



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2006

	Current Year	Rs. Million Previous Year
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Prior Period Adjustments	62712	60680
Adjustment for:		
Depreciation	20477	19584
Provisions	357	75
Deferred revenue on account of Advance Against Depreciation	1034	1783
Interest charges	11852	10308
Guarantee Fee & Other Finance charges	504	1597
Interest/Income on Bonds/Investments	(19195)	(14991)
Prior Period Adjustments (Net)	(2488)	102
Dividend Income	(148)	(117)
Provisions Written Back	(93)	(6235)
Bonds issue and Servicing Expenses	118	18
Loss on maturity of Current Investments	6	-
	12494	12124
Operating Profit before Working Capital Changes	75206	72804
Adjustment for:		
Trade and Other Receivables	(2589)	(2835)
Inventories	(4510)	105
Trade Payables and Other Liabilities	(73)	(16319)
Loans and Advances	(1490)	3323
Other Current Assets	(406)	(467)
	(9068)	(16193)
Cash generated from operations	66138	56611
Direct Taxes Paid	(9319)	(12959)
Income Tax Recoverable	5245	7346
Net Cash from Operating Activities - A	62064	50998
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(66956)	(53699)
Purchase of Investments	(45959)	(34167)
Sale of Investment	71638	-
Investment in Subsidiaries/Joint Ventures	(5552)	(430)
Loans & Advances to Subsidiary	(92)	(52)
Development Surcharge Account	-	(1358)
Interest/Income on Bonds/Investment Received	19637	25453
Dividend Received	148	117
Net cash used in Investing Activities - B	(27136)	(64136)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share capital (Including Premium)	-	26841
Proceeds from Long Term Borrowings	48226	29592
Repayment of Long Term Borrowings	(17131)	(13242)
Interest Paid	(11383)	(10323)
Guarantee Fee & other Finance charges Paid	(504)	(1597)
Dividend Paid	(26386)	(20718)
Tax on Dividend	(3701)	(2679)
Bonds issue and Servicing Expenses	(118)	(304)
Net Cash flow from Financing Activities - C	(10997)	7570
Net Increase/Decrease in Cash and Cash equivalents (A+B+C)	23931	(5568)
Cash and cash equivalents (Opening balance) *	60783	66351
Cash and cash equivalents (Closing balance) *	84714	60783

NOTES : Cash and Cash Equivalents consists of Cash in Hand, Balance with Banks, Public Deposit Account and interest accrued thereon. Previous year's figures have been regrouped/rearranged wherever necessary.

* Includes Rs. 14 Million deposited as security with Government Authorities as per court orders.

For and on behalf of the Board of Directors

(A.K.RASTOGI)
Company Secretary

(A.K.SINGHAL)
Director (Finance)

(T.SANKARALINGAM)
Chairman & Managing Director

As per our report of even date

For Kalani & Co.
Chartered Accountants

For Amit Ray & Co.
Chartered Accountants

For Umamaheswara Rao & Co.
Chartered Accountants

(Vikas Gupta)
Partner
M No. 77076

(Pradeep Mukherjee)
Partner
M No 70693

(V.Umaheswara Rao)
Partner
M No. 2275

For S.N. Nanda & Co.
Chartered Accountants

For T.R. Chadha & Co.
Chartered Accountants

(Gaurav Nanda)
Partner
M No 500417

(Sanjay Gupta)
Partner
M No 87563

Place : New Delhi
Dated : 31st May 2006