

Indus Dyeing & Manufacturing Company Limited.
Cash flow statement (un - audited)
For the first quarter ended September 30, 2005

	<u>Un - audited</u> <u>July - Sept- 05</u>	<u>Audited</u> <u>June - 2005</u>
	<u>Rupees in (' 000 ')</u>	
<u>Cash flow from operating activities</u>		
Cash generated by operations (A)	380,830	346,033
Financial cost paid	(69,410)	(88,322)
Taxes paid (net)	(99,865)	(46,766)
Gratuity paid	(2,451)	(7,802)
Net cash inflow from operating activities	209,104	203,143
<u>Cash flow from investing activities.</u>		
Fixed capital expenditure	(365,888)	(1,408,895)
Sale proceed of fixed assets	7,092	1,011
Long term deposits	426	(275)
Net cash outflow from investing activities	(358,370)	(1,408,159)
	(149,266)	(1,205,016)
<u>Cash flow from financing activities.</u>		
Long term loans - (net)	67,246	1,036,274
Long term morabaha - (net)	-	20,500
Liabilities against assets subject to finance lease - (net)	(6,944)	(23,331)
Short term borrowings	97,384	167,617
Payment of dividend	(702)	(2,716)
Net cash inflow from financing activities	156,984	1,198,344
Net (decrease) in cash & cash equivalent	7,718	(6,672)
Cash & cash equivalent at the beginning of the year	24,181	30,853
Cash & cash equivalent at the end of the period (B)	31,899	24,181

The annexed notes from 1 to 7 form an integral part of these financial statements.

Shahzad Ahmad
Chief Executive

Naveed Ahmad
Director

(A) Cash generated from operations.

Net profit before taxation	168,884	451,186
Adjustments for		
Depreciation	78,129	163,860
Provision for gratuity	2,576	6,378
Provision for bad and doubtful debts	-	1,964
Provision for diminution in investment value	-	2,991
Provision for cess payable	881	3,131
(Profit) / loss on disposal of fixed assets	(146)	195
Financial charges	78,151	117,316
	159,591	295,835
Cash generated before working capital changes	328,475	747,021

Working capital changes.**(Increase) / decrease in current assets**

Stores & spare	2,547	1,537
Stock in trade	50,040	(512,645)
Trade debts	(50,077)	20,986
Loans and advances	(27,525)	13,230
Deposits and pre- payments	(786)	(5,387)
Other receivables	(18,017)	2,473
Other financial assets	8,904	(3,792)
	(34,914)	(483,598)
(Decrease) / increase in current liabilities trade and other payables	87,269	82,610
	52,355	(400,988)
	380,830	346,033