

CONTENTS

<u>Corporate Information</u>	<u>1</u>
<u>Directors' Report</u>	<u>2</u>
<u>Balance Sheet</u>	<u>4</u>
<u>Profit & Loss Account</u>	<u>5</u>
<u>Statement of Comprehensive Income</u>	<u>6</u>
<u>Cash Flow Statement</u>	<u>7</u>
<u>Statement of Changes in Equity</u>	<u>8</u>
<u>Notes to the Financial Statements</u>	<u>9</u>

CORPORATE INFORMATION

Board of Directors	Miss Tara Uzra Dawood Mr. Masood A.S. Wahedna Mr. Nazimuddin Feroz Syed Shahabat Hussain Mr. Gul Nawaz	Chief Executive Officer/Acting Chairperson Director (Nominee of BoK) Director (Nominee of BRRGM) Director (Nominee of NIT) Director
Chief Financial Officer & Company Secretary	Syed Kabiruddin	
Audit Committee	Mr. Gul Nawaz Mr. Masood A.S. Wahedna	Chairman Member
Auditors	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants	
Legal Adviser	Rauf & Ghaffar Law Associates Advocates Suite No. 65, 5th Floor, Fareed Chamber, Abdullah Haroon Road, Saddar, Karachi 75530	
Banker	Dawood Islamic Bank Limited Bank AL Habib Limited Habib Metropolitan Bank Limited Oman International Bank S.A.O.G.	
Registered Office	5B Lakson Square Building #1 Sarwar Shaheed Road Karachi 74200 Tel: (92-21) 3562-1001-6 Fax: (92-21) 3562-1010 E-mail: dcm@edawood.com Website: www.edawood.com	
Registrars	F.D. Registrar Services (SMC-Pvt.) Ltd. 1700A Saima Trade Towers, I. I. Chundrigar Road, Karachi 74000	
Rating	PACRA: AM4+	

DIRECTORS' REPORT

On behalf of the Board of Directors of **Dawood Capital Management Ltd.** ("DCM" or the "Company"), I am pleased to present un-audited financial statements of DCM for the nine months period ended March 31, 2011. Your Company continued its journey of success and is poised for growth.

Economic Outlook

The quarter of Jan-Mar '11 was dominated by tough tax measures and de-subsidization by the government along with regional political pressures that have translated into higher commodity prices affecting inflation across Asian economies on broad-based level. Higher domestic POL prices by 5% notified by OGRA on Mar 5 '11 followed by 9-12% hike announced on Mar 31 '11 drove CPI inflation up to 14.2% in Mar '11 as compared to 11.29% in Mar '10.

FOREX reserves stood at USD 17.95B with net foreign investment decreased to USD 1.23M. GDP Growth decreased to 3% which led to the increase in fiscal deficit (% of GDP) to 6.5%. The government has reportedly decided to continue to increase the power tariff by 2% every month till Jun11. This will lead to increased inflation and poor purchasing power in the economy. However, few positive movements are encouraging i.e. current account deficit has been reduced to USD 98M against USD 3,946M in 2010. Government borrowing from State Bank of Pakistan has also been constrained in the last three months.

The continuing crises in Libya and problems in Bahrain carry the dangerous potential of spreading over more of the MENA region which would result in unsustainable movement of global oil prices. Nevertheless, weak domestic outlook on inflationary pressures persist on the back of low tax base and continuing subsidy burden, which is worsening due to rising global commodity prices.

Future Outlook

Mutual funds have faced tough challenges during FY 2011 and likely to face more in upcoming months with increasing inflation and taxes. Imposition of capital gain tax, direct investment in government securities by major investors' market coupled with high volume of redemptions owing to realize the profits at higher values. This lack of long-term investment trend will definitely be the major challenge for the industry to shift the investor's preferences. Increasing yield on government securities are benefiting money market mutual funds in attracting more investors. With the launch of new money market and government securities funds, the industry has redefined its marketing strategy with increased AUMs to reach new dimensions but must have to focus more on awareness programs.

Company Performance

The Company's gross earnings during the period stood at Rs. 15.54 million as compared to Rs. 32.90 million in the same period last year. The total expenditures were reduced to Rs. 21.42 million in comparison to Rs. 24.50 million. Share of Associates' Profit was Rs. 13.03 million as opposed to Rs. (6.31) million in the same period last year, due to increase in the value of NAV of the Funds. The aforementioned income is attributed primarily from the management Fee of the Funds. Due to the above reasons, Net Profit of the Company stood at Rs. 6.99 million as compared to Rs. 2.04 million in last year and basic earnings per share was increased to Rs. 0.47 as compared to Rs. 0.14 in the same period last year. In other words, the company's lean structure and care with expenditure ensured an increase in profits and thus your shareholder value, despite many industry challenges.

Acknowledgement

In the end, we express our most sincere gratitude to our shareholders and valued customers for their continued trust and patronage and our valuable DCM team for their hard work and dedication, Regulatory Authorities particularly the Securities & Exchange Commission of Pakistan, Trustees, Registrar and our Shariah Advisors for their continued professional guidance and support.

**For and on behalf of the
Board of Directors**

**April 27, 2011
Karachi**

Chairperson

**CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2011**

	Notes	Marach 31, 2011 (Un-Audited) Rupees	June 30, 2010 (Audited) Rupees
ASSETS			
Non-Current Assets			
Operating Fixed Assets	5	1,845,694	2,550,187
Long-Term Investments	6	150,119,231	137,369,985
Long-Term Receivables from Related Parties		1,115,000	1,615,000
Long-Term Deposits		31,000	31,000
		<u>153,110,925</u>	<u>141,566,172</u>
Current Assets			
Investments - Available for Sale	7	4,914,875	5,724,807
Loans and Advances		579,000	1,499,458
Prepayments, Interest Accrued and Other Receivables		1,230,879	1,220,803
Remuneration Due from Funds Under Management		2,260,494	1,331,254
Advance Tax - Net of Provision		7,089,495	6,364,582
Cash and Bank Balances		318,305	4,023,077
		<u>16,393,048</u>	<u>20,163,981</u>
TOTAL ASSETS		<u><u>169,503,973</u></u>	<u><u>161,730,153</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share Capital			
Authorised			
20,000,000 Ordinary Shares of Rs. 10/- Each		200,000,000	200,000,000
Issued, Subscribed and Paid-Up Capital		149,737,500	149,737,500
Unrealised Deficit on Revaluation of Available for Sale Investments to Fair Value - Net	7	(817,497)	(7,565)
General Reserves		33,630,264	33,630,264
Accumulated Losses		<u>(26,953,872)</u>	<u>(33,949,579)</u>
		<u>155,596,395</u>	<u>149,410,620</u>
CURRENT LIABILITIES			
Accrued and Other Liabilities	8	13,907,578	12,319,533
CONTINGENCY	9	-	-
TOTAL EQUITY AND LIABILITIES		<u><u>169,503,973</u></u>	<u><u>161,730,153</u></u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2011 (UN-AUDITED)**

	Note	Nine Months Ended March 31,		Quarter Ended March 31,	
		2011	2010	2011	2010
----- Rupees -----					
INCOME					
Investment Income	10	4,895	11,876,590	(15,887)	7,264,054
Management Fee	11	14,457,565	20,356,150	5,455,525	5,396,639
		<u>14,462,460</u>	<u>32,232,740</u>	<u>5,439,638</u>	<u>12,660,693</u>
EXPENSES					
Administrative and Operating Expenses	12	21,275,494	24,305,049	5,532,224	8,245,876
Financial Charges		4,976	149,872	81	(1,855,779)
Wokers' Welfare Fund		143,023	41,766	(15,824)	(75,569)
		<u>21,423,493</u>	<u>24,496,687</u>	<u>5,516,481</u>	<u>6,314,528</u>
		(6,961,033)	7,736,053	(76,843)	6,346,165
Other Operating Income		1,079,550	666,609	49,318	473,656
		<u>(5,881,483)</u>	<u>8,402,662</u>	<u>(27,525)</u>	<u>6,819,821</u>
Share of Associates' Profit/(Loss)	13	13,032,610	(6,314,363)	(684,101)	(10,598,250)
PROFIT/(LOSS) BEFORE TAXATION		<u>7,151,127</u>	<u>2,088,299</u>	<u>(711,626)</u>	<u>(3,778,429)</u>
Taxation					
- Current		155,420	107,764	54,889	29,400
- Deferred		-	(55,000)	-	-
		<u>155,420</u>	<u>52,764</u>	<u>54,889</u>	<u>29,400</u>
NET PROFIT/(LOSS) FOR THE PERIOD		<u>6,995,707</u>	<u>2,035,535</u>	<u>(766,515)</u>	<u>(3,807,829)</u>
EARNINGS/(LOSS) PER SHARE - Basic and Diluted		<u>0.47</u>	<u>0.14</u>	<u>(0.05)</u>	<u>(0.25)</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2011 (UN-AUDITED)**

