

FAISAL SPINNING MILLS LIMITED

**CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2006**

	(UN-AUDITED) SEPTEMBER 2006 RUPEES	(UN-AUDITED) SEPTEMBER 2005 RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	48,607,367	55,148,833
Add: Adjustments to reconcile profit to net cash provided by operating activities		
Depreciation	45,046,500	45,321,000
Financial charges	39,734,019	44,081,331
Provision for gratuity	2,550,000	2,250,000
(Gain) on disposal of fixed assets	-	(57,083)
Share of profit of associated undertaking	(9,890,328)	-
Infrastructure fee	806,296	104,147
	78,246,487	91,699,395
Operating profit before working capital changes	126,853,854	146,848,228
(Increase)/decrease in current assets		
Stocks, stores and spares	203,197,823	143,908,438
Trade debts	(57,943,733)	58,895,473
Loan and advances	(80,693,107)	(10,842,734)
Trade deposits	(473,835)	(48,617,864)
Other receivables	(2,358,439)	54,116,994
	61,728,709	197,460,307
Increase/(decrease) in current liabilities		
Trade and other payables	89,735,039	(39,018,358)
Short term borrowing secured	2,348,495	(281,117,595)
	92,083,534	(320,135,953)
Cash generated from operations	280,666,097	24,172,582
Payment for:		
Taxes	(10,010,237)	(23,657,865)
Financial charges paid	(43,431,716)	(29,523,978)
Gratuity	(1,338,427)	(469,000)
	(54,780,380)	(53,650,843)
NET CASH INFLOW FROM OPERATING ACTIVITIES	225,885,717	(29,478,261)



MOHAMMAD SHARIF
CHIEF EXECUTIVE/DIRECTOR

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	(UN-AUDITED) SEPTEMBER 2006 RUPEES	(UN-AUDITED) SEPTEMBER 2005 RUPEES
Balance brought forward	225,885,717	(29,478,261)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of fixed assets	-	200,000
Fixed capital expenditure	(115,871,545)	(19,048,465)
Decrease / (Increase) in long term loans	(2,313,936)	78,538
Decrease / (Increase) in long term deposits	(42,460)	-
Net cash outflow from investing activities	(118,227,941)	(18,769,927)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Loan from Sponsors	100,000,000	-
Proceeds form long term loans	-	140,000,000
Repayment of long term loan	(212,394,030)	(48,822,602)
Net cash flow from financing activities	(112,394,030)	91,177,398
Net increase/(decrease) in cash and cash equivalents	(4,736,254)	42,929,210
Cash and cash equivalents at beginning of the period	29,489,883	15,847,610
Cash and cash equivalents at end of the period	24,753,629	58,776,820



MOHAMMAD SHARIF
Chief Executive



MOHAMMAD SALIM
Director