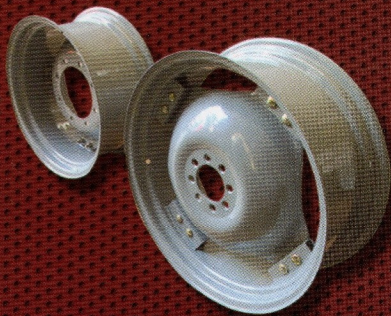




Quarterly Accounts (Un-Audited)

September 30, 2017



Sazgar Engineering Works Limited





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Vision

Dynamic, Quality Conscious and Ever Progressive

Mission

- To be market leader in providing safe, economical, durable, comfortable and environment friendly means of transportation of international quality at competitive prices
- To achieve market leadership in automotive wheel-rims of all types and sizes
- Grow through innovation of new products and
- Give higher return to the stakeholders.

Corporate Strategy

Achieve optimal performance in production and sale; continuously add value added products at competitive prices by maintaining "quality" as core element; focus on customers' satisfaction regarding sale, spares and service; explore new markets and enhance customers base; ensure right usage of company's resources; create employment opportunities; protect the interest of stakeholders; and be a part of the country's development.



COMPANY INFORMATION

BOARD OF DIRECTORS

Mrs. Saira Asad Hameed
Chairperson/Non-Executive Director

Mr. Mian Asad Hameed
Chief Executive

Mr. Saeed Iqbal Khan
Executive Director

Mr. Mian Muhammad Ali Hameed
Executive Director

Mr. Mian Zafar Hameed
Non-Executive Director

Mrs. Sana Suleyman
Non-Executive Director

Mr. Humza Amjad Wazir
Non-Executive Director

Mr. Ahsan Ejaz
Independent Director

Mr. Anwar Ali
Independent Director

COMPANY SECRETARY

Mr. Arshad Mahmood - FCA

CHIEF FINANCIAL OFFICER

Mr. Muhammad Atif Rao

REGISTERED OFFICE

88 - Ali Town, Thokar Niaz Baig,
Raiwind Road, Lahore.

SHARE REGISTRAR

Corp Tec Associates (Pvt.) Limited
503-E, Johar Town, Lahore.
Ph# 042-35170336-37
Fax# 042-35170338

FACTORY

18-KM Raiwind Road, Lahore.

AUDIT COMMITTEE

Mr. Ahsan Ejaz
Chairman

Mr. Anwar Ali
Member

Mrs. Sana Suleyman
Member

Mr. Arshad Mahmood
Secretary

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Mian Zafar Hameed
Chairman

Mr. Saeed Iqbal Khan
Member

Mr. Humza Amjad Wazir
Member

Mr. Arshad Mahmood
Secretary

AUDITORS

H.Y.K & Co.
Chartered Accountants

BANKERS

Allied Bank Limited
National Bank of Pakistan
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
The Bank of Punjab
Summit Bank Limited
NIB Bank Limited
Meezan Bank Limited
Soneri Bank Limited
United Bank Limited
Bank Al - Habib Limited
Askari Bank Limited



ڈائریکٹرز کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2017 کو مکمل ہونے والی پہلی سرمایہ کے لئے کمپنی کے معاملات پر بخوشی اپنا جائزہ پیش کرتے ہیں۔

مالیاتی نتائج:

اللہ تعالیٰ کے فضل سے آپ کی کمپنی پچھلے سال کی سرمایہ کے مقابلہ میں اس سرمایہ کے دوران فروخت اور منافع میں اضافہ حاصل کرنے میں کامیاب رہی ہے۔

اس سرمایہ میں کمپنی کی مجموعی فروخت 16.46 فیصد اضافہ کے ساتھ پچھلے مالیاتی سال کی سرمایہ کے مقابلہ میں 791.66 ملین روپے سے بڑھ کر 921.96 ملین روپے ہو گئی ہے۔ مجموعی منافع 21.85 فیصد اضافہ سے 83.09 ملین روپے سے بڑھ کر 101.24 ملین روپے ہو گیا ہے۔ قبل ازیکس منافع 18.48 فیصد اضافہ سے 44.61 ملین روپے سے بڑھ کر 52.86 ملین روپے ہو گیا ہے اور آمدنی فی حصص 1.64 روپے سے بڑھ کر 2.09 روپے ہو گئی ہے۔

مجموعی فروخت میں آئوریٹس کی برآمدات بھی شامل ہیں جو کہ پچھلے مالیاتی سال کی سرمایہ کے مقابلہ میں 89.94 فیصد اضافہ سے 4.68 ملین روپے سے بڑھ کر 8.89 ملین روپے ہو گئی ہے۔

کمپنی نے پچھلے سال کی سرمایہ کی پیداوار 5,337 عدد کے مقابلہ میں اس سرمایہ میں 5,683 فیصد اضافہ کے ساتھ 5,683 عدد آئوریٹس بنائے۔ پیداواری صلاحیت سے زیادہ اصل پیداوار آئوریٹس کی طلب کو پورا کرنے کے لئے اضافی وقت میں کام کرنے کی وجہ سے ہے۔

کمپنی نے پچھلے سال کی سرمایہ میں 14,618 ٹریکٹریل ریم کی پیداوار کے مقابلہ میں اس سرمایہ میں 74.07 فیصد اضافہ کے ساتھ 25,445 ٹریکٹریل ریم بنائے۔

مستقبل پر نقطہ نظر:

کمپنی آئندہ آنے والی سرمایہ میں آئوریٹس اور ٹریکٹریل ریم کی طلب میں اضافے کے رجحان کو جاری رہنے کی توقع رکھتی ہے بشرطیکہ کہ ملک میں امن و امان اور سیاسی صورتحال میں کوئی خرابی نہ ہو۔

انشاء اللہ آپ کی کمپنی آنے والے وقت میں بہتر مالیاتی نتائج کی توقع کرتی ہے۔

ہم اپنی کمپنی کے ملازمین کی ان محکمات، ٹیم ورک اور لگن جس کا اظہار انہوں نے موجودہ عرصہ کے دوران کیا ہے، کے شکر گزار ہیں۔ ہم اپنے معزز محض داران، کاروباری شراکت دار اور مالی اداروں کے کمپنی کے ساتھ مسلسل تعاون کرنے پر بھی شکر گزار ہیں۔

یورڈ آف ڈائریکٹرز کی جانب سے

Saeed

سعید اقبال خان

ڈائریکٹر

Muhammad

میاں اسماعیل

چیف ایگزیکٹو

لاہور

مؤرخہ 26 اکتوبر 2017



DIRECTORS' REVIEW

The directors of your Company are pleased to present their review on the affairs of the Company for the first quarter ended September 30, 2017.

Financial Results:

By the Grace of Almighty Allah, your Company has been successful in achieving the growth in sales and profitability during the period under review as compared to corresponding period of last financial year.

During this quarter, the Company's net sale has increased by 16.46% from Rs. 791.66 M to Rs. 921.96 M, gross profit by 21.85% from Rs. 83.09 M to Rs. 101.24 M, pretax profit by 18.48% from Rs. 44.61 M to Rs. 52.86 M and earnings per share from Rs. 1.64 to Rs. 2.09 as compared to the corresponding period of last financial year.

The net sale includes an export sale of Rupees 8.89 million of Auto Rickshaws as compared to the corresponding period of last financial year export of Rupees 4.68 million showing an increase of 89.94%.

The Company produced 5,683 units of Auto Rickshaws during this period compared with 5,337 units of auto rickshaw produced during corresponding period of last year showing an increase of 6.48%. The excess production of Auto Rickshaws over normal capacity is due to working in over time schedule to meet the increased market demand.

