

Cash Flow Statement for the year ended 31st March, 2011

	Year Ended 31-03-2011 ₹ crores	Year Ended 31-03-2010 ₹ crores
A. Cash Flow from Operating Activities :		
Net Profit before tax	9,776.85	7,214.30
Adjustments for :		
Depreciation	1,146.19	1,083.18
(Profit)/Loss on sale of Assets/Discarded Assets written off	0.62	(7.75)
(Profit)/Loss on sale of other investments	(648.09)	(628.39)
Impairment of Assets	20.23	5.60
(Gain)/Loss on cancellation of forward covers/ swaps/options	(50.54)	31.03
Interest and income from current investments	(385.78)	(339.79)
Income from other investments	(92.66)	(248.68)
Interest charged to Profit and Loss Account	1,686.27	1,848.19
Provision for Wealth Tax	1.28	1.00
Exchange (Gain)/Loss on revaluation of foreign currency loans	(275.05)	11.13
Amortisation of long term loan expenses	49.43	79.52
	<u>1,451.90</u>	<u>1,835.04</u>
Operating Profit before Working Capital Changes	11,228.75	9,049.34
Adjustments for :		
Trade and Other Receivables	(103.01)	434.30
Inventories	(876.01)	413.42
Trade Payables and Other Liabilities	1,163.27	551.65
	<u>184.25</u>	<u>1,399.37</u>
Cash Generated from Operations	11,413.00	10,448.71
Direct Taxes paid	(2,870.28)	(2,079.49)
Net Cash from Operating Activities	<u>8,542.72</u>	<u>8,369.22</u>
B. Cash Flow from Investing Activities :		
Purchase of fixed assets	(4,321.85)	(2,102.04)
Sale of fixed assets	387.42	78.34
Purchase of investments	(97,469.30)	(1,89,929.81)
Purchase of investments in Subsidiaries	(5,312.05)	(5,811.84)
Sale of investments	96,878.80	1,92,326.96
Inter-corporate deposits/Shareholder Loan (net)	(3,707.39)	(121.68)
Interest and income from current investments received	163.58	56.55
Dividend received	92.66	248.68
Net Cash used in Investing Activities	<u>(13,288.13)</u>	<u>(5,254.84)</u>

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C. Cash Flow from Financing Activities :		
Issue of Equity Capital	4,368.01	2,421.50
Issue of Share Warrants	178.20	—
Capital contribution received	0.33	1.76
Proceeds from Hybrid Perpetual Securities	1,500.00	—
Proceeds from borrowings	6,412.04	6,457.36
Repayment of borrowings	(4,257.64)	(7,047.78)
Amount received/(paid) on cancellation of forward covers/swaps/options	34.61	(30.82)
Long term loan expenses	(264.84)	(278.79)
Interest paid	(1,609.95)	(1,678.44)
Dividend paid	(707.95)	(1,317.92)
Net Cash from Financing Activities	5,652.81	(1,473.13)
Net increase/(decrease) in Cash or Cash equivalents (A+B+C)	907.40	1,641.25
Opening Cash and Cash equivalents [See Schedule I, Page 153]	3,234.14	1,592.89
Closing Cash and Cash equivalents [See Schedule I, Page 153]	(iv) 4,141.54	(iv) 3,234.14

- Notes :** (i) Figures in brackets represent outflows.
- (ii) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 81.77 crores (31.03.2010 : ₹ 127.71 crores).
- (iii) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the period and includes application money on investments ₹ 5,307.34 crores (31.03.2010 : ₹ 1,423.93 crores). The application money during the current period includes ₹ 161.18 crores (31.03.2010 : ₹ 1,193.35 crores) by way of transfer of assets under construction to a subsidiary.
- (iv) Includes ₹ 0.61 crores (31.03.2010 : ₹ 0.14 crores) refund orders issued on account of over subscription of Rights Issue of Equity Shares not encashed as on 31st March, 2011 and ₹ 41.26 crores (31.03.2010 : ₹ 39.44 crores) in pre-funded dividend accounts.
- (v) 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, 25th May, 2011

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	} Managing Director
ANDREW ROBB	
KARL-ULRICH KOEHLER	
H M NERURKAR	