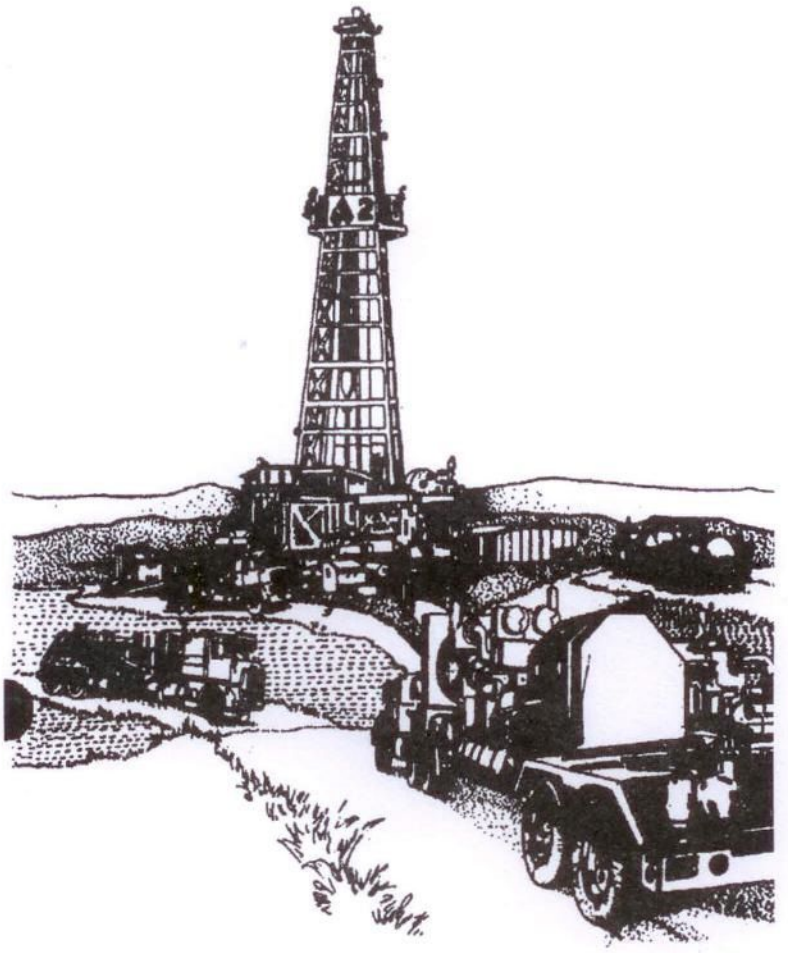
ADOS PAKISTAN LIMITED

REPORT ON HALF YEAR AND QUARTER ENDED DECEMBER 31 , 2013



COMPANY INFORMATION

CHIEF EXECUTIVE OFFICER	Mr. Zia Akbar Ansari
DIRECTORS	Mr. Jamal Akbar Ansari Mr. Zia Akbar Ansari Ms. Suboohi Ansari Ms. Sabina Ansari Mrs. Uzma Jamal Mrs. Shoobarana Zia Mr. Sheikh Usman Ahmed
COMPANY SECRETARY	Ms. Sabina Ansari
CHIEF FINANCIAL OFFICER	Mr. Ali Imran Haider Bokhari
AUDIT COMMITTEE	Mr. Jamal Akbar Ansari- Chairman Mrs. Shoobarana Zia- Member Ms. Suboohi Ansari- Member/Secretary
AUDITORS	Anjum Asim Shahid Rehman Chartered Accountants
BANKERS	Burj Bank Limited, F-8 Markaz, 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.
LEGAL ADVISORS	Samad Law Associates, Samad Chambers, 1st Floor, G-253/A, Liquat Road, Rawalpindi.
REGISTERED OFFICE	# 88, Khayaban-e-Iqbal, F-8/2, Islamabad. Tel # 92-51-2264308-2255560 Fax # 92-51-2281678
SHARE REGISTRAR / TRANSFER AGENT	Evolution Factor (Private) Limited, formerly Corporate Support Services (Private) Limited 407-408, Al Ameera Center, Shahrah-e-Iraq, Saddar, Karachi. Tel # 92-21-5662023-24 Fax: + 92 21 5221192
FACTORY	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,

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 half year and quarter ended December 31, 2013 together with the Auditor's review report on it thereon:

1. The management is very optimistic to get more and more orders from the oil & gas exploration companies operating in Pakistan and also from the companies and institutions for its diversified capabilities of the state-of-the-art facility for fabrication and manufacturing of discrete and overt armoring of vehicles in in order to boost the level of sales. Currency conversions with sharp decline of local currency have boosted the operating costs and expenses in relation to comparative low gross margins.

2. The management is satisfied that the Company is moving on the path of profitability and is in a healthy & sound financial position with greater satisfaction of its shareholders despite of fact that tough economic and business environment prevails in Pakistan.

3. As stated in last annual report 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 (2013: 1,653,593) and Stock in trade amounting to Rs.3,264,562 (2013: 3,264,562), it is stated that 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. The management has consulted with the financial advisors and it is pointed out that these items are not of capital nature and hence depreciation charge cannot be made.

4. The management is continuously monitoring the current scenario of business and security inside the country as well as the global recession and wobbly economic situation with unstable currency fluctuations. The consequences of the same are badly affecting the overall economy of the country.

5. The management has decided not to pay interim dividend for the quarter and six months ended December 31, 2013 keeping in view the 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, February 28, 2014

AUDITORS REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of **ADOS Pakistan Limited** as at **December 31, 2013** 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 (here-in-after referred to as "interim financial information"), for the six months then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information 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, 2013 and 2012 have not been reviewed, as we are required to review the cumulative figures only for the six months ended December 31, 2013.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information 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.

Basis for Qualified Conclusion

We were unable to verify the existence, correctness of valuation and nomenclature of items being classified as Stores, spares and loose tools amounting to Rs. 1,653,593 (June 30, 2013 : Rs. 1,653,593) and Stock in trade amounting to Rs. 3,264,562 (June 30, 2013 : Rs. 3,264,562) due to non availability of information.

Qualified Conclusion

Based on our review, except for the financial effects of matter referred in paragraph above, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the six months ended December 31, 2013 are not presented fairly, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

ANJUM ASIM SHAHID RAHMAN
Chartered Accountants
Partner: Nadeem Tirmizi
Islamabad
February 28, 2014

ADOS PAKISTAN LIMITED

CONDENSED INTERIM BALANCE SHEET

AS AT DECEMBER 31, 2013

	Note	Unaudited December 31, 2013	June 30, 2013
		----------Rupees----------	(Restated)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	**51,107,364**	45,460,664
Long term loan and advances		**4,880,524**	4,889,024
Deferred taxation		**6,705,493**	3,329,651
		62,693,381	53,679,339
CURRENT ASSETS			
Stores and loose tools		**1,653,593**	1,653,593
Stock in trade		**47,727,301**	6,058,337
Trade debts- considered good- unsecured		**326,416,140**	466,414,476
Advances	5	**29,777,257**	2,125,919
Short term deposits and prepayments		**10,365,496**	8,014,357
Accrued interest on saving accounts		**1,774,306**	301,899
Tax refundable from Government- net		**53,013,389**	41,157,007
Short term investment	6	**85,000,000**	-
Cash and bank balances		**338,473,590**	298,688,675
		894,201,072	824,414,263
TOTAL ASSETS		**956,894,453**	878,093,602
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
7,000,000 (2013: 7,000,000) ordinary shares of Rs. 10 each		**70,000,000**	70,000,000
Issued, subscribed and paid up capital		**65,826,000**	65,826,000
6,582,600 (2013: 6,582,600) ordinary shares of Rs. 10 each			
RESERVES			
Revenue reserve-unappropriated profit		**201,235,250**	208,067,138
TOTAL EQUITY		**267,061,250**	273,893,138
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' benefit obligation		**6,410,160**	5,962,968
		6,410,160	5,962,968
CURRENT LIABILITIES			
Trade and other payables		**677,783,332**	590,486,679
Due to associated company		**-**	3,572,252
Unclaimed dividend		**5,639,711**	4,178,565
		683,423,043	598,237,496
TOTAL LIABILITIES		**689,833,203**	604,200,464
TOTAL EQUITY AND LIABILITIES		**956,894,453**	878,093,602
CONTINGENCIES AND COMMITMENTS	7		

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

SHEIKH USMAN AHMED
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS ENDED DECEMBER 31, 2013

	Note	Quarter ended		Six months ended	
		December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
		---------- Rupees ----------			
Revenue	8	**253,361,639**	300,212,835	**382,182,140**	448,657,601
Sales tax		**(3,399,999)**	(1,406,896)	**(6,947,670)**	(4,513,620)
		249,961,640	298,805,939	**375,234,470**	444,143,981
Cost of sales/services	8	**(200,613,992)**	(227,077,342)	**(302,406,391)**	(354,070,927)
Gross profit		**49,347,648**	71,728,597	**72,828,079**	90,073,054
Administrative expenses		**(13,544,175)**	(8,788,010)	**(27,278,780)**	(20,620,005)
Distribution cost		**(12,448,082)**	(13,071,562)	**(18,761,724)**	(22,207,199)
Other operating expenses		**(23,973,896)**	-	**(23,973,896)**	(146,170)
Other income		**8,166,982**	1,558,080	**12,869,212**	2,697,164
Profit before taxation		**7,548,477**	51,427,105	**15,682,891**	49,796,844
Taxation		**(2,767,842)**	(18,949,053)	**(6,058,279)**	(19,675,743)
Profit for the period		**4,780,635**	32,478,052	**9,624,612**	30,121,101
Earning per share-basic and diluted	9	**0.73**	4.93	**1.46**	4.58

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

SHEIKH USMAN AHMED
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2013

	Quarter ended		Six months ended	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	----------Rupees----------			
Profit for the period	**4,780,635**	32,478,052	**9,624,612**	30,121,101
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**4,780,635**	32,478,052	**9,624,612**	30,121,101

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

SHEIKH USMAN AHMED
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2013

	Six months ended	
	December 31, 2013	December 31, 2012
	----------Rupees----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	**15,682,891**	49,796,844
Adjustment for:		
Depreciation	**2,988,996**	3,062,732
Provision for employees' benefit obligation	**711,312**	682,272
Gain on disposal of property, plant and equipment	**(4,514,046)**	-
Provision for WPPF & WWF	**1,980,519**	-
Interest on bank accounts	**(6,788,246)**	(2,671,664)
Financial cost	**572,544**	275,575
	(5,048,921)	1,348,915
	10,633,970	51,145,759
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
(Increase)/decrease in current assets:		
Stock in trade	**(41,668,964)**	3,605,634
Trade debts	**139,998,336**	(219,699,962)
Advances	**(27,651,338)**	(960,792)
Short term deposits and prepayments	**(2,351,139)**	(933,227)
	68,326,895	(217,988,347)
Increase/(decrease) in current liabilities:		
Trade and other payables	**85,316,134**	123,242,490
Due to associated company	**(3,572,252)**	(719,822)
	81,743,882	122,522,668
Cash generated from/(used in) operations	**160,704,747**	(44,319,921)
Financial cost paid	**(572,544)**	(275,575)
Tax paid	**(21,290,503)**	(9,232,473)
Gratuity paid	**(264,120)**	(393,901)
	(22,127,167)	(9,901,949)
Net cash generated from/ (used in) operating activities	**138,577,580**	(54,221,870)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	**(5,098,150)**	-
Disposal of property, plant and equipment	**976,500**	-
Profit realized on bank accounts	**5,315,839**	3,139,293
Long term loan and advances	**8,500**	7,742
Short term investment	**(85,000,000)**	-
Net cash (used in)/ generated from investing activities	**(83,797,311)**	3,147,035
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	**(14,995,354)**	-
Net cash used in financing activities	**(14,995,354)**	-
Net increase /(decrease) in cash and cash equivalents	**39,784,915**	(51,074,835)
Cash and cash equivalents at the beginning of the period	**298,688,675**	142,592,163
Cash and cash equivalents at the end of the period	**338,473,590**	91,517,328

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

SHEIKH USMAN AHMED
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2013

	Issued, subscribed and paid up capital	Unappropriated profit	Total Shareholders' equity
	----------Rupees----------		
Balance as at July 01, 2012 as previously reported	**65,826,000**	**110,291,056**	**176,117,056**
Effect of change in accounting policy (note 3.3)	-	(543,406)	(543,406)
Balance at July 01, 2012 - restated	**65,826,000**	**109,747,650**	**175,573,650**
Total comprehensive income for the period ended December 31, 2012	-	30,121,101	30,121,101
Balance as at December 31, 2012 - restated	**65,826,000**	**139,868,751**	**205,694,751**
Total comprehensive income for the period ended June 30, 2013	-	68,210,244	68,210,244
Balance as at July 01, 2013 - restated	**65,826,000**	**208,078,995**	**273,904,995**
Effect of change in accounting policy (note 3.3)	-	(11,856)	(11,856)
Balance at July 01, 2013 - restated	**65,826,000**	**208,067,138**	**273,893,138**
Total comprehensive income for the period ended December 31, 2013	-	9,624,612	9,624,612
Transactions with owners:			
Dividend paid - final	-	(16,456,500)	(16,456,500)
Balance as at December 31, 2013	**65,826,000**	**201,235,250**	**267,061,250**

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

SHEIKH USMAN AHMED
DIRECTOR

1 THE COMPANY AND ITS 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 House No. 88, Khayaban-e-Iqbal, F-8/2, Islamabad. Its shares are quoted on all the three stock exchanges in Pakistan. 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 BASIS OF PRESENTATION

2.1 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 interim financial information should be read in conjunction with the financial statements of the Company for the year ended June 30, 2013.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the recognition of staff retirement benefits which is stated at present value.

2.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak rupees which is functional and presentation currency of the Company.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & ESTIMATES

3.1 Accounting policies

Except as described in note 3.3 below accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2013.

3.2 Estimates

When preparing the interim financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgments, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 30 June 2013.

3.3 Change in accounting policies

Consequent to the revision of IAS 19 " Employees' Benefits" which is effective for annual periods beginning on or after January 01, 2013, the Company has changed its accounting policy wherein, the actuarial gains and losses (remeasurement gains / (losses) on Employees' Gratuity Fund benefit are recognized immediately in other comprehensive income. Previously, the actuarial gains or losses in excess of corridor limit were recognized in profit and loss over the remaining service life of the employees. This change in accounting policy has been accounted for retrospectively and comparative figures have thereby been restated.

The impacts of retrospective application of IAS 19 (Revised) are as follows:	Cumulative effect up to June 30, 2013	Effect for the year ended June 30, 2013	Cumulative effect up to July 01, 2012
	----------Rupees----------		
Decrease in unappropriated profit			
Actuarial loss on gratuity fund (net of tax)	555,263	11,856	543,406
Increase in non-current liabilities			
Increase in employees' benefit obligation	841,307	17,964	823,343
Increase in non-current assets			
Deferred taxation	286,044	6,108	279,937

There is no material impact on total comprehensive income for the periods ended December 31, 2013 and December 31, 2012. Furthermore the actuarial valuation is carried out on annual basis, so impact on condensed interim profit and loss account and condensed interim statement of comprehensive income for the six months ended December 31, 2013 has not been disclosed separately. Provision for six months ending December 31, 2013 has been charged in profit and loss account based on

management estimates. Furthermore effect on the statement of financial position at the beginning of preceding period is immaterial and accordingly two statement of financial positions have been presented.

4 PROPERTY, PLANT AND EQUIPMENT

	December 31, 2013 Rupees	June 30, 2013 Rupees
Opening net book value (NBV)	**45,460,664**	51,436,951
Additions during the period/ year	**9,598,150**	153,000
Disposals during the period/ year	**(962,454)**	-
	54,096,360	51,589,951
Depreciation charged during the period/year	**(2,988,996)**	(6,129,287)
Closing net book value (NBV)	**51,107,364**	45,460,664

5 ADVANCES

This includes advance of Rs. 16,155,513 extended to Akbar Associates (Private) Limited on account of marketing expenses.

6 SHORT TERM INVESTMENT

This represent Term Deposit Receipt (TDR) placed with Burj Bank Limited having a maturity of 3 months yielding interest at the rate of 10 % per annum.

