

GHANDHARA INDUSTRIES LIMITED
BALANCE SHEET
AS AT 30 JUNE 2006

ASSETS	Note	2006	2005
		(Rupees in '000')	
NON CURRENT ASSETS			
Property, Plant & Equipment	5	1,033,099	230,383
Investment Properties	6	91,691	91,950
Long Term Investment	7	1,400	1,400
Long Term Deposits		736	623
		<u>1,126,926</u>	<u>324,356</u>
CURRENT ASSETS			
Stores, spares and loose tools	8	-	1,562
Stock-in-trade	9	695,713	370,542
Trade debts	10	4,389	33,224
Loans and advances	11	19,482	15,786
Deposits and Prepayments	12	92,260	35,245
Other receivables	13	21,731	33
Cash and Bank balances	14	262,436	2,170
		<u>1,096,011</u>	<u>458,562</u>
		<u><u>2,222,937</u></u>	<u><u>782,918</u></u>
EQUITY AND LIABILITIES			
Share Capital	15	65,553	65,553
Reserves	16	43,200	43,200
Accumulated Loss		<u>(126,103)</u>	<u>(645,275)</u>
		<u>(17,350)</u>	<u>(536,522)</u>
RIGHT SHARES SUBSCRIPTION	17	61,629	19,197
SURPLUS ON REVALUATION OF PROPERTY, PLANT, AND EQUIPMENT AND INVESTMENT PROPERTIES	18	1,083,570	189,732
		<u>1,127,849</u>	<u>(327,593)</u>
NON CURRENT LIABILITIES			
Deferred Liabilities	19	21,440	102,164
CURRENT LIABILITIES			
Trade and other payable	20	701,941	395,092
Accrued mark up/Interest	21	12,813	425,218
Running Finance under mark up	22	318,934	177,293
Provision for taxation	23	39,960	10,744
		<u>1,073,648</u>	<u>1,008,347</u>
CONTINGENT LIABILITIES & COMMITMENTS			
	24	<u>2,222,937</u>	<u>782,918</u>

The annexed notes form integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

**GHANDHARA INDUSTRIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006 (Rupees in '000')	2005
NET SALES	25	1,505,870	1,006,297
COST OF SALES	26	1,280,167	917,517
GROSS PROFIT		<u>225,703</u>	88,780
DISTRIBUTION COST	27	18,425	9,940
ADMINISTRATION EXPENSES	28	24,391	13,977
OPERATING PROFIT		<u>182,887</u>	64,862
OTHER OPERATING EXPENSES	29	9,873	61,463
FINANCE COST	30	18,556	8,924
		<u>154,458</u>	(5,524)
FOREIGN LIABILITY WAIVED	31	22,777	-
GAIN ON SETTLEMENT OF BANK LIABILITIES	32	380,034	-
OTHER OPERATING INCOME	33	956	1,482
PROFIT/ (LOSS) FOR THE YEAR BEFORE TAXATION		<u>558,225</u>	(4,042)
TAXATION			
Current	34	(34,342)	(5,126)
Prior year		(5,885)	-
Deferred		2,734	105,456
		<u>(37,493)</u>	100,330
PROFIT FOR THE YEAR AFTER TAXATION		<u><u>520,732</u></u>	<u>96,288</u>
EARNING PER SHARE RUPEES	35	<u>79.44</u>	<u>14.69</u>

The annexed notes form integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

GHANDHARA INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 (Rupees in '000')	2005
CASH FLOW FROM OPERATING ACTIVITIES			
CASH GENERATED FORM OPERATIONS	36	135,353	8,217
Staff gratuity paid		-	(3,773)
Interest paid		(5,685)	(192)
Taxes paid (including tax deducted at source)		(12,923)	(5,287)
		<u>(18,608)</u>	<u>(9,252)</u>
Net cash inflow from operating activities		116,745	(1,035)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(900)	(2,175)
Long terms deposits		(113)	15
Sale proceeds of immoveable property		-	200,000
Interest received		714	60
Net cash inflow from investing activities		(299)	197,900
FINANCING ACTIVITIES			
Right Shares subscription		2,990	-
Dividend paid		(811)	-
		<u>2,179</u>	<u>-</u>
Net increase in cash and cash equivalents		118,625	196,865
Cash and cash equivalents at beginning of the year		(175,123)	(371,988)
Cash and cash equivalents at end of the year	36.2	<u>(56,498)</u>	<u>(175,123)</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

GHANDHARA INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006

	Capital Reserves			Revenue Reserve	Accumulated Loss	TOTAL	
	Share Capital	Tax Holiday Reserve	Fixed Assets Replacement Reserve				Contingency Reserve
	(Rupees in '000')						
Balance as at 1 July 2004	65,553	5,500	10,000	25,300	2,400	(937,410)	(828,657)
Profit for the year	-	-	-	-	-	96,288	96,288
Surplus on revaluation realized on disposal of investment property	-	-	-	-	-	159,184	159,184
Surplus on revaluation realized on disposal of fixed assets	-	-	-	-	-	32,945	32,945
Transfer from surplus on revaluation of Fixed Assets on account of incremental depreciation charged for year	-	-	-	-	-	3,718	3,718
Balance as at 30 June 2005	65,553	5,500	10,000	25,300	2,400	(645,275)	(536,522)
Balance as at 1 July 2005	65,553	5,500	10,000	25,300	2,400	(645,275)	(536,522)
Profit for the year	-	-	-	-	-	520,732	520,732
Interim Dividend paid 5%	-	-	-	-	-	(3,278)	(3,278)
Transfer from surplus on revaluation of Fixed Assets on account of incremental depreciation charged for year	-	-	-	-	-	1,718	1,718
Balance as at 30 June 2006	65,553	5,500	10,000	25,300	2,400	(126,103)	(17,350)

CHIEF EXECUTIVE

DIRECTOR