

Cash Flow Statement for the year ended 31st March, 2010

	Year Ended 31-03-2010 Rupees crores	Year Ended 31-03-2009 Rupees crores
A. Cash Flow from Operating Activities :		
Net Profit before tax	7,214.30	7,315.61
Adjustments for :		
Depreciation	1,083.18	973.40
(Profit)/Loss on sale of Assets/Discarded Assets written off	(7.75)	6.43
(Profit)/Loss on sale of other investments	(628.39)	(186.46)
Impairment of Assets	5.60	-
(Gain)/Loss on cancellation of forward covers/options	31.03	(26.62)
Provision for diminution in value of investments	-	0.10
Interest and income from current investments	(339.79)	(336.81)
Income from other investments	(248.68)	(101.62)
Interest charged to Profit and Loss Account	1,848.19	1,489.50
Amortisation of employee separation compensation	217.53	222.34
Provision for Wealth Tax	1.00	1.00
Exchange (Gain)/Loss on revaluation of foreign currency loans	11.13	67.91
Amortisation of long term loan expenses	79.52	32.71
	<u>2,052.57</u>	<u>2,141.88</u>
Operating Profit before Working Capital Changes	9,266.87	9,457.49
Adjustments for :		
Trade and Other Receivables	438.22	(6.56)
Inventories	413.42	(875.49)
Trade Payables and Other Liabilities	330.20	1,772.02
	<u>1,181.84</u>	<u>889.97</u>
Cash Generated from Operations	10,448.71	10,347.76
Direct Taxes paid	(2,079.49)	(2,797.56)
Net Cash from Operating Activities	<u>8,369.22</u>	<u>7,549.90</u>
B. Cash Flow from Investing Activities :		
Purchase of fixed assets	(2,102.04)	(2,786.29)
Sale of fixed assets	78.34	15.18
Purchase of investments	(1,89,929.81)	(59,797.33)
Purchase of investments in Subsidiaries	(5,811.84)	(4,438.90)
Sale of investments	1,92,326.96	57,181.61
Inter-corporate deposits/Shareholder Loan (net)	(121.68)	(41.91)
Interest and income from current investments received	56.55	185.25
Dividend received	248.68	101.62
Net Cash used in Investing Activities	<u>(5,254.84)</u>	<u>(9,580.77)</u>

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C. Cash Flow from Financing Activities :		
Issue of Equity Capital	2,421.50	0.25
Issue of Cumulative Convertible Preference Shares	-	0.14
Capital contribution received	1.76	-
Proceeds from borrowings	6,457.36	6,494.43
Repayment of borrowings	(7,047.78)	(894.38)
Amount received/(paid) on cancellation of forward covers/options	(30.82)	(10.17)
Long term loan expenses	(278.79)	(32.51)
Interest paid	(1,678.44)	(1,213.96)
Dividend paid	(1,317.92)	(1,187.37)
Net Cash from Financing Activities	(1,473.13)	3,156.43
Net increase/(decrease) in Cash or Cash equivalents (A+B+C)	1,641.25	1,125.56
Opening Cash and Cash equivalents [See Schedule I, Page 147]	(v) 1,592.89	465.04
Closing Cash and Cash equivalents [See Schedule I, Page 147]	(iv) 3,234.14	(iv) 1,590.60

- Notes :**
- (i) Figures in brackets represent outflows.
 - (ii) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised **Rs. 127.71** crores (31.03.2009 : Rs. 29.11 crores).
 - (iii) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the period and includes application money on investments **Rs. 1,423.93** crores (31.03.2009 : Rs. 247.61 crores). The application money during the current period includes Rs. 1,193.35 crores by way of transfer of assets under construction to a subsidiary.
 - (iv) Includes **Rs. 0.14** crores (31.03.2009 : Rs. 0.24 crores) refund orders issued on account of over subscription of Rights Issue of Equity Shares not encashed as on 31st March, 2010 and **Rs. 39.44** crores (31.03.2009 : Rs. 33.08 crores) in pre-funded dividend accounts.
 - (v) Includes **Rs. 2.29** crores of Hooghly Met Coke and Power Company Ltd. on amalgamation with Tata Steel Ltd.
 - (vi) Previous year figures have been recast/restated wherever necessary.

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

P R RAMESH
Partner.

Mumbai, 26th May, 2010

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA	Chairman
B MUTHURAMAN	Vice Chairman
NUSLI N WADIA	} Directors
JAMSHED J IRANI	
S M PALIA	
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	
KIRBY ADAMS	
H M NERURKAR	Managing Director