

GHANI AUTOMOBILE INDUSTRIES LIMITED
BALANCE SHEET AS AT JUNE 30, 2005

	30-06-2005	30-09-2004
	RUPEES	RUPEES
EQUITY & LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized Share Capital 10,000,000 (2004: 5,000,000) ordinary shares of Rs.10 each	<u>100,000,000</u>	<u>50,000,000</u>
Issued, subscribed and paid up capital	100,000,000	50,000,000
Accumulated loss	<u>(32,007,875)</u>	<u>(30,013,880)</u>
	67,992,125	19,986,120
CURRENT LIABILITIES		
Creditors, accrued and other liabilities	<u>1,740,474</u>	<u>3,525,226</u>
Loan from Directors	-	7,675,000
	1,740,474	11,200,226
CONTINGENCIES AND COMMITMENTS		
	-	-
	<u>69,732,599</u>	<u>31,186,346</u>
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENTS		
Property, plant and equipments	<u>7,665,761</u>	<u>7,135,500</u>
Capital work in progress	<u>6,882,846</u>	<u>2,040,292</u>
	14,548,607	9,175,792
SECURITY DEPOSITS	124,700	-
CURRENT ASSETS		
Stores, spares and loose tools	<u>595,299</u>	<u>-</u>
Stock in trade	1,205,805	16,345,304
Trade debtors - unsecured but considered good	4,805,200	539,000
Advances and other receivables	829,772	3,774,456
Cash and bank balances	<u>47,623,216</u>	<u>1,351,794</u>
	55,059,292	22,010,554
	<u>69,732,599</u>	<u>31,186,346</u>

The annexed notes form an integral part of these financial statements

 CHIEF EXECUTIVE

 DIRECTOR

GHANI AUTOMOBILE INDUSTRIES LIMITED
PROFIT & LOSS ACCOUNT
FOR THE PERIOD ENDED JUNE 30, 2005

	30-06-2005 RUPEES	30-09-2004 RUPEES
Sales	16,056,669	2,318,261
Cost of sales	15,139,499	2,116,417
Gross profit	<u>917,170</u>	<u>201,844</u>
OPERATING EXPENSES		
Factory expenses	-	864,047
Administrative expenses	1,019,581	598,520
Distribution and marketing expenses	1,120,230	819,340
	<u>2,139,811</u>	<u>2,281,907</u>
OPERATING LOSS	<u>(1,222,641)</u>	<u>(2,080,063)</u>
OTHER INCOME / (LOSS)	501,935	(5,735,591)
	<u>(720,706)</u>	<u>(7,815,654)</u>
Provision for taxation	1,273,289	13,330
LOSS AFTER TAXATION	<u>(1,993,995)</u>	<u>(7,828,984)</u>
Un-appropriated loss brought forward	(30,013,880)	(22,184,896)
Un-appropriated loss carried forward	<u>(32,007,875)</u>	<u>(30,013,880)</u>
Earning Per Share - Basic	<u>(0.39)</u>	<u>(1.57)</u>

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CHIEF EXECUTIVE

DIRECTOR

GHANI AUTOMOBILE INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE PERIOD ENDED JUNE 30, 2005

	30-06-2005 RUPEES	30-09-2004 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) for the period before tax	(720,706)	(7,815,654)
Adjustment for :		
Depreciation	669,883	724,633
Gain / (loss) on sale of fixed assets	-	5,736,507
	<u>669,883</u>	<u>6,461,140</u>
Operating profit / (loss) before working capital changes	(50,823)	(1,354,514)
 (Increase) / decrease in current assets		
Store, spares and loose tools	(595,299)	-
Stock in trade	15,139,499	(16,345,304)
Trade debtors	(4,266,200)	(539,000)
Advances and other receivables	2,944,685	(2,515,531)
	13,222,685	(19,399,835)
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	(1,784,752)	2,566,017
	<u>11,387,110</u>	<u>(18,188,332)</u>
Taxes paid	(1,273,289)	(1,272,255)
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>10,113,821</u>	<u>(19,460,587)</u>
 Capital work in progress	(4,842,554)	(2,040,292)
Sales proceeds of fixed assets	-	8,300,000
Security deposits	(124,700)	-
Acquisition of fixed assets	(1,200,145)	(23,400)
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(6,167,399)</u>	<u>6,236,308</u>
 Issuance of right shares	50,000,000	-
Loan from associated undertakings / sponsors	(7,675,000)	7,675,000
NET CASH FLOWS FROM FINANCING ACTIVITIES	<u>42,325,000</u>	<u>7,675,000</u>
 Net increase / (decrease) in cash	46,271,422	(5,549,279)
Cash and cash equivalents at the beginning of the year	1,351,794	6,901,074
	<u>47,623,216</u>	<u>1,351,795</u>

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CHIEF EXECUTIVE

DIRECTOR

GHANI AUTOMOBILE INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
AS ON JUNE 30, 2005

	RUPEES		
	Share Capital	Accumulated	Total
	Capital	profit/(loss)	
	RUPEES	RUPEES	RUPEES
Balance as on September 30, 2003	50,000,000	(22,184,896)	27,815,104
Loss for the year	-	(7,828,984)	(7,828,984)
Balance as on September 30, 2004	<u>50,000,000</u>	<u>(30,013,880)</u>	<u>19,986,120</u>
Balance as on October 01, 2004	50,000,000	(30,013,880)	19,986,120
Right shares issued	50,000,000	-	50,000,000
Net loss for the period	-	(1,993,995)	(1,993,995)
Balance as on June 30, 2005	<u>100,000,000</u>	<u>(32,007,875)</u>	<u>67,992,125</u>

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 CHIEF EXECUTIVE

 DIRECTOR