

SUNRAYS TEXTILE MILLS LIMITED
CASH FLOW STATEMENT - UNAUDITED
FOR THE HALF YEAR ENDED DECEMBER 31, 2005

	Jul. 01, 2005 to Dec. 31, 2005	Jul. 01, 2004 to Dec. 31, 2004
	RUPEES '000'	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	9,684	25,351
Adjustments for:		
Depreciation	33,483	26,045
Provision for gratuity	1,689	1,099
Gain on sale of property, plant and equipment	-	(386)
Finance cost	32,000	12,639
Operating cash flow before working capital change	<u>76,856</u>	<u>64,748</u>
 (Increase) / decrease in current assets		
Stores and spares	(12,580)	4,222
Stock in trade	64,528	(339,530)
Trade debts	(9,001)	(3,522)
Loans and advances	(26,307)	(8,970)
Trade deposits and short term prepayments	(22,913)	(5,402)
Other receivables	(387)	10,890
Increase in trade and other payables	<u>16,248</u>	<u>31,312</u>
	<u>9,588</u>	<u>(311,000)</u>
Cash generated from / (used in) operations	86,444	(246,252)
Tax paid / adjusted	(6,111)	(9,820)
Gratuity paid	(371)	(3,521)
Finance cost paid	(30,822)	(11,411)
Net cash generated from / (used in) operating activities	<u>49,140</u>	<u>(271,004)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(104,326)	(115,840)
Sale proceeds of property, plant and equipment	-	575
Long term deposits	-	3,568
Net cash (used in) investing activities	<u>(104,326)</u>	<u>(111,697)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	50,000	90,000
Long term finances repaid	(26,277)	(31,780)
Lease finance paid	(1,175)	(3,844)
Dividend paid	(5,843)	(597)
Short term bank borrowings - net	90,526	324,246
Net cash generated from financing activities	<u>107,231</u>	<u>378,025</u>
Net increase / (decrease) in cash and bank balances during the period	52,045	(4,676)
Cash and bank balances at the beginning of the period	45,223	21,579
Cash and bank balances at the end of the period	<u><u>97,268</u></u>	<u><u>16,903</u></u>

The annexed notes from 1 to 12 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR