



Quarterly Accounts
(Un-Audited)
March 31, 2016



SAZGAR ENGINEERING WORKS LIMITED

SAZGAR ENGINEERING WORKS LIMITED



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SAZGAR ENGINEERING WORKS LIMITED

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 services; 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.

SAZGAR ENGINEERING WORKS LIMITED

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
Non-Executive Director

Mr. Mian Zafar Hameed
Non-Executive Director

Mrs. Amina Humza Wazir
Non-Executive Director

Mr. Ahsan Ejaz
Independent Director

COMPANY SECRETARY

Mr. Arshad Mahmood - FCA

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. Mian Muhammad Ali Hameed
Chairman

Mr. Mian Zafar Hameed
Member

Mr. Ahsan Ejaz
Member

Mr. Arshad Mahmood
Secretary

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ahsan Ejaz
Chairman

Mr. Saeed Iqbal Khan
Member

Mrs. Amina Humza Wazir
Member

Mr. Arshad Mahmood
Secretary

AUDITORS

Kabani & Company
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
Meezan Bank Limited
Soneri Bank Limited
United Bank Limited
Bank Al-Habib Limited
Askari Bank Limited

SAZGAR ENGINEERING WORKS LIMITED

DIRECTORS' REVIEW

The directors of your Company are pleased to present their review on the affairs of the Company for the 3rd quarter ended March 31, 2016

Financial Results:

By the Grace of Almighty Allah, financial results of the company for the period under review are showing an increase in sales and profitability of the company. The sales of 3rd quarter has increased by 25.54% from Rs. 739.526M to Rs. 928.393M, gross profit by 39.68% from Rs. 71.180M to Rs. 99.426M and pre-tax profit by 59.91% from Rs. 37.678M to Rs. 60.249M compared with the corresponding period of last year.

The nine months sales has increased by 8.366% from Rs. 1.864 Billion to Rs. 2.020 Billion, gross profit by 11.75% from Rs.179.148M to Rs.200.191M and pre-tax profit by 13.46% from Rs. 85.071M to Rs. 96.523M compared with the corresponding period of last year. The earnings per share for the current period and cumulatively nine months have also increased from Rs. 1.40 to Rs. 2.34 and from Rs. 3.65 to Rs. 3.70 respectively.

The increase in sales and profitability of the company is due to the rise in sales volume of auto rickshaws during the period under review.

During the 3rd quarter and cumulatively nine months, the Company produced 5,440 & 13,267 units of Auto Rickshaws whereas during the corresponding periods of last year, the production was 4,157 and 10,591 units respectively.

The production of wheel rims was 18,480 & 46,398 in 3rd quarter and cumulatively nine months whereas the production of wheel rims during the same corresponding periods was 18,568 & 60,909 respectively.

Change in Chief Financial Officer of the Company:

Mr. Muhammad Ansar Fareed resigned from the office of Chief Financial Officer of the company w.e.f. 21.04.2016. The casual vacancy was filled in through the appointment of Mr. Muhammad Atif Rao as Chief Financial Officer of the company w.e.f. 21.04.2016.

Future Outlook:

Political uncertainty may adversely affect the business conditions. Hopefully the Government will play its positive role to come out of the situation and to save the economic conditions from any sort of jeopardization.

It is hoped that the efforts of the Government will continue with true letter and spirit to overcome the energy crisis and for improving the law and order situation in the country.

The company is looking for a continuity of rising trend of sales and profitability in the period to come. Policy of innovation of new products and enhancement in dealers as well as after sales service network will remain intact.

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: 21-04-2016


Mian Asad Hameed
(Chief Executive)

