

**SUNRAYS TEXTILE MILLS LIMITED**  
**CONDENSED INETRIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2011**

<i>.....Six months ended.....</i>	
<i>December 31,</i>	<i>December 31,</i>
<i>2011</i>	<i>2010</i>
<i>Rupees</i>	<i>Rupees</i>

**A. CASH FLOWS FROM OPERATING ACTIVITIES**

Profit before taxation	176,136,570	140,478,223
<b>Adjustments for :</b>		
Depreciation on property, plant and equipment	39,344,706	39,009,777
Provision for staff retirement benefits - gratuity	3,000,000	3,000,000
Gain on disposal of property, plant and equipment	(82,890)	-
Finance cost	32,014,109	56,579,857
Operating cash flows before movements in working capital	250,412,495	239,067,857

**Changes in working capital**

(Increase) / decrease in current assets

Stores and spares	(13,042,710)	(20,112,133)
Stock in trade	(960,646,086)	(1,364,896,732)
Trade debts	388,597,261	65,541,628
Loans and advances	(1,431,081)	5,390,739
Trade deposits and short term prepayments	85,600	1,039,684
Sales tax refundable	1,641,795	(6,000,061)
Other receivables	1,051,447	819,165
Increase in current liabilities		
Trade and other payables	31,208,519	128,140,302
	(552,535,255)	(1,190,077,408)

Cash used in operations	(302,122,760)	(951,009,551)
Finance cost paid	(36,265,899)	(41,221,069)
Staff retirement benefits - gratuity paid	(1,850,200)	(1,489,720)
Tax paid	(25,833,395)	(21,892,638)
Net cash used in operating activities	(366,072,254)	(1,015,612,978)

**B. CASH FLOWS FROM INVESTING ACTIVITIES**

Addition to property plant and equipment	(56,481,206)	(22,584,512)
Proceeds from disposal of property, plant and equipment	2,250,000	-
Net cash used in investing activities	(54,231,206)	(22,584,512)

.....Six months ended.....

	<u>December 31,</u> <u>2011</u> <u>Rupees</u>	<u>December 31,</u> <u>2010</u> <u>Rupees</u>
Repayment of long term financing	(14,916,698)	(96,783,334)
Repayment of finance lease	(9,099,501)	(7,979,870)
Dividend paid	(19,164,517)	(19,878,935)
Short term borrowings obtained - net	<u>466,419,237</u>	<u>1,176,181,246</u>
Net cash from financing activities	<u>423,238,521</u>	<u>1,051,539,107</u>
Net increase in cash and cash equivalents (A+B+C)	2,935,061	13,341,617
Cash and cash equivalents at beginning of the period	<u>28,651,794</u>	<u>11,711,026</u>
Cash and cash equivalents at end of the period	<u><u>31,586,855</u></u>	<u><u>25,052,643</u></u>

**C. CASH FLOWS FROM FINANCING ACTIVITIES**

The annexed selected notes from 1 to 11 form an integral part of this condensed interim financial information.

*Chief Executive Officer*

*Director*

*Chief Financial Officer*