7 CONTINGENCIES AND COMMITMENTS

		December 31, 2013 Rupees	June 30, 2013 Rupees
Letter of credits, letter of guarantees and bid bonds	note 7.1	49,429,868	34,512,790

7.1 These includes Performance bonds/bid bonds issued in favor of various customers for the supply of goods and performance of services through NIB Bank Limited with outstanding balance of Rs. 20.270 million (2013: Rs. 20.270 million) as at the balance sheet date. The facility is secured against 100 % lien on deposit in current account of the Company.

There are outstanding guarantees issued by Bank Alfalah Limited amounting to Rs. 13.635 million (2013: Rs. 13.635 million) on behalf of the Company, in favor of various Government and other organizations. This facility is secured by cash margin of Rs. 4.47 million (2013: Rs. 4.47 million).

Further, there are outstanding guarantees issued by Bank Islami Pakistan Limited amounting to Rs. 8.993 million (2013: Rs. 0.607 million) and letter of credit of Rs. 5.924 million (2013: Rs. 2.79 million)on behalf of the Company, in favor of various organizations.

7.2 An execution petition for recovery of contractual/awarded amount and penalty aggregating Rs. 7.43 million, has been instituted by Saudi Relief Committee for Afghanistan against the Company before the Court of Civil Judge, Islamabad. The learned Civil Judge vide order dated January 07, 2011, has drawn the decree sheet and against that order an appeal has been instituted in the Islamabad High Court. The court is now hearing the case on regular basis, last hearing was done on February 01, 2014 and next hearing is now fixed for march 01, 2014, and management, based on opinion of the legal advisor, is hopeful of a positive decision in its favor. Consequently, no provision has been made in this condensed interim financial information for payment of the contractual/awarded amount and the penalty.

7.3 Lease hold land includes Rs. 14.25 million relating to land measuring 10 acres in Industrial Estate of Hattar for setting up repair, maintenance and manufacturing of oil field and communication equipment allotted by Sarhad Development Authority (SDA) on a lease term basis of 99 years. A civil suit has been filed by Surban Textile Mill Limited against SDA and others for allotment of the same to the Company. The Company has become a party in the said suit to protect and project its rights in the suit land. The suit land has now been allotted to the Company and the proceedings of the case have been adjourned to await the orders of the High Court of a Civil Revision Petition filed by the Surban Textile Mills against the SDA, which is pending adjudication before Peshawar High Court, Abbottabad Bench and the date of hearing is fixed for March 14, 2014. The management expects a favorable decision based on legal advisor assessments and merits of the case.

7.4 Rectification application has been filed by the Company to Inland Revenue Department for assessment year 2002-03 under section 156 of the repealed income tax ordinance 1979 read with section 221 (1A) of Income Tax Ordinance, 2001 for carrying forward of tax losses (business and un-absorbed depreciation) under section 35 of repeal ordinance read with section 57 of the Income Tax Ordinance, 2001. The correction requested by the Company was of Rs. 38,750,951 which was incorrectly made as Rs. 8,669,664. The Assistant Commissioner Inland Revenue (ACIR) vide its order dated March 03, 2011 rejected the rectification application and imposed additional penalty of Rs. 170, 148 and Rs. 242, 878 for tax year 2006 and 2007 respectively. On the application of the Company to Commissioner Inland Revenue (CIR) (Appeal-I) which directed ACIR vide order dated September 16, 2011 that the claim of the appellant as regards to brought forward losses has not been looked into in its proper perspective by the ACIR before imposing additional tax. It is directed that a proper position of brought forward losses may be determined first. Only then if there is any outstanding demand that has not been paid timely, additional tax may be imposed. The Inland Revenue Department and Company separately appealed to Appellate Tribunal Inland Revenue (ATIR), against the remand back order of CIR (Appeal-I). ATIR remanded back the case to Commissioner (Appeals) for disposal by passing speaking order on the ground of appeals. Consequently, the case is now pending with the CIR (Appeals-I) Islamabad. The management is confident that the case will be decided in the favor of the Company and consequently no provision for additional tax has been provided in these financial statements and Deferred tax impact has not been made in this condensed interim financial information.

