

**INDUS DYEING & MANUFACTURING CO. LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2008**

	<i>Half year ended</i>		<i>Quarter ended</i>	
	<i>December 31, 2008</i>	<i>December 31, 2007</i>	<i>December 31, 2008</i>	<i>December 31, 2007</i>
----- Rupees in '000' -----				
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation from	<b>120,150</b>	150,241	24,218	55,930
Adjustments for:				
Depreciation	<b>153,637</b>	159,345	<b>78,304</b>	79,474
Provision for gratuity	<b>17,155</b>	14,100	<b>8,405</b>	11,715
Provision for bad and doubtful debts	-	(377)	-	(377)
Fair value loss / (gain) on other financial assets	<b>24,673</b>	246	<b>8,613</b>	(3,359)
Fair value loss on derivative financial liability	<b>95,205</b>	-	<b>14,879</b>	-
Loss / (gain) on disposal of property, plant and equipment	<b>416</b>	(16)	<b>579</b>	(4)
Loss on disposal of other financial assets	<b>9</b>	-	<b>9</b>	-
Finance cost	<b>302,585</b>	159,871	<b>166,880</b>	80,277
Dividend received	<b>(1,848)</b>	-	<b>(1,848)</b>	-
Share of profit from associate	<b>(10,106)</b>	(4,632)	<b>(9,253)</b>	7,002
Share of profit from joint venture	<b>(16,699)</b>	(14,360)	<b>(9,644)</b>	(10,389)
Operating profit before working capital changes	<b>685,177</b>	464,418	<b>281,142</b>	220,269
Working capital changes				
(Increase) / decrease in current assets				
Stores, spares and loose tools	<b>(9,044)</b>	(25,228)	<b>(14,753)</b>	(19,132)
Stock in trade	<b>(768,263)</b>	(203,504)	<b>(967,422)</b>	(756,211)
Trade debts	<b>145,164</b>	146,401	<b>332,916</b>	(63,135)
Loans and advances	<b>30,542</b>	35,173	<b>(8,867)</b>	90,283
Trade deposits and short-term prepayments	<b>(2,444)</b>	2,472	<b>2,080</b>	(3,342)
Tax refundable	<b>7,138</b>	3,675	<b>7,138</b>	3,675
Other receivables	<b>3,180</b>	(18,642)	<b>4,555</b>	(25,363)
Increase / (decrease) in current liabilities				
Trade and other payables	<b>(51,589)</b>	92,335	<b>(91,827)</b>	42,699
	<b>(645,315)</b>	32,682	<b>(736,179)</b>	(730,526)
Cash generated from / (used in) operations	<b>39,862</b>	497,100	<b>(455,037)</b>	(510,257)
Income taxes paid - net	<b>(70,290)</b>	(100,513)	<b>22,530</b>	(92,358)
Finance cost paid	<b>(264,010)</b>	(167,168)	<b>(135,007)</b>	(78,360)
Gratuity paid	<b>(5,918)</b>	(3,828)	<b>(2,992)</b>	(3,102)
Net cash (used in) / from operating activities	<b>(300,356)</b>	225,591	<b>(570,506)</b>	(684,077)

	<i>Half year ended</i>		<i>Quarter ended</i>	
	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>
	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>
<i>----- Rupees in '000' -----</i>				

**B. CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of property, plant and equipment	<b>(88,950)</b>	(94,797)	<b>(62,966)</b>	(56,136)
Proceeds on disposal of property, plant and equipment	<b>21,971</b>	303	<b>20,911</b>	20
Purchase of other financial assets	<b>(7,238)</b>	-	<b>(7,238)</b>	-
Proceeds on disposal of other financial assets	<b>2,463</b>	-	<b>2,463</b>	-
Dividend received	<b>1,848</b>	-	<b>1,848</b>	-
Long-term deposits	<b>(973)</b>	4,570	<b>6</b>	3,749
Net cash used in investing activities	<b>(70,879)</b>	(89,924)	<b>(44,976)</b>	(52,367)

**C. CASH FLOWS FROM FINANCING ACTIVITIES**

Long-term financing acquired	-	220,000	-	220,000
Repayment of long-term financing	<b>(303,757)</b>	(334,889)	<b>(199,885)</b>	(183,376)
Repayment of long-term morabaha	<b>(10,000)</b>	(4,946)	<b>(2,500)</b>	(1,994)
Repayment of liabilities against assets subject to finance	<b>(16,788)</b>	(22,715)	<b>(9,798)</b>	(11,497)
Dividend paid	<b>(16,773)</b>	(22,049)	<b>(16,716)</b>	(22,014)
Net cash (used in) / from financing activities	<b>(347,318)</b>	(164,599)	<b>(228,899)</b>	1,119
Net decrease in cash and cash equivalent ( A+B+C )	<b>(718,554)</b>	(28,932)	<b>(844,382)</b>	(735,325)
Cash and cash equivalent at beginning of period	<b>(1,423,287)</b>	(1,125,062)	<b>(1,297,459)</b>	(418,669)
Cash and cash equivalent at end of period *	<b>(2,141,841)</b>	(1,153,994)	<b>(2,141,841)</b>	(1,153,994)

**\* Cash and cash equivalent at end of period**

Cash and bank balances	<b>67,281</b>	39,767	<b>67,281</b>	39,767
Short-term borrowings	<b>(2,209,122)</b>	(1,193,761)	<b>(2,209,122)</b>	(1,193,761)
	<b>(2,141,841)</b>	(1,153,994)	<b>(2,141,841)</b>	(1,153,994)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**