

CASH FLOW STATEMENT

for the Year ended March 31, 2019

(₹ in Crores)

	Year Ended March 31, 2019	Year Ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Exceptional Items and Tax*	496.38	753.45
Adjustments for:		
Depreciation and amortisation expense	131.18	111.58
Amortisation of leasehold land	0.07	0.07
Finance Costs attributable to other than financial services operations	391.72	356.35
Finance Costs in relation to compulsorily convertible debentures considered separately	36.00	-
Interest Income on Loans and Bank Deposits	(256.59)	(303.97)
Measurement of financial assets at FVTPL	26.79	(30.28)
Dividend on Non Current Equity Instruments	(61.25)	-
Loss on Sale of Property Plant and Equipment	0.33	2.30
Write-down of inventories	0.71	(0.16)
Expected Credit Loss on Financial Assets (including Commitments)	(15.26)	39.24
Profit on Sale on Investment (Net)	(0.13)	(0.03)
Expected Credit Loss on Trade Receivables	0.41	8.13
Recognition of lease rent expense on straight-line method	(2.11)	(1.45)
Unrealised Foreign exchange (gain) / loss	(103.17)	(223.01)
Operating Profit Before Working Capital Changes	645.08	712.22
Adjustments For Changes In Working Capital:		
Adjustments for (increase) / decrease in operating assets		
- Trade receivables	(137.44)	(0.90)
- Other Current Assets	(37.11)	(143.54)
- Other Non-Current Assets	(1.15)	(38.05)
- Other Financial Assets - Non-Current	0.82	2.56
- Other Financial Assets - Loans - Non-Current	3,720.57	(3,775.49)
- Inventories	15.20	(39.31)
- Other Financial Assets - Current	(169.85)	(42.52)
- Other Financial Assets - Loans - Current	54.99	828.61
- Amounts realised from / (invested in) Debentures and Alternate Investment Funds (Net)	1,633.58	(1,247.01)
- Mutual funds	1,151.09	(996.06)
Adjustments for increase / (decrease) in operating liabilities		
- Trade Payables	21.98	5.58
- Other Non-Current liabilities	125.16	-
- Non-Current provisions	5.62	(3.45)
- Other Current financial liabilities	(22.78)	27.77
- Other Current liabilities	15.70	4.45
- Current provisions	2.86	9.93
- Provisions for Grants - Committed	(7.28)	(12.94)
- Interest Accrued	(77.73)	(26.48)
Cash generated from / (used in) Operations	6,939.31	(4,734.63)
Taxes Paid (Net of Refunds)	(178.73)	(175.84)
Net Cash generated from / (used in) Operating Activities **	6,760.58	(4,910.47)
Note:		
* The exceptional item of provision of the Company's cost of equity investment in PHSA amounting to ₹ 1,287.96 Crores is non cash. Since profit considered for cash flow is before exceptional item, this item is reflected in the cash flow. (Refer note 35)		
** includes interest received ₹ 1,409.89 Crores (Previous year ₹ 1,232.27 Crores), Dividend Received ₹ 68.55 Crores (Previous year ₹ 61.68 Crores) and interest paid during the year ₹ 1,027.16 Crores (Previous year ₹ 656.19 Crores) pertaining to financial services operations.		

(₹ in Crores)

	Year Ended March 31, 2019	Year Ended March 31, 2018
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Purchase of Property Plant and Equipment / Intangible Assets	(133.73)	(391.17)
Proceeds from Sale of Property Plant and Equipment / Intangible Assets	0.21	1.19
Interest Received	159.21	264.49
Bank balances not considered as Cash and cash equivalents		
- Fixed deposits placed	(52.50)	(241.65)
- Matured	60.50	245.65
Other Bank Balances	(8.81)	(3.91)
Loans to related parties	(7,825.86)	(2,467.22)
Dividend on Non Current Equity Instruments	61.25	-
Purchase of Equity Investments in subsidiaries and joint ventures	(1,589.18)	(1,811.80)
Sale of Equity Investments in subsidiaries	-	1.03
Net Cash used in Investing Activities	(9,328.91)	(4,403.39)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Non-Current Borrowings		
- Receipts	7,269.98	3,185.00
- Payments	(2,474.21)	(2,162.42)
Proceeds from Current Borrowings		
- Receipts	54,374.04	39,234.83
- Payments	(55,808.45)	(36,532.50)
Proceeds from Compulsorily Convertible Debentures Issue	-	4,996.19
Transaction cost related to Compulsorily Convertible Debentures Issue	-	(47.04)
Coupon Payment on Compulsorily Convertible Debentures	(385.38)	(0.39)
Proceeds from Right Issue	6.87	1,781.57
Expenses incurred on conversion of Compulsorily Convertible Debentures	(1.27)	-
Transaction cost related to Right Issue	-	(7.54)
Finance Costs Paid (other than those attributable to financial services operations)	(372.77)	(324.91)
Dividend Paid	(448.23)	(359.95)
Dividend Distribution Tax Paid	(91.27)	(72.82)
Net Cash Generated from Financing Activities	2,069.31	9,690.02
Net Increase / (Decrease) in Cash & Cash Equivalents [(A)+(B)+(C)]	(499.02)	376.16
Cash and Cash Equivalents as at April 1	457.87	81.71
Cash and Cash Equivalents as at March 31	(41.15)	457.87

CASH AND CASH EQUIVALENTS COMPRISE OF :

Cash on Hand	0.05	0.03
Bank Overdraft	(64.54)	(64.07)
Balance with Scheduled Banks in Current Accounts	23.34	18.91
Fixed Deposit with maturity less than 3 months	-	503.00
	(41.15)	457.87

Note:

- During the year, the company had converted its ₹ 1,100 Crores of loan given to its wholly owned subsidiary, PHL Fininvest Private Limited ("Fininvest") into equity shares. (Refer Note 4).
- During the year, the company had converted its ₹ 1,224.80 Crores of loan given to its wholly owned subsidiary, Piramal Holdings (Suisse) SA ("PHSA") into Class B Non-voting shares. (Refer Note 4).
- During the year, the company had converted its ₹ 27.64 Crores of loan (including interest) given to its wholly owned subsidiary, DRG Analytics & Insights Private Limited into equity shares. (Refer Note 4).
- During the previous year, the company had converted its ₹ 1,700 Crores of loan given to its wholly owned subsidiary, Piramal Finance Limited (formerly known as Piramal Finance Private Limited) into equity shares. (Refer Note 4).

The above Statement of cash flows should be read in conjunction with the accompanying notes

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, April 26, 2019

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Leonard D'Souza
Company Secretary

Mumbai, April 26, 2019