

**PARAMOUNT SPINNING MILLS LIMITED  
CASH FLOW STATEMENT ( UN AUDITED)  
FOR THE PERIOD ENDED 31 MARCH 2007**

	NOTE	31 MARCH 2007	31 MARCH 2006
<b>RUPEES</b>			
<b>CASH USED IN OPERATING ACTIVITIES</b>	<b>10</b>	<b>(463,904,471)</b>	<b>(273,800,741)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Sale proceeds of property, plant and equipment		1,521,911	-
Addition to fixed assets		(33,887,339)	(66,229,937)
Sale of Investment held to maturity		1,019,645	-
Dividend received		50,335	1,073,998
Long term investment		-	12,293,639
Long term deposits		(1,881,226)	(98,299)
<b>Net cash used in investing activities</b>		<b>(33,176,674)</b>	<b>(52,960,599)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of redeemable capital		(121,561,250)	(81,464,913)
Loan from Associate		100,000,000	-
Repayment of finance lease		27,173,498	(9,032,119)
Short term finances		496,280,571	394,904,076
<b>Net cash from financing activities</b>		<b>501,892,819</b>	<b>304,407,044</b>
Net Increase / (decrease) in cash and cash equivalents		<b>4,811,674</b>	<b>(22,354,296)</b>
Cash and cash equivalents at beginning of the period		<b>38,445,022</b>	<b>57,738,442</b>
<b>Cash and cash equivalents at end of the period</b>		<b>43,256,696</b>	<b>35,384,146</b>

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

**CHIEF EXECUTIVE**

**DIRECTOR**