

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Dewan Mohammad Yousuf Farooqui	Chairman Board of Director
Dewan Asim Mushfiq Farooqui	Director
Dewan Abdullah Ahmed Swaleh	Managing Director
Dewan Abdul Baqi Farooqui	Director
Mr. M. A. Lodhi	Director
Mr. Haroon Iqbal	Director
Mr. Aziz-ul-Haque	Director

### CHIEF EXECUTIVE OFFICER

Dewan Mohammad Yousuf Farooqui

### PRESIDENT

Farooq Mustafa

### COMPANY SECRETARY

Muhammad Naeemuddin Malik

### AUDIT COMMITTEE MEMBERS

Dewan Abdul Baqi Farooqui	Chairman
Dewan Abdullah Ahmed Swaleh	Member
Dewan Asim Mushfiq Farooqui	Member
Mr. Haroon Iqbal	Member

### BANKERS

Allied Bank of Pakistan Limited  
Askari Bank Limited  
Bank Al Falah Limited  
Faysal Bank Limited  
Habib Bank Limited  
KASB Bank Limited  
Meezan Bank Limited  
My Bank Limited  
National Bank of Pakistan  
NIB Bank Limited  
Pak Oman Investment Company Limited  
Silk Bank Limited  
Saudi Pak Industrial and Agricultural  
Investment Co. (Pvt) Limited  
Standard Chartered Bank  
The Royal Bank of Scotland Limited  
The Bank of Khyber  
The Bank of Punjab  
United Bank Limited

### AUDITORS

Feroze Sharif Tariq & Co  
Chartered Accountants  
4/N/4, Block 6, P.E.C.H.S.  
Karachi.

### LEGAL ADVISORS

A.K. Brohi & Co

### TAX ADVISOR

Sharif & Co. (Advocates)  
3rd Floor, Uni Plaza,  
I.I.Chundrigar Road, Karachi.

### REGISTERED OFFICE

7th Floor, Block 'A',  
Finance & Trade Centre  
Off Shahrah -e- Faisal,  
Karachi.

### CORPORATE OFFICE

7th & 8th Floor, Block A,  
Finance & Trade Centre,  
Shahrah-e-Faisal,  
Karachi.

### REGIONAL OFFICES

Lahore  
Dewan Centre, PIA Tower,  
Egerton Road.

### Islamabad

House # 58, F-7/2  
Margalla Road.

### FACTORY

Jilaniabad, Budhu Talpur  
District Sajawal,  
Sindh.

## DIRECTORS' REPORT



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ  
وَصَلَّى عَلَى رَسُولِهِ الْكَرِيمِ

IN THE NAME OF ALLAH  
THE MOST GRACIOUS AND MERCIFUL

The Board of Directors of your Company takes pleasure in presenting the un-audited condensed interim financial statements of the Company for the half year ended December 31, 2009. The Gross sales, during the half year ended December 31, 2009, was Rs. 679.611 million. During the period under review, the company's gross loss was Rs. 150.976 million and the after tax loss was Rs. 394.591 million. The loss is mainly attributable to steep drop in production and sales volumes.

Consequent to withdrawal of Federal Excise Duty on locally manufactured passenger cars, the sales growth particularly in passenger car segment showed a remarkable recovery as the benefit of duty withdrawal was passed on by the OEM's to the customers. The depreciation of Pak Rupee vs. US Dollar is putting pressure on raw material and other input cost. To meet challenges of current situation the company has already taken number of measures to curtail cost. The proposal of re-profiling of Company's debts is under review with the banks. Presently due to freezing of working capital limits by the banks the Company is operating at minimal level. Some of the lenders have filed recovery suits in the High Court of Sindh and the Banking Court at Karachi, which the Company is defending. It is expected that once the re-profiling of debt is finalized, the Company's operation will be normalized.

The Auditors have qualified their review report on the Company's ability to continue as going concern for the reasons referred to in the conclusion para of their report. The Management has explained the status in the preceding paragraph and in the notes 2 and 10 to the financial statements. The Management is fully confident that the Company would be able to finalize the restructuring with the lenders.

