



Balance Sheet
As At June 30, 2006

| | Note | 2006 | 2005 |
|--|------|------------------|------------------|
| (Rupees in thousands) | | | |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized capital | | | |
| 50,000,000 Ordinary shares of Rs. 10/- each | | | |
| (2005: 70,000,000 ordinary shares of Rs. 5/- each) | | <u>500,000</u> | <u>350,000</u> |
| Issued, subscribed and paid-up capital | 3 | 429,000 | 330,000 |
| Un-appropriated profit | | <u>26,971</u> | <u>1,110</u> |
| | | 455,971 | 331,110 |
| NON-CURRENT LIABILITIES | | | |
| Subordinated loan - Unsecured | 4 | 384,034 | 380,785 |
| Long term loans | 5 | 281,388 | 347,747 |
| Liabilities against assets subject to finance lease | 6 | 74,707 | 86,953 |
| Long term morabaha - Secured | 7 | 5,000 | 10,000 |
| Deferred liabilities | 8 | 78,458 | 78,034 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 9 | 333,674 | 243,545 |
| Markup accrued | | 11,580 | 17,573 |
| Short term borrowings | 10 | 555,973 | 437,711 |
| Current portion of long term loans | 5 | 123,825 | 52,801 |
| Current portion of liabilities against assets subject to finance lease | 6 | 56,865 | 77,387 |
| Current portion of long term morabaha | 7 | 5,000 | 5,000 |
| | | <u>1,086,917</u> | <u>834,017</u> |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 11 | -- | -- |
| | | <u>2,366,475</u> | <u>2,068,646</u> |

| | Note | 2006 (Rupees in thousands) | 2005 |
|---|------|-------------------------------|------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 12 | 1,209,237 | 1,014,103 |
| Long-term deposits | | 19,482 | 30,314 |
| CURRENT ASSETS | | | |
| Stores, spares and loose tools | 13 | 274,912 | 208,164 |
| Stock in trade | 14 | 554,840 | 517,662 |
| Trade debts - Considered good | | 205,426 | 203,706 |
| Loans and advances - Considered good | 15 | 27,430 | 33,274 |
| Trade deposits, prepayments, current account balances with statutory authorities and other receivables | 16 | 38,831 | 36,790 |
| Taxes recoverable | 17 | 23,725 | 20,207 |
| Cash and bank balances | 18 | 12,592 | 4,426 |
| | | 1,137,756 | 1,024,229 |
| | | 2,366,475 | 2,068,646 |

The annexed notes form an integral part of these financial statements.

Profit And Loss Account For The Year Ended June 30, 2006

| | Note | 2006 (Rupees in thousands) | 2005 |
|---|------|-------------------------------|-----------|
| Sales - Net | 19 | 1,162,192 | 1,148,487 |
| Cost of sales | 20 | 934,265 | 885,429 |
| Gross profit | | 227,927 | 263,058 |
| Administrative and selling expenses | 21 | 81,003 | 104,941 |
| Operating profit | | 146,924 | 158,117 |
| Financial charges | 22 | 127,738 | 98,767 |
| Workers' profit participation fund | | 1,439 | 3,319 |
| | | 129,177 | 102,086 |
| | | 17,747 | 56,031 |
| Other income | 23 | 9,251 | 6,963 |
| Profit before taxation | | 26,998 | 62,994 |
| TAXATION | | | |
| Current | 28 | 5,811 | 6,602 |
| Deferred | | (4,674) | 32,207 |
| | | 1,137 | 38,809 |
| Profit after taxation | | 25,861 | 24,185 |
| Accumulated profit/(loss) brought forward | | 1,110 | (23,075) |
| Accumulated profit carried forward | | 26,971 | 1,110 |
| Earnings per share - Basic and diluted (Rupees) | 24 | 0.77 | 0.72 |

The annexed notes form an integral part of these financial statements.

