

Indus Dyeing & Manufacturing Company Limited.
Condensed cash flow statement (un - audited)
For the three months period ended September 30, 2010.

Three months period ended
Jul,10 - Sept- 10 Jul,09 - Sept- 09
Rs in (000)

(A) Cash flows from operating activities :

Net profit before taxation	547,488	266,479
<u>Adjustments for</u>		
Depreciation	67,536	70,726
Provision for gratuity	6,400	8,150
Fair value (gain) / loss on other financial assets	(4,010)	(6,769)
Fair value (gain) / loss on derivative financial liability	-	1,867
(Profit) / loss on disposal of property, plant and equipment	(2)	(81)
Finance cost	48,427	134,547
Dividend received	(1,115)	(1,081)
Share of (profit) / loss from Joint Venture	73,943	(92,411)
Share of (profit) / loss from associate	(27,511)	(7,820)
	163,668	107,128
Operating profit before working capital changes	711,156	373,607

Working capital changes.

(Increase) / decrease in current assets

Stores, spares and loose tools	(1,928)	31
Stock in trade	231,491	(157,652)
Trade debts	(344,720)	(70,245)
Loans and advances	(77,167)	(20,063)
Trade deposits and short - term payments	(14,104)	(2,609)
Other receivables	581	7,830
(Decrease) / increase in current liabilities trade and other payables	51,582	100,517
	(154,265)	(142,191)

Cash generated from / (used in) operations

Income taxes paid - net	(53,542)	(30,754)
Finance cost paid	(51,837)	(167,004)
Gratuity paid	(2,844)	(5,513)
Net cash (used in) from operating activities	448,668	28,145

(B) Cash flows from investing activities :

Purchase of property, plant and equipment	(5,027)	(8,466)
Proceed on disposal of property, plant and equipment	135	735
Purchase of other financial assets	-	(667)
Proceed on disposal of other financial assets	2,727	15,129
Dividend received	1,115	1,081
Net cash used in investing activities	(1,050)	7,812

(C) Cash flows from financing activities :

Long term financing - (net)	(307,577)	(172,743)
Long term morabaha - (net)	-	(5,000)
Liabilities against assets subject to finance lease - (net)	(1,684)	(722)
Short term borrowings	(420,931)	(83,163)
Net cash (used in) / from financing activities	(730,192)	(261,628)

Net (decrease) in cash & cash equivalent (A + B + C) **(282,574)** **(225,671)**

Cash & cash equivalent at the beginning of the period (9,991) (725,457)
Cash & cash equivalent at the end of the period **(292,565)** **(951,128)**

Cash & cash equivalent at the end of the period

Cash and bank balances	67,916	48,520
Short - term borrowings	<u>(360,481)</u>	<u>(999,648)</u>
	<u>(292,565)</u>	<u>(951,128)</u>

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

Chief Executive Officer

Director