We are extremely grateful to our valued customers, who have maintained their trust, and placed their confidence in our products. We are also thankful to the Engineering Development Board, our employees, dealers and vendors for their guidance, efforts and encouragement, and look forward for their continued support.

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-o-Rahim, in the name of our beloved Prophet, Muhammad (peace be upon him), for the continued showering of his blessings, guidance, strength, health and prosperity to us, our Company, our Country and the Nation, and also pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to the whole Muslim Ummah, Ameen, Summa-Ameen.

اِنَّ رَبِّيْ لَسَمِيْعُ الدُّعَاءِ (القرآن)  
حقیقت میں میرا رب دعا کا بڑا سننے والا ہے۔

LO-MY LORD IS INDEED HEARER OF PRAYER (AL-QURAN)  
Under / By Authority of the Board of Directors

*Dewan Mohammad Yousuf Farooqui*

DEWAN MOHAMMAD YOUSUF FAROOQUI  
CHIEF EXECUTIVE OFFICER

Karachi: February 24, 2010

## **FEROZE SHARIF TARIQ & CO.**

Partners: FEROZE QAISER F.C.A., I.C.A.E.W.  
ALI HUSAIN, F.C.A.  
MOHAMMAD TARIQ, F.C.A., A.C.M.A.

FEROZE SHARIF TARIQ & CO.  
Chartered Accountants  
4-N/4, BLOCK 6, P.E.C.H.S.,  
KARACHI 75400

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### **AUDITORS' REVIEW REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

#### **Introduction**

We have reviewed the accompanying Condensed interim balance sheet of Dewan Farooque Motors Limited ("the company") as at December 31, 2009 and the related Condensed interim profit and loss account, Condensed interim statement of comprehensive income, Condensed interim cash flow statement and Condensed interim statement of changes in equity together with the notes forming part thereof (hereinafter referred to as the 'Condensed interim financial statements') for the six months period then ended. Management is responsible for the preparation and Presentation of this Condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this Condensed interim financial statements based on our review. The figures of the condensed interim profit and loss account and Condensed interim statement of comprehensive income for the quarters ended December 31, 2009 and December 31, 2008 have not been reviewed as we are required to review only the cumulative figures for the Six month ended December 31, 2009.

#### **Scope of Review**

We conducted our review in accordance with the International Standard on review engagements 2410, "Review of Condensed interim financial statements performed by the independent Auditor of the Entity". A review of Condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Conclusion**

The financial Statements of the company for the year ended June 30, 2009 reflect loss after taxation of Rs. 394.591 million and as of that date it has accumulated losses of Rs. 1.593 billion which has eroded its capital by Rs. 704.094 million and its current liabilities exceeded its current assets by Rs. 2.104 billion. Further, the short term borrowing facilities from the banks have not been renewed and also the company has not provided the markup on its loans since January 2009 in the financial statement as fully disclosed in note no 2 & 10 to the financial statements and the company has been unable to ensure the timely repayments for the installments of long term borrowings. Further more; certain Banks gone into litigation to recover the debts owing by the company as disclosed in note 9 to the financial statements. These conditions indicate the existence of material uncertainty which may cast significant doubt on the company's ability to continue as a going concern and therefore the company may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial statements and the notes thereto do not disclose this fact.

Based on our review, except for the matter discussed in Preceding Paragraph nothing has come to our attention that causes us to believe that the accompanying Condensed interim financial statements as of and for the six months period ended December 31, 2009 are not prepared, in all material respects, in accordance with approved accounting standard as applicable in Pakistan.



