

# Cash Flow Statement

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	79,010,444	27,492,807
Adjustment for :	-	-
Depreciation	4,465,144	1,238,697
Interest & Financial Charges	23,591,010	25,158,139
Interest & Dividend Received	(1,947,733)	(2,225,466)
Loss/(Profit) on sale of Fixed Assets	-	(152,598)
Preliminary Exp of IPO	1,730,000	-
<b>Operating profit before working capital changes</b>	<b>106,848,864</b>	<b>51,511,579</b>
<b>Adjustment for :</b>		
Increase/Decrease in Inventories	3,894,152	(15,702,610)
Increase in Sundry debtors	(106,537,286)	(353,413,076)
Increase in Loan & Advances	(42,560,218)	(17,700,257)
Increase in Current Liabilities	1,848,293	265,240,735
Cash Generated from operation	(36,506,195)	(70,063,629)
Less : Direct taxes refund / (paid)-net	7,338,909	884,189
<b>Net cash generated from operating activities</b>	<b>(43,845,104)</b>	<b>(70,947,818)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets & Intangible Assets	(46,727,576)	(489,400)
Sales/Adjustments of Fixed Assets	-	10,100,010
Capital Work In Progress	-	946,717
Interest & Dividend received	1,947,733	2,225,466
<b>Net cash used in investing activities</b>	<b>(44,779,843)</b>	<b>12,782,793</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest & Financial Charges Paid	(23,591,010)	(25,158,139)
Dividend & Dividend Tax Paid	(4,324,316)	(2,080,800)
IPO Expenses	(9,685,790)	-
Proceeds from issue of equity shares	135,505,330	-
Application money Received	-	1,825,000
Proceeds from Borrowings	(15,583,369)	62,000,831
Increase/(Decrease) in Investment	-	2,500
<b>Net cash used in Financing activities</b>	<b>82,320,846</b>	<b>36,589,392</b>
<b>Net Increase in Cash and cash equivalents (A+B+C)</b>	<b>(6,304,101)</b>	<b>(21,575,632)</b>
Cash and Cash equivalents at the beginning of the year	12,169,983	33,745,615
<b>Cash and Cash equivalents at the end of the year</b>	<b>5,865,882</b>	<b>12,169,983</b>
Components of cash and cash equivalents as at 31st March	<b>2,009</b>	<b>2,008</b>
Cash on Hand	1,002,376	4,829,776
with Banks - On Current account	634,954	400,554
- On Deposit account	4,228,552	6,939,653
	<b>5,865,882</b>	<b>12,169,983</b>

Notes: 1) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statement" issued by The ICA of India.

2) Figures in the brackets indicate outflow

As per our report of even date.

For **Kiran Matani & Associates**

Chartered Accountants

**Kiran Matani**

Proprietor

Membership No. 16879

Mumbai, 26th June 2009

For and on behalf of the Board of Directors

Pankaj Saraiya  
Chairman & Managing Director

Neelam Samant  
Company Secretary

Rupal Saraiya  
Whole Time Director

Veena Patil  
Chief Financial Officer



AVON CORPORATION LTD.