

SUNRAYS TEXTILE MILLS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2008

	2008	2007
	Rupees	Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	19,696,389	16,080,130
Adjustments for:		
Depreciation on operating assets	89,796,658	77,655,238
Provision for gratuity	9,192,563	1,721,468
Loss / (gain) on sale of operating assets	19,226	(20,341,088)
Provision for doubtful debts	-	314,018
Finance cost	106,389,917	86,904,834
Operating cash flows before working capital changes	225,094,753	162,334,600
Changes in working capital		
(Increase)/ decrease in current assets		
Stores and spares	2,178,883	(2,597,666)
Stock-in-trade	(537,412,331)	(19,164,678)
Trade debts	(28,944,294)	(24,760,565)
Loans and advances (excluding advance income tax)	18,410,072	15,616,663
Trade deposits and short term prepayments	(839,651)	(948,984)
Tax refund due from Government (excluding income tax refundable)	(5,301,031)	2,696,784
Other receivables	1,209,889	(8,297,250)
Increase in current liabilities		
Trade and other payables (excluding unclaimed dividend)	3,223,696	4,697,964
	(547,474,767)	(32,757,732)
Cash (used in)/generated from operations	(322,380,014)	129,576,868
Finance cost paid	(95,760,196)	(84,068,776)
Gratuity paid	(2,626,333)	(3,405,570)
Income tax paid	(3,303,466)	(750,938)
Net cash (used in) / from operating activities	(424,070,009)	41,351,584
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditures	(67,446,264)	(102,850,520)
Sale proceed of operating assets	655,000	42,291,000
Long term deposits	(4,677,928)	32,200
Net cash used in investing activities	(71,469,192)	(60,527,320)

	<i>2008</i> <i>Rupees</i>	<i>2007</i> <i>Rupees</i>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(40,737)	(60,328)
Long term finances obtained	100,000,000	105,000,000
Repayment of long term finances	(93,019,479)	(106,032,694)
Lease finance obtained	66,827,544	-
Repayment of principal portion of finance lease	(4,391,681)	(3,831,715)
Short term borrowings - net	436,338,653	1,968,145
Net cash from / (used) in financing activities	<u>505,714,300</u>	<u>(2,956,592)</u>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	10,175,099	(22,132,328)
Cash and cash equivalents at the beginning of the year	15,118,998	37,251,326
Cash and cash equivalents at the end of the year	<u><u>25,294,097</u></u>	<u><u>15,118,998</u></u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER