

ANNUAL REPORT 2011-12

GAIL (India) Limited

Cash Flow Statement for the Financial Year Ended 31st March, 2012

	(` in Crores)	
	2011-12	2010-11
A. CASH FLOW FROM OPERATING ACTIVITIES		
1 Net Profit Before Tax and Extraordinary Items	5,340.01	5,239.99
2 Add :		
Depreciation	791.94	650.35
Capital Reserve	(0.11)	(0.11)
Exchange Rate Variation	(0.28)	-
Interest Expenditure	116.46	82.86
Dividend Income on Investments	(252.40)	(301.21)
Interest Income	(174.82)	(110.02)
Provision for Employees Benefits	51.08	143.16
Provision for Payrevision	-	(51.62)
Provision for Doubtful Debts	360.49	(0.35)
Provision for Probable Obligations	37.93	108.08
Other Provisions	(4.43)	4.11
Provision / Write off of Assets / CWIP	152.31	52.39
Profit / Loss on Sale of Investments	0.10	
Profit / Loss on Sale of Assets (Net)	2.89	(14.57)
3 Operating Profit Before Working Capital Changes (1 + 2)	1,081.16	563.07
4 Changes in Working Capital (Excluding Cash & Bank Balances)	6,421.17	5,803.06
Trade and Other Receivables	(1,259.36)	(365.73)
Inventories	(564.63)	(222.01)
Trade and Other Payables	1,315.90	(654.21)
	(508.09)	(1,241.95)
5 Cash Generated from Operations (3+4)	5,913.08	4,561.11
6 Direct Taxes Paid	(1,425.34)	(1,483.86)
NET CASH FROM OPERATING ACTIVITIES (5+6)	4,487.74	3,077.25
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(6,680.50)	(4,632.21)
Sale of Fixed Assets	62.28	3.24
Sale of Investments	1.07	
Investment in Other Companies	(966.41)	(509.49)
Loans & Advances to Subsidiary	-	9.14
Interest Received	189.60	98.62
Dividend Received	252.40	301.21
NET CASH FROM INVESTING ACTIVITIES	(7,141.56)	(4,729.49)

(` in Crores)

C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	3,373.85	984.00
Repayment of Long Term Borrowings	(337.00)	(154.38)
Interest Paid	(329.94)	(108.17)
Dividend & Dividend Tax Paid	(1,253.11)	(1,109.37)
NET CASH FROM FINANCING ACTIVITIES	1,453.80	(387.92)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,200.02)	(2,040.16)
CASH AND CASH EQUIVALENTS AS AT 01.04.2011 (OPENING BALANCE)	2,131.35	4,171.51
CASH AND CASH EQUIVALENTS AS AT 31.03.2012 (CLOSING BALANCE)	931.33	2,131.35

NOTES :

- Cash & Cash Equivalents include :

Cash & Bank Balances As per Balance Sheet	931.33	2,131.35
Unrealised (Gain)/ loss on foreign Exchange	-	-
Total Cash & Cash Equivalents	931.33	2,131.35
- Cash & Cash Equivalents includes earmarked balance of ` 865.52 Crores (Previous year ` 752.93 Crores), Refer Note 18.

For and on behalf of the Board of Directors

N. K. Nagpal
Secretary

P. K. Jain
Director (Finance)

R. D. Goyal
Director (Projects)

B. C. Tripathi
Chairman & Managing Director

As per our separate report of even date

For **M/s M.L.Puri & Co.**
Chartered Accountants
Firm No:002312 N

Navin Bansal
Partner
Membership No. 91922

For **M/s Rasool Singhal & Co**
Chartered Accountants
Firm No :500015N

G. S. Haldia
Partner
Membership No.007012

Place : New Delhi
Dated : May 30, 2012

Disclosure as required by Clause 32 of the Listing Agreement

(Annexure - C)

(In Crore)

	Current Year		Previous Year	
	Amount as on 31.03.2012	Maximum amount outstanding during the year ended 31.03.2012	Amount as on 31.03.2011	Maximum amount outstanding during the year ended 31.03.2011
1 Loans and advances in the nature of loans:				
a To subsidiary Company: GAIL (Global) Singapore PTE Limited	57.32	59.68	57.69	66.83
b To Companies in which Directors are interested	Nil	Nil	Nil	Nil
c Where there is no repayment schedule or repayment beyond seven years or no interest or interest below Section 372 A of Companies Act	Repayment of Loan to be made till 23 September 2014 Rate of interest on loan is 6 months LIBOR+100 basis points		Repayment of Loan to be made till 23 September 2011. Rate of interest on loan is 6 months LIBOR+100 basis points.	
2 Investment by the Subsidiary Company in the shares of GAIL (India) Limited and its subsidiaries	Nil	Nil	Nil	Nil

Effective rate of interest on 31.03.2012 : $0.7425\% + 1.00\% = 1.7425\%$

1 Loans and advances in the nature of loans:				
a To subsidiary Company: GAIL (Global) USA inc	Nil	274.87	NA	NA
b To Companies in which Directors are interested	Nil	Nil	Nil	Nil
c Where there is no repayment schedule or repayment beyond seven years or no interest or interest below Section 372 A of Companies Act	Rate of interest on loan was 6 months LIBOR+200 basis points+with holding tax		í Á	
2 Investment by the Subsidiary Company in the shares of GAIL (India) Limited and its subsidiaries	Nil	Nil	Nil	Nil

Effective rate of interest during the year 31.03.2012 : $0.5578\% + 2.00\% = 2.5578\%$

1 Loans and advances in the nature of loans:				
a To Joint Venture Company: Bhagyanagar Gas Limitd	60	60	NA	NA
b To Companies in which Directors are interested	Nil	Nil	Nil	Nil
c Where there is no repayment schedule or repayment beyond seven years or no interest or interest below Section 372 A of Companies Act	Repayment of Loan is schedule in Five monthly installment starting from July'2012.		NA	
2 Investment by the Subsidiary Company in the shares of GAIL (India) Limited and its subsidiaries	Nil	Nil	Nil	Nil

Effective rate of interest during the year 31.03.2012 : 10% and 13% and on default rate is SBIPLR+1%.