CHARTERED ACCOUNTANTS  
Audit Engagement Parter: Muhammad Tariq

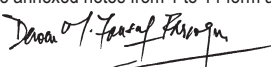
Karachi: February 24, 2010

## CONDENSED INTERIM BALANCE SHEET

As at December 31, 2009

	Note	December 31, 2009	June 30, 2009
		(Rs. in '000)	
ASSETS		Unaudited	Audited
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	5	1,909,427	1,991,154
Long-term deposits (with leasing companies)		40,259	40,343
<b>CURRENT ASSETS</b>			
Stores and spares		81,635	82,494
Stock-in-trade		846,443	746,766
Trade debts - considered good		23,350	29,538
Short term loans to associated undertakings - considered good		892,740	892,740
Advances, deposits, prepayments and other receivables		526,130	474,443
Investment	6	111,626	122,788
Advance Income Tax		22,262	14,905
Cash and bank balances		103,179	101,746
		<u>2,607,365</u>	<u>2,465,420</u>
<b>TOTAL ASSETS</b>		<u><b>4,557,051</b></u>	<u><b>4,496,917</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Share Capital</b>			
<b>Authorized</b>			
100,000,000 (June 30, 2009: 100,000,000) Ordinary shares of Rs.10 each		<u>1,000,000</u>	<u>1,000,000</u>
<b>Issued, subscribed and paid-up</b>			
88,973,300 (June 30, 2009: 88,973,300) Ordinary shares of Rs.10 each		889,733	889,733
Impairment loss on investment to be charged in future (note 6.1)		-	(161,857)
<b>Reserves</b>		<u>(1,593,827)</u>	<u>(1,199,235)</u>
		<u>(704,094)</u>	<u>(471,359)</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term loans - secured		521,354	666,853
Liabilities against assets subject to finance lease		4,957	6,803
Long term security deposits		18,700	18,700
Deferred Liabilities		4,962	5,071
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,870,824	1,515,293
Accrued markup / profit		258,312	264,810
Short term finances-secured	7	1,879,449	1,929,585
Current maturity of long term loans	8	658,074	512,576
Current maturity of liabilities against assets subject to finance lease		44,513	48,585
		<u>4,711,172</u>	<u>4,270,849</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>4,557,051</b></u>	<u><b>4,496,917</b></u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
**Dewan Mohammad Yousuf Farooqui**  
 Chief Executive


  
**Dewan Abdullah Ahmed**  
 Managing Director

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

For the half year and quarter ended December 31, 2009

	Note	Half Year Ended		Quarter Ended	
		Dec 31, 2009	Dec 31, 2008	Dec 31, 2009	Dec 31, 2008
		-----Unaudited-----			
		(Rs. in '000)			
<b>GROSS SALES</b>		679,611	906,706	337,427	450,800
Sales tax		89,770	118,314	46,167	56,878
Federal Excise Duty		-	3,986	-	1,152
Special Excise Duty		5,565	7,198	2,719	3,662
Commission and discounts		20,291	49,792	10,358	35,000
		<u>115,626</u>	<u>179,290</u>	<u>59,244</u>	<u>96,692</u>
<b>NET SALES</b>		563,985	727,416	278,183	354,108
Cost of sales		714,961	1,201,788	350,807	554,377
<b>GROSS (LOSS)</b>		(150,976)	(474,372)	(72,624)	(200,269)
Distribution expenses		49,673	79,779	25,954	33,550
Administration and general expenses		90,504	103,719	50,156	44,988
		<u>140,177</u>	<u>183,498</u>	<u>76,110</u>	<u>78,538</u>
<b>OPERATING (LOSS)</b>		(291,153)	(657,870)	(148,734)	(278,807)
<b>OTHER INCOME</b>		75,506	6,252	37,569	2,302
		<u>(215,647)</u>	<u>(651,618)</u>	<u>(111,165)</u>	<u>(276,505)</u>
Impairment Loss on Investment - available for sale	6	173,020	-	98,119	-
Finance cost	10	3,003	176,389	609	91,077
		<u>176,023</u>	<u>176,389</u>	<u>98,728</u>	<u>91,077</u>
<b>(LOSS) BEFORE TAXATION</b>		(391,670)	(828,007)	(209,893)	(367,582)
<b>TAXATION</b>		2,921	(120,025)	1,443	-
<b>NET (LOSS) FOR THE PERIOD</b>		<u>(394,591)</u>	<u>(707,982)</u>	<u>(211,336)</u>	<u>(367,582)</u>
Basic (Loss) per share (Rupee)	11	<u>(4.43)</u>	<u>(9.19)</u>	<u>(2.38)</u>	<u>(4.77)</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
**Dewan Mohammad Yousuf Farooqui**  
 Chief Executive

  
**Dewan Abdullah Ahmed**  
 Managing Director

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the half year and quarter ended December 31, 2009 (Un-audited)

	6 months		3 months	
	July - Dec 2009	July - Dec 2008	Oct - Dec 2009	Oct - Dec 2008
	(Rs. in '000)		(Rs. in '000)	
Loss for the period	(394,592)	(707,982)	(211,336)	(367,582)
Other comprehensive income:				
Available for sale financial assets:				
- Changes in fair value	(11,163)	(100,909)	-	-
- Impairment carried directly in equity	-	(308,980)	-	-
- Impairment charged to profit and loss	173,020	-	98,119	-
Total comprehensive income for the period	<u>(232,735)</u>	<u>(1,117,871)</u>	<u>(113,217)</u>	<u>(367,582)</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



**Dewan Mohammad Yousuf Farooqui**  
Chief Executive




**Dewan Abdullah Ahmed**  
Managing Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the half year ended December 31, 2009

	December 31, 2009	December 31, 2008
	-----Unaudited----- (Rs. in '000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(391,670)	(828,007)
Add / (Less) : Depreciation	80,712	91,038
Amortization of intangible assets	-	1,578
Amortization of deferred credit	-	(910)
(Gain) / Loss on disposal of fixed assets	(874)	334
Impairment loss on Investment - available for sale	173,020	-
Financial charges	3,003	176,389
	255,862	267,761
	(135,809)	(560,246)
Decrease in stores & spares	859	513
(Increase) in stock in trade	(99,679)	(57,775)
Decrease in trade debts	6,188	222,995
(Increase) / Decrease in advances, deposits, pre-payments & other receivables	(63,109)	140,921
Decrease / (Increase) in long term lease deposits	84	(1,000)
Increase in trade and other payables	355,535	46,131
Tax (paid)	(10,278)	(12,781)
Financial charges (paid)	(8,829)	(56,105)
Gratuity (paid)	(109)	(1,286)
	180,662	281,613
<b>Net cash flow from operating activities</b>	<b>44,853</b>	<b>(278,633)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Markup received on short term loans to associated undertakings	11,420	(4,101)
Investment	-	30,450
Sale Proceeds of fixed assets	1,887	1,521
<b>Net cash flow from investing activities</b>	<b>13,307</b>	<b>(27,870)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term loans obtained	-	212,000
Long term loans (repaid)	-	(14,286)
Finance Lease repayments	(6,591)	(7,007)
<b>Net cash flow from financing activities</b>	<b>(6,591)</b>	<b>190,707</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>51,569</b>	<b>(60,056)</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>(1,827,839)</b>	<b>(1,851,225)</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>(1,776,270)</b>	<b>(1,911,281)</b>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
**Dewan Mohammad Yousuf Farooqui**  
 Chief Executive  
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**Dewan Abdullah Ahmed**  
 Managing Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
For the half year ended December 31, 2009

	Share Capital	Reserves			Total
	Issued, subscribed and paid-up	Unrealized gain / (loss) on available for sale investment	Impairment loss on available for sale investment to be charged in Jan - Dec 2009	Unappropriated profit / (loss)	
<b>Unaudited</b>					
<b>(Rs. in '000)</b>					
Balance as on July 01, 2008	770,733	100,909	-	190,799	1,062,441
Total comprehensive income for the period	-	(100,909)	(308,980)	(707,982)	(1,117,871)
<b>Balance as on December 31, 2008</b>	<u>770,733</u>	<u>-</u>	<u>(308,980)</u>	<u>(517,183)</u>	<u>(55,430)</u>
Balance as on July 01, 2009	889,733	-	(161,857)	(1,199,235)	(471,359)
Total comprehensive income for the period	-	-	161,857	(394,592)	(232,735)
<b>Balance as on December 31, 2009</b>	<u>889,733</u>	<u>-</u>	<u>-</u>	<u>(1,593,827)</u>	<u>(704,094)</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



**Dewan Mohammad Yousuf Farooqui**  
Chief Executive



**Dewan Abdullah Ahmed**  
Managing Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS for the half year ended December 31, 2009

### 1 THE COMPANY AND ITS OPERATIONS

Dewan Farooque Motors Limited was incorporated in Pakistan on December 28, 1998 as a public limited company. The shares of the company are quoted on all the stock exchanges in Pakistan. The registered office of the Company is situated at 7th floor, Block 'A', Finance and Trade Centre, Off - Shahrah-e-Faisal, Karachi.

The Company has entered into separate technical license / collaboration agreements with Hyundai Motor Company, Korea and KIA Motors Corporation, Korea. The principal activity of the Company is the assembly, progressive manufacturing and sales of Hyundai and KIA vehicles in Pakistan.

The Company commenced commercial production through the interim facility from January 01, 2000. The main facility came into commercial operation from January 01, 2001.

### 2 GOING CONCERN ASSUMPTION

The financial statement for the period ended December 31, 2009 reflect loss after taxation of Rs.394.591 million on account of working capital constraints and as of the date it has accumulated losses of Rs. 1.593 billion which has eroded its Capital by Rs. 704.094 million and its current liabilities exceeded its current assets by Rs.2.104 billion. The working capital constraints have resulted in low capacity utilization ultimately leading to gross loss situation. Further, the company is facing liquidity difficulties to ensure timely repayments of debts owing to financial institution and short term finance facilities have not been renewed by banks. Following course, certain banks has filed a recovery suit against the company. These financials have been prepared under going concern assumption as the aforesaid situations are temporary and would reverse in future. The management is confident that the out come is positive as the company is negotiating re-profiling of the debt with all the lenders and is expected to be closed in near future. The company has already approached its lenders for the restructuring of the entire debt.

### 3 BASIS OF PREPARATION

These condensed Interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and are being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. The Interim condensed financial statements do not include all the information and disclosures 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, 2009.

### 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 4.1 These condensed Interim financial statements have been prepared using the same accounting policies and method of computation as were applied in preparing the financial statements for the year ended June 30, 2009.

The significant assumptions and estimates adopted in the preparation of these financial statements are the same as those of the last published financial statements for the year ended June 30, 2009.

- 4.2 IAS 1 (Revised) Presentation of financial statements effective from January 1, 2009 was issued in September 2007. The revised standard prohibits the presentation of items of income and expenses (that is non-owner changes in equity) in the statement of changes in equity requiring non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement the statement of comprehensive income or two statements the Income statement and the statement of comprehensive income.

The company has opted for two statement approach and the interim financial information has been prepared under revised disclosure requirement.

		Half year ended December 31, 2009	Year ended June 30, 2009
	Note	(Rs. in '000)	
<b>5 PROPERTY PLANT AND EQUIPMENTS</b>			
Operating Property Plant and Equipments	5.1	1,894,427	1,976,153
Capital Work in Progress		<u>15,000</u>	<u>15,000</u>
		<u>1,909,427</u>	<u>1,991,153</u>

5.1 Detail of additions to operating fixed assets during the period are as follows:

	Half year ended December 31, 2009	Year ended June 30, 2009
	(Rs. in '000)	
<b>Tangible Owned</b>		
Office equipment	-	72
Vehicles	-	4,029
	<u>-</u>	<u>4,101</u>