	Nine Month Ended March 31,		Quarter Ended March 31,	
	2011	2010	2011	2010
----- Rupees -----				
Net Profit/(Loss) for the Period	6,995,707	2,035,535	(766,515)	(3,807,829)
Other Comprehensive Loss				
Deficit on Revaluation of Available for Sale Investments	(809,932)	(7,444,782)	(1,007,732)	(9,231,535)
Total Comprehensive Income/(Loss) for the Period	<u>6,185,775</u>	<u>(5,409,247)</u>	<u>(1,774,247)</u>	<u>(13,039,364)</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director



DAWOOD

**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2011 (UN-AUDITED)**

	March 31, 2011 Rupees	March 31, 2010 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Taxation	7,151,127	2,088,299
Adjustments for:		
Depreciation	754,638	771,752
Gain on Disposal of Operating Fixed Assets	(79,917)	(13,475)
Financial Charges	4,491	149,872
Dividend Income	-	(500,000)
Return on Term Finance Certificates	(4,895)	(30,048)
Other Income	-	(464,286)
Share of Associates (Profit)/Loss	(13,032,610)	6,314,363
	<u>(12,358,293)</u>	<u>6,228,178</u>
Operating Cash Flows Before Working Capital Changes	(5,207,166)	8,316,477
(Increase)/ Decrease in Current Assets		
Loans and Advances	920,458	112,481
Prepayments, Interest Accrued and Other Receivables	(10,076)	(97,800)
Remuneration Due from Funds Under Management	(929,240)	147,576
	<u>(18,858)</u>	<u>162,257</u>
Increase in Current Liabilities		
Accrued and Other Liabilities	1,588,045	2,860,188
Long-Term Receivables from Related Parties	500,000	500,000
Cash Generated from Operations	2,069,187	3,522,445
Income Taxes Paid	(880,333)	(1,292,277)
Financial Charges Paid	(4,491)	(401,941)
Net Cash (Used in)/Generated from Operating Activities	(4,022,803)	10,144,704
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Disposal of Operating Fixed Assets	641,500	495,307
Proceeds from Sale of Investments	-	18,289,860
Dividends Received	-	500,000
Receipt of Return on Term Finance Certificate	4,895	88,912
Long-Term Loan	-	3,207,714
Purchase of Operating Fixed Assets	(611,728)	(786,150)
Net Cash Generated from Investing Activities	318,031	21,795,643
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-Term Borrowings	-	(24,560,044)
Net Cash Used in Financing Activities	-	(24,560,044)
Net (Decrease)/Increase in Cash and Cash Equivalents	(3,704,772)	7,380,303
Cash and Cash Equivalents at the Beginning of the Period	4,023,077	(5,736,449)
Cash and Cash Equivalents at the End of the Period	318,305	1,643,854

