

GULSHAN SPINNING MILLS LIMITED
CASH FLOW STATEMENT (UN AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2005

JULY TO DECEMBER

	NOTE	2005	2004
		Rupees	
CASH USED IN OPERATING ACTIVITIES	12	(169,210,904)	(204,442,922)
CASH FLOW FROM INVESTING ACTIVITIES			
Sale proceeds of property, plant and equipment		885,000	2,490,000
Addition to fixed assets		(98,348,935)	(54,554,773)
Purchase of investment		(1,434,064)	-
Sale proceed of investments		-	35,569
TFC Issue Expenses		-	2,885,010
Long term deposits		493,424	2,657,153
Net cash used in investing activities		(98,404,575)	(46,487,041)
CASH FLOW FROM FINANCING ACTIVITIES			
Lease rentals paid		(13,795,934)	(29,544,980)
Received in respect of Ijarah lease		48,531,938	2,287,000
Syndicate term finance		(40,000,000)	-
Repayment of privately placed term finance certificates		(20,000)	(3,774,331)
Finance against import of machinery		190,000,000	9,378,750
Repayment of Finance against import of machinery		(150,981,510)	-
Short term finances		300,743,142	228,541,818
Running finance under mark up arrangement		(58,962,935)	-
Net cash from financing activities		275,514,701	206,888,257
Net increase/(decrease) in cash and cash equivalents		7,899,222	(44,041,706)
Cash and cash equivalents at beginning of the period/ year		21,472,885	61,471,605
Cash and cash equivalents at end of the period/ year		29,372,107	17,429,899

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

CHIEF EXECUTIVE

DIRECTOR