

# GULISTAN SPINNING MILLS LIMITED

## CASH FLOW STATEMENT (Un-Audited ) FOR PERIOD ENDED MARCH 31, 2009

	Period Ended	
	March 31, 2009	March 31, 2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	17,829,208	15,323,298
<b>Adjustments for:</b>		
Depreciation on property, plant and equipment	19,807,509	19,064,979
Provision for staff retirement benefits - gratuity	2,350,000	2,250,000
Share of profit of associates	(1,216,626)	(576,925)
Finance cost	103,424,042	75,926,283
Amortization of surplus on sale and lease back	(284,376)	(284,376)
Dividend income	(1,462)	(1,274)
<b>Cash flows before changes in working capital</b>	<b>141,908,296</b>	<b>111,701,985</b>
Changes in working capital	9 (271,346,756)	(432,745,994)
<b>Cash generated from / (used in) operations</b>	<b>(129,438,461)</b>	<b>(321,044,009)</b>
Finance cost paid	(96,473,738)	(57,095,014)
Staff retirement benefits paid - gratuity	(3,303,801)	(2,025,765)
Income taxes paid	(1,921,130)	(5,679,695)
	(101,698,668)	(64,800,474)
<b>Net cash from / (used in) operating activities</b>	<b>(231,137,129)</b>	<b>(385,844,483)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	-	-
Purchase of property, plant and equipment	(10,942,815)	(8,326,234)
Long term deposits	(375,200)	548,741
Dividend received	1,462	1,274
<b>Net cash used in investing activities</b>	<b>(11,316,554)</b>	<b>(7,776,219)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of long term financing	(18,639,825)	(41,822,234)
Payment of liabilities against assets subject to finance lease	(21,784,471)	(23,492,663)
Increase / (decrease) in short term borrowings	214,947,028	433,135,273
<b>Net cash from financing activities</b>	<b>174,522,732</b>	<b>367,820,376</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(67,930,952)</b>	<b>(25,800,326)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>85,332,833</b>	<b>69,656,656</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>17,401,882</b>	<b>43,856,330</b>

CHIEF EXECUTIVE

DIRECTOR