GULISTAN TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2011

	1st Quarter Ended	
	September 30, 2011	September 30, 2010
	----------Rupees----------	
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before taxation	**(2,615,158)**	99,269,945
Adjustments for :		
Depreciation	**26,210,477**	25,985,177
Staff retirement benefits - gratuity (net)	**(857,831)**	541,540
Finance cost	**223,088,671**	242,360,778
Interest income	**(609,986)**	(620,709)
Share of profit of associated companies	**7,738,898**	(27,814,610)
Profit before working capital changes	**252,955,070**	339,722,121
Movement in working capital		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	**2,498,091**	(3,049,600)
Stock in trade	**59,976,260**	(203,219,603)
Trade debts	**(53,704,872)**	15,094,055
Loans and advances	**17,516,458**	6,342,726
Trade deposits and short term prepayments	**137,700**	(115,918)
Other receivables	**(2,112,674)**	(3,223,364)
Tax refunds due from Government	**8,808,990**	(8,710,628)
Increase in current liabilities	**33,119,953**	(196,882,332)
Trade and other payables	**(331,207,014)**	126,651,088
Cash generated from operating activities	**(45,131,991)**	269,490,877
Payments for:		
Finance cost	**(209,700,159)**	(246,157,229)
Income tax	**(5,709,982)**	(22,438,284)
Net cash generated from / (used in) operating activities	**(260,542,132)**	895,364
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Fixed capital expenditure	**(22,313,298)**	(41,568,506)
Sale & lease back proceeds	**58,335,650**	-
Interest received	**609,986**	803,717
(Increase)/decrease in long term deposits	**-**	301,840
Net cash used in investing activities	**36,632,338**	(40,462,949)
Net cash outflow before financing activities	**(223,909,794)**	(39,567,585)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of liabilities against assets subject to finance lease	**(20,467,938)**	(29,977,567)
Proceed/(Repayment) of long term financing	**75,000,000**	(15,566,426)
Short term borrowings - net	**53,838,308**	80,879,613
Net cash generated from / (used in) financing activities	**108,370,370**	35,335,619
Net increase in cash and cash equivalents	**(115,539,424)**	(4,231,963)
Cash and cash equivalents at beginning of the period	**212,200,530**	68,141,276
Cash and cash equivalents at end of the period	**96,661,106**	63,909,313
Cash and cash equivalents comprise of the following :-		
Cash and bank balances	**65,178,158**	58,338,390
Other financial assets - US Dollar Bonds	**31,482,948**	5,570,923
	96,661,106	63,909,313
NON CASH TRANSACTIONS		
Purchase of fixed assets against finance lease	**58,335,650**	150,211,042

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

CHIEF EXECUTIVE **DIRECTOR**