



Schedules to the Statement of Cash flows	<i>In Rs crore</i>	
	Year ended March 31,	
	2003	2002
<b>1 INCOME TAXES PAID DURING THE YEAR</b>		
Charge as per the Profit and Loss Account	201.00	135.43
Add: Increase in advance income taxes	53.74	112.51
Less: Increase/(Decrease) in income tax provision	(35.24)	(116.67)
	<u>219.50</u>	<u>131.27</u>
<b>2 CHANGE IN LOANS AND ADVANCES DURING THE YEAR</b>		
As per the Balance Sheet	872.78	643.87
Less: Deposits with financial institutions and body corporate, included in cash and cash equivalents	(302.28)	(254.74)
Advance income taxes separately considered	(289.99)	(236.25)
	<u>280.51</u>	<u>152.88</u>
Less: Opening balance considered	(152.88)	(113.86)
	<u>127.63</u>	<u>39.02</u>
<b>3 CHANGE IN CURRENT LIABILITIES AND PROVISIONS DURING THE YEAR</b>		
As per the Balance Sheet	703.23	459.41
Add/		
(Less): Provisions separately considered in the cash flow Statement		
Income taxes	(274.81)	(239.57)
Dividends	(96.05)	(82.73)
Dividend tax	(12.30)	-
	<u>320.07</u>	<u>137.11</u>
Less: Non Cash transactions	(24.50)	-
Less: Opening balance considered	(137.11)	(142.27)
	<u>158.46</u>	<u>(5.16)</u>
<b>4 PURCHASES OF FIXED ASSETS AND CHANGE IN CAPITAL WORK-IN-PROGRESS</b>		
As per the Balance Sheet	317.87	342.72
Less: Opening Capital work-in-progress	(150.67)	(170.65)
Less: Non Cash transaction	(24.50)	-
Add: Closing Capital work-in-progress	76.56	150.67
	<u>219.26</u>	<u>322.74</u>
<b>5 LONG-TERM INVESTMENTS IN SECURITIES DURING THE YEAR</b>		
As per the Balance Sheet	33.20	44.44
Add: Provisions on investments	23.77	-
	<u>56.97</u>	<u>44.44</u>
Less: Opening balance considered	(44.44)	(34.12)
	<u>12.53</u>	<u>10.32</u>
<b>6 CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		
As per the Balance Sheet	1,336.23	772.22
Add: Deposits with financial institutions and body corporate, included herein	302.28	254.74
	<u>1,638.51</u>	<u>1,026.96</u>

**7. NOTES ON THE STATEMENT OF CASH FLOWS**

- 7.1 Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing, and investing activities of the company are segregated. Cash flows in foreign currencies are accounted at average monthly exchange rates that approximate the actual rates of exchange prevailing at the dates of the transactions.
- 7.2 The balance of cash and cash equivalents includes Rs 1.60 as at March 31, 2003 set aside for payment of dividends.
- 7.3 During the year ended March 31, 2003, the company entered into an agreement with the Aeronautical Development Agency, India for acquiring the intellectual property rights in AUTOLAY, a commercial software application product used in the design of high performance structural systems. The agreement requires the company to pay a consideration of \$ 5 million (approximately Rs. 24.50) by 10 years of the contract date. The intellectual property has been recorded in the books of account along with the corresponding liability, which in substance is a non-cash transaction and hence has been excluded in the statement of cash flows.
- 7.4 Long-term investments in securities includes Rs. 12.25 invested in Progeon Ltd., a subsidiary, in the year ended March 31, 2003.
- 7.5 The previous year's/period's figures have been recast/ restated, wherever necessary, to conform to the current period's presentation.