

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2004

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

	For the year ended 31st March, 2004 (Rs. in Crores)	For the year ended 31st March, 2003 (Rs. in Crores)
A. NET PROFIT BEFORE TAX	2319.06	2056.19
ADJUSTMENTS FOR :		
Depreciation	241.62	237.34
Interest etc. - Net	(35.88)	(7.90)
Income from Long Term Investments	(27.28)	(3.06)
Income from Current Investments	(78.16)	(4.41)
Fixed Assets – Loss on Sale/Write off – Net	12.17	7.68
(Profit)/Loss on Sale of Current Investments – Net	1.36	(42.70)
Unrealised (Gain)/Loss on Exchange – Net	0.14	(0.57)
Provision for estimated loss on Fixed Assets held for Sale	—	35.04
Liability no longer required written back	(9.25)	(20.02)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	104.72	201.40
ADJUSTMENTS FOR :	2423.78	2257.59
Trade and Other Receivables	(35.24)	(44.82)
Inventories	(274.23)	(71.95)
Trade Payables	568.29	485.79
CASH GENERATED FROM OPERATIONS	2682.60	2626.61
Income Tax Paid	(789.33)	(712.57)
NET CASH FROM OPERATING ACTIVITIES	1893.27	1914.04
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(444.60)	(452.41)
Sale of Fixed Assets	0.77	3.24
Purchase of Business (See Note Below)	(38.83)	—
Purchase of Current Investments	(11629.27)	(3369.01)
Sale/Redemption of Current Investments	10470.69	2820.32
Purchase of Long Term Investments	(221.73)	(106.16)
Sale of Long Term Investments	0.04	0.03
Income from Long Term Investments Received	21.61	3.06
Income from Current Investments Received	9.24	—
Interest Received	59.11	26.77
Refund of Deposits towards Property Options	1.50	—
Loans Given	(384.05)	(1148.90)
Loans Realised	364.23	1184.27
NET CASH USED IN INVESTING ACTIVITIES	(1791.29)	(1038.79)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	11.21	—
Proceeds from Long Term Borrowings	7.47	7.89
Repayments of Long Term Borrowings	(28.01)	(185.41)
Net increase/(decrease) in Cash/Export Credit Facilities and other Short Term Loans	9.38	9.96
Interest etc. Paid	(29.54)	(41.55)
Dividends Paid	(369.58)	(332.08)
Income Tax on Dividend Paid	(47.57)	—
NET CASH FLOW USED IN FINANCING ACTIVITIES	(446.64)	(541.19)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(344.66)	334.06
OPENING CASH AND CASH EQUIVALENTS	378.66	44.60
CLOSING CASH AND CASH EQUIVALENTS	34.00	378.66
CASH AND CASH EQUIVALENTS COMPRISE :		
Cash and Bank Balances	34.04	378.84
Unrealised Loss/(Gain) on Foreign Currency Cash and Cash Equivalents	(0.04)	(0.18)
	34.00	378.66

Notes :

- Details of purchase consideration on acquisition of business [Schedule 19 (x)] :
Payable to M/s BILT Industrial Packaging Company Limited for acquisition of undertaking relating to Paperboards, Paper and Packaging Business (including Rs. 7.76 Crores towards Net Current assets), net of liability of Rs. 15.03 Crores towards sales tax deferment loans assumed.
Cash paid 232.99
Balance Payable 38.83
194.16

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

A. K. MAHINDRA
Partner

Mumbai, 28th May, 2004

On behalf of the Board

Y.C. DEVESHWAR *Chairman*
K. VAIDYANATH *Director*
B.B. CHATTERJEE *Secretary*
Kolkata, 28th May, 2004