

GHANI AUTOMOBILE INDUSTRIES LIMITED
BALANCE SHEET AS AT JUNE 30, 2008

	June 30, 2008 RUPEES	June 30, 2007 RUPEES
EQUITY & LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized Share Capital 20,000,000 (2007: 20,000,000) ordinary shares of Rs.10 each	<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid up capital	200,000,000	200,000,000
Accumulated loss	<u>(70,265,640)</u>	<u>(71,400,500)</u>
	129,734,360	128,599,500
NON CURRENT LIABILITIES		
Long term Musharaka financing	14,400,000	-
CURRENT LIABILITIES		
Current portion of long term Musharaka financing	3,600,000	-
Short term bank financing	152,362,345	-
Loan from sponsors	5,525,000	-
Creditors, accrued and other liabilities	<u>77,954,106</u>	<u>15,898,525</u>
	239,441,451	15,898,525
CONTINGENCIES AND COMMITMENTS		
	-	-
	<u>383,575,811</u>	<u>144,498,025</u>
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENTS		
Property, plant and equipments	55,119,049	34,946,500
SECURITY DEPOSITS		
	518,486	174,700
CURRENT ASSETS		
Stores, spares and loose tools	594,100	122,380
Stock in trade	80,192,075	31,265,362
Trade debtors - unsecured but considered good	143,034,221	34,861,034
Advances and other receivables	98,021,831	20,222,372
Cash and bank balances	<u>6,096,049</u>	<u>22,905,677</u>
	327,938,276	109,376,825
	<u>383,575,811</u>	<u>144,498,025</u>

The annexed notes form an integral part of these financial statements

 CHIEF EXECUTIVE

 DIRECTOR

GHANI AUTOMOBILE INDUSTRIES LIMITED
PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2008

	June, 30 2008 RUPEES	June, 30 2007 RUPEES
Sales	245,142,450	130,018,263
Cost of sales	211,263,394	117,848,722
Gross profit	<u>33,879,056</u>	<u>12,169,541</u>
OPERATING EXPENSES		
Administrative expenses	<u>7,362,926</u>	<u>2,883,142</u>
Distribution and marketing expenses	<u>17,457,970</u>	<u>43,756,886</u>
	24,820,896	46,640,028
OPERATING LOSS	<u>9,058,160</u>	<u>(34,470,487)</u>
OTHER INCOME / (LOSS)	-	62,419
	<u>9,058,160</u>	<u>(34,408,068)</u>
FINANCIAL CHARGES	6,530,948	4,367,857
OTHER EXPENSES	166,640	-
PROFIT / (LOSS) BEFORE TAXATION	<u>2,360,572</u>	<u>(38,775,925)</u>
Provision for taxation	1,225,712	650,091
PROFIT / (LOSS) AFTER TAXATION	<u>1,134,860</u>	<u>(39,426,016)</u>
Earning Per Share - Basic	<u>0.06</u>	<u>(3.45)</u>

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CHIEF EXECUTIVE

DIRECTOR

GHANI AUTOMOBILE INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2008

	June, 30 2008 RUPEES	June, 30 2007 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) for the period before tax	2,380,572	(38,775,925)
Adjustment for :		
Depreciation	3,821,814	2,344,855
Financial charges	6,890,845	4,367,857
Gain on sales of fixed assets	-	(62,419)
Workers profit participation fund	166,640	-
	<u>10,879,299</u>	<u>6,650,293</u>
Operating profit / (loss) before working capital changes	13,259,871	(32,125,632)
(Increase) / decrease in current assets		
Store, spares and loose tools	(471,720)	(24,530)
Stock in trade	(106,688,789)	(23,749,496)
Trade debtors	(108,173,187)	(26,887,809)
Advances and other receivables	(21,074,652)	16,851,800
	<u>(236,408,348)</u>	<u>(33,810,035)</u>
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	55,503,106	3,276,184
	<u>(167,645,371)</u>	<u>(62,659,483)</u>
Financial charges paid	(525,011)	(4,367,857)
Taxes paid	(188,443)	(4,458,517)
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>(168,358,825)</u>	<u>(71,485,857)</u>
Sales proceeds of fixed assets	-	490,000
Security deposits	(343,786)	(50,000)
Acquisition of fixed assets	(23,994,362)	(5,068,935)
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(24,338,148)</u>	<u>(4,628,935)</u>
Issuance of right shares	-	100,000,000
Musharaka financing received	18,000,000	-
Morabaha financing received	152,362,345	49,956,000
Interim dividend paid	-	-
Morabaha financing repaid	-	(49,956,000)
Loan from associated undertakings / sponsors	5,525,000	27,000,000
Repayment of loan from associated undertakings / sponsors	-	(36,000,000)
NET CASH FLOWS FROM FINANCING ACTIVITIES	<u>175,887,345</u>	<u>91,000,000</u>
Net increase / (decrease) in cash	(16,809,628)	14,885,208
Cash and cash equivalents at the beginning of the year	22,905,677	8,020,469
Cash and cash equivalents at the end of the year	<u><u>6,096,049</u></u>	<u><u>22,905,677</u></u>

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CHIEF EXECUTIVE

DIRECTOR

GHANI AUTOMOBILE INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
AS ON JUNE 30, 2008

	RUPEES		
	Share Capital	Accumulated	Total
	Capital	profit/(loss)	
	RUPEES	RUPEES	RUPEES
Balance as on June 30, 2006	100,000,000	(31,974,484)	68,025,516
Right issue of shares	100,000,000	-	100,000,000
Profit / (loss) for the year	-	(39,426,016)	(39,426,016)
Balance as on June 30, 2007	<u>200,000,000</u>	<u>(71,400,500)</u>	<u>128,599,500</u>
Profit / (loss) for the year	-	1,134,860	1,134,860
Balance as on June 30, 2008	<u><u>200,000,000</u></u>	<u><u>(70,265,640)</u></u>	<u><u>129,734,360</u></u>

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CHIEF EXECUTIVE

DIRECTOR