The company produced 25,445 tractor wheel rims during the current period compared with 14,618 tractor wheel rims of corresponding period of last year showing an increase of 74.07%.

Future Outlook:

Your Company expects continuity in growing trend of demand of Auto Rickshaw and Tractor Wheel Rims during next quarter provided there is not any deterioration in security situation and political stability in the country.

The Company foresees better financial results in the period to come, INSHA ALLAH.

The directors would like to place on record their appreciation for the untiring efforts, teamwork and dedication shown by the company's employees during the period under review. They would also like to express their gratitude to the valued shareholders, customers, suppliers and financial institutions for their co-operation, constant support and trust on the Company.

For and on behalf of the Board

Lahore

Dated: 26-10-2017

Mian Asad Hameed
(Chief Executive)

Saeed Iqbal Khan
(Director)



SAZGAR ENGINEERING WORKS LIMITED

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT SEPTEMBER 30, 2017

	Note	Un-audited September 30, 2017 Rupees	Audited June 30, 2017 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	4.1	500,000,000	500,000,000
Issued, subscribed and paid-up share capital	4.2	179,723,680	179,723,680
Revenue reserve - Un-appropriated Profit		631,675,038	594,064,626
		811,398,718	773,788,306
LIABILITIES			
NON CURRENT LIABILITIES			
Deferred Liabilities		144,337,256	138,335,634
CURRENT LIABILITIES			
Trade and other payables		611,513,377	496,168,925
Mark-up & profit accrued on loans and other payables		665,111	93,421
Current portion of long term liabilities		-	56,310
		612,178,488	496,318,656
CONTINGENCIES AND COMMITMENTS	5	-	-
TOTAL EQUITY AND LIABILITIES		1,567,914,461	1,408,442,596
ASSETS			
NON CURRENT ASSETS			
Property, Plant and Equipment	6	541,613,265	533,007,173
Intangible Assets	7	33,292	50,819
LONG TERM LOANS AND ADVANCES		10,596,743	14,869,157
LONG TERM DEPOSITS		2,387,137	2,387,137
CURRENT ASSETS			
Stores, spares and loose tools		5,213,481	2,728,731
Stock-in-trade		610,048,594	548,124,950
Trade debts		101,235,994	72,080,590
Loans & advances		12,358,781	10,796,759
Trade deposits and short term prepayments		109,136,392	33,107,316
Other receivables		129,138,536	123,987,074
Cash and bank balances		46,152,246	67,302,890
		1,013,284,024	858,128,310
TOTAL ASSETS		1,567,914,461	1,408,442,596

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


MUHAMMAD ATIF RAO
CHIEF FINANCIAL OFFICER



SAZGAR ENGINEERING WORKS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	Note	First Quarter Ended	
		September 30, 2017	September 30, 2016
		Rupees	Rupees
Sales - Net	8	921,959,171	791,656,748
Cost of sales	9	820,714,290	708,569,976
Gross Profit		101,244,881	83,086,772
Distribution cost		25,091,089	19,722,101
Administrative expenses		18,158,761	15,526,237
Other operating expenses		3,941,622	3,363,058
		47,191,472	38,611,396
		54,053,409	44,475,376
Other income		503,911	473,434
Operating profit before finance cost		54,557,320	44,948,810
Finance cost		1,697,878	335,496
Profit before taxation		52,859,442	44,613,314
Taxation	10	15,249,031	15,138,061
Profit after taxation		37,610,411	29,475,253
Earnings per share - Basic and diluted	11	2.09	1.64

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


MUHAMMAD ATIF RAO

CHIEF FINANCIAL OFFICER



SAZGAR ENGINEERING WORKS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

First Quarter Ended	
September 30, 2017	September 30, 2016
Note	Rupees

PROFIT AFTER TAXATION FOR THE PERIOD

37,610,411 29,475,253

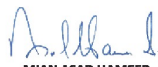
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD

- -

TOTAL COMPREHENSIVE INCOME FOR THE PERIOD

37,610,411 29,475,253

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


MUHAMMAD ATIF RAO
CHIEF FINANCIAL OFFICER



SAZGAR ENGINEERING WORKS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	Share Capital Rupees	Un-appropriated Profit Rupees	Total Rupees
Balance as at June 30, 2016 - Audited	179,723,680	509,691,079	689,414,759
Comprehensive Income for the quarter			
Profit after taxation		29,475,253	29,475,253
Other Comprehensive Income / (Loss)		-	-
Total Comprehensive Income for the quarter ended September 30, 2016	-	29,475,253	29,475,253
Balance as at September 30, 2016- Un-audited	179,723,680	539,166,332	718,890,012
Balance as at June 30, 2017 - Audited	179,723,680	594,064,626	773,788,306
Comprehensive Income for the quarter			
Profit after taxation		37,610,411	37,610,411
Other Comprehensive Income / (Loss)		-	-
Total comprehensive income for the quarter ended September 30, 2017	-	37,610,411	37,610,411
Balance as at September 30, 2017 - Un-Audited	179,723,680	631,675,038	811,398,718

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

MUHAMMAD ATIF RAO
CHIEF FINANCIAL OFFICER



SAZGAR ENGINEERING WORKS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	First Quarter Ended	
	September 30, 2017	September 30, 2016
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	52,859,442	44,613,314
Adjustment for non cash charges and other items:		
Depreciation	4,864,412	4,918,710
Amortization	17,527	23,876
Provision for gratuity	6,798,939	4,587,845
Finance cost	1,697,878	335,496
Other income	(503,911)	(473,434)
	12,874,845	9,392,493
	65,734,287	54,005,807
Working capital changes		
(Increase)/Decrease in current assets		
Store, spares and loose tools	(2,484,750)	(320,695)
Stock-in-trade	(61,923,644)	(48,642,775)
Trade debts	(29,155,404)	(9,303,554)
Loans & Advances	(1,562,022)	3,701,154
Trade Deposits and short term prepayments	(76,029,076)	(30,326,637)
Other receivables	20,000	-
Increase in current liabilities		
Trade and other payables	119,066,044	170,119,999
Decease / (Increase) in long term loans and advances		
	4,272,414	(805,292)
	(47,796,438)	84,422,200
Cash generated from operations	17,937,849	138,428,007
Finance cost paid	(1,126,188)	(110,200)
Income tax paid/deducted at source	(23,241,097)	(16,263,900)
Employees retirement benefit - gratuity paid	(902,620)	(849,995)
Net cash (Used In) / generated from operating activities	(7,332,056)	121,203,912
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(13,470,504)	(44,374,834)
Increase in long term deposits	-	(1,005,000)
Net cash used in investing activities	(13,470,504)	(45,379,834)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease	(56,310)	(274,774)
Dividend paid	(291,774)	(6,133)
Net cash used in financing activities	348,084	(280,907)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(121,150,644)	75,543,170
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	67,302,890	166,898,133
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	46,152,246	242,441,303

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


MUHAMMAD ATIF RAO
CHIEF FINANCIAL OFFICER



SAZGAR ENGINEERING WORKS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

1 LEGAL STATUS AND OPERATIONS

The Company was incorporated in Pakistan on September 21, 1991 as a Private Limited Company under the Companies Ordinance, 1984 and converted into a Public Limited Company on November 21, 1994. The Company is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacture and sale of automobiles, automotive parts and household electric appliances. The registered office of the company is situated at 88- Ali Town, Thokar Niaz Balg, Raiwind Road, Lahore.

2 BASIS OF PREPARATION

2.1 The Companies Act, 2017 (the "Act") has been promulgated as on May 30, 2017, however, Securities and Exchange Commission of Pakistan issued a circular no. 23 of 2017 dated October 04, 2017 and its clarification to The Institute of Chartered Accountants of Pakistan that companies whose interim financial period close on or before December 31, 2017 shall prepare the financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Therefore, These condensed interim financial statements (un-audited) of the Company for the first quarter ended September 30, 2017 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 are followed.

2.2 These condensed interim financial statements (un-audited) are being submitted to the shareholders as required by section 237 of The Companies Act, 2017 (the "Act").

2.3 These condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2017.

2.4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

2.4.1 Financial risk factors

The Company's activities expose to a variety of financial risks namely market risk (including currency risk, price risk and interest rate risk), credit risk, foreign exchange risk and liquidity risk. There has been no change in the risk management policies during the period, consequently these condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements.

2.4.2 Fair Value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair value.

2.5 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34- 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2017.



SAZGAR ENGINEERING WORKS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

4 SHARE CAPITAL

4.1 AUTHORIZED SHARE CAPITAL

Un-audited September 30, 2017 Number	Audited June 30, 2017 Number	NOTE	Un-audited September 30, 2017 Rupees	Audited June 30, 2017 Rupees
50,000,000	50,000,000	Ordinary shares of Rupees 10 each	500,000,000	500,000,000

4.2 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

7,163,000	7,163,000	ordinary shares of Rupees 10/- each fully paid up in cash	71,630,000	71,630,000
10,809,368	10,809,368	ordinary shares of Rupees 10/- each allotted as bonus shares	108,093,680	108,093,680
17,972,368	17,972,368		179,723,680	179,723,680

5 CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There is no significant change in contingencies from the preceding annual published financial statement of the Company for the year ended June 30, 2017. Except the following:

5.1.1 During the period, DCIR created a sales tax demand of Rs. 7.42 million against sales tax audit for tax period from July-2013 to June-2014. Company intends to file an appeal with CIR (A). In the opinion of tax consultant, favorable outcome of the appeal is expected, hence no provision is made in these financial statements.

5.1.2 During the period, the company has received a notification issued by Government of Punjab (Labour & Human Resource Department) for enhancing the monthly wage ceiling from Rs. 18,000/- to 22,000/- for the purpose of levy of Social Security contribution. The company intends to file a Writ Petition in the Honorable Lahore High Court, Lahore to challenge the legality of the notification. The estimated effect of this notification on financial statements is Rs.48,958/- In the opinion of the legal advisor expected outcome of the case will be in the favour of the company, hence no provision is made in these financial statements.

5.2 Commitments

5.2.1 Commitments in respect of outstanding letters of credit for raw material amount to Rs. 117.74 Million (June 30, 2017: Rs. 167.30 Million).

5.2.2 Commitments in respect of capital expenditures amount to Rs. 29.72 Million (June 30, 2017: Rs. 8.99).

6 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	6.1	268,454,131	264,189,676
Capital work in progress		273,159,134	267,517,497
Advance for purchase of vehicles		-	1,300,000
		541,613,265	533,007,173

6.1 OPERATING FIXED ASSETS - Tangible

Opening book value		264,189,676	241,027,824
Add:			
Additions during the period (at cost)			
- Freehold Land		-	22,527,054
- Plant and machinery		6,491,867	5,486,326
- Electric fittings		-	1,115,063
- Office equipments		-	340,615
- Vehicles		2,637,000	15,718,500
		9,128,867	45,187,558



