

**SAZGAR ENGINEERING WORKS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

	Half Year Ended	
	July - Dec 2015	July - Dec 2014
	Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	36,274,305	47,393,021
<b>Adjustment for non cash charges and other items:</b>		
Depreciation	9,619,847	9,982,662
Amortization	49,408	114,405
Provision for gratuity	9,084,036	8,543,240
Finance cost	1,983,359	4,684,817
Other Income	(2,376,178)	(1,278,572)
	<u>18,360,472</u>	<u>22,046,552</u>
	54,634,777	69,439,573
<b>Working capital changes</b>		
<b>(Increase)/Decrease in current assets</b>		
Store, spares and loose tools	(2,879,602)	(72,951)
Stock-in-trade	(114,290,738)	(103,415,657)
Trade debts	36,815,494	(66,155,850)
Loans & Advances	(445,828)	6,804,128
Trade Deposits and short term prepayments	(40,331,452)	(4,359,098)
Other receivables	(22,824,643)	-
<b>Increase/(Decrease) in current liabilities</b>		
Trade and other payables	142,129,214	99,468,874
<b>Increase in Long term loans and advances</b>	(409,450)	(2,824,944)
	<u>(2,237,005)</u>	<u>(70,555,499)</u>
<b>Cash generated from / (used in) operations</b>	52,397,772	(1,115,926)
Finance costs paid	(1,941,567)	(3,711,087)
Income tax paid/deducted at source	(24,879,544)	(28,634,792)
Employees retirement benefit - gratuity paid	(1,672,505)	(2,057,510)
<b>Net cash generated from / (used in) operating activities</b>	<u>23,904,156</u>	<u>(35,519,315)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment purchased	(14,732,871)	(4,599,363)
Proceeds from sale of property, plant and equipment	3,670,000	720,000
Security deposits with leasing companies	-	(185,850)
<b>Net cash used in investing activities</b>	<u>(11,062,871)</u>	<u>(4,065,213)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of short term borrowings	64,151,250	59,151,181
Repayment of short term borrowings	(41,384,606)	(23,582,765)
Repayment of finance lease	(1,439,285)	(2,705,327)
Dividend paid	(17,847,054)	(17,972,368)
<b>Net cash generated from financing activities</b>	<u>3,480,305</u>	<u>14,890,721</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>16,321,590</u>	<u>(24,693,807)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	18,282,048	31,791,683
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>34,603,638</u>	<u>7,097,877</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
**MIAN ASAD HAMEED**  
**CHIEF EXECUTIVE**

  
**SAEED IQBAL KHAN**  
**DIRECTOR**