

FAISAL SPINNING MILLS LIMITED
CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2006

	DECEMBER 2006 RUPEES	DECEMBER 2005 RUPEES
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	86,413,781	86,799,074
Add: Adjustments to reconcile profit to net cash provided by operating activities		
Depreciation	84,718,827	88,320,591
Finance cost	85,768,707	91,631,376
Provision for gratuity	5,100,000	4,500,000
(Gain) on disposal of fixed assets	(262,095)	(651,772)
Infrastructure fee	843,578	140,992
Doubtful debts written back	-	(306,200)
Dividend income	(891,870)	(891,870)
Share of profit of associated undertaking	(13,116,712)	-
	162,160,435	182,743,117
Operating profit before working capital changes	248,574,216	269,542,191
(Increase)/decrease in current assets		
Stocks, stores and spares	(127,302,482)	(131,777,061)
Trade debts	(168,197,926)	38,985,433
Loans and advances	(19,684,464)	71,574,173
Trade deposits	2,751,639	(39,947,927)
Other receivables	(4,391,313)	54,208,538
	(316,824,546)	(6,956,844)
Increase/(decrease) in current liabilities		
Trade and other payables	19,487,576	(7,346,920)
Short term borrowings - secured	545,394,889	(33,626,772)
	564,882,465	(40,973,692)
Cash generated from operations	496,632,135	221,611,655
Payments for:		
Taxes	(22,400,497)	(45,984,643)
Finance cost	(86,515,818)	(83,164,319)
Gratuity	(2,096,559)	(2,178,160)
	(111,012,874)	(131,327,122)
NET CASH INFLOW FROM OPERATING ACTIVITIES	385,619,261	90,284,533

DECEMBER 2006 RUPEES	DECEMBER 2005 RUPEES
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Balance brought forward	385,619,261	90,284,533
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B. CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from disposal of fixed assets	16,500,000	16,275,000
Fixed capital expenditure	(193,074,730)	(92,514,475)
Decrease / (Increase) in long term loans	2,949,177	503,706
Dividend income	891,870	891,870
Decrease / (Increase) in long term deposits	(315,612)	-
Net cash outflow from investing activities	(173,049,295)	(74,843,899)

C. CASH FLOWS FROM FINANCING ACTIVITIES

Loan from sponsors	100,000,000	-
Proceeds from long term loans	60,592,224	140,000,000
Repayment of long term loan	(245,047,800)	(110,372,475)
Dividend paid	(7,417,366)	(7,438,648)
Net cash outflow from financing activities	(91,872,942)	22,188,877
Net increase/(decrease) in cash and cash equivalents	120,697,024	37,629,511
Cash and cash equivalents at beginning of the period	29,489,883	15,847,610
Cash and cash equivalents at end of the period	150,186,907	53,477,121

Chief Executive

Director

Date: