

**Indus Dyeing & Manufacturing Company Limited.**  
**Cash flow statement ( un - audited )**  
**For the first quarter ended September 30, 2006**

	<u>Un - audited</u> <u>July - Sept- 06</u>	<u>Audited</u> <u>June - 2006</u>
	Rupees in ( ' 000 ' )	
<b><u>Cash flow from operating activities</u></b>		
Cash generated by operations	(A) 1,223,548	812,786
Financial cost paid	(101,552)	(326,116)
Taxes paid ( net )	(43,150)	(58,097)
Gratuity paid	(2,483)	(7,329)
<b>Net cash inflow from operating activities</b>	<b>1,076,363</b>	<b>421,244</b>
<b><u>Cash flow from investing activities.</u></b>		
Fixed capital expenditure	(75,952)	(1,243,501)
Sale proceed of fixed assets	3,893	17,556
Interest in joint venture	(747,500)	(2,500)
Long term deposits	-	(2,523)
<b>Net cash outflow from investing activities</b>	<b>(819,559)</b>	<b>(1,230,968)</b>
	<b>256,804</b>	<b>(809,724)</b>
<b><u>Cash flow from financing activities.</u></b>		
Long term loans - ( net )	205,748	528,438
Long term morabaha - ( net )	(5,000)	(33,500)
Liabilities against assets subject to finance lease - ( net )	(11,551)	(36,996)
Short term borrowings	(441,564)	383,216
Payment of dividend	(57)	(26,945)
<b>Net cash inflow from financing activities</b>	<b>(252,424)</b>	<b>814,213</b>
Net (decrease) in cash & cash equivalent	4,380	4,489
Cash & cash equivalent at the beginning of the year	28,670	24,181
<b>Cash &amp; cash equivalent at the end of the period</b> (B)	<b>33,050</b>	<b>28,670</b>

The annexed notes from 1 to 8 form an integral part of these financial statements.

Shahzad Ahmad  
Chief Executive

Naveed Ahmad  
Director

**(A) Cash generated from operations.**

Net profit before taxation 146,732 476,590

**Adjustments for**

Depreciation	101,435	339,869
Provision for gratuity	1,825	8,730
Provision for bad and doubtful debts	-	1,919
Fair value ( gain ) / loss on other financial assets	86	(1,244)
( Profit ) / loss on disposal of fixed assets	(858)	(1,698)
Financial charges	87,565	356,650
	<u>190,053</u>	<u>704,226</u>

**Cash generated before working capital changes 336,785 1,180,816**

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

Stores & spare	(7,593)	13,514
Stock in trade	773,112	(300,640)
Trade debts	14,379	(128,290)
Loans and advances	31,134	30,030
Deposits and pre- payments	4,455	(13,669)
Other receivables	1,278	1,041
Other financial assets	(172)	8,904
	<u>816,593</u>	<u>(389,110)</u>
( Decrease ) / increase in current liabilities trade and other payables	70,170	21,080
	<u>886,763</u>	<u>(368,030)</u>
	<u>1,223,548</u>	<u>812,786</u>