SAZGAR ENGINEERING WORKS LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

	Note	March 31, 2016	June 30, 2015
Rupees			
EQUITY AND LIABILITIES			
EQUITY			
Authorized share capital			
50,000,000 (June 2015: 50,000,000)			
ordinary shares of Rupees 10 each		500,000,000	500,000,000
Issued, subscribed and paid-up share capital	4	179,723,680	179,723,680
Revenue reserve - Un-appropriated Profit		467,830,601	437,195,803
		647,554,281	616,919,483
LIABILITIES			
NON CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		150,026	848,816
Deferred Liabilities		115,890,911	105,899,434
CURRENT LIABILITIES			
Trade and other payables		449,182,286	313,390,957
Mark-up & Profit accrued on loans and other payables		37,591	335,845
Short term borrowings		-	16,248,282
Current portion of long term liabilities		1,098,632	2,232,871
Provision for Taxation		32,890,045	32,786,233
		483,208,554	364,994,188
CONTINGENCIES AND COMMITMENTS	5	-	-
TOTAL EQUITY AND LIABILITIES		1,246,803,772	1,088,661,921

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


MIAN ASAD HAMEED
CHIEF EXECUTIVE

SAZGAR ENGINEERING WORKS LIMITED
AS AT MARCH 31, 2016

	Note	March 31, 2016	June 30, 2015
RUPEES			
ASSETS			
NON CURRENT ASSETS			
Property, Plant and Equipment	6	249,018,908	250,596,211
Intangible Assets	7	159,482	232,767
LONG TERM LOANS AND ADVANCES		13,512,139	9,777,104
LONG TERM DEPOSITS		1,637,137	1,637,137
CURRENT ASSETS			
Stores, spares and loose tools		8,217,427	2,508,204
Stock-in-trade		530,265,278	550,465,977
Trade debts		106,961,797	146,544,038
Loans & advances		15,083,237	12,734,867
Trade deposits and short term prepayments		58,080,872	5,367,066
Other receivables		98,190,156	90,516,502
Cash and bank balances		165,677,339	18,282,048
		982,476,106	826,418,702
TOTAL ASSETS		1,246,803,772	1,088,661,921

SAZGAR ENGINEERING WORKS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTH ENDED MARCH 31, 2016

	Note	Third Quarter Ended		Nine Month Ended	
		Jan - Mar	Jan - Mar	July - Mar	July - Mar
		2016	2015	2016	2015
		Rupees		Rupees	
Sales - Net	8	928,392,882	739,525,997	2,019,922,274	1,863,981,766
Cost of sales	9	828,967,309	668,346,253	1,819,731,536	1,684,834,012
Gross Profit		99,425,573	71,179,744	200,190,738	179,147,754
Distribution cost		19,730,516	16,452,103	48,521,040	45,934,544
Administrative expenses		15,586,032	13,415,316	43,589,542	37,518,501
Other operating expenses		4,464,018	2,798,054	12,553,663	6,381,172
		39,780,566	32,665,473	104,664,245	89,834,217
		59,645,007	38,514,271	95,526,493	89,313,537
Other income		1,258,933	649,978	3,635,111	1,928,550
Operating profit before finance cost		60,903,940	39,164,249	99,161,604	91,242,087
Finance cost		654,991	1,486,574	2,638,350	6,171,391
Profit before taxation		60,248,949	37,677,675	96,523,254	85,070,696
Taxation	10	18,227,623	12,491,938	29,943,720	19,455,985
Profit after taxation		42,021,326	25,185,737	66,579,534	65,614,711
Earnings per share - Basic and diluted	11	2.34	1.40	3.70	3.65

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

SAZGAR ENGINEERING WORKS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTH ENDED MARCH 31, 2016

Third Quarter Ended		Nine Month Ended	
Jan - Mar 2016	Jan - Mar 2015	July - Mar 2016	July - Mar 2015
Rupees		Rupees	

PROFIT AFTER TAXATION FOR THE PERIOD	42,021,326	25,185,737	66,579,534	65,614,711
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	42,021,326	25,185,737	66,579,534	65,614,711

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

SAZGAR ENGINEERING WORKS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2016

