

**SAZGAR ENGINEERING WORKS LIMITED**  
**CONDENSED CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2009**

	Jul-Mar 2009	Jul-Mar 2008
	Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	16,189,317	194,719,912
Adjustment for non cash charges and other items:		
Depreciation	11,656,039	8,409,818
Amortization	464,667	493,408
Provision for gratuity	4,718,153	3,364,306
Other Income	(156,032)	(258,209)
Financial and other charges	14,606,638	23,047,095
	<u>31,289,465</u>	<u>35,056,418</u>
<b>Effect on cash flow due to working capital changes</b>	47,478,782	229,776,330
(Increase)/decrease in current assets		
Stores, spares and loose tools	(358,172)	70,409
Stock-in-trade	(6,946,160)	(42,584,454)
Trade debts	118,969,098	(225,661,143)
Advances, deposits, prepayments and other receivables	2,811,487	(33,830,186)
Increase/(decrease) in current liabilities		
Trade and other payables	(38,384,789)	74,907,465
	<u>76,091,464</u>	<u>(227,097,909)</u>
<b>Cash generated from operations</b>	123,570,246	2,678,421
Financial charges paid	(11,850,720)	(7,049,046)
Income tax paid/deducted at source	(57,430,965)	(9,683,769)
Employees retirement benefit - Gratuity	(2,782,740)	(400,750)
WPPF and WWF	(11,222,632)	(4,415,272)
<b>Net Cash inflow/(outflow) from operating activities</b>	40,283,189	(18,870,416)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, Plant and Equipment	(26,467,613)	(13,027,470)
Intangible Assets	-	(510,652)
(Increase)/decrease in long term security deposits	(45,000)	-
Security deposit with leasing companies	-	(3,992,495)
Sale proceeds from sale of fixed assets	592,529	750,000
<b>Net cash outflow from investing activities</b>	(25,920,084)	(16,780,617)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term finances	(1,800,000)	(1,800,000)
Proceeds of short term finances and advances	73,215,307	113,214,555
Repayment of short term finances and advances	(75,380,672)	(79,349,472)
Repayment of finance lease	(7,822,312)	(8,116,846)
Dividend paid	-	(7,879,300)
<b>Net cash inflow/(outflow) from financing activities</b>	(11,787,677)	16,068,937
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,575,429	(19,582,096)
<b>CASH AND CASH EQUIVALENTS</b>		
<b>AT THE BEGINNING OF THE PERIOD</b>	(15,061,078)	16,243,385
<b>CASH AND CASH EQUIVALENTS</b>		
<b>AT THE END OF THE PERIOD</b>	<u>(12,485,649)</u>	<u>(3,338,711)</u>

The annexes numbered from 1 to 13 form an integral part of these financial statements.

  
**MIAN ASAD HAMEED**  
 CHIEF EXECUTIVE

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**SAEED IQBAL KHAN**  
 DIRECTOR