

# GULISTAN SPINNING MILLS LIMITED

## CONDENSED INTERIM CASH FLOW STATEMENT (UN - AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2009

	NOTE	HALF YEAR ENDED	
		Dec - 09	Dec - 08
		-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		24,681,781	7,670,724
<b>Adjustments for:</b>			
Depreciation		12,653,699	12,646,912
staff retirement benefits - gratuity		1,500,000	1,600,000
Share of profit of associates		(1,483,737)	(1,216,626)
Finance cost		85,728,956	72,365,381
Amortization of surplus on sale and lease back		(189,585)	(189,584)
Gain on disposal of property, plant and equipment		(25,281)	-
Loss on sale of investment		94,176	-
Mark up accrued		(2,290,376)	-
Dividend income		(877)	(1,015)
<b>Profit before changes in working capital</b>		<b>120,668,756</b>	<b>92,875,792</b>
Changes in working capital	11	34,074,155	(42,572,409)
<b>Cash generated from operations</b>		<b>154,742,911</b>	<b>50,303,383</b>
Finance cost paid		(87,817,633)	(53,536,111)
Staff retirement benefits - gratuity paid		(1,436,147)	(2,063,012)
Taxes paid		(7,584,687)	353,734
		(96,838,467)	(55,245,389)
<b>Net cash generated from / (used in) operating activities</b>		<b>57,904,444</b>	<b>(4,942,006)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(4,681,170)	(9,422,874)
Proceeds from sale of investment		32,344	-
Proceeds from sale of property, plant and equipment		50,000	-
Long term deposits		(61,950)	(307,800)
Mark up received		2,940,208	-
Dividend received		877	1,015
<b>Net cash used in investing activities</b>		<b>(1,719,691)</b>	<b>(9,729,659)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments for:			
Long term financing		(9,072,375)	(11,935,950)
Liabilities against assets subject to finance lease		(9,665,457)	(15,505,238)
Increase/(decrease) in short term borrowings - net		(10,678,867)	31,664,245
<b>Net cash generated from / (used in) financing activities</b>		<b>(29,416,699)</b>	<b>4,223,057</b>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		26,768,054	(10,448,608)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		57,693,334	85,332,833
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>84,461,388</b>	<b>74,884,225</b>

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

TANVEER AHMED  
CHIEF EXECUTIVE

NASEER AHMED  
DIRECTOR