

**SAZGAR ENGINEERING WORKS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTH ENDED MARCH 31, 2015**

	Nine Month Ended	
	March 31, 2015 Rupees	March 31, 2014 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	85,070,696	75,999,495
<b>Adjustment for non cash charges and other items:</b>		
Depreciation	15,074,070	15,378,252
Amortization	171,832	165,551
Provision for gratuity	12,814,860	10,434,339
Finance Cost	6,171,391	4,915,660
Other Income	(1,928,550)	(3,086,562)
	<b>32,303,603</b>	<b>27,807,239</b>
	<b>117,374,299</b>	<b>103,806,734</b>
<b>Working capital changes</b>		
<b>(Increase)/Decrease in current assets</b>		
Store, spares and loose tools	(1,031,615)	(1,538,255)
Stock-in-trade	(103,630,785)	(126,319,420)
Trade debts	(48,068,334)	17,692,471
Loans & Advances	1,677,379	(6,052,940)
Trade Deposits and short term prepayments	(9,760,713)	(7,902,931)
<b>Increase/(Decrease) in current liabilities</b>		
Trade and other payables	83,493,421	15,373,047
<b>Increase in Long term loans and advances</b>	<b>(1,269,819)</b>	<b>(1,416,027)</b>
	<b>(78,590,466)</b>	<b>(110,164,055)</b>
<b>Cash generated from / (used in) operations</b>	<b>38,783,834</b>	<b>(6,357,321)</b>
Finance costs paid	(6,506,853)	(5,389,314)
Income tax paid/deducted at source	(37,777,872)	(25,535,914)
Employees retirement benefit - Gratuity paid	(5,409,185)	(3,739,670)
Workers' Profit Participation Fund Paid	(4,731,493)	(5,180,758)
<b>Net cash generated from / (used in) operating activities</b>	<b>(15,641,569)</b>	<b>(46,202,978)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, Plant and Equipment Purchased	(5,875,541)	(26,307,759)
Decrease in long term deposits	20,000	-
Proceeds from sale of Property, Plant and Equipment	720,000	2,439,000
Security deposits with leasing companies	(185,850)	(370,275)
<b>Net cash used in investing activities</b>	<b>(5,321,391)</b>	<b>(24,239,034)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of short term borrowings	119,151,183	92,621,240
Repayment of short term borrowings	(88,236,521)	(100,624,695)
Repayment of finance lease	(4,149,008)	(2,279,450)
Dividend paid	(17,932,085)	(35,944,736)
<b>Net cash used in financing activities</b>	<b>8,833,569</b>	<b>(46,227,641)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(12,129,392)</b>	<b>(116,669,652)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>31,791,683</b>	<b>127,543,489</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>19,662,291</b>	<b>10,873,837</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**