

GULISTAN TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS ENDED DECEMBER 31, 2008

	Six months ended	
	December 31, 2008	December 31, 2007
-----Rupees-----		
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation	13,287,810	55,494,017
Adjustments for:		
Depreciation	47,350,049	42,518,012
Staff retirement benefits - gratuity (net)	(3,723,260)	445,067
Finance cost	381,958,156	229,209,447
Interest income	(566,962)	(556,884)
Share of profit of associated companies	(21,947,962)	(17,386,787)
Fair value of investment at fair value through profit and loss	17,524,338	7,349,900
Profit / (loss) on sale of property, plant and equipment	(17,190)	(3,278,680)
Gain on sale and lease back of assets	(65,618)	(65,618)
Dividend income	(395,595)	(1,165,344)
Profit before working capital changes	433,403,766	312,563,130
Movement in working capital		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(84,524)	(7,396,985)
Stocks in trade	(1,316,651,395)	(1,333,774,055)
Trade debts	367,726,582	17,570,091
Loans and advances	7,098,740	18,217,798
Trade deposits and short term prepayments	1,006,765	(364,141)
Other receivables	410,746	193,998
Tax refunds due from Government	(8,058,785)	-
	(948,551,870)	(1,310,074,515)
Increase / (decrease) in current liabilities		
Trade and other payables	94,702,494	75,904,155
Cash used in operating activities	(420,445,610)	(921,607,230)
Payments for:		
Finance cost	(310,798,109)	(176,316,011)
Income Tax	(14,556,573)	(10,081,346)
Net cash used in operating activities	(745,800,292)	(1,108,004,587)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale proceeds of property, plant and equipment	40,000	3,440,000
Fixed capital expenditure	19,599,893	(117,438,250)
Dividend received	395,595	1,165,344
Interest received	(158,247)	506,884
Long term deposits	(2,748,081)	(3,034,991)
Net cash outflow from investing activities	17,129,160	(115,361,012)
Net cash outflow before financing activities	(728,671,132)	(1,223,365,599)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of finance lease	(36,642,052)	(23,440,769)
Repayment of long term financing	(95,268,201)	(90,522,000)
Proceed from short term borrowings	873,688,930	1,235,249,152
(Repayment) / proceeds of short term loans - machinery	-	(1,876,644)
Net cash generated from financing activities	741,778,677	1,228,265,739
Net increase / (decrease) in cash and cash equivalents	13,107,545	4,900,140
Cash and cash equivalents at beginning of the period	33,226,471	59,307,354
Cash and cash equivalents at end of the period	46,334,016	64,207,494
Cash and cash equivalents comprise of the following :-		
Cash and bank balances	41,223,310	60,239,827
Other financial assets - US Dollar Bonds	5,110,706	3,967,667
	46,334,016	64,207,494
NON CASH TRANSACTIONS		
Purchase of fixed assets against finance lease	41,304,969	55,348,519

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

NASEER AHMAD
CHIEF EXECUTIVE

TANVEER AHMAD
DIRECTOR