

FAZAL CLOTH MILLS LIMITED
 CONDENSED CASH FLOW STATEMENT - UNAUDITED
 FOR THE HALF YEAR ENDED DECEMBER 31, 2007

	Jul. 01, 2007 to Dec. 31, 2007	Jul. 01, 2006 to Dec. 31, 2006
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period - before taxation	101,461,717	181,378,681
Adjustments for:		
Depreciation of operating assets	122,565,761	117,762,512
Amortization of intangible assets	298,009	299,009
Loss on valuation of short term investment	2,893,317	-
Provision for gratuity	11,952,039	5,314,256
Provision for infrastructure cess	4,779,292	3,238,784
Gain on disposal of operating assets	(431,101)	(181,928)
Finance cost	216,367,511	164,679,278
- Before working capital changes	458,027,545	382,688,471
Decrease / (increase) in current assets		
Stores, spares and loose tools	(19,544,544)	824,577
Stock in trade	(802,804,198)	(759,215,753)
Trade debts	(13,885,625)	(72,615,986)
Loans and advances	(100,888,289)	(43,030,950)
Trade deposits and short term prepayments	(5,179,974)	(14,120,618)
Tax refunds due from the government	426,886	(5,262,091)
Other receivables	26,036,632	(18,736,645)
	8,038,262	(2,111,218)
Increase / (decrease) in trade and other payables	(888,966,736)	(904,289,185)
CASH OUTFLOW FROM OPERATING ACTIVITIES	(428,153,185)	(513,589,714)
- Before taxation		
Gratuity paid	(4,019,988)	(4,770,663)
Income tax paid	(23,389,838)	(23,553,032)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(455,561,912)	(541,904,408)
Long term loans to employees - net	(7,881)	295,500
Long term deposits	(50,000)	-
NET CASH FROM OPERATING ACTIVITIES	(455,619,793)	(541,608,908)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of operating assets	(317,459,791)	(274,418,263)
Addition in intangible assets	-	(46,901)
Proceeds from disposal of operating assets	450,000	707,050
Short term investment	(68,635,667)	-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(385,645,458)	(273,758,214)
CASH FLOW FROM FINANCING ACTIVITIES		
Term finances - net	(80,267,701)	(95,536,781)
Demand finances - net	412,487,139	125,903,290
Long term musarika & murabahah - net	11,500,000	(70,892,087)
Short term borrowings - net	956,016,551	1,104,106,668
Dividend paid	-	(5,528)
Bills payable/repaid	(194,573,028)	-
Finance cost paid	(212,265,800)	(181,867,153)
NET CASH INFLOW FROM FINANCING ACTIVITIES	932,897,161	841,267,439
NET INCREASE IN CASH AND CASH EQUIVALENTS	91,831,910	125,812,386
CASH AND CASH EQUIVALENTS - At the beginning of the period	283,234,183	327,267,338
CASH AND CASH EQUIVALENTS - At the end of the period	385,350,093	453,079,612

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER