

Indus Dyeing & Manufacturing Company Limited.

Cash flow statement (un - audited)

For the third quarterly ended March 31, 2007

	<u>Un - audited</u> Jul,06 - Mar, 07	<u>Un - audited</u> Jul,05 - Mar, 06
	Rupees in (' 000 ')	
<u>Cash flow from operating activities</u>		
Cash generated by operations	(A) 319,250	33,944
Financial cost paid	(287,292)	(229,545)
Taxes paid (net)	(63,827)	(33,567)
Gratuity paid	(8,597)	(5,170)
Net cash inflow from operating activities	(40,466)	(234,338)
<u>Cash flow from investing activities.</u>		
Fixed capital expenditure	(527,011)	(961,951)
Sale proceed of fixed assets	29,181	15,622
Interest in joint venture	(781,764)	-
Profit from disposal of business	1,128,109	-
Long term deposits	3,594	(3,107)
Net cash outflow from investing activities	(147,891)	(949,436)
	(188,357)	(1,183,774)
<u>Cash flow from financing activities.</u>		
Long term loans - (net)	(27,840)	239,517
Long term morabaha - (net)	(22,554)	(28,500)
Liabilities against assets subject to finance lease - (net)	(45,881)	45,442
Short term borrowings	295,280	940,926
Payment of dividend	-	(1,796)
Net cash inflow from financing activities	199,005	1,195,589
Net (decrease) in cash & cash equivalent	10,648	11,815
Cash & cash equivalent at the beginning of the year	28,670	24,181
Cash & cash equivalent at the end of the period	(B) 39,318	35,996

The annexed notes from 1 to 10 form an integral part of these financial statements.

Shahzad Ahmad	Naveed Ahmad
Chief Executive	Director

(A) Cash generated from operations.

Net profit before taxation 424,631 415,547

Adjustments for

Depreciation	249,869	253,764
Provision for gratuity	6,150	16,570
Provision for cess payable	-	4,351
(Profit) / loss on disposal of fixed assets	(1,471)	(493)
Share of profit from joint venture	(34,264)	-
Gain on disposal of business	(64,645)	-
Financial charges	277,872	253,092
	<u>433,511</u>	<u>527,284</u>
Cash generated before working capital changes	858,142	942,831

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

Stores & spare	6,690	(22,994)
Stock in trade	(511,843)	(862,665)
Trade debts	4,690	(65,906)
Loans and advances	5,291	18,010
Deposits and pre- payments	8,492	4,216
Other receivables	(15,876)	(9,208)
Other financial assets	909	6,218
	<u>(501,647)</u>	<u>(932,329)</u>
(Decrease) / increase in current liabilities trade and other payables	(37,245)	23,442
	<u>(538,892)</u>	<u>(908,887)</u>
	<u><u>319,250</u></u>	<u><u>33,944</u></u>