	Nine Month Ended	
	July - Mar 2016	July - Mar 2015
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	96,523,254	85,070,696
Adjustment for non cash charges and other items:		
Depreciation	14,674,419	15,074,070
Amortization	73,285	171,832
Provision for gratuity	13,626,054	12,814,860
Finance cost	2,638,350	6,171,391
Other Income	(3,635,111)	(1,928,550)
	27,376,997	32,303,603
	123,900,251	117,374,299
Working capital changes		
(Increase)/Decrease in current assets		
Store, spares and loose tools	(5,709,223)	(1,031,615)
Stock-in-trade	20,200,699	(103,630,785)
Trade debts	39,582,241	(48,068,334)
Loans & Advances	(2,348,370)	1,677,379
Trade Deposits and short term prepayments	(52,713,806)	(9,760,713)
Other receivables	(3,210,978)	-
Increase/(Decrease) in current liabilities		
Trade and other payables	118,155,915	83,493,421
Increase in Long term loans and advances	(3,735,035)	(1,269,819)
	110,221,443	(78,590,466)
Cash generated from operations	234,121,694	38,783,834
Finance costs paid	(2,936,604)	(6,506,853)
Income tax paid/deducted at source	(30,742,891)	(37,777,872)
Employees retirement benefit - gratuity paid	(1,718,005)	(5,409,185)
Workers' Profit Participation Fund Paid	(5,354,439)	(4,731,493)
Net cash generated from / (used in) operating activities	193,369,755	(15,641,569)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(15,253,430)	(5,875,541)
Decrease in long term deposits	-	20,000
Proceeds from sale of property, plant and equipment	5,245,000	720,000
Security deposits with leasing companies	-	(185,850)
Net cash used in investing activities	(10,008,430)	(5,321,391)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of short term borrowings	36,458,115	119,151,183
Repayment of short term borrowings	(52,706,398)	(88,236,521)
Repayment of finance lease	(1,833,029)	(4,149,008)
Dividend paid	(17,884,722)	(17,932,085)
Net cash (used in) / generated from financing activities	(35,966,034)	8,833,569
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	147,395,291	(12,129,392)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	18,282,048	31,791,683
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	165,677,339	19,662,291

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

SAZGAR ENGINEERING WORKS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2016

	Share Capital Rupees	Un-appropriated Profit Rupees	Total Rupees
Balance as at June 30, 2014	179,723,680	402,542,633	582,266,313
Final Dividend for the year ended June 30, 2014 @ Re.1.00 per share	-	(17,972,368)	(17,972,368)
Interim Dividend for the year ended June 30, 2015 @ Re.1.00 per share		(17,972,368)	(17,972,368)
Total Comprehensive Income for the Nine month ended March 31, 2015	-	65,614,711	65,614,711
Balance as at March 31, 2015	179,723,680	432,212,608	611,936,288
Balance as at June 30, 2015	179,723,680	437,195,803	616,919,483
Final Dividend for the year ended June 30, 2015 @ Re.1.00 per share	-	(17,972,368)	(17,972,368)
Interim Dividend for the year ended June 30, 2016 @ Re.1.00 per share	-	(17,972,368)	(17,972,368)
Total Comprehensive Income for the Nine month ended March 31, 2016	-	66,579,534	66,579,534
Balance as at March 31, 2016	179,723,680	467,830,601	647,554,281

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

SAZGAR ENGINEERING WORKS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2016

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 all the Stock Exchanges of Pakistan, now merged into Pakistan Stock Exchange Limited with effect from January 11, 2016. 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 Baig, Raiwind Road, Lahore.

2 BASIS OF PREPARATION

2.1 These condensed interim financial statements (un-audited) of the Company for the nine month ended March 31, 2016 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 Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 are followed. These condensed interim financial statements (un-audited) are being submitted to the shareholders as required by section 245 of the Companies Ordinance 1984.

2.2 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, 2015.

2.3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

2.3.1 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 this condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements.

2.3.2 Fair Value of financial assets and liabilities

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

2.4 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.

SAZGAR ENGINEERING WORKS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2016

3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year ended June 30, 2015.

4 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

March 31, 2016	June 30, 2015		March 31, 2016	June 30, 2015
Number	Number		Rupees	Rupees
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, 2015. except as follows;

5.1.1 During the period, Deputy Director (Admin) of the Punjab Employees Social Security Institution has created a demand of Rs. 6,574,682/- on account of social security contribution including increase thereon under section 23(1) of the Social Security Ordinance, 1965. The Company has filed an appeal with Commissioner Appeals against this order, which is still pending. In the opinion of legal advisor, favorable outcome of the appeal is expected; hence no provision is made in these financial statements of said amount.

5.1.2 During the period, The Government of Pakistan has amended the Minimum Wages for Unskilled Workers Ordinance 1969 through Minimum Wages for Unskilled Workers (Amendment) Act, 2016. According to the said Amended Act the contribution payable under EOBI Act, 1976 has also been revised retrospectively from July 01, 2012. The Regional Head of Employees Old-Age Benefits Institution has issued a notice to the company to pay EOBI contribution on revised minimum wages from July 2012 to date. The retrospective increase in minimum wages creates a demand of Rs. 3.440 Million on account of EOBI contribution. Subsequent to the period under review, The Company has filed a writ petition in Honorable Lahore High Court, Lahore to challenge the Minimum Wages for Unskilled Workers (Amendment) Act, 2016 and notice issued by regional head of EOBI. In the opinion of legal advisor, favorable outcome is expected; hence no provision is made in these financial statements.

5.2 Commitments

Commitments in respect of:

		March 2016 Rupees	June 2015 Rupees	March 2016 Rupees	June 2015 Rupees
LIMIT Nos.	PARTICULARS	LIMITS AVAILABLE		LIMITS UTILIZED	
	Not Later Than one Year				
1	Foreign LC Sight / Inland LC- Gross	390,000,000	390,000,000	104,699,275	124,727,908
2	FATR -Sublimit of Limit No.1	88,000,000	88,000,000	-	16,248,282
3	Murabaha Sublimit of Limit no.2	40,000,000	40,000,000	-	22,587,743
4	Murabaha Sublimit of Limit no.1	40,000,000	40,000,000	-	16,681,711
5	Murabaha-FIM Spot Sublimit of Limit no.1	40,000,000	40,000,000	-	-
6	Guarantee	8,040,000	8,040,000	-	-

SAZGAR ENGINEERING WORKS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2016

	March 31, 2016	June 30, 2015		
	Rupees	Rupees		
6 PROPERTY, PLANT AND EQUIPMENT				
Operating fixed assets	240,717,223	241,477,525		
Capital work in progress	8,301,685	9,118,686		
	<u>249,018,908</u>	<u>250,596,211</u>		
6.1 OPERATING FIXED ASSETS - Tangible				
Opening book value	241,477,525	250,089,438		
Add:				
Additions during the period (at cost)				
- Building and civil works on Leasehold Land	2,509,800	-		
- Plant and machinery	4,866,771	5,708,905		
- Electric fittings	-	43,695		
- Office equipments	274,869	47,619		
- Electric installations	-	59,900		
- Vehicles	8,419,000	5,974,131		
	<u>16,070,440</u>	<u>11,834,250</u>		
Less:				
Disposal during the period (at net book value)				
- Vehicles	2,156,323	133,284		
Depreciation charged during the period	<u>14,674,419</u>	<u>20,312,880</u>		
	<u>16,830,742</u>	<u>20,446,164</u>		
Closing book value	<u>240,717,223</u>	<u>241,477,525</u>		
7 INTANGIBLE ASSETS				
Opening book value	232,767	448,976		
Add: additions during the period	-	13,500		
	<u>232,767</u>	<u>462,476</u>		
Less: amortization charged during the period	<u>73,285</u>	<u>229,709</u>		
Closing book value	<u>159,482</u>	<u>232,767</u>		
8 SALES - NET				
	Jan-Mar 2016	Jan-Mar 2015	July-Mar 2016	July-Mar 2015
	Rupees	Rupees	Rupees	Rupees
Gross sales	1,117,341,551	889,355,538	2,427,256,313	2,232,668,565
Less: Sales tax	160,781,675	134,450,369	350,671,254	336,455,139
Sales returns	6,567,240	2,227,804	14,201,741	5,100,939
Commission	21,599,754	13,151,368	42,461,044	27,130,721
	<u>188,948,669</u>	<u>149,829,541</u>	<u>407,334,039</u>	<u>368,686,799</u>
	<u>928,392,882</u>	<u>739,525,997</u>	<u>2,019,922,274</u>	<u>1,863,981,766</u>

8.1 This includes Rs. 14.48 million (March 31, 2015: Rs.9.53 million) on account of export sales.

SAZGAR ENGINEERING WORKS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2016

