

# GULISTAN SPINNING MILLS LIMITED

## CONDENSED INTERIM CASH FLOW STATEMENT (UN - AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2011

	NINE MONTHS ENDED	
	March-11	March-10
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	253,690,298	47,928,804
<b>Adjustments for:</b>		
Depreciation	18,774,610	19,254,828
Staff retirement benefits - gratuity	4,250,000	2,250,000
Share of profit of associates	(4,453,123)	(1,483,737)
Finance cost	131,043,779	126,006,227
Amortization of surplus on sale and lease back	(284,378)	(284,377)
Gain on disposal of property, plant and equipment	-	(25,281)
Loss on sale of investment	-	94,176
Mark up accrued	(1,992,574)	(2,164,306)
Dividend income	(9,634)	(877)
<b>Profit before changes in working capital</b>	<b>401,018,978</b>	<b>191,575,457</b>
Changes in working capital	11 (386,263,736)	38,852,214
<b>Cash generated from operations</b>	<b>14,755,242</b>	<b>230,427,671</b>
Finance cost paid	(125,081,435)	(134,953,285)
Dividend paid	(8,795,216)	-
Staff retirement benefits - gratuity paid	(2,497,487)	(2,156,333)
Taxes paid	(15,354,738)	(10,451,518)
	(151,728,876)	(147,561,136)
<b>Net cash generated from / (used in) operating activities</b>	<b>(136,973,634)</b>	<b>82,866,535</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(9,708,200)	(6,503,668)
Long term investment - net	(13,273,634)	32,344
Proceeds from sale of property, plant and equipment	-	50,000
Advance received against land classified as held for sale	-	12,283,751
Long term deposits	(109,949)	(61,950)
Mark up received	1,952,657	2,831,869
Dividend received	9,634	877
<b>Net cash used in investing activities</b>	<b>(21,129,492)</b>	<b>8,633,223</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments for:		
Long term financing	(6,660,500)	(20,550,325)
Liabilities against assets subject to finance lease	(25,923,358)	(16,891,062)
Increase/(decrease) in short term borrowings	135,961,565	(59,784,750)
<b>Net cash generated from / (used in) financing activities</b>	<b>103,377,707</b>	<b>(97,226,137)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(54,725,419)</b>	<b>(5,726,379)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>102,975,596</b>	<b>57,693,334</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>48,250,177</b>	<b>51,966,955</b>

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

CHIEF EXECUTIVE

DIRECTOR