

**SUNRAYS TEXTILE MILLS LIMITED**  
**CONDENSED INETRIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2012**

|  | <i>.....Six months ended.....</i> |                     |
|--|-----------------------------------|---------------------|
|  | <i>December 31,</i>               | <i>December 31,</i> |
|  | <i>2012</i>                       | <i>2011</i>         |
|  | <i>Rupees</i>                     | <i>Rupees</i>       |
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>           |                                   |                     |
| Profit before taxation                                   | 275,889,910                       | 176,136,570         |
| <b>Adjustments for :</b>                                 |                                   |                     |
| Depreciation on property, plant and equipment            | 42,524,013                        | 39,344,706          |
| Provision for staff retirement benefits - gratuity       | 3,600,000                         | 3,000,000           |
| Gain on disposal of property, plant and equipment        | -                                 | (82,890)            |
| Finance cost   | 26,946,942                        | 32,014,109          |
| Operating cash flows before movements in working capital | 348,960,865                       | 250,412,495         |
| <b>Changes in working capital</b>                        |                                   |                     |
| (Increase) / decrease in current assets                  |                                   |                     |
| Stores and spares  | (12,393,883)                      | (13,042,710)        |
| Stock in trade   | (176,767,998)                     | (960,646,086)       |
| Trade debts  | 412,488,521                       | 388,597,261         |
| Loans and advances                                       | 9,369,996                         | (1,431,081)         |
| Trade deposits and short term prepayments                | (56,552)                          | 85,600              |
| Sales tax refundable                                     | (6,924,127)                       | 1,641,795           |
| Other receivables  | (342,800)                         | 1,051,447           |
| Increase in current liabilities                          |                                   |                     |
| Trade and other payables                                 | 39,046,478                        | 31,208,519          |
|  | 264,419,635                       | (552,535,255)       |
| Cash used in operations                                  | 613,380,500                       | (302,122,760)       |
| Finance cost paid  | (29,960,126)                      | (36,265,899)        |
| Staff retirement benefits - gratuity paid                | (3,286,330)                       | (1,850,200)         |
| Tax paid   | (30,564,131)                      | (25,833,395)        |
| Net cash used in operating activities                    | 549,569,913                       | (366,072,254)       |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>           |                                   |                     |
| Addition to property plant and equipment                 | (16,993,159)                      | (56,481,206)        |
| Proceeds from disposal of property, plant and equipment  | -                                 | 2,250,000           |
| Net cash used in investing activities                    | (16,993,159)                      | (54,231,206)        |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>           |                                   |                     |
| Repayment of long term financing                         | (4,583,340)                       | (14,916,698)        |
| Repayment of finance lease                               | -                                 | (9,099,501)         |
| Dividend paid  | (67,282,396)                      | (19,164,517)        |
| Short term borrowings obtained - net                     | (439,198,189)                     | 466,419,237         |
| Net cash from financing activities                       | (511,063,925)                     | 423,238,521         |
| Net increase in cash and cash equivalents (A+B+C)        | 21,512,829                        | 2,935,061           |
| Cash and cash equivalents at beginning of the period     | 15,882,356                        | 28,651,794          |
| Cash and cash equivalents at end of the period           | 37,395,185                        | 31,586,855          |

The annexed selected notes from 1 to 12 form an integral part of this condensed interim financial information.

*Chief Executive Officer*

*Director*

*Chief Financial Officer*