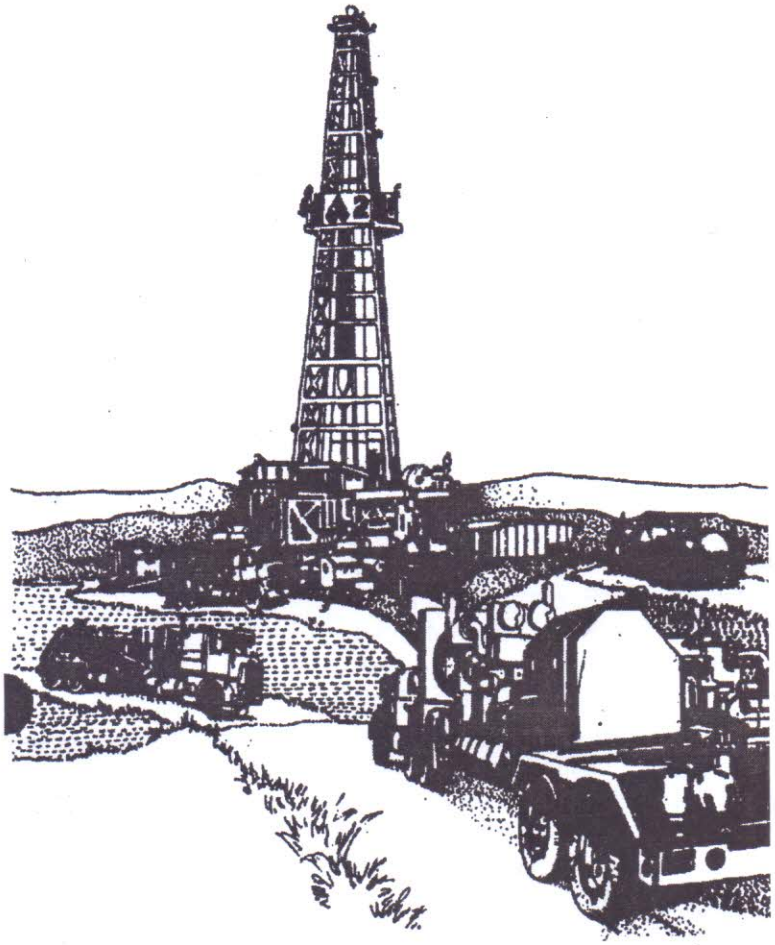
ADOS PAKISTAN LIMITED

REPORT ON NINE MONTHS AND QUARTER ENDED MARCH 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 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	# 88, Khayaban-e-Iqbal, F-8/2, Islamabad. Tel # 92-51-2264308-2255560 Fax # 92-51-2281678
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 5221192
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 nine months and quarter ended March 31, 2016:

1. The management is utilizing its efforts to get orders from E & P companies operating in Pakistan as the current slump in the global economy has greatly affects the future orders. Moreover, the management is utilizing all its capacities to get orders for its specialized fabrication division in order to boost the sales.

2. Regarding qualification by our external auditors in their last 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 (2015: 1,653,593) and Stock in trade amounting to Rs.3,264,562 (2015: 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.

3. The management has decided not to pay interim dividend for the quarter and nine months ended March 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, April 29, 2016

ADOS PAKISTAN LIMITED

CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2016

	Note	Unaudited March 31, 2016	June 30, 2015
		----------Rupees----------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	**69,415,287**	45,338,977
Long term loan deposits and advances		**935,196**	2,083,520
Deferred taxation		**888,844**	593,382
		71,239,327	48,015,879
CURRENT ASSETS			
Stores, spares and loose tools		**1,653,593**	1,653,593
Stock in trade		**71,544,556**	66,335,924
Trade debts		**428,256,266**	269,767,775
Advances		**6,119,554**	26,430,432
Due from associated company		**23,294,904**	23,167,366
Trade deposits and short term prepayments		**1,789,400**	16,168,735
Accrued interest on saving accounts		**34,699**	151,178
Tax refundable from Government- net		**148,743,907**	114,707,375
Cash and bank balances		**43,258,270**	92,640,971
		724,695,149	611,023,349
TOTAL ASSETS		**795,934,476**	659,039,228
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
7,000,000 (2015: 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 (2015: 6,582,600) ordinary shares of Rs. 10 each			
RESERVES			
Revenue reserve un-appropriated profit		**186,362,914**	201,693,271
TOTAL EQUITY		**252,188,914**	267,519,271
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' benefit obligation		**6,868,194**	6,552,524
		6,868,194	6,552,524
CURRENT LIABILITIES			
Trade and other payables		**533,401,236**	381,489,308
Deferred taxation		**-**	-
Unclaimed dividend		**3,476,132**	3,478,125
		536,877,367	384,967,433
TOTAL LIABILITIES		**543,745,561**	391,519,957
TOTAL EQUITY AND LIABILITIES		**795,934,476**	659,039,228

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2016

	Note	Quarter ended		Nine months ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
		----------Rupees----------			
Revenue	5	351,206,831	185,334,093	576,584,724	514,877,331
Cost of sales/services	5	(280,887,984)	(157,231,929)	(467,368,062)	(433,431,985)
Gross profit		70,318,846	28,102,164	109,216,661	81,445,346
Administrative expenses		(10,594,674)	(16,500,034)	(38,589,637)	(46,842,121)
Distribution cost		(37,222,985)	(9,305,130)	(48,550,103)	(25,743,866)
Financial charges		(4,386,876)	(3,946,896)	(5,295,859)	(4,382,536)
Other Operating income		(34,146)	1,309,958	6,307,249	7,380,052
Profit/ (Loss) before taxation		18,080,165	(339,937)	23,088,311	11,856,876
Taxation		(874,960)	(919,378)	(5,505,668)	(6,083,610)
Profit/(Loss) for the period		17,205,205	(1,259,315)	17,582,643	5,773,266
Earning per share-basic and diluted	6	2.61	(0.19)	2.67	0.88

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2016

	Quarter ended		Nine months ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	----------Rupees----------			
Profit/(loss) for the period	**17,205,205**	(1,259,315)	**17,582,643**	5,773,266
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	**17,205,205**	(1,259,315)	**17,582,643**	5,773,266

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine months ended	
	March 31, 2016	March 31, 2015
	----------Rupees----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	**23,088,311**	11,856,876
Adjustment for:		
Depreciation	**9,000,373**	4,725,602
Provision for employees' benefit obligation	**315,670**	385,526
Provision for WPPF & WWF	**371,173**	-
Interest on bank accounts	**34,721**	-
Financial cost	**5,412,338**	4,174,918
	15,134,276	9,286,046
	38,222,587	21,142,922
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
(Increase)/decrease in current assets:		
Stock in trade	**(5,208,632)**	(17,612,090)
Trade debts	**(158,488,491)**	77,085,971
Advances	**20,310,878**	(18,211,539)
Due from associated company	**(127,538)**	(685,225)
Short term deposits and prepayments	**14,379,335**	(8,823,584)
	(129,134,448)	31,753,533
Increase/(decrease) in current liabilities:		
Trade and other payables	**151,911,928**	(74,758,459)
	151,911,928	(74,758,459)
Cash generated from/(used in) operations	**61,000,066**	(21,862,003)
Financial cost paid	**(5,295,859)**	(4,382,536)
Tax paid	**(39,960,812)**	(24,246,915)
Gratuity paid	**(582,300)**	-
	(45,838,971)	(28,629,451)
Net cash generated from/ (used in) operating activities	**15,161,095**	(50,491,454)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	**(33,076,683)**	(12,029,020)
Disposal of property, plant and equipment	**-**	-
Profit realized on bank accounts	**-**	-
Long term loan and advances	**1,148,324**	2,427,711
Short term investment	**-**	-
Net cash (used in)/ generated from investing activities	**(31,928,359)**	(9,601,309)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	**(32,615,436)**	(2,045)
Net cash used in financing activities	**(32,615,436)**	(2,045)
Net increase /(decrease) in cash and cash equivalents	**(49,382,701)**	(60,094,808)
Cash and cash equivalents at the beginning of the period	**92,640,971**	232,119,221
Cash and cash equivalents at the end of the period	**43,258,270**	172,024,413

