

D.M. TEXTILE MILLS LIMITED
CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2006
(UN-AUDITED)

	Note	30 September 2006 Rupees	30 September 2005 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	8	38,050,650	56,990,764
Financial charges paid		(13,971,133)	(6,444,112)
Tax paid		(706,138)	(2,062,253)
Gratuity paid		(606,620)	(281,760)
Net cash from operating activities		<u>22,766,760</u>	<u>48,202,639</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(25,058,196)	(28,448,624)
Fixed assets acquired under finance leases		(20,953,080)	(13,778,900)
Long term deposits		(1,660,000)	(3,580,626)
Proceeds from sale of property, plant and equipment		20,953,080	14,325,180
Net cash used in investing activities		<u>(26,718,195)</u>	<u>(31,482,971)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from:			
Finance leases		16,600,000	13,219,645
Short term borrowings		329,619,721	68,989,231
Repayment of:			
Long term finances		(4,494,667)	(4,494,667)
Finance leases		(7,749,548)	(3,873,769)
Short term finances payment		(327,452,560)	(83,407,410)
Net cash from/(used in) financing activities		<u>6,522,946</u>	<u>(9,566,969)</u>
Net increase in cash and cash equivalents		<u>2,571,510</u>	<u>7,152,699</u>
Cash and cash equivalents at the beginning of the period		<u>3,609,105</u>	<u>18,611,996</u>
Cash and cash equivalents at the end of the period		<u><u>6,180,615</u></u>	<u><u>25,764,695</u></u>

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

CHIEF EXECUTIVE

DIRECTOR