

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2008

(Rupees in Million)

Particulars	Cash Flow for the Period 30th March 2007 to 31st March 2008	
<b>A. Cash Flow from Operating Activities :</b>		
Net (Loss) / Profit Before Taxes:		(32,980.9)
<u>Adjustment for :</u>		
Depreciation	7,616.6	
(Profit)/Loss on sale of fixed assets	(4,698.2)	
Dividend income	(23.9)	
Interest income	(743.7)	
Interest expenditure	7,013.0	9,163.8
<b>Operating (Loss) / Profit Before Working Capital Changes</b>		<b>(23,817.1)</b>
<u>Adjustments for :</u>		
Inventories	(10,016.1)	
Less: Adjustments as per Scheme of Amalgamation	(8,703.7)	(1,312.4)
Debtors and Other Receivables	(39,949.8)	
Less: Adjustments as per Scheme of Amalgamation	(43,640.3)	3,690.5
Creditors and Other Payables	51,932.0	
Less: Adjustments as per Scheme of Amalgamation	48,225.4	3,706.6
<b>Cash Generated from Operations</b>		<b>6,084.7</b>
Direct Taxes paid	(2,814.4)	(17,732.4)
Less: Adjustments as per Scheme of Amalgamation	(1,028.1)	(1,786.3)
<b>Net Cash Flow (used in)/ from Operating Activities</b>		<b>(19,518.7)</b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase of Assets	(232,163.0)	
Less: Adjustments as per Scheme of Amalgamation	(155,738.5)	(76,424.5)
Proceeds from sale of fixed assets		9,235.9
Purchase of Investments	(901.2)	
Less: Adjustments as per Scheme of Amalgamation	(914.1)	
Sale of investments		12.9
Interest Received		424.8
Dividend Received		23.9
<b>Net Cash Flow used in Investing Activities</b>		<b>(66,727.0)</b>
<b>C. Cash Flow from Financing Activities :</b>		
Issue of Shares	1,450.0	
Less: Adjustments as per Scheme of Amalgamation	1,449.5	0.5
Proceeds from Borrowings (Net of Repayments)	184,134.0	
Less: Adjustments as per Scheme of Amalgamation	90,087.8	94,046.2
Interest Paid		(6,974.9)
<b>Net Cash Flow from/(used in) Financing Activities</b>		<b>87,071.8</b>
<b>Net increase in Cash and Cash equivalents</b>		<b>826.1</b>
<b>Cash and Cash equivalents (Closing balance)</b>	<b>10,845.0</b>	
Less: Adjustments as per Scheme of Amalgamation	10,018.9	
<b>Net increase in Cash and Cash equivalents</b>		<b>826.1</b>

## Notes

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 (AS-3) on "Cash Flow Statements", and presents cash flows by operating, investing and financing activities.



2. The figures shown under Adjustments as per Scheme of Amalgamation are of a non-cash nature and hence have been excluded from the Cash Flow
3. Figures in brackets are outflows/deductions.

As per our Report attached

For and on behalf of <b>Kalyaniwalla &amp; Mistry</b> Chartered Accountants	For and on behalf of <b>Arun K. Agarwal &amp; Assoc.</b> Chartered Accountants	For and on behalf of <b>P.K. Chopra &amp; Co</b> Chartered Accountants	For and on behalf of the Board sd/- <b>Raghu Menon</b> Chairman & Managing Director	sd/- <b>R.K. Singh</b> Director
sd/- <b>Ermin K. Irani</b> Partner M.No-35646	sd/- <b>Vimal Kumar Jain</b> Partner M.No-86657	sd/- <b>Samir Chopra</b> Partner M.No-87870	sd/- <b>S.Chandrasekhar</b> Director (Finance)	sd/- <b>S.Venkat</b> Executive Director-Finance & Company Secretary

Place : Mumbai  
Date : 17 December 2008