

D.M. TEXTILE MILLS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

| | NOTE | 2011 Rupees | 2010 Rupees |
|--|------|-----------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash generated from operations | 36 | 18,881,305 | 100,720,868 |
| Finance cost paid | | (2,034,447) | (18,886,103) |
| Deferred markup paid | | (4,280,444) | - |
| Tax paid | | (3,000,546) | (1,891,086) |
| Gratuity paid | | (5,724,586) | (3,530,311) |
| Net Increase in long term deposits | | - | (19,121,201) |
| Net cash generated from operating activities | | <u>3,841,282</u> | <u>57,292,167</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | | 17,889,825 | 2,470,000 |
| Proceeds from sale of investment | | 133,034 | - |
| Investments made | | (100,000) | - |
| Capital expenditure on property, plant and equipment | | (732,013) | (2,395,491) |
| Net cash from investing activities | | <u>17,190,846</u> | <u>74,509</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Receipt of loan from related parities | | 12,510,000 | 7,700,000 |
| Repayment of loan to related parities | | (18,293,545) | (15,045,000) |
| Repayment of long term financing | | - | (445,000) |
| Repayment of liabilities against assets subject to finance lease | | (17,818,016) | (6,797,695) |
| Short term borrowings- net | | (3,332,579) | (37,081,853) |
| Net cash used in financing activities | | <u>(26,934,140)</u> | <u>(51,669,548)</u> |
| Net increase / (decrease) in cash and cash equivalents | | (5,902,012) | 5,697,128 |
| Cash and cash equivalents at the beginning of the year | | 6,286,909 | 589,781 |
| Cash and cash equivalents at the end of the year | | <u><u>384,897</u></u> | <u><u>6,286,909</u></u> |

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR