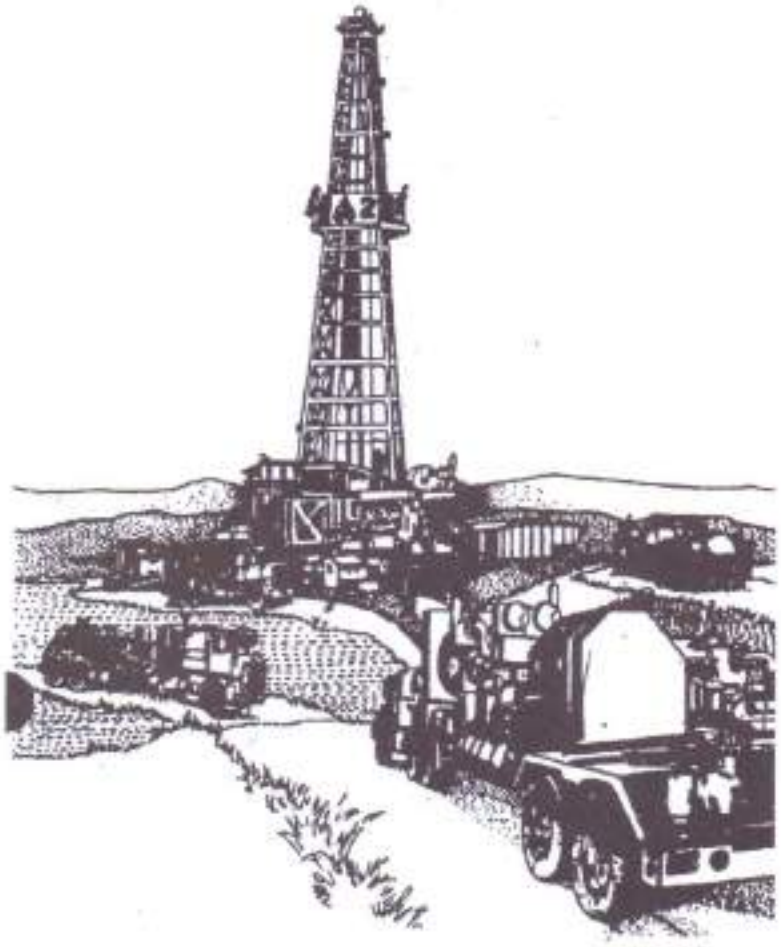
ADOS PAKISTAN LIMITED

REPORT ON HALF YEAR AND QUARTER ENDED DECEMBER 31, 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 Shafi
COMPANY SECRETARY	Ms. Sabina Ansari
CHIEF FINANCIAL OFFICER	Mr. Ali Imran Haider Bokhari
AUDIT COMMITTEE	Mr. Muhammed Fahd Shafi - 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, I-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

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, 2016 together with the Auditor's review report on it thereon:

1. The Company is facing continuous challenge related to the slumps in the Oil & Gas Industry as this is badly affecting the Orders from Oil & Gas exploration companies operating in Pakistan (E & P Companies) and consequently the revenue of the Company has shrink. However, with the gradual stability in the Oil & Gas Industry the Company is now getting orders from E & P Companies and consequently they will start to mature within next six to twelve months.

2. With the start of progress towards normalization of the Oil & Gas industry the management is utilizing all its efforts to get orders from E & P companies operating in Pakistan in order to boost its sales.

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 and six months ended December 31, 2016 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, 2017

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, 2016** 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, 2016 and 2015 have not been reviewed, as we are required to review the cumulative figures only for the half year ended December 31, 2016.

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, 2016: Rs. 1,653,593) and Stock in trade amounting to Rs. 3,264,562 (June 30, 2016: 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, 2016 are not presented fairly, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

GRANT THORNTON ANJUM RAHMAN
Chartered Accountants
Partner: Nadeem Tirmizi
Islamabad
Date: February 28, 2017

ADOS PAKISTAN LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2016

		Unaudited December 31 2016	June 30 2016
		----------Rupees----------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	65,835,383	70,906,597
Long term loan and advances		579,920	511,920
Long term deposits-net of provision		1,401,600	1,401,600
Deferred taxation		5,669,571	4,907,421
TOTAL NON-CURRENT ASSETS		73,486,474	77,727,538
CURRENT ASSETS			
Stores and loose tools		1,653,593	1,653,593
Stock in trade		69,239,747	66,770,116
Trade debts- considered good- unsecured		82,561,214	105,610,205
Advances-net of provision		269,806	320,776
Due from associated company	5	27,277,146	14,887,057
Short term deposits and prepayments		4,219,062	3,811,625
Accrued interest on saving accounts		30,116	29,735
Tax refundable from Government- net		150,397,987	156,433,424
Cash and bank balances		35,885,119	48,677,491
TOTAL CURRENT ASSETS		371,533,790	398,194,022
TOTAL ASSETS		445,020,264	475,921,560
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 capital			
6,582,600 (2016: 6,582,600) ordinary shares of Rs. 10 each		65,826,000	65,826,000
RESERVES			
Revenue reserve-unappropriated profit		145,512,196	174,701,516
TOTAL EQUITY		211,338,196	240,527,516
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' benefit obligation		7,357,769	6,956,551
TOTAL NON-CURRENT LIABILITIES		7,357,769	6,956,551
CURRENT LIABILITIES			
Trade and other payables		160,435,676	222,607,249
Short term borrowings	6	60,079,000	-
Unclaimed dividend		5,809,623	5,830,248
TOTAL CURRENT LIABILITIES		226,324,299	228,437,493
TOTAL LIABILITIES		233,682,068	235,394,044
TOTAL EQUITY AND LIABILITIES		445,020,264	475,921,560
CONTINGENCIES AND COMMITMENTS	7		

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS ENDED DECEMBER 31, 2016

	Note	Quarter ended		Six months ended	
		December 31 2016	December 31 2015	December 31 2016	December 31 2015
		Rupees			
Revenue		12,902,767	195,484,753	52,719,828	225,554,086
Sales tax		-	(169,252)	(233,477)	(176,193)
		12,902,767	195,315,501	52,486,351	225,377,893
Cost of sales/services		(23,280,282)	(153,823,120)	(50,995,439)	(186,480,078)
Gross profit /(loss)		(10,377,515)	41,492,381	1,490,912	38,897,815
Administrative expenses		(8,235,888)	(10,147,365)	(19,992,168)	(27,994,963)
Selling and distribution cost		(2,829,529)	(9,442,937)	(2,900,816)	(11,327,118)
Other operating expenses		(606,147)	(908,983)	(606,147)	(908,983)
Other income/expense		(1,107,818)	5,299,418	1,210,675	6,341,395
Profit/(loss) before taxation		(23,156,897)	26,292,514	(20,797,544)	5,008,146
Taxation		(9,400,201)	(2,602,835)	(8,391,776)	(4,630,708)
Profit/(loss) for the period		(32,557,098)	23,689,679	(29,189,320)	377,438
Earning per share-basic and diluted	8	(4.95)	3.60	(4.43)	0.06

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER AND SIX MONTHS ENDED DECEMBER 31, 2016

	Quarter ended		Six months ended	
	December 31 2016	December 31 2015	December 31 2016	December 31 2015
	Rupees			
Profit/(loss) for the period	(32,557,098)	23,689,679	(29,189,320)	377,438
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the period	(32,557,098)	23,689,679	(29,189,320)	377,438

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2016

	Six months ended	
	December 31, 2016	December 31, 2015
	----------Rupees----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before income tax	(29,189,319)	5,008,146
Adjustment for:		
Depreciation	5,511,114	5,531,978
Provision for employees' benefit obligation	401,218	538,783
Gain on disposal of property, plant and equipment	(73,110)	(26,330)
Provision for WPPF & WWF	83,379	371,173
Interest on bank accounts	(168,336)	(759,551)
Financial cost	398,057	285,917
	6,152,322	5,941,970
	(23,036,997)	10,950,116
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
(Increase)/decrease in current assets:		
Stock in trade	(2,469,631)	(18,888,632)
Trade debts	23,048,991	98,023,628
Advances	50,970	26,256,745
Due from associated company	(12,390,089)	(58,386,453)
Short term deposits and prepayments	(407,437)	10,838,510
	7,832,805	57,843,798
Increase/(decrease) in current liabilities:		
Trade and other payables	(1,887,283)	63,091,132
	(1,887,283)	63,091,132
Cash generated from/(used in) operations	(17,091,475)	131,885,046
Financial cost paid	(398,438)	(285,916)
Tax paid	5,273,287	(39,011,194)
Gratuity paid	(288,667)	(36,366)
	4,586,182	(39,333,476)
Net cash generated from/ (used in) operating activities	(12,505,293)	92,551,570
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(439,900)	(1,241,015)
Proceeds from disposal of property, plant and equipment	73,110	26,330
Profit realized on bank accounts	168,336	871,730
Long term loan and advances	(68,000)	(101,000)
Net cash (used in)/ generated from investing activities	(266,454)	(443,955)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(20,625)	(29,433,542)
Net cash used in financing activities	(20,625)	(29,433,542)
Net increase /(decrease) in cash and cash equivalents	(12,792,372)	62,674,073
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	35,885,119	155,315,044

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2016

	Issued, subscribed and paid up capital	Revenue reserves	Shareholders' equity
		Unappropriated Profit	
	Rupees	Rupees	Rupees
Balance as at July 01, 2015	65,826,000	201,693,271	267,519,271
Total comprehensive income for the period			
Profit for the period	-	377,438	377,438
Other comprehensive income net of tax	-		
Distribution to owners			
Final dividend June 2015 @ Rs. 5 per share	-	(32,913,000)	(32,913,000)
Balance as at December 31, 2015	65,826,000	169,157,709	234,983,709
Balance as at July 01, 2016	65,826,000	174,701,516	240,527,516
Total comprehensive income for the period			
Loss for the period	-	(29,189,320)	(29,189,320)
Other comprehensive income net of tax	-		-
Balance as at December 31, 2016	65,826,000	145,512,196	211,338,196

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

JAMAL AKBAR ANSARI
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 Plot no. 294, Street no. 03, I-9/3, Industrial Area, 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 BASIS OF PRESENTATION

2.1 This condensed interim financial information of the Company for the half year ended December 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of 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.

2.2 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. This condensed interim financial information does not include all of the information required for annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2016. Comparative condensed interim balance sheet is extracted from annual financial statements for the year ended June 30, 2016, whereas comparative 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 are extracted from unaudited condensed interim financial information for the half year ended December 31, 2015.

3 ACCOUNTING POLICIES & ESTIMATES

3.1 The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of this condensed interim financial information and financial risk management policy are the same as those applied in preparation of financial statements of the Company for the year ended June 30, 2016.

4 PROPERTY, PLANT AND EQUIPMENT

	December 31, 2016 Rupees	June 30, 2016 Rupees
Opening net book value (NBV)	70,906,597	45,338,977
Additions during the period/ year	439,900	34,811,943
	71,346,497	80,150,920
Depreciation charged during the period/ year	(5,511,114)	(9,244,323)
	(5,511,114)	(9,244,323)
Closing net book value (NBV)	65,835,383	70,906,597

4.1 During the period assets having zero WDV were disposed off for Rs. 713,110.

5 DUE FROM ASSOCIATED COMPANY

	Note	December 31, 2016 Rupees	June 30, 2016 Rupees
Akbar Associates (Private) Limited	5.1	27,277,146	14,887,057

5.1 This includes advances given to Akbar Associates (Private) Limited on average monthly balances interest is charged at 6 monthly KIBOR plus 2% (2016: 6 monthly KIBOR plus 2 %).

6 SHORT TERM BORROWING

Short term borrowing represents kanibor finance which is available under profit arrangement against facility of Rs. 100 million. This facility is secured by ranking 1st charges on assets of the Company amounting to Rs. 334 million. The per annum rate of profit is respective KIBOR + 1.75%.

7 CONTINGENCIES AND COMMITMENTS

	Note	December 31, 2016 Rupees	June 30, 2016 Rupees
Letter of credits, letter of guarantees and bid bonds	7.1	137,803,373	136,409,295

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. 20.268 million (2016: Rs. 20.268 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 (2016: Rs. 14.4 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 (2016: Rs. 4.47 million).

There are outstanding guarantees issued by Bank Islami Pakistan Limited amounting to Rs. 103.135 million (2016: Rs. 101.741 million) on behalf of the Company, in favour of various organizations. The facility is secured against 2% lien over bid bond, 5% lien over performance bond, 10% lien over advance mobilization guarantee and 1st charge over present and future current and fixed assets of the Company amounting to Rs. 334 million.

7.2 M/s Saudi Relief Committee for Pakistan (SCRC) instituted a petition for the recovery of contractual amount Rs.6,750,000 + Penalty of 10% amounting to Rs. 675,000 together with damages of US$ 1.4 million and Rs. 20 Million as damages, out of the said amount M/s SCRC was awarded an amount of Rs.6,750,000 + Penalty of 10% amounting to Rs. 675,000 rest of the claim of US$ 1.4 million and Rs. 20 Million as damages was disallowed. M/s SCRC has now instituted execution petition for the recovery of awarded/contractual amount of Rs.6,750,000 + Penalty of 10% amounting to Rs. 675,000. The Islamabad High Court in an appeal filed by the Company has stayed the execution proceedings. Moreover, The civil judge Islamabad, vide order dated January 07, 2011 has drawn the decree sheet to make the aforesaid award rule of the court and against that order the Company has filled an appealed before the Islamabad High Court, Islamabad, which is pending adjudication. Further, an appeal has been instituted by the Company to challenge the legality and validity of the order dated March 03, 2015 whereby the executing court has passed an order for amendment of decree. Consequently the operation of the impugned order dated March 03, 2015 has been suspended and the outcome of the appeal is still pending at respective courts. 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 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 equipments 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 Chairman 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 is in progress. The management expects a favourable decision based on legal advisor assessments and merits of the case. No effect of the legal case has been incorporated in this interim financial information.

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 favour of the Company and consequently no provision for additional tax and related Deferred tax on tax losses have been recognized in this interim financial information.

8 EARNING PER SHARE - BASIC AND DILUTED

	Quarter ended		Six months ended	
	December 31 2016	December 31 2015	December 31 2016	December 31 2015
	---------- Rupees ----------			
Profit/(Loss) for the period after tax	(32,557,098)	23,689,679	(29,189,320)	377,438
Number of ordinary shares outstanding during the period	6,582,600	6,582,600	6,582,600	6,582,600
Earnings per share-Rupees	(4.95)	3.60	(4.43)	0.06

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

9 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, 2016	December 31, 2015
		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.	2,624,318	11,268,895
b.	**Common expense sharing:**		
	66.66% of total combined expenses has been allotted/ charged to Akbar Associates (Private) Limited.	-	3,185,829
c.	Non-sharing expenses paid on behalf of Akbar Associates (Private) Limited.	7,032,361	49,034,478
d.	Interest income charged to Akbar Associates (Private) Limited on average monthly balances interest is charged at 6 monthly KIBOR plus 2% (2016: 6 monthly KIBOR plus 2%).	965,849	5,209,749
e.	Dividends paid during the period	20,625	463,750
f.	**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	7,124,976	5,824,291
	Other benefits	403,837	1,525,805
g.	**Other transactions**		
	Provision for gratuity	689,885	538,783

10 FINANCIAL INSTRUMENTS

Fair value of financial instruments

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e as prices) or indirectly (i.e derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Loans and receivables	Available for sale instruments	Fair value through profit or loss	Other financial instruments	Total	Level 1	Level 2	Level 3	Total
				(Rupees in '000')					
December 31, 2016 (Un-audited)									
Financial assets not measured at fair value									
Current assets									
Trade debts - considered good	82,561,214	-	-	-	82,561,214	-	-	-	-
Due from associated company	27,277,146	-	-	-	27,277,146	-	-	-	-
Short term deposits	2,315,400	-	-	-	2,315,400	-	-	-	-
Accrued interest on saving accounts	30,116	-	-	-	30,116	-	-	-	-
Cash and bank balances	35,872,655	-	-	-	35,872,655	-	-	-	-
	148,056,531	-	-	-	148,056,531	-	-	-	-

	Carrying Amount					Fair Value			
	Loans and receivables	Available for sale instruments	Fair value through profit or loss	Other financial instruments	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000')								
Financial liabilities not measured at fair value									
Current liabilities									
Trade and other payables	-	-	-	152,572,608	152,572,608	-	-	-	-
Short term borrowings	-	-	-	60,079,000	60,079,000	-	-	-	-
Unclaimed Dividend	-	-	-	5,809,623	5,809,623	-	-	-	-
	-	-	-	218,461,231	218,461,231	-	-	-	-
June 30, 2016 (audited)									
Financial assets not measured at fair value									
Non-current assets									
Current assets									
Trade debts - considered good	105,610,205	-	-	-	105,610,205	-	-	-	-
Due from associated company	14,887,057	-	-	-	14,887,057	-	-	-	-
Short term deposits	2,295,400	-	-	-	2,295,400	-	-	-	-
Accrued interest on saving accounts	29,735	-	-	-	29,735	-	-	-	-
Cash and bank balances	48,665,545	-	-	-	48,665,545	-	-	-	-
	171,487,942	-	-	-	171,487,942	-	-	-	-
Financial liabilities not measured at fair value									
Current liabilities									
Trade and other payables	-	-	-	214,929,545	214,929,545	-	-	-	-
Unclaimed Dividend	-	-	-	5,830,248	5,830,248	-	-	-	-
	-	-	-	220,759,793	220,759,793	-	-	-	-

11 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on February 28, 2017 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.

12.2 The comparative figures have been re arranged and/ or reclassified, wherever necessary, for the purpose of comparison in the financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER

JAMAL AKBAR ANSARI
DIRECTOR