



IDEAL ENERGY LIMITED

1088/2 JAIL ROAD, FAISALABAD-PAKISTAN.

Fax: (041) 2619558, 2624877

E-mail: arshcorp@arshadgroup.com

2634902, 2644190

IDE/GMF/2010/6

Date: July 13, 2010

Mr. Haroon Askari,

(General Manager Operation)

The Karachi Stock Exchange (Guarantee) Limited.

Stock Exchange Building, Stock Exchange Road,
Karachi.

Sub: Show Cause Notice Under KSE Listing Regulations No. 30(2)

Dear Sir,

With reference to the subject and your earlier letter no. KSE/GEN/4789 regarding non payment of dividend and non issuance of bonus shares. In this context we would like to inform you that, company has been stopped the operations since FY 2005-06, as detail below:

Particulars / FY	2004-05	2005-06	2006-07	2007-08	2008-09
Sales (Million)	206.326	9.652	7.209	28.218	21.775
Profit/(Loss) after taxation (Million)	(8.292)	(19.889)	(8.813)	(15.987)	(18.218)
Earning per share	(1.04)	(2.49)	(1.10)	(2.00)	(2.28)

Keeping in view company's results, the cash flows of the company was in very tight situation and no cash flow was generated from operations. However management has intention to declare the dividend in the year 2010 because some operations has been started in this year.

Thanking you,

Very truly yours,

For **Ideal Energy Limited.**

Director