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Issued, subscribed and paid up capital	Unappropriated profit	Total Shareholders' equity
	----------Rupees----------		
Balance as at July 01, 2014	**65,826,000**	**197,731,376**	**263,557,376**
Total comprehensive income for the period ended December 31, 2014	-	7,032,581	7,032,581
Transactions with owners:			
Balance as at December 31, 2014	**65,826,000**	**204,763,957**	**270,589,957**
Total comprehensive income for the period ended June 30, 2015	-	(3,070,686)	(3,070,686)
Balance as at July 01, 2015	**65,826,000**	**201,693,271**	**267,519,271**
Total comprehensive income for the period ended March 31, 2016	-	17,582,643	17,582,643
Transactions with owners:			
Final Dividend for the year ended June 30, 2015		(32,913,000)	(32,913,000)
Balance as at March 31, 2016	**65,826,000**	**186,362,914**	**252,188,914**

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

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 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 period ended March 31, 2016.

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 presentational currency

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & ESTIMATES

3.1 Accounting policies

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 period ended March 31, 2016.

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 period ended March 31, 2016.

4 PROPERTY, PLANT AND EQUIPMENT

	March 31, 2016 Rupees	June 30, 2015 Rupees
Opening net book value (NBV)	45,338,977	49,394,806
Additions during the period/ year	33,076,683	2,458,074
	78,415,660	51,852,880
Depreciation charged during the period/year	(9,000,373)	(6,513,903)
Closing net book value (NBV)	69,415,287	45,338,977

5 REVENUE/ COST OF SALES

Nine month ended March 31, 2016	Fabrication	Repairs & services	Total
	----------Rupees----------		
Revenue- net of tax	573,925,224	2,659,500	576,584,724
Cost of sales			
Cost of material	(433,790,848)	(2,179,854)	(435,970,702)
Salaries, wages and benefits	(12,794,754)	(64,295)	(12,859,049)
Depreciation	(3,388,549)	(17,028)	(3,405,577)
Other expenses	(15,045,187)	(87,548)	(15,132,735)
	(465,019,337)	(2,348,725)	.(467,368,062)
Result	108,905,886	310,775	109,216,661

Nine months ended March 31, 2015	Fabrication	Repairs & services	Total
		----------Rupees----------	
Revenue- net of tax	**513,918,701**	**958,630**	**514,877,331**
Cost of sales			
Cost of material	(405,251,896)	(2,036,442)	(407,288,338)
Salaries, wages and benefits	(13,895,719)	(69,828)	(13,965,547)
Depreciation	(2,693,806)	(13,537)	(2,707,343)
Other expenses	(9,427,114)	(43,644)	(9,470,758)
	(431,268,535)	(2,163,451)	(433,431,985)
Result	**82,650,166**	**(1,204,821)**	**81,445,346**

Quarter ended March 31, 2016	Fabrication	Repairs & services	Total
		----------Rupees----------	
Revenue- net of tax	**349,450,796**	**1,756,034**	**351,206,831**
Cost of sales			
Cost of material	**(268,695,014)**	**(1,350,226)**	(270,045,240)
Salaries, wages and benefits	**(4,697,636)**	**(23,606)**	(4,721,242)
Depreciation	**(1,721,688)**	**(8,652)**	(1,730,340)
Other expenses	**(4,369,206)**	**(21,956)**	(4,391,162)
	(279,483,544)	(1,404,440)	(280,887,984)
Result	**69,967,252**	**351,594**	**70,318,846**

Quarter ended March 31, 2015	Fabrication	Repairs & services	Total
		----------Rupees----------	
Revenue- net of tax	**185,334,093**	**-**	**185,334,093**
Cost of sales			
Cost of material	(147,936,008)	(743,397)	(148,679,405)
Salaries, wages and benefits	(5,340,653)	(26,837)	(5,367,490)
Depreciation	(831,267)	(4,177)	(835,444)
Other expenses	(2,341,550)	(8,038)	(2,349,589)
	(156,449,478)	**(782,449)**	**(157,231,929)**
Result	**28,884,615**	**(782,449)**	**28,102,164**

6 EARNING PER SHARE - BASIC AND DILUTED

	Quarter ended		Nine months ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	----------Rupees----------			
Profit for the period after tax	**17,205,205**	(1,259,315)	**17,582,643**	5,773,266
Number of ordinary shares outstanding during the period	6,582,600	6,582,600	**6,582,600**	6,582,600
Earnings per share-Rupees	2.61	(0.19)	**2.67**	0.88

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 29th April, 2016 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

JAMAL AKBAR ANSARI
DIRECTOR