

BHARAT SANCHAR NIGAM LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

PARTICULARS	Year ended 31st March 2010	Year ended 31st March 2009
	(Rs. in Lakh)	(Rs. in Lakh)
A. Cash flow from operating activities:		
Net (loss)/profit before tax but after		
Prior period and Extraordinary items	(219,748)	127,163
Adjustments for:		
Depreciation	919,679	852,341
Utilization of General Reserve for leave encashment provision for earlier period	(33,187)	-
Prior period depreciation	10,464	4,189
Interest/Finance charges	35,161	44,325
Interest Income	(245,699)	(388,504)
Loss/(Profit) on Fixed Assets sold	(2,468)	(2,165)
Debts / Advances Written off	54,371	91,453
Provision for Bad and Doubtful Debts	67,161	85,640
Excess provision written back	(80,353)	(117,014)
Prior Period item other than depreciation	6,021	14,419
Foreign Exchange Loss	(2,500)	3,865
Other Provision	176,742	176,091
Operating profit before working capital changes	905,392	764,640
Adjustments for changes in working capital :		
- Inter Circle Remittance	(27,584)	(45,118)
- Sundry Debtors	(121,664)	(83,612)
- Other Receivables	(338,413)	(152,971)
- Trade and Other Payables	2,205,401	326,506
Cash generated from operations	1,717,740	44,805
Taxes paid	(161,006)	(237,808)
Prior Period item other than depreciation	(6,021)	(14,419)
Net cash from operating activities	2,236,357	684,381
B. Cash flow from Investing activities:		
Inventories Purchased	(48,533)	(132,712)
Purchase of fixed assets	(3,016,422)	(860,242)
Capital Work in Progress	(102,619)	(226,409)
Proceeds from Sale of fixed assets	128,798	36,597
Interest Received	247,418	438,952
	(2,791,358)	(743,814)
C. Cash flow from financing activities:		
Interest Paid	(34,155)	(41,901)
Repayment of Government Loan	(189,934)	-
Dividend Paid	-	(120,000)
Dividend Distribution Tax Paid	-	(20,394)
Net cash used in financing activities	(224,089)	(182,295)
Net Increase/(Decrease) in Cash and Cash Equivalents	(779,090)	(241,728)
Opening Cash and cash equivalents	3,813,430	4,055,158
Cash and cash equivalents as at 31.03.2010	3,034,340	3,813,430
Cash and cash equivalents comprise		
Cash, Cheques and Drafts (in hand)	2,257	2,415
Balances with banks	3,032,083	3,811,015
	3,034,340	3,813,430

Notes:

- In the absence of adequate data regarding assets appearing in the deletions/adjustments column of the fixed assets schedule all delet have been assumed to be cash sales.
- In the absence of adequate details regarding unreconciled inter circle remittances with the subsidiary records, the inter circle remittanc have been treated as part of working capital changes.
- Figures in bracket shows outflows.

As per report of even date.

For **Sharma Goel & Co.**
Chartered Accountants
FRN 000643N

For and on behalf of Bharat Sanchar Nigam Limited

Kuldeep Goyal
Chairman and Managing Director

Amar Mittal
Partner
M. No: 017755

Gopal Das
Director (HRD)

S R Kapoor
Executive Director (Finance)

Arundati Panda
Sr. General Manager (Corporate Accounts)

Place: New Delhi
Date : 30th July 2010

H.C.Pant
Company Secretary and Sr. General Manager (Legal)