

GULISTAN SPINNING MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN - AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2010

	NOTE	HALF YEAR ENDED	
		December-10	December-09
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		226,798,042	24,681,781
Adjustments for:			
Depreciation		12,223,173	12,653,699
Staff retirement benefits - gratuity		2,750,000	1,500,000
Share of profit of associates		(2,951,320)	(1,483,737)
Finance cost		82,511,662	85,728,956
Amortization of surplus on sale and lease back		(189,585)	(189,585)
Gain on disposal of property, plant and equipment		-	(25,281)
Loss on sale of investment		-	94,176
Mark up accrued		(1,100,468)	(2,290,376)
Dividend income		(9,634)	(877)
Profit before changes in working capital		320,031,870	120,668,756
Changes in working capital	11	(251,361,588)	34,074,155
Cash generated from operations		68,670,282	154,742,911
Finance cost paid		(75,781,350)	(87,817,633)
Dividend paid		(8,795,216)	-
Staff retirement benefits - gratuity paid		(1,670,370)	(1,436,147)
Taxes paid		(8,281,017)	(7,584,687)
		(94,527,953)	(96,838,467)
Net cash generated from / (used in) operating activities		(25,857,671)	57,904,444
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(39,504,811)	(4,681,170)
Long term investment - net		(5,619,696)	32,344
Proceeds from sale of property, plant and equipment		-	50,000
Long term deposits		30,001	(61,950)
Mark up received		1,104,005	2,940,208
Dividend received		9,634	877
Net cash used in investing activities		(43,980,867)	(1,719,691)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for:			
Long term financing		(3,330,250)	(9,072,375)
Liabilities against assets subject to finance lease		(17,449,400)	(9,665,457)
Increase/(decrease) in short term borrowings		49,287,928	(10,678,867)
Net cash generated from / (used in) financing activities		28,508,278	(29,416,699)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(41,330,260)	26,768,054
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		102,975,596	57,693,334
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		61,645,336	84,461,388

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

TANVEER AHMED
CHIEF EXECUTIVE

NASEER AHMED
DIRECTOR