8 REVENUE/ COST OF SALES

Six month ended December 31, 2013	Fabrication	Repairs & services	Total
	----------Rupees----------		
Revenue- net of tax	**372,812,918**	**2,421,552**	**375,234,470**
Cost of sales			
Cost of material	(257,262,091)	(1,552,890)	(258,814,981)
Salaries, wages and benefits	(8,610,649)	(51,976)	(8,662,625)
Depreciation	(2,111,289)	(12,744)	(2,124,033)
Other expenses	(32,607,923)	(196,829)	(32,804,752)
	(300,591,952)	**(1,814,439)**	**(302,406,391)**
Result	**72,220,966**	**607,113**	**72,828,079**

Six month ended December 31, 2012	Fabrication	Repairs & services	Total
	----------Rupees----------		
Revenue- net of tax	**440,699,477**	**3,444,504**	**444,143,981**
Cost of sales			
Cost of material	(308,504,900)	(2,487,943)	(310,992,843)
Salaries, wages and benefits	(6,521,826)	(567,115)	(7,088,941)
Depreciation	(2,389,373)	(19,269)	(2,408,642)
Other expenses	(33,311,857)	(268,644)	(33,580,501)
	(350,727,956)	(3,342,971)	(354,070,927)
Result	**89,971,521**	**101,533**	**90,073,054**

Quarter ended December 31, 2013	Fabrication	Repairs & services	Total
	----------Rupees----------		
Revenue- net of tax	**247,599,390**	**2,362,250**	**249,961,640**
Cost of sales			
Cost of material	(181,479,850)	(1,833,130)	(183,312,980)
Salaries, wages and benefits	(4,084,906)	(41,262)	(4,126,168)
Depreciation	(1,052,806)	(10,634)	(1,063,440)
Other expenses	(11,990,290)	(121,114)	(12,111,404)
	(198,607,852)	(2,006,140)	(200,613,992)
Result	**48,991,538**	**356,110**	**49,347,648**

Quarter ended December 31, 2012	Fabrication	Repairs & services	Total
	----------Rupees----------		
Revenue- net of tax	**295,701,918**	**3,104,021**	**298,805,939**
Cost of sales			
Cost of material	(191,238,963)	(1,931,707)	(193,170,670)
Salaries, wages and benefits	(2,155,546)	(21,773)	(2,177,319)
Depreciation	(1,307,332)	(13,205)	(1,320,537)
Other expenses	(30,104,728)	(304,088)	(30,408,816)
	(224,806,569)	**(2,270,773)**	**(227,077,342)**
Result	**70,895,349**	**833,248**	**71,728,597**

9 EARNING PER SHARE - BASIC AND DILUTED

	Quarter ended		Six months ended	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	----------Rupees----------			
Profit for the period after tax	**4,780,635**	32,478,052	**9,624,612**	30,121,101
Number of ordinary shares outstanding during the period	**6,582,600**	6,582,600	**6,582,600**	6,582,600
Earnings per share-Rupees	**0.73**	4.93	**1.46**	4.58

There is no dilutive effect on the earnings per share of the Company as the Company has no such commitments.

10 RELATED PARTY TRANSACTIONS

Related parties comprise directors, key management personnel, major share holders and entities over which directors are able to exercise significant influence. Transactions with related parties other than those which have been disclosed in relevant notes to the accounts are disclosed as follows:

	Six months ended	
	December 31, 2013	December 31, 2012
	Rupees	Rupees
a. Transactions with associates- Akbar Associates		
Marketing expenses are being paid to Akbar Associates (Private) Limited @ maximum of 5% of the revenue for marketing services rendered to the Company.	**18,761,724**	22,207,199
b. Common expense sharing:		
66.66% of total combined expenses has been allotted/ charged to Akbar Associates (Private) Limited.	**3,036,733**	1,518,828
c. Transactions with key management personnel		
Key management personnel remuneration includes the following expenses:		
Short-term employee benefits		
Remuneration to chief executive, directors and other executives	**7,133,003**	3,471,597
Other benefits	**1,861,349**	1,350,576
d. Other transactions		
Provision for gratuity	**711,312**	682,272

11 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on 28 February, 2014 by the Board of Directors of the Company.

12 GENERAL

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

SHEIKH USMAN AHMED
DIRECTOR