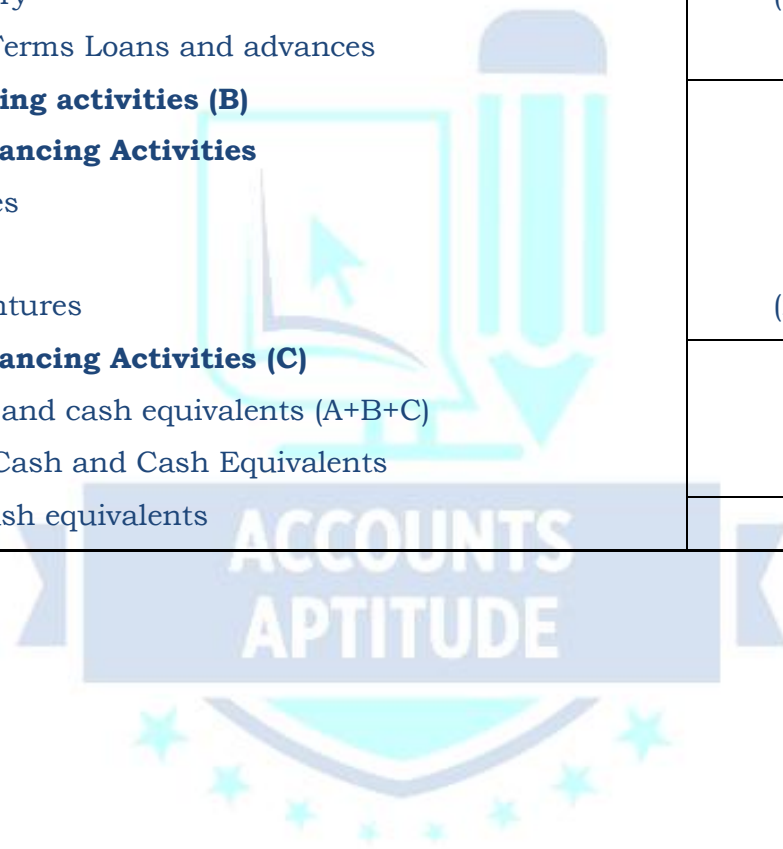


ARADHANA LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021

Particulars		Details (Rs.)	Amount (Rs.)
A)	Cash flow from Operating Activities		
	Net Profit Before Tax and Extraordinary Items (W. Note No. 1)	2,95,000	
	Adjustments for non-cash and non-operating items		
	Add: Depreciation of the year	60,000	
	Add: Amortisation of patents	8,000	
	Add: Interest on Debentures	20,000	88,000
	Operating profit before working capital changes	3,83,000	
	Add: Increase in creditors	20,000	
	Add: Increase in Bills Payable	80,000	
	Less: Increase in inventories	(20,000)	
	Less: Increase in trade receivables	(20,000)	60,000
	Cash generated from operations	4,43,000	
	Less: Payment of Tax	(2,80,000)	
	Cash Flow from operating activities (A)		1,63,000

B)	Cash Flow from Investing Activities		
	Purchase of Machinery	(1,10,000)	
	Investment in Long Terms Loans and advances	(30,000)	
	Cash used in investing activities (B)		(1,40,000)
C)	Cash Flow from Financing Activities		
	Issue of Equity shares	2,30,000	
	Payment of Interest	(20,000)	
	Redemption of Debentures	(2,00,000)	
	Cash Flow from Financing Activities (C)		10,000
D)	Net Increase in cash and cash equivalents (A+B+C)		33,000
	Add: Opening Cash and Cash Equivalents		2,65,000
	Closing Cash and Cash equivalents		2,98,000



Working Notes:

- | | | |
|---|---|--------------|
| 1. Net Profit as per statement of Profit and Loss | = | Rs. 20,000 |
| Add: Tax provided during the year | = | Rs. 2,75,000 |
| | = | Rs. 2,95,000 |

2.

PROVISION FOR TAX A/C

Dr.		Cr.	
Particulars	Rs.	Particulars	Rs.
Bank A/c	2,80,000	Balance b/d	3,25,000
Balance c/d	3,20,000	Statement of Profit and Loss	2,75,000
Total	6,00,000	Total	6,00,000