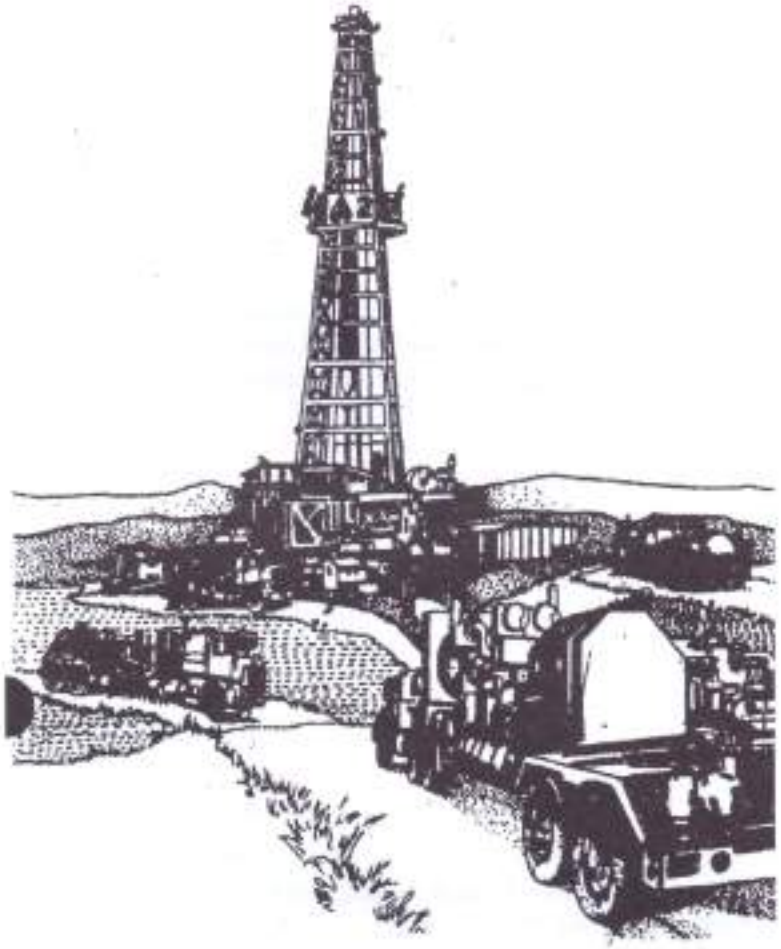
ADOS PAKISTAN LIMITED

QUARTERLY REPORT SEPTEMBER 30, 2016



COMPANY INFORMATION

CHIEF EXECUTIVE OFFICER	Mr. Zia Akbar Ansari
DIRECTORS	Mr. Jamal Akbar Ansari Mr. Zia Akbar Ansari Ms. Sabina Ansari Mrs. Uzma Jamal Mrs. Shoobarana Zia Mr. Taha Akbar Ansari Mr. Sheryar Akbar Ansari Mr. Sheikh Usman Ahmed Mr. Muhammad Fahd Shaffi
COMPANY SECRETARY	Ms. Sabina Ansari
CHIEF FINANCIAL OFFICER	Mr. Ali Imran Haider Bokhari
AUDIT COMMITTEE	Mr. Muhammed Fahd Shaffi - Member Mrs. Shoobarana Zia- Member Mr. Sheikh Usman Ahmed - Member
AUDITORS	Grant Thornton Anjum Rahman Chartered Accountants
BANKERS	Samba Bank Limited, Building 13-T, F-7, Islamabad. Dubai Islamic Bank Pakistan Limited, Roshan Center, Plot 78-W, Jinnah Avenue, Blue Area, Islamabad. NIB Bank Limited (Formerly PICIC Commercial Bank Limited, Razia Sharif Plaza, Blue Area, Islamabad. Bank Alfalah Limited, Awan Arcade, Blue Area, Islamabad. Bank Islami Pakistan Limited 5-6, Chanab Center, Block 104-E, Jinnah Avenue, Blue Area Islamabad. National Bank of Pakistan, F-8 Markaz, Islamabad. Bank of Khyber. Blue Area, Islamabad Bank of Khyber, Hattar Industrial Zone, Hattar. Burj Bank Limited, F-8 Markaz, Islamabad
LEGAL ADVISORS	Samad Law Associates, Samad Chambers, 1st Floor, G-253/A, Liquat Road, Rawalpindi.
REGISTERED OFFICE	Plot No. 294, Street No. 03, I-9/3, Industrial Area, Islamabad. Tel # 92-51-4859001-4859002 Fax # 92-51-4449706
SHARE REGISTRAR / TRANSFER AGENT	JWAFFS Registrar Services (Private) Limited, 407-408, Al Ameera Center, Shahrah-e-Iraq, Saddar, Karachi. Tel # 92-21-5662023-24 Fax: + 92 21 35221192
FACTORY(S)	a) Plot # 43, Phase III, Hattar Industrial Estate, Khyber Pukhtoonkhwa. Tel # 92-995-617192 & 617364, Fax # 92-995-617193. b) Plot # 292, Street # 3, Industrial Area I-9/3, Islamabad. Tel # 4449704

