
Fixed/restricted deposits with scheduled banks realised	665.51	894.68
Interest received	331.11	202.15
Dividend / income on investments received	180.63	181.00
Net cash from / (used in) investing activities	<u>144.72</u>	<u>(2,521.88)</u>
C. Cash Flow from Financing Activities		
Expenses on Foreign Currency Convertible Notes (FCCN) conversion	-	(3.59)
Premium on redemption of FCCN (including tax)	(0.97)	-
Brokerage and other expenses on Non-Convertible Debentures (NCD)	(76.69)	(90.66)
Proceeds from issue of shares held in abeyance	0.02	3.08
Proceeds from issue of shares through QIP (net of issue expenses)	-	3,249.80
Reimbursement of expenses incurred on issue of GDS and FCCN	-	0.51
Proceeds from fixed deposits	-	339.39
Repayment of fixed deposits	(1,069.25)	(233.58)
Proceeds from long term borrowings	2,498.24	1,221.68
Repayment of long term borrowings	(74.94)	(1,274.56)
Premium paid on redemption of NCD	-	(71.96)
Proceeds from short term borrowings	4,242.26	6,399.01
Repayment of short term borrowings	(6,942.24)	(3,721.78)
Net change in other short-term borrowings (with maturity up to three months)	132.61	(1,971.78)
Dividend paid (including dividend distribution tax)	(1,462.28)	(990.21)
Interest paid [including discounting charges paid, ₹ 365.62 crores (2010-2011 ₹ 418.50 crores)]	(1,482.35)	(1,206.93)
Net cash (used in) / from financing activities	<u>(4,235.59)</u>	<u>1,648.42</u>
Net (decrease) / increase in cash and cash equivalents	<u>(437.28)</u>	<u>632.10</u>
Cash and cash equivalents as at March 31, (opening balance)	1,352.14	716.27
Exchange fluctuation on foreign currency bank balances	4.78	3.77
Cash and cash equivalents as at March 31, (closing balance)	<u>919.64</u>	<u>1,352.14</u>
Non-cash transactions:		
FCCN / CARS converted to ordinary shares	-	1,490.25

Previous year's figures have been restated, wherever necessary, to conform to this year's classification.

In terms of our report attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

RATAN N TATA
Chairman

RAVI KANT
Vice-Chairman

N N WADIA
S M PALIA
R A MASHELKAR
N MUNJEE
S BHARGAVA
V K JAIRATH
R SEN
R SPETH
Directors

For and on behalf of the Board

P M TELANG
Managing Director - India Operations

C RAMAKRISHNAN
Chief Financial Officer

H K SETHNA
Company Secretary

Mumbai, May 29, 2012

Mumbai, May 29, 2012