

FAZAL CLOTH MILLS LIMITED
CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31,

	2007 Rupees	2006 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period - before taxation	140,065,868	135,448,032
Adjustments for:		
Depreciation of property, plant and equipment	182,733,082	175,364,010
Amortization of Intangible fixed assets	448,514	0
Provision for gratuity - net	431,782	666,269
Provision for Infrastructure cess	5,335,427	0
Gain on disposal of fixed assets - net	(858,100)	(352,971)
Finance cost	267,006,236	249,090,270
CASH INFLOW FROM OPERATING ACTIVITIES	595,162,809	560,215,610
- Before working capital changes		
Decrease/(increase) in current assets		
Stores, spares and loose tools	2,296,981	(12,487,587)
Stock in trade	(584,601,616)	(478,652,078)
Trade debts	(58,037,809)	(151,361,549)
Loans and advances	(10,886,194)	(164,113,157)
Trade deposits and short term prepayments	(15,206,558)	43,970,607
Tax refunds due from the government	1,838,196	(43,120,769)
Other receivables	(1,338,509)	1,054,114
Increase/ (decrease) in trade and other payables	(25,432,179)	168,436,437
	(691,367,688)	(636,273,982)
CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		
- Before taxation	(96,204,879)	(76,058,372)
Income tax paid	(27,691,694)	(39,488,718)
CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		
- After taxation	(123,896,573)	(115,547,090)
Long term loans to employees - net	205,500	(297,500)
Long term deposits	0	(272,000)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	(123,691,073)	(116,116,590)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(381,339,003)	(491,900,796)
Purchase of intangible assets	(45,001)	(2,341,073)
Proceeds from disposal of fixed assets	1,687,054	1,990,128
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(379,696,950)	(492,251,741)
CASH FLOW FROM FINANCING ACTIVITIES		
Term finances - net	(90,354,615)	139,633,189
Demand finances - net	249,012,146	205,388,104
Murabaha finances - net	(140,892,087)	(7,005,330)
Short term borrowings - net	697,776,704	354,521,913
Bills payable	44,363,701	0
Finance costs paid	(265,199,176)	(220,115,760)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	494,706,673	472,422,116
NET DECREASE IN CASH AND CASH EQUIVALENTS	(8,681,350)	(135,946,215)
CASH AND CASH EQUIVALENTS - At the beginning of the year	327,267,326	175,754,914
CASH AND CASH EQUIVALENTS - At the end of the period	318,585,976	39,808,699

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

Sd/-
CHIEF EXECUTIVE

Sd/-
DIRECTOR

Sd/-
CHIEF FINANCIAL OFFICER