

**GULISTAN TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2009**

	1st Quarter Ended	
	September 30, 2009	September 30, 2008
	-----Rupees-----	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation	15,079,927	20,343,078
Adjustments for:		
Depreciation	23,758,100	23,881,129
Staff retirement benefits - gratuity (net)	623,680	876,982
Finance cost	231,833,214	133,639,994
Interest income	(403,546)	(434,933)
Fair value of investment at fair value through profit and loss	(18,528,677)	13,656,663
Profit / (loss) on sale of property, plant and equipment	(11,219)	-
Gain on sale and lease back of assets	-	-
Dividend income	(138)	-
<b>Profit before working capital changes</b>	<b>252,351,341</b>	<b>191,962,913</b>
<b>Movement in working capital</b>		
<b>(Increase) / decrease in current assets</b>		
Stores, spare parts and loose tools	(3,643,533)	(3,396,069)
Stocks in trade	(272,490,301)	(719,769,414)
Trade debts	42,876,782	189,896,698
Loans and advances	(8,362,179)	(4,914,588)
Trade deposits and short term prepayments	732,473	(5,541,365)
Other receivables	3,198,933	1,912,738
Tax refunds due from Government	(4,930,900)	(4,653,257)
	(242,618,724)	(546,465,257)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	89,783,394	(42,808,725)
<b>Cash used in operating activities</b>	<b>99,516,011</b>	<b>(397,311,069)</b>
<b>Payments for:</b>		
Finance cost	(215,136,954)	(130,998,586)
Income Tax	(11,906,952)	(5,109,418)
<b>Net cash used in operating activities</b>	<b>(127,527,895)</b>	<b>(533,419,074)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Sale proceeds of property, plant and equipment	2,200,354	-
Fixed capital expenditure	(20,863,189)	(1,819,472)
Dividend received	138	-
Interest received	669,100	220,906
(Increase)/Decrease in Long term deposits	185,920	6,392,326
<b>Net cash outflow from investing activities</b>	<b>(17,807,677)</b>	<b>4,793,760</b>
<b>Net cash outflow before financing activities</b>	<b>(145,335,572)</b>	<b>(528,625,313)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Repayment of finance lease	(16,176,812)	(4,902,300)
Repayment of long term financing	(69,391,324)	(63,535,588)
Proceed from short term borrowings	238,474,587	595,295,762
<b>Net cash generated from financing activities</b>	<b>152,906,450</b>	<b>526,857,874</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>7,570,878</b>	<b>(1,767,439)</b>
Cash and cash equivalents at beginning of the period	62,067,992	33,226,471
<b>Cash and cash equivalents at end of the period</b>	<b>69,638,869</b>	<b>31,459,033</b>
<b>Cash and cash equivalents comprise of the following :-</b>		
Cash and bank balances	64,273,794	27,061,065
Other financial assets - US Dollar Bonds	5,365,075	4,397,968
	69,638,869	31,459,033
<b>NON CASH TRANSACTIONS</b>		
Purchase of fixed assets against finance lease	-	5,416,700

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

**NASEER AHMAD**  
**CHIEF EXECUTIVE**

**TANVEER AHMAD**  
**DIRECTOR**