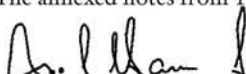


SAZGAR ENGINEERING WORKS LIMITED
CONDENSED CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	Jul-Sep 2012	Jul-Sep 2011
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	16,628,037	39,365,031
Adjustment for non cash charges and other items:		
Depreciation	4,287,486	4,184,243
Amortization	41,242	40,057
Provision for gratuity	3,411,015	3,098,929
Financial and other charges	5,188,939	6,516,782
Other Income	(341,379)	(592,711)
	<u>12,587,304</u>	<u>13,247,300</u>
Effect on cash flow due to working capital changes	29,215,340	52,612,332
(Increase)/decrease in current assets		
Stores, spares and loose tools	(867,607)	(546,458)
Stock-in-trade	60,835,615	(35,776,050)
Trade debts	19,857,069	21,897,857
Loans and Advances	(4,436,593)	(1,431,263)
Trade deposits and short term prepayments	8,726,309	21,430,939
Increase /(decrease) in current liabilities		
Trade and other payables	(88,972,331)	3,104,152
Increase in long term loans and advances	(183,125)	(723,000)
	<u>(5,040,664)</u>	<u>7,956,178</u>
Cash generated from operations	24,174,677	60,568,509
Financial charges paid	(3,197,817)	(4,870,147)
Income tax paid/deducted at source	(7,977,447)	(12,847,892)
Employees retirement benefit - Gratuity paid	(515,510)	(537,490)
Net cash inflow from operating activities	<u>12,483,903</u>	<u>42,312,980</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant and Equipment	(948,310)	(690,989)
Proceeds from sale of fixed Assets	-	47,931
Increase in long term deposits	(120,000)	(100,000)
Security deposits with leasing companies	(723,150)	(369,380)
Net cash used in investing activities	<u>(1,791,460)</u>	<u>(1,112,438)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term borrowings	46,484,745	71,011,310
Repayment of short term borrowings	(50,744,565)	(71,672,757)
Repayment of finance lease	(1,361,589)	(680,290)
Dividend Paid	-	(20,443)
Net cash used in financing activities	<u>(5,621,410)</u>	<u>(1,362,180)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,071,033	39,838,362
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	8,983,613	(34,336,235)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>14,054,646</u>	<u>5,502,127</u>

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


MIAN ASAD HAMEED
 CHIEF EXECUTIVE


SAEED IQBAL KHAN
 DIRECTOR