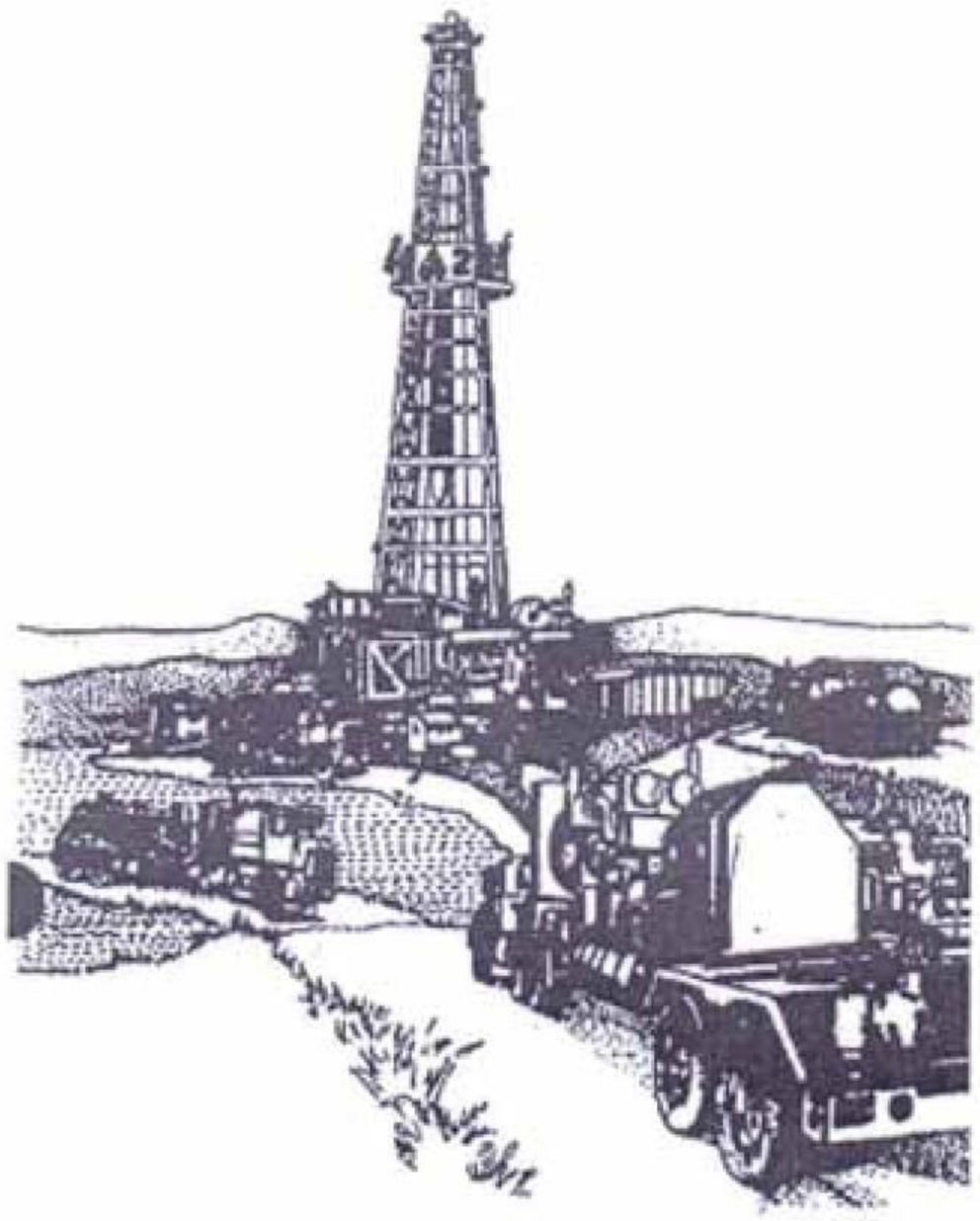
ADOS PAKISTAN LIMITED

REPORT ON NINE MONTHS AND QUARTER ENDED MARCH 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 Rahman 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-lqbal, 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, Islamabad.

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 nine months and quarter ended March 31, 2013.

1. The management feels gratification to announce that the Company is on the path of profitability and is in continuous efforts to maintain a healthy & sound financial position with greater satisfaction of its shareholders.

2. The management is trying hard to counter the tough economic and business environment prevailing in Pakistan which is badly affected by unstable political and law & order situation and are closely monitoring the whole situation as the consequences are badly affecting the overall economy of the country.

3. As stated in the 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 (2012: 1,653,593) and Stock in trade amounting to Rs.3,264,562 (2012: 3,264,562), 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. Inflationary indicators and currency conversions have also boost the costs and expenses in relation to comparative low gross margins. However, 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 maintain the level of sales and the gross margins.

5. The management has decided not to pay interim dividends for the nine months and quarter ended March 31, 2013 keeping in view future cashflow 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, April 30, 2013

ADOS PAKISTAN LIMITED

CONDENSED INTERIM BALANCE SHEET (UN- AUDITED)

AS AT MARCH 31, 2013

	Note	Un-Audited March 31, 2013 Rupees	Audited June 30, 2012 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	46,842,854	51,436,951
Long term loan - loan to employees		4,159,229	3,071,171
Deferred taxation		-	125,561
		51,002,083	54,633,683
CURRENT ASSETS			
Stores and loose tools		1,653,593	1,653,593
Stock in trade		9,248,124	12,853,757
Trade debts		277,530,536	179,706,232
Advances		3,392,904	3,280,000
Short term deposits and prepayments		8,502,975	9,209,085
Accrued interest on saving accounts		339,796	650,583
Taxation		42,114,766	48,853,483
Cash and bank balances		277,844,775	142,592,163
		620,627,470	398,798,896
TOTAL ASSETS		671,629,553	453,432,579
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
7,000,000 (2012: 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
RESERVES			
Revenue reserve un-appropriated profit		157,030,127	110,291,056
TOTAL EQUITY		222,856,127	176,117,056
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred taxation		2,416,618	-
Employees' benefit obligation		4,777,046	4,147,541
		7,193,664	4,147,541
CURRENT LIABILITIES			
Trade and other payables		437,401,198	268,269,595
Due to associated company		-	719,822
Unclaimed dividend		4,178,564	4,178,565
		441,579,762	273,167,982
TOTAL LIABILITIES		448,773,426	277,315,523
TOTAL EQUITY AND LIABILITIES		671,629,553	453,432,579

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

SHEIKH USMAN AHMED
DIRECTOR

ADOS PAKISTAN LIMITED

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

	Note	For the quarter ended		For the nine months ended	
		March 31 2013	March 31 2012	March 31 2013	March 31 2012
		Rupees		Rupees	
Revenue	5	**204,697,831**	36,868,941	**648,841,812**	114,458,996
Cost of sales/services	5	**(160,283,257)**	(33,511,611)	**(514,354,184)**	(102,943,418)
Gross profit		44,414,574	3,357,330	**134,487,628**	11,515,578
Administrative expenses		**(13,742,797)**	(9,428,583)	**(34,087,227)**	(29,580,965)
Distribution cost		**(10,896,379)**	-	**(33,103,578)**	(4,204,566)
Financial charges		**(240,168)**	(564,029)	**(515,743)**	(564,029)
Other operating income/(loss)		**6,813,459**	(2,181,664)	**9,364,453**	(4,428,163)
Profit /(loss) before income tax		**26,348,690**	(8,816,946)	**76,145,536**	(27,262,145)
Taxation		**9,730,722**	(73,509)	**(29,406,465)**	(506,384)
Profit /(loss) for the period		**36,079,412**	(8,890,455)	**46,739,071**	(27,768,529)
Earning per share-basic and diluted	6	**5.48**	(1.35)	**7.10**	(4.22)

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

SHEIKH USMAN AHMED
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2013

	For the quarter ended		For nine months ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	Rupees		Rupees	
Profit/ (loss) for the period	**36,079,412**	(8,890,455)	**46,739,071**	(27,768,529)
Other comprehensive income for the period				
Unrealized loss on investment	-	(842,873)	-	(3,041,475)
Total comprehensive income/(loss) for the period	**36,079,412**	(9,733,328)	**46,739,071**	(30,810,004)

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

SHEIKH USMAN AHMED
DIRECTOR

ADOS PAKISTAN LIMITED

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

	9 months ended March 31, 2013 Rupees	9 months ended March 31, 2012 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax	76,145,536	(27,262,145)
Adjustment for:		
Depreciation	4,594,097	5,296,855
Provision for employees' benefit obligation	1,023,406	653,968
Interest on bank accounts	(2,671,664)	(5,976,932)
Financial cost	515,743	564,029
	3,461,581	537,920
	79,607,117	(26,724,225)
(Increase)/decrease in current assets:		
Stock in trade	3,605,633	(8,818,694)
Trade debts	(97,824,304)	(17,706,135)
Advances	(112,904)	(5,940,262)
Short term deposits and prepayments	706,110	(44,873,442)
	(93,625,465)	(77,338,533)
Increase/(decrease) in current liabilities:		
Trade and other payables	169,131,603	(85,153,997)
Due to associated company	(719,822)	(3,406,083)
	168,411,781	(88,560,080)
Cash generated from/(used in) operations	154,393,433	(192,622,838)
Financial cost paid	(515,743)	(564,029)
Tax paid	(20,125,569)	(3,489,011)
Gratuity paid	(393,900)	
	(21,035,212)	(4,053,040)
Net flow from/(used in) operating activities	133,358,220	(196,675,878)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	-	(90,285)
Profit realized on bank accounts	2,982,451	6,275,163
Long term loan - loan to employees	(1,088,058)	-
Net cash from investing activities	1,894,392	6,184,878
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash used in financing activities	-	-
Net decrease in cash and cash equivalents	135,252,612	(190,491,000)
Cash and cash equivalents at the beginning of the period	142,592,163	269,602,710
Cash and cash equivalents at the end of the period	277,844,775	79,111,710

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

SHEIKH USMAN AHMED
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2013.

	Issued, subscribed and paid up capital	Revenue reserves		Shareholders' equity
		Unrealised gain/(Loss) on remeasurement of available for sale investment	Unappropriated profit	
	Rupees	Rupees	Rupees	Rupees
Balance as at July 01, 2011	**65,826,000**	**1,690,079**	**95,209,991**	**162,726,070**
Total comprehensive income for the half year ended December 31, 2011				
Loss for the six months ended December 31, 2011	-	-	(18,878,074)	(18,878,074)
Unrealized loss on re-measurement of investments	-	(2,198,602)	-	(2,198,602)
	-	(2,198,602)	(18,878,074)	(21,076,676)
Balance as at December 31, 2011	**65,826,000**	**(508,523)**	**76,331,917**	**141,649,394**
Total comprehensive income for the half year ended June 30, 2012	-	508,523	33,959,139	34,467,662
Balance as at July 01, 2012	**65,826,000**	**-**	**110,291,056**	**176,117,056**
Total comprehensive income for the nine months ended March 31, 2013	-	-	46,739,071	46,739,071
Balance as at March 31, 2013	**65,826,000**	**-**	**157,030,127**	**222,856,127**

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

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 gas and oil field related equipment, fabrication and refurbishment of equipments 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, 2012.

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

The 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, 2012.

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 2012.

4 PROPERTY, PLANT AND EQUIPMENT

	March 31, 2013 Rupees	June 30, 2012 Rupees
Opening net book value (NBV)	**51,436,951**	58,339,535
Additions during the period/ year	**-**	164,000
	51,436,951	58,503,535
Depreciation charged during the period/year	**(4,594,097)**	(7,066,584)
Closing net book value (NBV)	**46,842,854**	51,436,951

5 REVENUE/ COST OF SALES

Nine months ended March 31, 2013	Fabrication	Repairs & services	Total
		Rupees	
Revenue	**643,767,061**	**5,074,751**	**648,841,812**
Cost of sales			
Cost of material	(448,382,489)	(10,524,937)	(458,907,426)
Salaries, wages and benefits	(10,633,404)	(767,870)	(11,401,274)
Depreciation	(3,593,693)	(346,314)	(3,940,007)
Other expenses	(39,704,422)	(401,055)	(40,105,477)
	(502,314,008)	**(12,040,176)**	**(514,354,184)**
Result	**141,453,053**	**(6,965,425)**	**134,487,627**

Nine months ended March 31, 2012	Fabrication	Repairs & services	Total
		Rupees	
Revenue	**101,114,236**	**13,344,760**	**114,458,996**
Cost of sales			
Cost of material	(40,370,584)	(3,510,486)	**(43,881,070)**
Salaries, wages and benefits	(9,069,814)	(788,679)	**(9,858,493)**
Depreciation	(3,783,306)	(328,983)	**(4,112,289)**
Other expenses	(41,484,241)	(3,607,325)	**(45,091,566)**
	(94,707,944)	(8,235,474)	(102,943,418)
Result	**6,406,292**	**5,109,286**	**11,515,578**

Quarter ended March 31, 2013	Fabrication	Repairs & services	Total
		Rupees	
Revenue	**203,067,584**	**1,630,247**	**204,697,831**
Cost of sales			
Cost of material	(139,877,589)	(8,036,994)	(147,914,583)
Salaries, wages and benefits	(4,111,578)	(200,755)	(4,312,333)
Depreciation	(1,204,320)	(337,045)	(1,541,365)
Other expenses	(6,382,565)	(132,411)	(6,514,976)
	(151,576,052)	(8,707,205)	(160,283,257)
Result	**51,491,532**	**(7,076,958)**	**44,414,574**

Quarter ended March 31, 2012	Fabrication	Repairs & services	Total
		Rupees	
Revenue	**29,948,949**	**6,919,992**	**36,868,941**
Cost of sales			
Cost of material	(10,438,816)	(907,724)	(11,346,540)
Salaries, wages and benefits	(3,965,325)	(344,810)	(4,310,135)
Depreciation	(1,261,102)	(109,661)	(1,370,763)
Other expenses	(15,165,440)	(1,318,733)	(16,484,173)
	(30,830,682)	**(2,680,929)**	**(33,511,611)**
Result	**(881,733)**	**4,239,063**	**3,357,330**

6 EARNING PER SHARE - BASIC AND DILUTED

	Quarter ended March 31, 2013	Quarter ended March 31, 2012	9 months ended March 31, 2013	9 months ended March 31, 2012
Profit/(loss) for the period after tax	**36,079,412**	(8,890,455)	**46,739,071**	(27,768,529)
Number of ordinary shares outstanding during the period	**6,582,600**	6,582,600	**6,582,600**	6,582,600
Earnings per share-Rupees	**5.48**	(1.35)	**7.10**	(4.22)

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

7 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on April 30, 2013. by the Board of Directors of the Company.

8 GENERAL

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

SHEIKH USMAN AHMED
DIRECTOR