

SAZGAR ENGINEERING WORKS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2013

| | Half Year Ended | |
|---|--------------------------------|--------------------------------|
| | December 31, 2013 Rupees | December 31, 2012 Rupees |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 38,505,563 | 35,136,099 |
| Adjustment for non cash charges and other items: | | |
| Depreciation | 10,032,826 | 8,855,356 |
| Amortization | 110,374 | 87,595 |
| Provision for gratuity | 6,956,226 | 6,822,032 |
| Financial and other charges | 3,286,679 | 8,953,318 |
| Other Income | (1,277,567) | (2,033,607) |
| | <u>19,108,538</u> | <u>22,684,693</u> |
| | 57,614,102 | 57,820,792 |
| Working capital changes | | |
| (Increase)/Decrease in current assets | | |
| Store, spares and loose tools | (638,432) | 1,721,927 |
| Stock-in-trade | (94,580,675) | 109,446,683 |
| Trade debts | (13,465,872) | (2,259,410) |
| Loans & Advances | (7,702,402) | (1,176,910) |
| Trade Deposits and short term prepayments | (43,168,794) | (7,349,341) |
| Increase/(Decrease) in current liabilities | | |
| Trade and other payables | 63,133,652 | (81,332,831) |
| Increase in Long term loans and advances | (699,777) | (695,505) |
| | <u>(97,122,301)</u> | <u>18,354,614</u> |
| Cash (used in) / generated from operations | (39,508,199) | 76,175,406 |
| Finance cost paid | (2,551,995) | (5,639,833) |
| Income tax paid/deducted at source | (19,779,896) | (20,260,897) |
| Employees retirement benefit - Gratuity paid | (2,418,900) | (5,898,470) |
| Workers' Profit Participation Fund Paid | - | (6,254,288) |
| | <u>(64,258,990)</u> | <u>38,121,918</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Property, Plant and Equipment Purchased | (19,760,596) | (6,345,305) |
| Increase in long term deposits | - | (520,000) |
| Proceeds from sale of Property, Plant and Equipment | 4,000 | 2,100,000 |
| Security deposits with leasing companies | - | (1,020,150) |
| Net cash used in investing activities | (19,756,596) | (5,785,455) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from short term borrowings | 76,780,138 | 75,821,078 |
| Repayment of short term borrowings | (55,442,044) | (89,416,850) |
| Repayment of finance lease | (2,980,746) | (2,711,645) |
| Dividend paid | (17,972,368) | (17,776,360) |
| Net cash (used in) / generated from financing activities | 384,980 | (34,083,777) |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (83,630,606) | (1,747,314) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 127,543,489 | 8,983,613 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | <u>43,912,884</u> | <u>7,236,299</u> |

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


MIAN ASAD HAMEED
CHIEF EXECUTIVE


SAEED IQBAL KHAN
DIRECTOR