	Note	Jan-Mar 2016	Jan-Mar 2015	July-Mar 2016	July-Mar 2015
		Rupees	Rupees	Rupees	Rupees
9	COST OF SALES				
	Raw materials and components consumed	695,570,787	549,295,637	1,693,841,101	1,427,251,158
	Salaries, wages and other benefits	48,478,298	42,765,346	141,316,184	134,974,818
	Stores, spares and loose tools consumed	5,858,396	8,042,128	19,493,822	19,863,497
	Power and fuel charges	9,842,049	15,054,753	31,973,114	38,023,644
	Repair and maintenance	13,245,406	14,301,780	39,887,842	36,619,401
	Provision for slow moving items	-	-	1,512,431	-
	Other expenses	1,280,476	1,485,824	4,970,110	4,625,600
	Depreciation & Amortization	3,209,536	3,509,507	9,568,779	10,384,250
		<u>777,484,948</u>	<u>634,454,975</u>	<u>1,942,563,383</u>	<u>1,671,742,368</u>
	Opening work-in-process	18,271,181	12,839,280	16,984,905	16,685,065
	Closing work-in-process	(17,179,443)	(16,972,358)	(17,179,443)	(16,972,358)
	Cost of goods manufactured	<u>778,576,686</u>	<u>630,321,897</u>	<u>1,942,368,845</u>	<u>1,671,455,075</u>
	Opening finished goods	270,620,846	167,264,021	97,592,914	134,163,421
	Cost of finished goods purchased	-	-	-	8,455,181
	Closing finished goods	(220,230,223)	(129,239,665)	(220,230,223)	(129,239,665)
		<u>828,967,309</u>	<u>668,346,253</u>	<u>1,819,731,536</u>	<u>1,684,834,012</u>
10	TAXATION				
	Current				
	For the period	18,537,662	12,549,696	32,890,045	26,507,680
	Prior period	-	-	(1,029,754)	(6,530,221)
	Deferred				
	For the period	(310,039)	(57,758)	(1,916,571)	(521,474)
		<u>18,227,623</u>	<u>12,491,938</u>	<u>29,943,720</u>	<u>19,455,985</u>
	10.1 The rate of tax has decreased from 33% to 32% during the period.				
11	EARNINGS PER SHARE - BASIC AND DILUTED				
	Basic Earnings Per Share				
	Profit after taxation for the period - Rupees	42,021,326	25,185,737	66,579,534	65,614,711
	Weighted average number of ordinary shares outstanding during the period - Note 4	17,972,368	17,972,368	17,972,368	17,972,368
	Basic earnings per share - Rupees	2.34	1.40	3.70	3.65

SAZGAR ENGINEERING WORKS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2016

11.1 Diluted earnings per share

The diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2016 and March 31, 2015, 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 and Executive Director(s)

July-Mar 2016	July-Mar 2015
Rupees	Rupees

10,735,000	10,735,000
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13 SEGMENT RESULTS

	Jan-Mar 2016 Rupees	Jan-Mar 2015 Rupees	July-Mar 2016 Rupees	July-Mar 2015 Rupees
Segment Revenue				
Home appliances	45,400	888,891	670,643	9,494,650
Auto parts	89,816,665	95,827,091	237,856,810	325,638,129
Auto rickshaw	838,530,817	642,810,015	1,781,394,821	1,528,848,987
Total	928,392,882	739,525,997	2,019,922,274	1,863,981,766
Segment operating results				
Home appliances	(14,723)	(147,248)	(181,388)	29,987
Auto parts	1,291,776	991,270	(1,638,268)	3,575,514
Auto rickshaw	62,831,972	40,468,303	109,409,812	91,789,209
Total	64,109,025	41,312,324	107,590,156	95,394,709

14 DATE OF AUTHORIZATION FOR ISSUE

The Board of Directors of the Company has authorized these condensed interim financial statements for issue on April 21, 2016.

15 GENERAL

The figures have been rounded off to the nearest Rupee.


MIAN ASAD HAMEED
CHIEF EXECUTIVE


SAEED IQBAL KHAN
DIRECTOR

Book Post

Under Postal Certificate

Sazgar Engineering Works Limited

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