

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

(Rs. in lacs)

|   | 2010-2011         | 2009-2010         |
|---|-------------------|-------------------|
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>  |                   |                   |
| <b>Net Profit before Tax</b>  | 20951.12          | 23410.54          |
| <b>Adjustments for :</b>  |                   |                   |
| Depreciation  | 8148.20           | 5501.36           |
| Interest Expenses (Net of Capitalisation)   | 4177.61           | 3453.27           |
| Loss on Fixed Assets Sold/Discarded(Net)  | 90.07             | 44.54             |
| Irrecoverable loans, debts & advances written off   | 18.97             | 22.86             |
| Provision for Doubtful Loan, Debts & Advances   | 71.30             | 79.11             |
| Provision for Diminution in value of Investments Written back   | (8.06)            | -                 |
| Provision against loan no longer required written back  | -                 | (170.00)          |
| Deferred Revenue Expenditure written off  | -                 | 232.05            |
| Unrealised Foreign Exchange Loss (Net)  | 4.60              | 84.16             |
| Interest & Dividend Income  | (599.78)          | (621.56)          |
|   | <b>32854.03</b>   | <b>32036.33</b>   |
| <b>Operating Profit before Working Capital Changes :</b>  |                   |                   |
| Increase in Trade Payables  | 5825.40           | 5395.36           |
| (Increase) in Trade & Other Receivables   | (8211.37)         | (2728.90)         |
| (Increase) in Inventories   | (1392.52)         | (4032.24)         |
| <b>Cash Generated from Operations:</b>  | <b>29075.54</b>   | <b>30670.55</b>   |
| Direct Taxes Paid (Net)   | (5638.80)         | (4480.32)         |
| <b>Net Cash from Operating Activities</b>   | <b>23436.74</b>   | <b>26190.23</b>   |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>  |                   |                   |
| Sale of Fixed Assets  | 131.32            | 31.43             |
| Purchase of Investments (Net)   | (1926.61)         | (3800.96)         |
| Interest Received   | 140.44            | 160.69            |
| Dividend Received   | 449.66            | 461.71            |
| Purchase of Fixed Assets  | (17951.45)        | (19188.16)        |
| Loans (given)   | (0.35)            | (3.57)            |
| <b>Net Cash used in Investing Activities</b>  | <b>(19156.99)</b> | <b>(22338.86)</b> |
| <b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>  |                   |                   |
| Proceeds from Long Term Loans   | -                 | 14470.00          |
| Repayment of Long Term Loans  | (3121.82)         | (818.69)          |
| Increase/(Decrease) in other loans (Net)  | 6165.67           | (8532.54)         |
| Calls in arrear (Equity Share)  | 0.10              | 1.00              |
| Issue of Share Warrant  | 1717.50           | -                 |
| Calls in arrear (Share Premium)   | 3.53              | 35.20             |
| Interest Paid   | (4476.88)         | (4342.43)         |
| Payment of Preference Share Redemption amount   | (0.12)            | -                 |
| Dividend Paid   | (2868.27)         | (2883.45)         |
| Preference Dividend Paid  | (6.00)            | (0.03)            |
| Dividend Tax Paid   | (481.54)          | (491.72)          |
| <b>Net Cash used in Financing Activities</b>  | <b>(3067.83)</b>  | <b>(2562.66)</b>  |
| <b>Net Changes in Cash &amp; Cash Equivalents (A+B+C)</b>   | <b>1211.92</b>    | <b>1288.71</b>    |
| * Cash & Cash Equivalents - Opening Balance   | 4669.74           | 3328.98           |
| Add: Cash Balance transferred from Amalgamating Company (Ref. Note No. 5 on Sch.22)   | 2.25              | 52.05             |
| <b>Total Cash &amp; Cash Equivalents - Opening Balance</b>  | <b>4671.99</b>    | <b>3381.03</b>    |
| * Cash & Cash Equivalents - Closing Balance   | 5883.91**         | 4669.74           |
| * Represents Cash and Bank Balances as indicated in Schedule 10.  |                   |                   |
| ** Includes Rs. 67.77 lacs (Rs. 42.77 lacs) lying in Unpaid Dividend Account and Rs. 9.95 lacs (Rs. 13.03 lacs) of receipts/pass books lodged with Government Departments/Banks having restrictive use. |                   |                   |

Note: The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

As per our report of even date.

**For S. R. Batliboi & Co.**

Firm Registration Number: 301003E

Chartered Accountants

Per **Raj Agrawal**

a Partner

Membership No. 82028

New Delhi

Dated: 27th April, 2011

**S. L. Saraf** Secretary **P. K. Sonthalia** President (Finance) and CFO

**C. K. Birla** Chairman

**M. L. Pachisia** Managing Director