DIRECTOR'S REPORT TO THE MEMBERS

Gentlemen,

The Directors of the company take pleasure in placing before you the condensed interim financial statements for the quarter ended September 30, 2016.

1. The management is making all its efforts to get maximum of orders from Oil & Gas Exploration Companies operating in Pakistan [E & P Companies] as the current slumps in Oil & Gas industry has greatly affects the future orders.

2. As stated in the last annual report, the management is trying to boost the level of sales as inflationary indicators has greatly increases the costs and expenses in relation to comparative low revenues. The management is striving to get orders as competitors in market have forced to cut margins in order to stand in the bidding process.

3. Regarding qualification by our external auditors in their report to the members on the correctness relating to nomenclature and valuation of items being classified as Stores, Spares and loose tools amounting to Rs. 1,653,593 (2016: 1,653,593) and Stock in trade amounting to Rs.3,264,562 (2016: 3,264,562), as stated in previous financial years, the Company has purchased these items stated under the above stated heads in the shape of a bulk and was imported from abroad. The price was paid for whole of the items collectively i.e. for whole of the bulk and the documents related to these were fully verified by the auditors. The problem was with the assigning of cost to each item separately, as physically verified by the auditors on stock take and to have the underlying documents and the basis for the valuation for each item for verification purposes. In addition to above, regarding existence as stated by the auditors, the problem it meant was the absence of verification on individual itemized basis rather than collective/bulk.

4. The management has decided not to pay interim dividend for the quarter ended September 30, 2016 keeping in view future cash flow requirements of the company.

The Directors' takes this opportunity to thank the management, workers principal sponsors, bankers and to the most the shareholders for their endless cooperation and support.