5.2 Detail of disposals during the period are as follows:

Vehicles	<u>1,884</u>	<u>13,259</u>
	<u>1,884</u>	<u>13,259</u>

#### 6 INVESTMENT - AVAILABLE FOR SALE - At fair value

Investment in Ordinary shares of Dewan Cement Limited (DCL) - associated undertaking		
44,650,273 ordinary shares of Rs. 10 each	<b>446,503</b>	446,503
Impairment loss already charged to profit & loss account	<b>(161,857)</b>	-
Impairment in value of investment - taken directly in equity	-	(161,857)
Impairment in value of investment - charged to profit & loss account	<b>(173,020)</b>	(161,857)
	<u>111,626</u>	<u>122,789</u>
Market value (Rupees per share)	<u>2.50</u>	<u>2.75</u>
Percentage of equity held	<u>12.49%</u>	<u>12.49%</u>

6.1 The company has charge all the impairment losses till December 31, 2009 to profit and loss account as per notification SRO 150(I)/2009 dated February 13, 2009 issued by the SECP.

6.2 The market price of associated company's share wherein company has investment shows increasing trend from the date of balance sheet to the date the financial statements were authorized for issue. The market price of DCL's share as of February 24, 2010 (i.e. the date on which the financial statements were authorised for issue) is Rs. 3.03 per share, thereby increasing the market value of the investment by Rs. 23.66 million.

#### 7 SHORT TERM BORROWINGS

The Short term borrowings has not been renewed by the Banks as of Balance sheet date.

#### 8 CURRENT PORTION OF LONG TERM LOANS - SECURED

The current maturity of long term loan include over due installments amounting to Rs. 387.158 million.

#### 9 CONTINGENCIES AND COMMITMENTS

##### Contingencies

There is no material change in the contingencies and commitments since the last audited financial statements as at June 30, 2009.

The company is in the process of restructuring the respective amounts due to banks. Certain lenders have filed suit in the High Court of Sindh U/s 9 of Financial Institutions (Recovery of Finances) Ordinance, 2001 for recovery through sale of company's assets. The company is defending these cases. The outcome is awaited and it is expected that it will be in favour of company.

## 10 FINANCE COST

The company has not provided the markup on Long term and short term borrowing from January 01, 2009 to December 31, 2009 by Rs. 414.09 million. The management feels that it is in the process of restructuring of loans with the financial institutions and the treatment is in accordance with the proposal. The management is hopeful that the restructuring proposal will be accepted by the financial institutions. However, if the company provide this amount during the period the loss of the company would have been increased by Rs. 414.09 million and consequently the financial charges and accrued markup will also increases by same amount.

	Half Year Ended		Quarter Ended	
	Dec 31, 2009	Dec 31, 2008	Dec 31, 2009	Dec 31, 2008
	----- (Rs. in '000) -----			
<b>11 LOSS PER SHARE - BASIC</b>				
Net Loss for the period	(394,591)	(707,982)	(211,336)	(367,582)
Weighted average number of ordinary shares issued during the year	88,973	77,073	88,973	77,073
Loss Per Share - Basic	(4.43)	(9.19)	(2.38)	(4.77)

## 12 TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS / RELATED PARTIES

	Half year ended December 31, 2009	Year ended June 30, 2009
	(Rs. in '000)	
Sales	2,321	6,957
Purchases	535,465	928,713
Royalty	3,885	11,505
Markup for the period on short term loans to associated undertakings	73,174	155,292
Amount received against markup on short term loans to associated undertakings	11,420	63,621
Donation to Dewan Farooque Trust	100	3,945

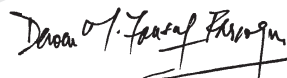
Transactions with associated undertakings and related parties are undertaken on an arm's length basis.

## 13 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on February 24, 2010 by the Board of Directors of the Company.

## 14 GENERAL

Figures have been rounded off to the nearest thousand rupees.



**Dewan Mohammad Yousuf Farooqui**  
Chief Executive



**Dewan Abdullah Ahmed**  
Managing Director