

**MOONLITE (PAK) LIMITED**  
**CONDENSED INTERIM BALANCE SHEET**  
**AS AT MARCH 31, 2010**

	UN-AUDITED MARCH 31, 2010	AUDITED JUNE 30, 2009
Note	Rupees	Rupees
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	99,230,387	104,253,737
Long-term investment	1,815,000	1,815,000
Long-term deposits	1,159,330	1,159,330
<b>CURRENT ASSETS</b>		
Stores and spares	3,353,860	3,413,681
Stock in trade	94,486,629	108,652,073
Trade debts - unsecured	34,737,296	44,967,605
Loans and advances	692,502	945,234
Other receivables	2,069,739	2,285,052
Cash and bank balances	977,123	421,257
	<b>136,317,149</b>	<b>160,684,902</b>
<b>TOTAL ASSETS</b>	<b>238,521,866</b>	<b>267,912,969</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL &amp; RESERVES</b>		
<b>Authorized capital</b>		
4,000,000 (June 2009: 4,000,000) ordinary shares of Rs.10/- each	40,000,000	40,000,000
Issued, subscribed and paid-up capital		
2,159,586 (June 2009: 2,159,586) ordinary shares of Rs.10/- each	21,595,860	21,595,860
Reserves	399,305	399,305
Unappropriated profit	175,242,421	193,070,621
	<b>197,237,586</b>	<b>215,065,786</b>
<b>CURRENT LIABILITIES</b>		
Director's loan	4,716,331	4,716,331
Short-term borrowings	15,999,877	16,499,447
Trade and other payables	19,559,927	30,902,733
Accrued mark up on short term borrowings	703,903	728,672
Taxation	304,242	-
	<b>41,284,280</b>	<b>52,847,183</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	5	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>238,521,866</b>	<b>267,912,969</b>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

<b>Muhammad Sohail</b>			<b>Ghulam Akbar</b>
Chief Executive Officer		Director	Chief Financial Officer

**MOONLITE (PAK) LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED MARCH 31, 2010 (Un-audited)**

	FOR THE PERIOD ENDED		FOR THE QUARTER ENDED	
	MARCH 31, 2010	MARCH 31, 2009	MARCH 31, 2010	MARCH 31, 2009
	Note		Rupees	
Sales	<b>60,262,625</b>	85,392,553	<b>28,590,859</b>	26,584,306
Cost of sales	<b>(64,456,308)</b>	(80,226,792)	<b>(28,866,090)</b>	(25,145,740)
	<b>(4,193,683)</b>	5,165,761	<b>(275,231)</b>	1,438,566
Processing receipts	<b>585,770</b>	-	<b>585,770</b>	-
<b>Gross profit / (loss)</b>	<b>(3,607,913)</b>	5,165,761	<b>310,539</b>	1,438,566
<b>Operating expenses</b>				
Administration & general	<b>(7,151,074)</b>	(8,327,033)	<b>(2,252,037)</b>	(3,032,398)
Selling & distribution	<b>(4,025,629)</b>	(3,911,349)	<b>(1,708,526)</b>	(1,039,066)
	<b>(11,176,703)</b>	<b>(12,238,382)</b>	<b>(3,960,563)</b>	<b>(4,071,464)</b>
<b>Operating loss</b>	<b>(14,784,616)</b>	(7,072,621)	<b>(3,650,024)</b>	(2,632,898)
Finance costs	<b>(2,739,342)</b>	(1,250,295)	<b>(1,217,723)</b>	(699,789)
Other income	-	114,808	-	-
Loss on write down of inventory to net realisable values	-	(9,913,584)	-	-
	<b>(2,739,342)</b>	<b>(11,049,071)</b>	<b>(1,217,723)</b>	<b>(699,789)</b>
<b>Loss before taxation</b>	<b>(17,523,958)</b>	(18,121,692)	<b>(4,867,747)</b>	(3,332,687)
<b>Taxation - current</b>	<b>(304,242)</b>	-	<b>(145,883)</b>	-
<b>Loss after taxation</b>	<b>(17,828,200)</b>	(18,121,692)	<b>(5,013,630)</b>	(3,332,687)
<b>Loss per share</b>	<b>Rs. (8.26)</b>	<b>Rs. (8.39)</b>	<b>Rs. (2.32)</b>	<b>Rs. (1.54)</b>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

<b>Muhammad Sohail</b>				<b>Ghulam Akbar</b>
Chief Executive Officer		Director		Chief Financial Officer

**MOONLITE (PAK) LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD AND QUARTER ENDED MARCH 31, 2010 (Un-audited)**

	<b>FOR THE PERIOD ENDED</b>		<b>FOR THE QUARTER ENDED</b>	
	<b>MARCH 31,</b>	<b>MARCH 31,</b>	<b>MARCH 31,</b>	<b>MARCH 31,</b>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>_____ Rupees _____</b>			
Loss for the period	<b>(17,828,200)</b>	(18,121,692)	<b>(5,013,630)</b>	(3,332,687)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period transferred to equity	<u><b>(17,828,200)</b></u>	<u>(18,121,692)</u>	<u><b>(5,013,630)</b></u>	<u>(3,332,687)</u>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

<b>Muhammad Sohail</b>		<b>Ghulam Akbar</b>
Chief Executive Officer	Director	Chief Financial Officer

**MOONLITE (PAK) LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED MARCH 31, 2010 (Un-audited)**

	<b>SHARE CAPITAL</b>	<b>CAPITAL RESERVE</b>	<b>UNAPPROPRIATED PROFIT</b>	<b>TOTAL</b>
	<b>Rupees</b>			
<b>Balance as at July 1, 2008</b>	21,595,860	399,305	223,470,750	<b>245,465,915</b>
Total comprehensive loss for the half year	-	-	(14,789,005)	<b>(14,789,005)</b>
<b>Balance as at Dec. 30, 2008 ( Unaudited )</b>	<u>21,595,860</u>	<u>399,305</u>	<u>208,681,745</u>	<u><b>230,676,910</b></u>
Balance as at January 1, 2009	21,595,860	399,305	208,681,745	<b>230,676,910</b>
Total comprehensive loss for the half year	-	-	(15,381,124)	<b>(15,381,124)</b>
Issuance of cash dividend	-	-	(230,000)	<b>(230,000)</b>
<b>Balance as at June 30, 2009 ( Audited )</b>	<u>21,595,860</u>	<u>399,305</u>	<u>193,070,621</u>	<u><b>215,065,786</b></u>
Balance as at July 1, 2009	21,595,860	399,305	193,070,621	<b>215,065,786</b>
Total comprehensive loss for the half year	-	-	(12,814,570)	<b>(12,814,570)</b>
<b>Balance as at Dec. 30, 2009 ( Unaudited )</b>	<u>21,595,860</u>	<u>399,305</u>	<u>180,256,051</u>	<u><b>202,251,216</b></u>
Balance as at January 1, 2010	21,595,860	399,305	180,256,051	<b>202,251,216</b>
Total comprehensive loss for the quarter ended March 31, 2010	-	-	(5,013,630)	<b>(5,013,630)</b>
<b>Balance as at Mar. 31, 2010 ( Unaudited )</b>	<u>21,595,860</u>	<u>399,305</u>	<u>175,242,421</u>	<u><b>197,237,586</b></u>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

<b>Muhammad Sohail</b>		
Chief Executive Officer	Director	<b>Ghulam Akbar</b> Chief Financial Officer

**MOONLITE (PAK) LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED MARCH 31, 2010 (Un-audited)**

	<b>FOR THE PERIOD ENDED</b>	
	<b>MARCH 31,</b>	<b>MARCH 31,</b>
	<b>2010</b>	<b>2009</b>
	<b>Rupees</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(17,523,958)	(18,121,692)
<i>Adjustments for non-cash items:</i>		
Depreciation	5,458,350	5,946,972
Finance costs	2,739,342	1,250,295
Gain on disposal of property, plant and equipment	-	(79,381)
	<u>8,197,692</u>	<u>7,117,886</u>
<b>Cash outflow from operating activities before working capital changes</b>	<b>(9,326,266)</b>	<b>(11,003,806)</b>
<b>CHANGES IN WORKING CAPITAL</b>		
<b>(Increase) / decrease in current assets</b>		
Stores and spares	59,821	581,548
Stock in trade	14,165,444	2,649,463
Trade debts	10,230,309	(12,008,331)
Loans, advances & other receivables	764,291	2,575,611
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	(11,334,713)	2,824,989
	<u>13,885,152</u>	<u>(3,376,720)</u>
<b>Cash (used in) / generated from operations</b>	<b>4,558,886</b>	<b>(14,380,526)</b>
Taxes paid	(296,246)	(406,750)
Finance costs paid	(2,764,111)	(547,733)
	<u>(3,060,357)</u>	<u>(954,483)</u>
<b>Net cash (used in) / generated from operating activities</b>	<b>1,498,529</b>	<b>(15,335,009)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceed from sale of property, plant and equipment	-	800,000
Purchase of Property, Plant & Equipment	(435,000)	-
<b>Net cash generated / (used in) from investing activities</b>	<b>(435,000)</b>	<b>800,000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term deposit	-	(3,500)
Dividend paid	(8,093)	-
<b>Net cash used in financing activities</b>	<b>(8,093)</b>	<b>(3,500)</b>
Net (decrease) / increase in cash and cash equivalents	1,055,436	(14,538,509)
Cash and cash equivalents as at the beginning of the period	(16,078,190)	990,347
<b>Cash and cash equivalents at the end of the period</b>	<b>(15,022,754)</b>	<b>(13,548,162)</b>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

<b>Muhammad Sohail</b>		<b>Ghulam Akbar</b>
Chief Executive Officer	Director	Chief Financial Officer

**MOONLITE (PAK) LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2010**

**1 STATUS AND ACTIVITIES**

Moonlite (Pak) Limited ("the Company") was incorporated in Pakistan in April 10, 1964 as a public limited Company under the Companies Act, 1913, ( now Companies Ordinance, 1984) and converted into public listed Company in September 1970. The Company is listed on the Karachi Stock Exchange and principally engaged in the business of manufacturing of Woolen Yarn. The manufacturing facility of the Company is located at C-126 to C-135, H.I.T.E., Hub, Balochistan. The registered office of the Company is situated at 301, Anum Blessing, Near Duty Free Shop, K.C.H.S., Block 7/8, P.E.C.H.S., Karachi. The Company is domiciled in the province of Sindh.

**2 BASIS OF PREPARATION**

The condensed interim financial information are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi and Lahore Stock Exchange. The condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. The condensed interim financial information 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.

The comparative balance sheet presented in this condensed interim financial information has been extracted from the audited annual financial statements of the Company for the year ended June 30, 2009, whereas the comparative profit and loss account, statement of changes in equity, statement of comprehensive income and cash flow statement have been extracted from the unaudited condensed interim financial information for the period ended March 31, 2009.

**3 ACCOUNTING POLICIES**

The accounting policies adopted and method of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparing the preceding published annual financial statements of the Company.

**3.1 Standards, amendments to standards and interpretations effective from July 1, 2009**

- a) IAS 1 (revised), 'Presentation of financial statements'. 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. It requires 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 statement of comprehensive income). The Company has applied IAS 1 (revised) from July 1, 2009, and has elected to present two statements (i.e. the income statement and statement of comprehensive income).
- b) IFRS 7 (amendment) 'Financial instruments: Disclosures'. The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures, which would be detailed in the financial statements for the year ending June 30, 2010, but does not have an impact on the Company's financial position or performance.

Certain interpretations to the approved accounting standards are mandatory for accounting periods beginning on or before July 1, 2009 but are considered not to be relevant or have any significant effect on the Company's operations and are therefore not disclosed in this condensed interim financial information.

### 3.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on or after July 1, 2009 but are considered not to be relevant or have any significant effect on the Company's operations and are therefore not detailed in this condensed interim financial information.

## 4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing the condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended June 30, 2009.

## 5 CONTINGENCIES AND COMMITMENTS

### 5.1 Contingency

Continuing guarantee to the Utility Company (S.S.G.C.) amounting to Rs. 1.815 million exists as on March 31, 2010 (June 30, 2009:1.815 million).

### 5.2 Commitments

No commitments exist as on March 31, 2010 (June 30, 2009: Nil).

## 6 TRADE DEBTS - UNSECURED

	March 31, 2010	June 30, 2009
	Rupees	
Considered good	34,737,296	44,967,605
Considered Doubtful	2,883,113	4,557,408
	<b>37,620,409</b>	49,525,013
Less:		
Written off during the period/year	-	(1,674,295)
Provision for doubtful debt	<b>(2,883,113)</b>	(2,883,113)
	<b>(2,883,113)</b>	(4,557,408)
	<b>34,737,296</b>	44,967,605

7 COST OF GOODS SOLD	FOR THE PERIOD ENDED		FOR THE QUARTER ENDED	
	MARCH 31, 2010	MARCH 31, 2009	MARCH 31, 2010	MARCH 31, 2009
	Rupees			
Raw & Packing Material Consumed	34,116,678	64,868,257	17,287,369	16,620,010
<b>MANUFACTURING EXPENSES</b>				
Stores & spares consumed	693,880	2,393,163	128,673	1,074,550
Fuel & power	3,549,894	5,054,584	1,337,602	1,604,449
Salaries, wages & benefits	14,171,376	14,433,727	5,148,847	3,810,381
Repairs & maintenance	689,976	842,774	284,574	439,568
Insurance	155,000	625,880	-	300,000
Rent, rates, & taxes	17,945	85,899	-	75,000
Depreciation	5,302,071	5,808,715	1,781,346	1,936,238
	24,580,142	29,244,742	8,681,042	9,240,186
	58,696,820	94,112,999	25,968,411	25,860,196
<b>Work in Process</b>				
- Opening	24,074,834	19,573,929	23,029,479	20,759,629
- Closing	(24,141,461)	(19,175,959)	(24,141,461)	(19,175,959)
	(66,627)	397,970	(1,111,982)	1,583,670
Cost of goods manufactured	58,630,193	94,510,969	24,856,429	27,443,866
<b>Finished goods</b>				
- Opening	21,160,390	5,941,291	19,343,936	17,927,342
- Closing	(15,334,275)	(20,225,468)	(15,334,275)	(20,225,468)
	5,826,115	(14,284,177)	4,009,661	(2,298,126)
<b>Cost of goods sold</b>	64,456,308	80,226,792	28,866,090	25,145,740

8 CASH AND CASH EQUIVALENTS	MARCH 31,	
	2010	2009
	Rupees	
Cash and bank balances	977,123	1,449,985
Short term borrowings	(15,999,877)	(14,998,147)
	(15,022,754)	(13,548,162)

## 9 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of directors, key management personnel and retirement benefits plan established for the benefits of the employees. There have been no transactions with related parties except for the following:

Significant transactions with the related parties during the half year ended are as follows:	JULY TO MARCH	
	2010	2009
Remuneration of Chief Executive	810,000	810,000
Remuneration of key management personnel	1,080,000	1,080,000
Contribution to staff provident fund	248,473	259,006

**Balances with related parties at the end of the period are as follows:**

	<b>JULY TO MARCH 2010</b>	<b>JULY TO MARCH 2009</b>
Remuneration of key management personnel	<b>300,440</b>	<b>200,145</b>
Provident Fund payable	<b>56,530</b>	<b>499,000</b>

#### **10 AUTHORIZATION FOR ISSUE**

The condensed interim financial information have been authorized for issue on April 28, 2010 by the Board of Directors of the Company.

#### **11 GENERAL**

Figures have been rounded off to the nearest rupee.

<b>Muhammad Sohail</b>				<b>Ghulam Akbar</b>
Chief Executive Officer		Director		Chief Financial Officer

## **QUARTERLY REVIEW**

The Directors' take pleasure to present the Quarterly un-audited accounts for the period ended March 31, 2010.

### **1. OPERATING RESULTS**

- 1.1 Quarterly Accounts losses include depreciation Rs.1.819 million and financial cost Rs.1.218 million. However, the Company sales increased during the quarter as compared to first six month of 2009-2010. The Company is striving to achieve breakeven under these present market conditions.
- 1.2 Cost of production increased as compared to corresponding period due to devalues of Pak Rupee, increased in utilities charges and decreased in production.
- 1.3 Earning per share for the period computes negative Rs.8.26 (2009: negative Rs. 8.39).

### **2. FUTURE PROSPECTS**

The Company's progress is dependent on hand knotted carpet industry, which is facing difficulty to maintain its production and sales due to financial and depressed economic conditions. However, the management of the Company hopeful to yield fruitful results as financial crises in the world market turns around.

On Behalf of the Board

**Muhammad Sohail**  
( Chief Executive )

Karachi: April 28, 2010