

**D.M. TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THREE QUARTERS ENDED 31 MARCH, 2012**  
**(UN-AUDITED)**

	THREE QUARTERS ENDED	
	31 March	31 March
	2012	2011
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) before taxation</b>	(46,750,477)	(25,444,009)
<b>Adjustments for non cash charges and other items:</b>		
Depreciation	15,628,494	17,634,355
Gratuity	2,689,632	6,209,660
Gain / Loss on sale of property, plant and equipment	(321,164)	(22,482)
Provision for enhancement of annual rental value	-	-
Provision for workers' welfare fund	-	-
Provision for workers' profit participation fund	-	-
Profit on investments	-	-
Finance cost	19,908,542	27,742,330
Exchange gain	-	-
Long outstanding balances written off	(5,612,491)	-
<b>Cash flows from operating activities before working capital changes</b>	<u>(14,457,464)</u>	<u>26,119,854</u>
<b>Working capital changes</b>		
<b>(Increase)/decrease in current assets</b>		
Stores, spare parts and loose tools	665,993	(1,699,321)
Stock-in-trade	23,413,741	(32,446,972)
Trade debts	4,070,569	(34,715,774)
Advances	1,426,778	(1,818,457)
Short term deposits and prepayments	68,587	(7,631,679)
Other receivables	1,035,742	2,128,604
Tax Refund due from Govt	-	(4,936,748)
Increase / (decrease) in trade and other payables	(7,764,826)	56,475,767
<b>Net cash flow from working capital changes</b>	<u>22,916,584</u>	<u>(24,644,580)</u>
<b>Cash generated from operations</b>	8,459,120	1,475,274
Finance cost paid	(479,351)	(8,482,164)
Income tax paid	-	-
Gratuity paid	(1,175,500)	(4,936,826)
<b>Net cash generated from / (utilized in) operating activities</b>	<u>6,804,269</u>	<u>(11,943,716)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(127,700)	(723,312)
Proceeds from sale of property, plant and equipment	885,000	17,889,826
Profit on investments	-	7,282,000
Long term deposits	-	(81,031)
<b>Net cash used in investing activities</b>	<u>757,300</u>	<u>24,367,483</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of :		
Loan to directors	(4,280,572)	4,428,934
Long term financing	-	-
Finance lease liabilities	(8,359,901)	(10,586,708)
Short term borrowings - net		
Deferred Markup received	-	(1,984,381)
Deferred Markup-net	5,468,056	(9,534,611)
<b>Net cash (used in ) / generated from financing activities</b>	<u>(7,172,417)</u>	<u>(17,676,766)</u>
<b>Net increase in cash and cash equivalents</b>	389,152	(5,252,999)
<b>Cash and cash equivalents at the beginning of the period</b>	384,897	6,286,909
<b>Effect of exchange gain on cash and cash equivalents</b>	-	-
	<u>384,897</u>	<u>6,286,909</u>
<b>Cash and cash equivalents at the end of the period</b>	<u><u>774,049</u></u>	<u><u>1,033,910</u></u>

The annexed notes form an integral part of this condensed interim financial information.

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CHIEF EXECUTIVE

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DIRECTOR