For and on behalf of the Board

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER & DIRECTOR

Islamabad, October 31, 2016

ADOS PAKISTAN LIMITED
BALANCE SHEET [UN AUDITED]
AS AT SEPTEMBER 30, 2016

	Note	SEPTEMBER 30 2016	JUNE 30 2016
		----------Rupees----------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		68,195,071	70,906,597
Long term loans and advances		432,056	511,920
Long term deposits		1,401,600	1,401,600
Deferred taxation		4,272,561	4,907,421
		74,301,288	77,727,538
CURRENT ASSETS			
Stores, spares and loose tools		1,653,593	1,653,593
Stock in trade		67,192,665	66,770,116
Trade debts		73,076,191	105,610,205
Advances		386,140	320,776
Trade deposits and short term prepayments		6,197,743	3,811,625
Due from associated company		20,242,701	14,887,057
Accrued interest on saving accounts		21,244	29,735
Tax refunds due from the Government		159,051,041	156,433,424
Cash and bank balances		65,997,775	48,677,491
		393,819,092	398,194,022
TOTAL ASSETS		468,120,380	475,921,560
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
7,000,000 (2016: 7,000,000) ordinary shares of Rs. 10 each		70,000,000	70,000,000
Issued, subscribed and paid up share capital		65,826,000	65,826,000
RESERVES			
Revenue reserve-unappropriated profit		175,243,944	174,701,516
TOTAL EQUITY		241,069,944	240,527,516
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' benefit obligation		7,247,614	6,956,551
		7,247,614	6,956,551
CURRENT LIABILITIES			
Trade and other payables		213,993,199	222,607,245
Unclaimed dividend		5,809,623	5,830,248
		219,802,822	228,437,493
TOTAL LIABILITIES		227,050,436	235,394,044
TOTAL EQUITY AND LIABILITIES		468,120,380	475,921,560

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

PROFIT AND LOSS ACCOUNT [UN - AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Note	SEPTEMBER 30 2016 Rupees	SEPTEMBER 30 2015 Rupees
Revenue-net	3	**39,817,061**	30,062,392
Cost of sales/services	4	**(27,715,157)**	(32,656,958)
Gross profit/(loss)		**12,101,904**	(2,594,566)
Administrative and selling expenses		**(11,756,280)**	(19,685,462)
Profit/(loss) from operations		**345,624**	(22,280,028)
Other income		**1,276,517**	1,041,976
Financial cost		**(71,287)**	(46,316)
Profit/(loss) before income tax		**1,550,853**	(21,284,368)
Taxation		**(1,008,425)**	(2,027,873)
Profit/(loss) after taxation		**542,428**	(23,312,241)
Earnings per share		**0.08**	(3.54)

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
STATEMENT OF COMPREHENSIVE INCOME [UN -AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	SEPTEMBER 30 2016	JUNE 30 2016
	----------Rupees----------	
Profit for the period	542,428	5,706,814
Re-measurement gain on employees retirement benefits	-	310,770
Deferred tax charge on re-measurement loss on employees retirement benefits	-	(96,339)
Re-measurement of plan obligations - net of tax	-	214,431
Total comprehensive income for the period	542,428	5,921,245

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
STATEMENT OF CHANGES IN EQUITY [UN - AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Issued, subscribed and paid up capital	Revenue reserves	Shareholders' equity
		Unappropriated Profit/(loss)	
	----------	Rupees ----------	
Balance as at June 30, 2015	65,826,000	201,693,271	267,519,271
Comprehensive income for the year			
Final dividend for the year ended June 30, 2015	-	(32,913,000)	(32,913,000)
Profit for the year ended June 30, 2016	-	5,706,814	5,706,814
Other comprehensive income for the year:			
Re-measurement gain on employees retirement benefits	-	310,770	310,770
Deferred tax charge on re-measurement loss on employees retirement benefits	-	(96,339)	(96,339)
Re-measurement of plan obligations - net of tax	-	214,431	214,431
Balance as at June 30, 2016	65,826,000	174,701,516	240,527,516
Comprehensive income for the period			
Total comprehensive profit for the period ended september 30, 2016	-	542,428	542,428
Balance as at September 30, 2016	65,826,000	175,243,944	241,069,944

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
CASH FLOW STATEMENT[UN - AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	SEPTEMBER 30 2016	SEPTEMBER 30 2015
	----------Rupees----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	1,550,853	(21,284,368)
Adjustments for:		
Depreciation	2,851,425	1,372,583
Provision for employees' benefit obligation	280,999	1,077,565
Provision for WPPF & WWF	116,731	-
Interest on bank accounts	(73,218)	(113,827)
Financial cost	71,287	46,316
	3,247,224	2,382,637
Operating Profit Before Working Capital Changes	4,798,078	(18,901,731)
(Increase)/decrease in current assets		
Stock in trade	(422,549)	(16,327,670)
Trade debts	32,534,014	166,248,058
Advances	(65,364)	(57,544,215)
Trade deposits and short term prepayments	(2,386,118)	16,158,735
Due from associated company	(5,355,644)	(493,560)
	24,304,340	108,041,348
Increase/(decrease) in current liabilities		
Trade and other payables	(8,614,046)	(63,346,001)
	(8,614,046)	(63,346,001)
Cash generated from/(used in) operations	20,488,372	25,793,616
Financial cost paid	(71,287)	(46,316)
Tax paid	(2,991,183)	-
Gratuity paid	(106,666)	-
	(3,169,136)	(46,316)
Net cash generated from/(used in) operating activities	17,319,236	25,747,300
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment - net of disposals	(139,899)	(913,768)
Profit realized on bank accounts	81,709	-
Long term loans and advances	79,864	(266,157)
Net cash generated from/(used in) investing activities	21,674	(1,179,925)
CASH FLOWS FROM FINANCING ACTIVITIES		
Unclaimed dividend	(20,625)	-
Net cash generated from/(used in) investing activities	(20,625)	-
Net decrease in cash and cash equivalents	17,320,284	24,567,375
Cash and cash equivalents at the beginning of the period	48,677,491	92,640,971
Cash and cash equivalents at the end of the period	65,997,775	117,208,346

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

1 LEGAL STATUS AND OPERATIONS

Ados Pakistan Limited (the "Company") was incorporated in Pakistan under the Companies Ordinance, 1984 on March 5, 1986 as a Private Limited Company and was later on converted into Public Limited Company on April 4, 1989. The Company's registered office is situated at Plot No.294, Street No.3, I-9/3, Islamabad. Its shares are quoted on Pakistan Stock Exchange. The Company has been involved in the supply of oil and gas field related equipment, fabrication and refurbishment of equipment and spare parts used in oil and gas industry. The Company is also engaged in fabrication of vehicles in respect of bullet proofing protection.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information is unaudited and is being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984 and International Accounting Standard (IAS) 34 'Interim Financial Reporting' and directives issued under the Companies Ordinance 1984. In case where requirements differ, the provisions of or directives issued under the Companies ordinance 1984 have been followed. This condensed quarterly financial information should be read in conjunction with the financial statements of the Company for the quarter ended September 30, 2016.

3 REVENUE

September 30, 2016	Fabrication	Repairs & services	Total
	----------	Rupees	----------
Revenue	**39,817,061**	-	**39,817,061**

September 30, 2015	Fabrication	Repairs & services	Total
	----------	Rupees	----------
Revenue	28,592,527	1,469,865	30,062,392

4 COST OF SALES / SERVICES

		Sep-30 2016 Rupees	Sep-30 2015 Rupees
Raw material consumed	Note 4.1	**18,952,032**	18,988,837
Salary, Wages and benefits		**4,075,421**	3,871,222
Factory Rent		**1,086,250**	1,056,250
Repair and maintenance		**200,858**	57,105
Travelling and Conveyance		**136,662**	237,668
Electricity, water and gas		**788,083**	699,931
Telephone and Postage		**12,609**	14,355
Carriage and Freight		**56,150**	55,600
Royalty and equipment rentals		**380,625**	362,651
Clearing and service charges		-	2,184,058
Other factory overheads		**1,155,498**	4,346,164
Depreciation		**870,969**	783,117
Cost of sales / services		**27,715,157**	32,656,958
4.1 Raw Material consumed			
opening balance as on July 01		**65,286,116**	66,335,924
Add: Purchases durring the period		**17,531,960**	35,316,507
		82,818,076	101,652,431
Less Closing balance as on sep 30		**(63,866,045)**	(82,663,594)
Raw material consumed		**18,952,032**	18,988,837

5 GENERAL

Figures in this condensed quarterly financial information have been rounded off to the nearest rupee.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR