

**SAZGAR ENGINEERING WORKS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2016**

	First Quarter Ended	
	September 30, 2016	September 30, 2015
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	44,613,314	20,501,623
<b>Adjustment for non cash charges and other items:</b>		
Depreciation	4,918,710	4,682,374
Amortization	23,876	25,282
Provision for gratuity	4,587,845	4,542,018
Finance cost	335,496	1,442,182
Other Income	(473,434)	(1,197,848)
	<b>9,392,493</b>	<b>9,494,008</b>
<b>Working capital changes</b>	<b>54,005,807</b>	<b>29,995,631</b>
<b>(Increase)/Decrease in current assets</b>		
Store, spares and loose tools	(320,695)	(2,974,537)
Stock-in-trade	(48,642,775)	42,665,176
Trade debts	(9,303,554)	16,533,517
Loans & Advances	3,701,154	(4,068,055)
Trade Deposits and short term prepayments	(30,326,637)	(20,041,455)
<b>Increase/(Decrease) in current liabilities</b>		
Trade and other payables	170,119,999	45,766,598
<b>Increase in Long term loans and advances</b>	<b>805,292</b>	<b>(88,000)</b>
	<b>84,422,200</b>	<b>77,793,244</b>
<b>Cash generated from operations</b>	<b>38,428,007</b>	<b>07,788,875</b>
Finance cost paid	(110,200)	(1,575,251)
Income tax paid/deducted at source	(16,263,900)	(6,935,252)
Employees retirement benefit - gratuity paid	(849,995)	(499,540)
<b>Net cash generated from operating activities</b>	<b>21,203,912</b>	<b>8,778,832</b>
<b>ASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment purchased	(44,374,834)	(8,418,992)
Increase in long term deposits	(1,005,000)	-
Proceeds from sale of property, plant and equipment	-	1,970,000
<b>Net cash used in investing activities</b>	<b>45,379,834</b>	<b>(6,448,992)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of short term borrowings	-	15,145,139
Repayment of short term borrowings	-	(31,393,422)
Repayment of finance lease	(274,774)	(847,795)
Dividend paid	(6,133)	(71,096)
<b>Net cash used in financing activities</b>	<b>280,907</b>	<b>(17,167,174)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>75,543,170</b>	<b>5,162,666</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>166,898,133</b>	<b>18,282,048</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>242,441,303</b>	<b>93,444,714</b>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

  
**MIAN ASAD HAMEED**  
 CHIEF EXECUTIVE

  
**SAEED IQBAL KHAN**  
 DIRECTOR