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director



DAWOOD

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2011 (UN-AUDITED)**

	Issued Subscribed & Paid-Up Capital	General Reserve	Surplus/(Deficit) on Revaluation of Available for Sale Investments	Accumulated Loss	Total
	Rupees				
Balance as at July 01, 2009	149,737,500	33,630,264	3,743,812	(33,793,158)	153,318,418
Profit for the Nine Months Ended March 31, 2010	-	-	-	2,035,535	2,035,535
Other Comprehensive Loss	-	-	(7,444,782)	-	(7,444,782)
Total Comprehensive Loss	-	-	(7,444,782)	2,035,535	(5,409,247)
Balance as at March 31, 2010	<u>149,737,500</u>	<u>33,630,264</u>	<u>(3,700,970)</u>	<u>(31,757,623)</u>	<u>147,909,171</u>
Balance as at July 01, 2010	149,737,500	33,630,264	(7,565)	(33,949,579)	149,410,620
Profit for the Nine Months Ended March 31, 2011	-	-	-	6,995,707	6,995,707
Other Comprehensive Loss	-	-	(809,932)	-	(809,932)
Total Comprehensive (Loss)/Income	-	-	(809,932)	6,995,707	6,185,775
Balance as at March 31, 2011	<u>149,737,500</u>	<u>33,630,264</u>	<u>(817,497)</u>	<u>(26,953,872)</u>	<u>155,596,395</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2011 (UN-AUDITED)**

1. COMPANY AND ITS OPERATIONS

Dawood Capital Management Limited (the Company) was incorporated on September 18, 1990 as a public limited company in Pakistan, with its registered office at 5B, Lakson Square Building No. 1, Sarwar Shaheed Road Karachi 74200. The company is listed on the Karachi Stock Exchange.

The Company is re-registered as a Non Banking Finance Company under the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003. The Company has obtained the licenses to carry out investment advisory services and asset management services under the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

The Company has floated the following open end funds;
- Dawood Money Market Fund
- Dawood Islamic Fund

The Company has also floated a closed end fund, "First Dawood Mutual Fund".

2. BASIS OF PREPARATION

2.1 These condensed interim financial statements have been prepared in accordance with International Accounting Standard – 34 "Interim Financial Reporting" as applicable in Pakistan.

2.2 The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2010.

3. ACCOUNTING POLICIES

The accounting policies and methods adopted for the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2010 except for the following amended IFRS and IFRIC interpretation which became effective during the period:

IAS 32 - Financial Instruments: Presentation - Classification of Rights Issues
IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments

In April 2009, International Accounting Standards Board issued amendments to various standards primarily with a view to removing inconsistencies and clarifying wording. These improvements are listed below:

IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations
IFRS 8 – Operating Segments
IAS 1 – Presentation of Financial Statements
IAS 7 – Statement of Cash Flows
IAS 17 – Leases
IAS 36 – Impairment of Assets
IAS 39 – Financial Instruments: Recognition and measurement

The adoption of the above standards, amendments/improvements and interpretations did not have any effect on the financial statements.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended June 30, 2010.

4. ESTIMATES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2010.

	March 31, 2011 (Un-Audited) Rupees	March 31, 2010 (Un-Audited) Rupees
5. OPERATING FIXED ASSETS		
The detail of additions and deletions during the period ended March 31, 2011 is as follows:		
Addition - Owned		
Computer Equipment	442,583	24,650
Office Equipment	9,500	37,000
Furniture and Fitting	159,645	-
Vehicles	-	724,500
Deletion - Owned		
Vehicles	736,000	1,049,240
	March 31, 2011 (Un-Audited) Rupees	June 30, 2010 (Audited) Rupees
6. LONG-TERM INVESTMENTS		
Investment in Associates		
Quoted		
First Dawood Mutual Fund (Closed-End Fund)- An Associate (Using Equity Method)		
8,792,925 (June 30, 2010: 8,792,925) Fully Paid Ordinary Certificates of Rs.10/- Each Representing 15.14% (June 2010: 15.14%) Holding	84,412,080	73,420,924
Dawood Money Market Fund (Open-End Fund) - An Associate (Using Equity Method)		
172,312 (June 30, 2010: 144,883) Units of Rs.100/- Each Representing 3.48% (June 2010: 3%) Holding	13,281,811	11,523,721
Others - Investment in Unlisted Companies (Available for Sale)		
Unlisted Companies (Available for Sale)		
Sapphire Power Generation Limited		
50,000 (June 30, 2010: 50,000) Fully Paid Ordinary Shares of Rs.10/- Each	1,750,000	1,750,000
Dawood Islamic Bank Limited		
2,345,034 (June 30, 2010: 2,345,034) Fully Paid Ordinary Shares of Rs.10/- Each	23,450,340	23,450,340
Dawood Family Takaful Limited		
2,722,500 (June 30, 2010: 2,722,500) Fully Paid Ordinary Shares of Rs.10/- Each	27,225,000	27,225,000
	150,119,231	137,369,985

7. INVESTMENTS - AVAILABLE FOR SALE

	Note	March 31, 2011		June 30, 2010	
		Cost (Un-Audited)	Fair Value	Cost (Audited)	Fair Value (Audited)
Rupees					
Listed Shares	7.2	5,447,600	4,729,773	9,721,358	5,447,601
Term Finance Certificates - Listed	7.3	284,772	185,102	284,772	277,206
		5,732,372	4,914,875	10,006,130	5,724,807
Deficit on Revaluation of Investments		(817,497)	-	(7,566)	-
Impairment on Available for Sale Investments		-	-	(4,273,757)	-
		4,914,875	4,914,875	5,724,807	5,724,807
7.1 Available for Sale Investments					
Related Parties		4,241,100	3,764,573	7,314,708	4,241,101
Others		1,491,272	1,150,302	2,691,422	1,483,706
		5,732,372	4,914,875	10,006,130	5,724,807

7.2 Listed Shares

All shares represent fully paid Ordinary shares of Rs. 10/- each, unless otherwise stated.

No. of Shares/Certificates		Name of Companies	Note	March 31, 2011		June 30, 2010	
March 31, 2011	June 30, 2010			Cost (Un-Audited)	Fair Value	Cost (Audited)	Fair Value (Audited)
Rupees							
Financial Services							
2,382,641	2,382,641	First Dawood Investment Bank Limited - Related Party	7.2.1	4,241,100	3,764,573	7,314,708	4,241,101
635,000	635,000	Dawood Equities Limited		1,206,500	965,200	2,406,650	1,206,500
				5,447,600	4,729,773	9,721,358	5,447,601

7.2.1 As per SECP Circular 09 of 2006, 2,382,641 (June 2010: 2,382,641) shares of First Dawood Investment Bank Limited are held in a blocked account with CDC. The Company can only dispose these shares with the prior approval from the SECP.

**7.3 Term Finance Certificates - Listed
(Having Face Value of Rs. 5,000 Each, Unless Stated Otherwise)**

No. of Certificates		Period of Redemption	Terms of Redemption	Rate %	March 31, 2011		June 30, 2010	
March 31, 2011	June 30, 2010				Cost (Un-Audited)	Fair Value	Cost (Audited)	Fair Value (Audited)
Rupees								
57	57	Pace Pakistan Limited (Face Value Rs. 5,000 Each)	2008-2017	Semi Annually	6 months KIBOR + 2	284,772	185,102	284,772
						284,772	185,102	284,772
						284,772	277,206	277,206

8. ACCRUED AND OTHER LIABILITIES

	Note	March 31, 2011 (Un-Audited) Rupees	June 30, 2010 (Audited) Rupees
Accrued Expenses	8.1	11,278,086	9,690,041
Unclaimed Dividend		998,742	998,742
Bonus to Employees		1,630,750	1,630,750
		13,907,578	12,319,533

8.1 The above includes payable to related parties Rs. 9,768,371 (June 2010: Rs. 6,781,907).

9. CONTINGENCY

The Additional Commissioner of Income Tax (ACIT) has amended the assessment order under section 122(5A) of the Income Tax Ordinance, 2001, resulting in an additional tax of Rs. 493,116/-, Rs. 819,775/- and Rs. 1,732,776/- for tax years 2003, 2004 and 2005 respectively. The Company has filed appeals with the Commissioner of Income Tax Appeals-II (CIT). The said appeals are pending for hearing. The Company is confident that the appeal will be decided in favour of the Company and therefore no provision in this respect has been made in these financial statements.

