

Cash Flow Statement

for the year ended 31st March, 2018

	(₹ in Crores)	
	Year 2017-18	Year 2016-17
(A) Cash Flow From Operating Activities		
Profit before tax	2,865.83	2,656.72
Adjustments for:		
Depreciation and amortisation expense	311.11	295.43
Interest income	(25.54)	(21.54)
Dividend income	(42.66)	(76.91)
Finance costs	21.06	18.86
Allowance for doubtful debts and advances	4.84	2.51
Bad debts written off	3.85	2.11
Income on prepayment of loan	-	(3.54)
Deferred income arising from government grant	(1.05)	(0.62)
Net unrealised foreign exchange (gain)/loss	(9.26)	1.84
Loss/(Gain) on sale of property, plant and equipment (net)	2.91	(0.79)
Net gain arising on financial assets measured at fair value through profit or loss (FVTPL)	(49.60)	(64.85)
Operating Profit before working capital changes	3,081.49	2,809.22
Adjustments for:		
(Increase) in trade receivables	(149.65)	(240.57)
(Increase) in financial assets	(46.93)	(180.96)
Decrease/(Increase) in inventories	15.66	(583.97)
(Increase) in other assets	(160.18)	(19.33)
Increase in trade and other payables	365.00	463.62
Increase in provisions	16.44	15.46
Cash generated from Operating activities	3,121.83	2,263.47
Income Tax paid (net of refund)	(985.74)	(843.43)
Net Cash generated from Operating activities	2,136.09	1,420.04
(B) Cash Flow from Investing Activities		
Purchase of Property, plant and equipment	(1,358.32)	(611.48)
Sale of Property, plant and equipment	9.37	1.81
Repayment of loan by subsidiary (net)	-	0.20
Purchase of non-current investments - Subsidiaries	(211.55)	-
Purchase of non-current investments - others	(54.00)	(70.00)
Sale of non current investments	195.68	220.93
Purchase of term deposits	(581.00)	(290.00)
Proceeds from maturity of term deposits	666.00	70.00
(Purchase)/sale of current investments (net)	(99.39)	2.91
Interest received	19.59	13.92
Dividend received from subsidiaries	6.10	5.08
Dividend received from others	36.56	71.83
Net Cash (used in) Investing activities	(1,370.96)	(584.80)
(C) Cash Flow from Financing Activities		
Proceeds from non-current borrowings	-	7.89
Repayment of non-current borrowings	(1.98)	(40.88)
Acceptances (net)	(32.08)	13.16
Finance costs paid	(20.16)	(22.58)
Dividend and Dividend tax paid	(1,184.83)	(913.58)
Net Cash (used in) Financing activities	(1,239.05)	(955.99)

Cash Flow Statement (Contd.)

for the year ended 31st March, 2018

	Year 2017-18	Year 2016-17
(D) Net (Decrease)/Increase in cash and cash equivalents [A+B+C]	(473.92)	(120.75)
Add: Cash and cash equivalents as at 1st April	1,156.99	1,276.49
Add: Pursuant to Amalgamation (Refer Note 31)	-	1.25
Cash and cash equivalents as at 31st March	683.07	1,156.99

Notes:

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

	As at 31.03.2018	As at 31.03.2017
(b) Cash and Cash Equivalents comprises of		
Cash on hand	0.02	0.03
Balances with Banks:		
- Current Accounts	12.76	22.89
- Cash Credit Account	1.98	8.30
- Deposit with bank with maturity less than 3 months	25.12	-
Cheques, draft on hand	66.82	30.79
Cash and cash equivalents (Refer Note 11A)	106.70	62.01
Add: Investment in liquid mutual funds [Refer Note 4II (ii)]	576.37	1,121.82
Bank Overdraft (Refer Note 15)	-	(26.84)
Cash and cash equivalents in Cash Flow Statement	683.07	1,156.99

(c) Amendment to Ind AS 7

The amendments to Ind AS 7 Cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

	As at 31.03.2017	Cash Flows	Non-cash changes	As at 31.03.2018
			Fair value changes	Current/ Non-current classification
Borrowings- Non current	10.38	-	0.91	(1.42)
Other Financial Liabilities	1.98	(1.98)	-	1.42
Borrowings - Current	26.84	(26.84)	-	-

- (d) During the year 2016-17, loan amounting to ₹ 16.65 crores given by Asian Paints (International) limited, Mauritius to Asian Paints International Private Limited ('APIPL') was converted into equity investment in APIPL. This being a non-cash transaction has been excluded from Statement of Cash Flows (Refer Note 4).

As per our report of even date attached

For and on behalf of the Board of Directors of
Asian Paints Limited
CIN:L24220MH1945PLC004598

For Deloitte Haskins & Sells LLP
Chartered Accountants
F.R.N: 117366W/W-100018

Shyamak R Tata
Partner
Membership No: 038320
Mumbai
10th May, 2018

Ashwin Choksi
Chairman
DIN:00009095

M.K. Sharma
Chairman of Audit Committee
DIN:00327684
Mumbai
10th May, 2018

K.B.S. Anand
Managing Director & CEO
DIN:03518282

Jayesh Merchant
CFO & Company Secretary,
President - Industrial JVs