

GULISTAN TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2009

A. CASH FLOW FROM OPERATING ACTIVITIES:

Nine months period ended		
March 31, 2009	March 31, 2008	
-----Rupees-----		
Net profit before taxation	20,795,723	74,356,325
Adjustments for:		
Depreciation	71,981,685	66,999,628
Staff retirement benefits - gratuity (net)	(4,822,355)	(2,306,137)
Finance cost	585,613,591	356,132,721
Interest income	(817,350)	(925,446)
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)	(3,321,432)
Gain on sale and lease back of assets	(65,618)	(65,618)
Dividend income	(395,832)	(1,165,883)
Profit before working capital changes	667,849,030	479,667,271

Movement in working capital

(Increase) / decrease in current assets

Stores, spare parts and loose tools	(105,154)	(9,296,587)
Stocks in trade	(1,552,428,782)	(1,743,281,337)
Trade debts	117,798,009	(43,000,113)
Loans and advances	3,101,193	14,765,788
Trade deposits and short term prepayments	3,458,513	(3,796,601)
Other receivables	(914,910)	(2,281,307)
Tax refunds due from Government	(2,592,169)	(1,772,833)
	(1,431,683,300)	(1,788,662,990)

Increase / (decrease) in current liabilities

Trade and other payables	318,022,156	137,674,523
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Cash used in operating activities

(445,812,113) (1,171,321,196)

Payments for:

Finance cost	(509,788,535)	(306,250,337)
Income Tax	(16,379,721)	(15,927,144)

Net cash used in operating activities

(971,980,369) (1,493,498,677)

B. CASH FLOW FROM INVESTING ACTIVITIES:

Sale proceeds of property, plant and equipment	24,872,812	3,540,000
Fixed capital expenditure	(14,644,333)	(116,426,710)
Dividend received	395,832	1,165,883
Interest received	1,106,611	1,092,946
(Increase)/Decrease in Long term deposits	(3,706,451)	239,294

Net cash outflow from investing activities

8,024,471 (110,388,587)

Net cash outflow before financing activities

(963,955,899) (1,603,887,264)

C. CASH FLOW FROM FINANCING ACTIVITIES:

Repayment of finance lease	(58,824,149)	(37,696,179)
Repayment of long term financing	(164,926,848)	(83,156,099)
Proceed from long term financing	-	100,856,000
Proceed from short term borrowings	1,204,653,635	1,626,689,952
(Repayment) / proceeds of short term loans - machinery	-	(1,876,644)
Net cash generated from financing activities	980,902,638	1,604,817,030

Net increase / (decrease) in cash and cash equivalents

16,946,739 929,766

Cash and cash equivalents at beginning of the period	33,226,471	59,307,354
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Cash and cash equivalents at end of the period

50,173,210 60,237,120

Cash and cash equivalents comprise of the following :-

Cash and bank balances	44,971,754	56,180,628
Other financial assets - US Dollar Bonds	5,201,456	4,056,492
	50,173,210	60,237,120

NON CASH TRANSACTIONS

Purchase of fixed assets against finance lease	48,648,369	59,353,771
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The annexed notes form an integral part of these condensed interim financial statements.

NASEER AHMAD
CHIEF EXECUTIVE

DIRECTOR