	March 31, 2011 (Un-Audited) Rupees	March 31, 2010 (Un-Audited) Rupees
10. INVESTMENT INCOME		
Equity Investments		
Gain on Sale of Investments	-	11,346,542
Dividend Income	-	500,000
	-	11,846,542
Other Investments		
Return on Term Finance Certificates	4,895	30,048
	4,895	11,876,590

11. MANAGEMENT FEE

		March 31, 2011 (Un-Audited) Rupees	March 31, 2010 (Un-Audited) Rupees
Open-End Funds			
Dawood Money Market Fund - An Associate	11.1	2,765,006	4,983,469
Dawood Islamic Fund - An Associate	11.1	3,753,679	4,170,650
		6,518,685	9,154,119
Closed-End Funds			
First Dawood Mutual Fund - An Associate	11.1	7,938,880	11,202,031
		14,457,565	20,356,150

11.1 Under the provisions of the NBFC Regulations and the NBFC Rules, the management company/investment advisor of the fund is entitled to a remuneration during the first five years of the fund, of an amount not exceeding the three percent of the average net assets of the fund and thereafter of an amount equal to two percent of such assets of the fund. During the period ended March 31, 2011, the Company has charged the management fee at the rates ranging from 1 to 2 percent (March 31, 2010: 1 to 3 percent). The rates charged to each fund during the period ended March 31, 2011 and 2010 are as under:

	Note	March 31,	March 31,
		2011	2010
		Percentage	
Remuneration for Services Rendered as an Asset Management Company			
Open End Funds			
Dawood Money Market Fund - An Associate		1	1
Dawood Islamic Fund - An Associate		1.5	1.5
Closed End Funds			
First Dawood Mutual Fund - An Associate	11.2	2	3

11.2 The remuneration was reduced from 3% to 2% w.e.f. 28 January, 2010 as per NBFC & NE Regulation 2008

	Note	March 31, 2011 (Un-Audited) Rupees	March 31, 2010 (Un-Audited) Rupees
12. ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries and Allowances	12.1	11,896,330	13,679,865
Rent, Rates and Taxes		875,988	1,210,413
Postage and Telephones		321,778	399,037
Legal and Professional Charges		2,384,002	1,639,360
Printing and Stationery		243,765	259,343
Travelling and Conveyance		352,574	455,467
Vehicles Running		1,204,926	1,058,136
Advertisement		143,760	154,177
Electricity		442,182	520,008
Repairs and Maintenance		629,675	811,318
Auditors' Remuneration		205,240	154,125
Entertainment		175,736	235,329
Insurance		237,255	218,395
Depreciation		754,638	771,752
Subscriptions		651,237	513,724
Newspapers and Magazines		3,902	430
Directors' Fee		109,000	54,000
Brokerage and Commission		318,812	1,633,276
Donation		-	250,786
Others		324,694	286,108
		<u>21,275,494</u>	<u>24,305,049</u>

12.1 This includes Rs. 612,597 (2010: Rs. 581,299) representing contributions to staff retirement benefits.

	March 31, 2011 (Un-Audited) Rupees	March 31, 2010 (Un-Audited) Rupees
13. SHARE OF ASSOCIATES' PROFIT/(LOSS)		
Dawood Money Market Fund	2,041,454	(1,390,325)
First Dawood Mutual Fund	10,991,156	(4,924,038)
	<u>13,032,610</u>	<u>(6,314,363)</u>

14. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of related group companies, directors and their close family members, senior executives, retirement benefit plans, major shareholders of the Company and funds under management. Transactions with the related parties during the period were as follows:

Relationship with the Company	Nature of Transactions	March 31, 2011 (Un-Audited) Rupees	March 31, 2010 (Un-Audited) Rupees
Mutual Funds Managed by the Company	Management Fee Charged	14,457,565	20,356,150
	Management Fee Received	13,528,386	20,503,726
	Bonus Units	31,218	-
	Recovery of Formation Costs	500,000	1,500,000
	Number Of Units Transferred	3,789	-
	Value Of Units Transferred	283,364	-
	Full and Final Settlement of Borrowing and Financial Charges against Shares/Certificates of Listed Companies and Funds	-	24,659,287
Others	Share of Common Expenses	2,986,464	5,189,115
	Purchase of Operating Fixed Assets	-	29,500

The Company has not entered into any transaction with director and senior executives other than those provided under the Company's policies and terms of employment.

15. AUTHORIZATION

These condensed interim financial statements were authorised for issue in Board of Directors of the management company on April 27, 2011.

16. GENERAL

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Director