SAZGAR ENGINEERING WORKS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	NOTE	Un-audited September 30, 2017 Rupees	Audited June 30, 2017 Rupees
Less:			
Disposal during the period (at net book value)			
- Furniture and fittings		-	14,389
- Office Equipment		-	18,747
- Electric Installations		-	2,433
- Vehicles		-	1,275,997
Depreciation charged during the period		4,864,412	20,714,142
		4,864,412	22,025,707
Closing book value		268,454,131	264,189,676
7 INTANGIBLE ASSETS			
Opening book value		50,819	135,605
Add: additions during the period		-	-
		50,819	135,605
Less: amortization charged during the period		17,527	84,786
Closing book value		33,292	50,819
		Un-audited July-Sep 2017 Rupees	Un-audited July-Sep 2016 Rupees
8 SALES - NET			
Gross sales	8.1	1,141,464,504	951,947,890
Less: Sales tax		161,237,121	137,511,943
Sales returns		34,270,641	4,428,862
Commission		23,997,571	18,350,337
		219,505,333	160,291,142
		921,959,171	791,656,748
9 COST OF SALES			
Raw materials and components consumed		756,833,349	655,188,717
Salaries, wages and other benefits		70,566,238	60,588,545
Stores, spares and loose tools consumed		7,523,010	7,478,258
Power and fuel charges		13,567,604	12,233,878
Repair and maintenance		23,882,931	24,689,069
Provision for slow moving items		845,150	667,321
Other expenses		2,963,188	1,486,347
Depreciation & Amortization		3,153,846	3,209,700
		879,335,316	765,541,835
Opening work-in-process		13,548,770	15,490,216
Closing work-in-process		(10,630,631)	(9,752,885)
Cost of goods manufactured		882,253,455	771,279,166
Opening finished goods		191,425,091	167,986,268
Closing finished goods		(252,964,256)	(230,695,458)
		820,714,290	708,569,976

8.1 This includes Rs. 8.89 million (September 30, 2016: Rs. 4.68 million) on account of export sales for the period.



SAZGAR ENGINEERING WORKS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	NOTE	Un-audited July-Sep 2017 Rupees	Un-audited July-Sep 2016 Rupees
10 TAXATION			
Current			
For the period	10.1	15,143,729	14,518,214
Deferred			
For the period		105,302	619,847
		<u>15,249,031</u>	<u>15,138,061</u>

10.1 The rate of tax has decreased from 31% to 30% during the period.

11 EARNINGS PER SHARE - BASIC AND DILUTED

Basic Earnings Per Share

Profit after taxation for the period	Rupees	37,610,411	29,475,253
Weighted average number of ordinary shares outstanding during the period - Note 4	Number	17,972,368	17,972,368
Basic earnings per share	Rupees	2.09	1.64

11.1 Diluted earnings per share

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at September 30, 2017 and September 30, 2016 which would have any effect on earning per share if the option to convert is exercised.

12 TRANSACTIONS WITH RELATED PARTIES

Remuneration, Allowances and benefits paid to Chief Executive	3,150,000	2,730,000
Remuneration, Allowances and benefits paid to Executive Director (s)	2,975,000	1,225,000
Meeting fee paid to Non-Executive Director (s)	255,000	-
TOTAL	<u>6,380,000</u>	<u>3,955,000</u>

13 SEGMENT RESULTS

Segment Revenue - Net		
Home appliances	1,247,199	867,400
Auto parts	156,219,492	86,858,496
Auto rickshaw	764,492,480	703,930,852
Total	<u>921,959,171</u>	<u>791,656,748</u>
Segment operating results		
Home appliances	108,576	(136,740)
Auto parts	4,916,952	(1,079,106)
Auto rickshaw	50,900,289	49,054,279
Total	<u>55,925,817</u>	<u>47,838,433</u>

14 DATE OF AUTHORIZATION FOR ISSUE

The Board of Directors of the Company has authorized these condensed interim financial statements for issue on October 26, 2017.



SAZGAR ENGINEERING WORKS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

15 GENERAL

15.1 The excess production of Auto-Rickshaw over normal capacity is due to working on over-time schedule to meet the increased demand.

15.2 The figures have been rounded off to the nearest Rupee.

MIAN ASAD HAMEED
CHIEF EXECUTIVE

SAEED IQBAL KHAN
DIRECTOR

MUHAMMAD ATIF RAO
CHIEF FINANCIAL OFFICER

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