Tariq Siddiq Paracha
Chief Executive

Shazia Tariq Paracha
Director



Cash Flow Statement

For The Year Ended June 30, 2006

| | Note | 2006 (Rupees in thousands) | 2005 |
|--|--------|-------------------------------|-----------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit before taxation | | 26,998 | 62,994 |
| Adjustments for: | | | |
| Depreciation | | 96,779 | 93,781 |
| Financial charges | | 127,738 | 98,767 |
| (Gain) on sale of fixed assets | | (809) | (998) |
| Provision for gratuity | | 7,159 | 6,064 |
| Workers' profit participation fund | | 1,439 | 3,319 |
| Movement in: | | | |
| Working capital | Note A | (9,668) | (86,218) |
| Long term deposits | | 10,832 | (1,658) |
| Cash generated from operations | | 260,468 | 176,051 |
| Payments for: | | | |
| Financial charges | | (130,134) | (92,492) |
| Taxes | | (9,329) | (8,300) |
| Workers' profit participation fund | | (3,667) | (938) |
| Gratuity | | (2,061) | (1,846) |
| Net cash generated from operating activities | | 115,277 | 72,475 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Payment for capital expenditure | | (240,473) | (89,559) |
| Sale proceeds of fixed assets | | 1,361 | 31,844 |
| Net cash used in investing activities | | (239,112) | (57,715) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Proceeds of right shares issued | | 99,000 | -- |
| Repayment of long term morabaha | | (5,000) | (5,000) |
| Repayment of long term borrowings | | (80,335) | (70,711) |
| Long term loans received | | 85,000 | 284,850 |
| Repayment of liability against assets subject to finance lease | | (84,760) | (83,058) |
| Short term borrowings | | 17,155 | (59,956) |
| Dividend | | (166) | (27) |
| Net cash generated from financing activities | | 30,894 | 66,098 |
| Net (decrease)/increase in cash and cash equivalents | | (92,941) | 80,858 |
| Cash and cash equivalents as at 1st July | | (171,274) | (252,132) |
| Cash and cash equivalents as at 30th June | Note B | (264,215) | 171,274 |



| Note | 2006 (Rupees in thousands) | 2005 |
|---|-------------------------------|------------------|
| Note A - Movement in working capital | | |
| (Increase) / decrease in current assets | | |
| Stores, spares and loose tools | (66,748) | (79,306) |
| Stock-in-trade | (37,178) | (130,562) |
| Trade debts - Considered good | (1,720) | 34,674 |
| Loans and advances - Considered good | 5,844 | 11,443 |
| Trade deposits, prepayments, balances with statutory authorities and other receivables | (2,041) | 25,066 |
| | <u>(101,843)</u> | <u>(138,685)</u> |
| Increase in current liabilities | | |
| Trade and other payables | <u>92,175</u> | <u>52,467</u> |
| | <u>(9,668)</u> | <u>(86,218)</u> |
| Note B - Cash and cash equivalents | | |
| Cash and cash equivalents include: | | |
| Cash and bank balances | 12,592 | 4,426 |
| Short term finances | (276,807) | (175,700) |
| | <u>(264,215)</u> | <u>(171,274)</u> |

The annexed notes form an integral part of these financial statements.



Statement Of Changes In Equity

For The Year Ended June 30, 2006

| | Issued, subscribed and paid- up-capital | Accumulated (Loss) / Profit | Total |
|------------------------------------|--|-----------------------------------|----------------|
| (Rupees in thousands) | | | |
| Balance as on July 01, 2004 | 330,000 | (23,075) | 306,925 |
| Profit after taxation | -- | 24,185 | 24,185 |
| Balance as on June 30, 2005 | 330,000 | 1,110 | 331,110 |
| Right shares issued | 99,000 | -- | 99,000 |
| Profit after taxation | -- | 25,861 | 25,861 |
| Balance as on June 30, 2006 | 429,000 | 26,971 | 455,971 |

The annexed notes form an integral part of these financial statements.