

# FECTO SUGAR MILLS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED SEPTEMBER 30, 2010

	NOTE	2010 RUPEES	2009 RUPEES
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Loss before taxation		(252,998,164)	(86,460,995)
<b>Adjustments:</b>			
Depreciation		74,546,118	67,478,912
Amortization		45,003	-
Loss on sale of Property, Plant & Equipment		-	174,787
Gain on sale of investment in associated Company		(88,593,720)	-
Finance costs		61,792,626	79,754,607
Return on term deposits		(666)	(23,399)
Operating cash (outflow) / inflow before working capital changes		(205,208,803)	60,923,912
<b>CHANGES IN WORKING CAPITAL:</b>			
(Increase) / decrease in current assets			
Stores, spares and loose tools		(7,427,847)	19,981,259
Stock in trade		(9,142,533)	31,273,868
Loans, advances, deposits, prepayments and other receivables		8,006,888	(12,086,906)
		(8,563,492)	39,168,221
<b>(Decrease) / increase in current liabilities</b>			
Trade & other payables		3,816,675	45,941,705
		(209,955,620)	146,033,838
<b>Cash (used in) / generated from operations</b>			
Finance costs paid		(57,707,115)	(97,423,276)
Income taxes paid		(4,966,361)	(3,236,032)
		(272,629,096)	45,374,530
<b>Net cash (used in) / generated from operating activities</b>			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(43,137,632)	(6,896,549)
Proceeds from sale of investment in associated Company		88,593,720	-
Proceeds from sale of Property, Plant & Equipment		-	12,830,000
Return on deposits		666	23,399
Long term deposits		403,400	1,063,267
		45,860,154	7,020,117
<b>Net cash generated from investing activities</b>			
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Directors' loan received		248,200,000	-
Net (repayments) / proceeds from long term finance		(7,962,500)	(18,750,000)
Repayments of liabilities against assets subject to finance lease		(8,907,001)	(37,070,259)
Short term borrowings paid		-	(8,233,400)
		231,330,499	(64,053,659)
<b>Net cash generated from / (used in) financing activities</b>			
<b>Net increase / (decrease) in cash and cash equivalents</b>		4,561,556	(11,659,012)
Cash and cash equivalents at the beginning of the year		4,148,578	15,807,590
<b>Cash and cash equivalents at the end of the year</b>	11	8,710,134	4,148,578

The annexed notes 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR