

Annual Report June 30, 2015



ADOS
ADOS PAKISTAN LIMITED



COMPANY INFORMATION

**CHIEF EXECUTIVE OFFICER
DIRECTORS**

Mr. Zia Akbar Ansari
Mr. Jamal Akbar Ansari
Mr. Zia Akbar Ansari
Ms. Sabina Ansari
Mrs. Uzma Jamal
Mrs. Shooarana Zia
Mr. Taha Akbar Ansari
Mr. Sheryar Akbar Ansari
Mr. Sheikh Usman Ahmed
Mr. Muhammad Fahd Shaffi
Ms. Sabina Ansari

COMPANY SECRETARY

**CHIEF FINANCIAL OFFICER
AUDIT COMMITTEE**

Mr. Ali Imran Haider Bokhari
Mr. Muhammed Fahd Shaffi - Member
Mrs. Shooarana Zia- Member
Mr. Sheikh Usman Ahmed - Member
Grant Thornton Anjum Rahman
Chartered Accountants

AUDITORS

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, Lquat 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 (Pvt.) Ltd.] 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



CORPORATE PROFILE

ADOS Pakistan is a state-of-the-art API Specification-5CT, Specification-6A, Specification-6D Specification 7-1 and Specification 12 F licensed manufacturing facility in Pakistan with a solid commitment to quality indigenous manufacturing of critical service capital intensive oilfield equipment with a guaranteed after market support. In addition to API certifications, Ados is also licensed by Cameron to manufacture their wellhead & Xmas tree product range and Tenaris for manufacturing their RTS premium thread connection.

Our in-house consultants, engineers, machinists, fabricators and welders form a solid core of basic expertise, which along with international technical support and licensing agreements with the world's most reputable manufacturers has enabled ADOS Pakistan Limited to manufacture, repair and maintain the following range of oilfield equipment with guaranteed aftermarket support and service.

1. WELLHEAD ASSEMBLIES

Made from cast or forged steel or alloys thereof, used in Oil & Gas Wells, both land & off-shore, for retaining different size of casings, from 30 OD to 5 OD and upto 10,000 psi working pressure & 350 F operating temperatures.

- Casing Spools slip-on or flanged end for Casing sizes ranging from 30 to 5 OD
- Casing Hangers for casing sizes ranging from 20 to 5 OD.
- Side outlet Valves either gate or ball valves in sizes ranging from 1-13/16 to 7-1/16 ID.
- Side outlet flanges blind or with bull plugs in sizes ranging from 1-13/16 to 7-1/16 ID.
- Other accessories, Risers, Mud lines & Suspension Systems

2. TUBING HEAD X-MAS TREE ASSEMBLIES

Designed to be used for production of Oil or Gas from the Oil & Gas wells to be mounted on the wellhead, both land & offshore. Made from forged steel or alloys thereof, standard or clad with special corrosion resistant alloys. Conventional type or solid block type Assembly rated upto 10,000-psi working pressure.

- Tubing Spools made from forged steel or steel alloys, standard or clad with tubing hangers, both for single or multiple well completions. Side outlets with Valves or Flanges rated upto 10,000-psi working pressure ranging from 1-13/16 to 7-1/16 ID.
- Secondary Seal Assemblies with Pseal or other seals incorporated in 2.1 or separately as a flange or adapter.
- Tubing Spool Adapters, Single or Double Studded or through Hole Type.
- Crosses, Tees and Adapters all studded with ring grooves.
- X-Mass Tree Assemblies standard or Solid Block consisting of one or more Standard or cavity Valves ranging in sizes from 1-13/16 to 7-1/16 ID.
- Chokes adjustable or fixed been including rotary type with accessories.
- X-Mass Tree Caps & Weld on Flanges.
- Other Wellhead Accessories.



3. SECONDARY SEALS, DOUBLE STUDDED ADAPTERS & FLANGES.

Made from forged steel or steel alloys, Standard or Cladded with or without integral seals rated up to 10,000-psi working pressure.

- Double Studded Adapters from 26-3/4 ID to 1-13/16 ID in various combinations.
- Through Bore Adapters from 26-3/4 ID to 1-13/16 ID.
- 3.1 & 3.2 with integral single or double seal.
- Reducer Flange.
- Weld-on Flanges etc.
- Other Accessories.

4. CHOKE & KILL MANIFOLD ASSEMBLY

Production & Drilling chokes both manual and hydraulic operated with crosses, bends & tees. All mounted or unitized on skid as one assembly rated up to 10,000-psi working pressure.

- Production Test Manifolds.
- Drilling Choke and Kill Manifolds.
- Stand Pipe Manifolds.
- Control Manifolds.
- Other Manifolds & accessories.

5. ROTARY DRILLING EQUIPMENT

- Integral & weld blade or replaceable Sleeve type stabilizers.
- Drill String Subs.
- Kelly Saver Subs.
- Bit Subs.
- Tool Joints / Drill Pipes.
- Junk Subs.
- Pup Joints.
- Drill Collars.

6. Seismic Drilling Rigs

- Man portable Seismic Drilling Rigs with Down Hole Hammer.
- Trailer Mounted Seismic Drilling Rigs with Down Hole Hammer.
- Truck Mounted Seismic Drilling Rigs with Down Hole Hammer.

7. General Fabrication & Machining:

- Storage Vessels & Tanks.
- Discrete & Overt Armoring of Vehicles.
- Caravans both skid & wheel mounted.
- Jig fixtures for automobile manufacturing plants.
- Weld neck & beveled end flanges.
- Shafts, fittings, plugs & engine heads.



Notice is hereby given that the 30th Annual General Meeting of the shareholders of ADOS Pakistan Limited will Insha'Allah be held on Friday October 30, 2015 at 10.30 A.M at its registered office at # 88, Khayaban-e-Iqbal, F-8/2, Islamabad to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of 29th Annual General Meeting held on October 31, 2014.
2. To receive, consider and adopt the Audited Financial Statements for the year ended June 30, 2015 together with Director's and Auditor's report therein.
3. To approve and declare the final cash dividend of Rs. 5.00 per share of Rs. 10 each i.e. @ 50% for the year ended June 30, 2015 as recommended by the Board of Directors.
4. To appoint auditors for the year ending June 30, 2016 and to fix their remuneration.

OTHER BUSINESS:

1. To transact any other business with the permission of the Chair.

By Order of the Board

SABINA ANSARI

Company Secretary

Islamabad: October 08, 2015

Notes:

- i) Share Transfer Book will remain closed from October 22, 2015 to October 30, 2015 [Both days inclusive]. Transfers received at Share Registrar, M/s Evolution Factor (Private) Limited formerly Corporate Support Services (Private) Limited, 407-408, Al-Ameera Center, Shahrah -e- Iraq, Saddar, Karachi at the close of business on October 21, 2015 will be treated in time for the purpose of attending the Annual General Meeting and payment of Dividend.
- ii) A member entitled to be present and vote at the meeting may appoint another member, as his/her proxy to attend, speak and vote on his/her behalf. The instrument appointing proxy and the power of attorney or other authority under which it is signed or a notarially certified copy of power of attorney must be deposited at the registered office of the Company at least 48 hours before the time of meeting.

CDC accountholders will have to follow guide lines as laid down in Circular 01 dated January 26, 2000, issued by the Securities & Exchange Commission of Pakistan:

A. For attending the meeting:

- i. In case of individuals, the account holder or sub account holder and /or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. In case of corporate entity, the Board of Director's resolution / Power of attorney with specimen signature of the nominee shall be produced at the time of meeting.

B. For Appointing proxies:

- i. In case of individuals, the account holder or sub-account holder and /or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

- iv. The proxy shall produce his/her original CNIC or original passport at the time of meeting.
 - v. In case of corporate entity, the Board of Director's Resolution/ Power of attorney with specimen signatures shall be submitted along with proxy form to the Company.
- iii) Submission of CNIC (Mandatory):** Pursuant to the directives of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 779(I) 2011 dated August 18, 2011 and SRO 831(I)/2012 dated July 05, 2012, dividend warrants should bear CNIC of the registered shareholders. Accordingly, Shareholders who have not yet submitted copy of their valid CNIC and NTN (in case of corporate entities) are requested to submit the same to the Share Registrar at their above stated address, with members' folio number, mentioned thereon. It may kindly be noted that in case on non-receipt of the copy of valid CNIC, the Company would be constrained to withhold dispatch of dividend warrants.
- iv) Shareholders are also requested to notify any change in their address to the Company's share Registrars M/s Evolution Factors (Pvt.) Limited at their address stated above.**
- Dividend Mandate-Payment of cash dividend electronically (optional):** In order to make process of payment of cash dividend more efficient, SECP vide Circular No. 8(4) SM/CDC 2008 dated April 05, 2013 have issued instructions so that the shareholders can get their dividend credited in their respective bank accounts electronically without any delay. The shareholders may therefore authorize the Company to credit the dividend directly to their bank account for all future dividends declared by the Company. Accordingly all non CDC shareholders are requested to send their bank account details to the Company's Share Registrar. Shareholders who hold shares with Participant /Central Depository Company of Pakistan Limited (CDC) accounts are advised to provide the mandate to the concerned stock broker (participant)/CDC.
- Circulation of Notice of Meeting and Annual Accounts (optional):** With reference to SRO 787(I)/2014 dated September 08, 2014 issued by SECP, shareholders have option to receive Annual Audited Financial Statements and Notices of General Meetings through e-mail. Shareholders of the Company are requested to give their consent on prescribed format available on the Company's website to our Share Registrar at their address stated above to update our record if they wish to receive Annual Audited Financial Statements and Notices of General Meetings through e-mail. However, if a Shareholder, in addition, request for a hard copy of Annual Audited Financial Statements the same shall be provided free of cost within seven days of receipt of such request.
- vii) Filer and Non-Filer Status:** Through Finance Act, 2015, enhanced rate of withholding tax has been prescribed in the Income Tax Ordinance, 2001 (Ordinance) for certain provisions including withholding tax from dividend under section 150 of the Ordinance. These tax rates are as under:
- | | |
|---|-------|
| a) For Filers of Income Tax Returns | 12.5% |
| b) For Non-Filers of Income Tax Returns | 17.5% |
- For this purpose, the term "filer" means a taxpayer whose name appears in the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR), from time to time whereas "non-filer" is a person other than a "filer". FBR has uploaded an ATL on its website which can be accessed at www.fbr.gov.pk. At the time of dividend distribution, the Company being a withholding agent would check the above status of the individual shareholder and respective withholding tax rates will be applied accordingly.
- 8. Shareholders claiming exemption from Zakat are required to file their declaration with the Share Registrar of the Company
 - 9. Accounts of the Company for the year ended June 30, 2015 has also been provided on the website [www.ados.com.pk]



**PATTERN OF HOLDING OF SHARES
HELD BY THE SHAREHOLDERS**

AS AT JUNE 30, 2015

Number of Shareholders	Shareholding From	-	To	Total Number of Shares Held
85	1	-	100	3760
675	101	-	500	328663
76	501	-	1000	75022
83	1001	-	5000	213996
6	5001	-	10000	47000
7	10001	-	15000	92500
6	15001	-	20000	115159
2	20001	-	25000	45000
1	105001	-	110000	106000
1	250001	-	255000	250500
1	575001	-	580000	575500
2	2360001	-	2365000	4729500
945				6582600

Note: The slabs not applicable have not been shown.

Shareholder's Category	Number of Shareholders	Number of Shares Held	Percentage %
Financial Institutions	3	577200	08.77%
Individuals	938	5885389	89.41%
Joint Stock Companies	3	14011	00.21%
Associated Companies	1	106000	01.61%
	945	6582600	100%



**STATEMENT OF COMPLIANCE
WITH THE CODE OF CORPORATE GOVERNANCE
For The Year Ended June 30th 2015**

This statement is being presented to comply with the Code of Corporate governance (Code) contained in Regulation No. 35 of Chapter XI of Listing Regulations of the Karachi Stock Exchange Limited, Lahore Stock Exchange Limited & Islamabad Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the board includes:

Category	Names
Independent Director	Mr. Muhammad Shafi
Executive Directors	Mr. Jamal Akbar Ansari
	Mr. Zia Akbar Ansari
	Ms. Sabina Ansari
Non-Executive Directors	Mr. Sheikh Usman Ahmed
	Mr. Taha Akbar Ansari
	Mr. Sheryar Akbar Ansari
	Mrs. Uzma Jamal
	Mrs. ShooBARANA Zia

The independent Director meets the criteria of independence under clause 1(b) of the Code.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
3. All the resident directors of the Company are registered taxpayers and none of them have defaulted in payment of any loan to a banking company, a Development Financial Institution or a Non-banking Financial Institution or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred on the Board of the Company during the period under review.
5. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The board has developed a vision and mission statement, overall corporate strategy and formulated significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remunerations and terms and conditions of employment of the CEO, other executives and non-executives directors, have been taken by the Board/shareholders.
8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working



papers were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. The Directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
10. The financial statements of the Company were duly endorsed by the Chief Executive Officer and Chief Financial Officer before approval of the Board.
11. The Directors, Chief Executive Officer and the executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
12. The Company has complied with all the corporate and financial reporting requirements of the Code.
13. The Board has formed an audit committee. It comprises three members, all of whom are non-executive Directors including the Chairman of the Committee who is also an independent Director.
14. The meetings of the Audit Committee were held at least once in every quarter prior to approval of interim and final results of the Company and as required by the Codes. The terms of reference of the Committee have been formed and advised to the committee for compliance.
15. The Board has formed Human Resources and Remuneration Committee. It comprises of five members of whom one is independent Director and four are non-executive directors.
16. The board has set up an effective internal audit function whose members are considered suitably qualified and experienced for the purpose and well conversant with the policies and procedure of the company.
17. The statutory auditors of the Company have confirmed that they have given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
18. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they observed IFAC guidelines in this regard.
19. The "closed period", prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchanges.
20. Material/price sensitive information has been disseminated among all market participants at once through stock exchanges.
21. We confirm that all other material principals contained in the Code have been complied with.

ZIA AKBAR ANSARI
Chief Executive Officer
October 08, 2015

DIRECTOR'S REPORT TO THE MEMBERS



DIRECTOR'S REPORT TO THE MEMBERS

Gentlemen,

The Directors of the company take pleasure in placing before you the 30th Annual Report together with the Audited Accounts, Auditor's Report, Statement of Compliance with the best practice of Corporate Governance and Auditor's Review Report on it thereon.

1. The management feels immense pleasure to announce that the board of Directors of the Company has recommended a final cash dividend @ Rs. 5.00 per share i.e. 50% for the year ended June 30, 2015 in their board meeting held on October 08, 2015 at 10.30 a.m. at # 88, Khayaban-e-Iqbal, F-8/2, Islamabad. The management is gratified that the Company is moving on the path of continuous profitability.
2. As stated in earlier reports the management of the Company is facing the continuous challenges of unstable economic situations especially the current slumps in the Oil & Gas Industry as well as the current business and security situations as these are badly affecting not only the industry but also the overall economy.
3. The management is utilizing all its efforts to get maximum of orders from Oil & gas Exploration Companies operating in Pakistan [E & P Companies] as the current slumps in oil & gas industry has greatly affects the future orders. The management is utilizing its full capacities to get orders for its specialized fabrication division in order to boost the sales.
4. 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 (note 10) amounting to Rs. 1,653,593 (2014: 1,653,593) and Stock in trade (note 11) amounting to Rs.3,264,562 (2014: 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.
5. Out of the Nine Directors', three meet the exemption requirement of the Directors' training program, while for remaining six directors due to various engagements directors' training programme was not conducted during the year. The management fully intends to comply with the requirements as per clause (xi) of the code of Corporate Governance as applicable in Pakistan in future.

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.

STATEMENT ON CORPORATE GOVERNANCE

The Board is pleased to certify that:

- i) The financial statements prepared by the management of the listed Company present fairly its state of affairs, the result of its operations, cash flow and changes in equity.

- ii) Proper books of accounts of the listed Company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- iv) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) There are no significant doubts upon the Company's ability to continue as a going concern.
- vii) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- viii) The company's revenue has decreased as of previous year due to decrease in orders received during the year with a very slight comparative decrease in cost of sales and consequent comparative minor increase in profits.
- ix) On recommendation of Audit Committee the Board recommends appointment of Grant Thornton Anjum Rehman, Chartered Accountants to continue as external auditors of the Company for the year ending June 30, 2016.

BOARD MEETINGS & ANNUAL GENERAL MEETING [AGM]:

During the year Five (5) board meetings, an EOGM and an AGM were held. Attendance by each Director & CEO is as follows:

Name of Directors & CEO	Attendance
Mr. Zia Akbar Ansari	07
Mr. Jamal Akbar Ansari	07
Ms. Sabina Ansari	07
Ms. Suboohi Ansari (Retired)	03
Mrs. Uzma Jamal	05
Mrs. Shooarana Zia	05
Mr. Sheikh Usman Ahmed	07
Mr. Taha Akbar Ansari	05
Mr. Sheryar Akbar Ansari	05
Mr. Muhammad Fahd Shafi	05

EARNING PER SHARE:

Earnings per share for the year ending June 30, 2015 is Rs. 00.62

CORPORATE SOCIAL RESPONSIBILITY (CRS):

ADOS endeavors to be a responsible corporate citizen, being aware of its social obligations, it continues to proactively promote, develop and maintain medical, social and welfare activities for the benefit of local communities through donations.



CATEGORIES AND PATTERN OF SHARE HOLDING:

The Categories and Pattern of Shareholding as required by the Companies Ordinance, 1984 in Form 34 is attached with this report. Additional information is given, as under:

Shareholder's Category	Number of Shareholders	Number of Shares Held	Percentage %
Financial Institutions	3	577200	08.77%
Individuals	938	5885389	89.41%
Joint Stock Companies	3	14011	00.21%
Associated Companies	1	106000	01.61%
	945	6582600	100%

Information under Clause XIX (i) of the Code of Corporate Governance

Financial Institutions:	Shares held	%
National Bank of Pakistan	575500	8.743
Bankers' Equity Limited	400	0.006
Asian Development Bank	1300	0.019
Joint Stock Companies:		
Ihsan Cotton Products (Private) Limited	500	0.007
Maple Leaf Capital Limited	4000	0.060
NCC-Pre Settlement Delivery Account	27000	0.410
Associated Companies:		
Akbar Associates (Pvt.) Limited	106000	1.61
Directors, CEO, and their Spouse		
Mr. Zia Akbar Ansari CEO/Director	2364750	35.92
Mr. Jamal Akbar Ansari Director	2364750	35.92
Miss. Sabina Ansari Director/CS	20000	0.30
Mrs. Shooabarana Zia Director	22500	0.34
Mrs. Uzma Jamal Director	23000	0.35
Mr. Sheikh Usman Ahmed Director	18159	0.28
Mr. Taha Akbar Ansari Director	200	0.003
Mr. Sheryar Akbar Ansari Director	200	0.003
Mr. Mohammad Fahd Shafi Director	100	0.002

Information under Clause XIX (j) of the Code of Corporate Governance

The CEO, Directors, Company Secretary, CFO and their spouses have made no sale/purchase of Company's shares during the financial year ended June 30, 2015.

Moreover, the directors of the company have not been appointed as a director in more than seven other listed Companies and no spouse of the directors of the company is involved in the business of brokerage.

Shareholders holding ten percent or more voting interest in the Company:

	Shares held
Mr. Zia Akbar Ansari	2364750
Mr. Jamal Akbar Ansari	2364750

For and on behalf of the Board

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER & DIRECTOR

Islamabad, October 08, 2015



SIX YEARS AT A GLANCE

	2014-2015	2013-2014	2012-2013 (Restated)	2011-2012 (Restated)	2010-2011	2009-2010
Operating Results						
Sales	580,257,047	724,179,272	1,061,079,414	291,310,209	462,366,269	535,180,365
Gross Profit	105,078,851	123,803,110	273,133,693	58,577,111	68,093,494	126,534,059
Pre-Tax Profit	12,238,693	31,128,934	152,780,465	24,466,258	24,578,381	49,187,979
After-Tax Profit	4,068,202	6,582,543	98,584,428	15,081,065	13,424,691	32,287,535
Financial Position						
Current Assets	611,023,349	732,654,655	824,414,263	396,048,896	409,769,397	306,036,515
Current Liabilities	384,967,433	526,896,527	598,237,496	273,167,982	300,071,220	221,492,736
Operating Fixed Assets	45,338,977	49,394,806	45,460,664	51,436,951	58,339,535	66,100,756
Total Assets	659,039,228	796,485,123	878,373,539	453,712,516	468,108,932	374,248,889
Employees' Benefit Obligation	6,552,524	6,031,220	5,962,967	4,970,884	5,311,642	2,759,647
Shareholders' Equity	267,519,271	263,557,376	274,173,076	175,573,650	162,726,070	149,996,506
Ratios						
Current Ratio	1.59	1.39	1.38	1.45	1.37	1.38
Gross Profit to Sales	18.11	17.10	25.74	20.11	14.73	23.64
Net Profit to Sales	0.70	0.91	9.29	5.18	2.90	6.03
Breakup Value per share (Rs.)	40.64	40.04	41.65	26.67	24.72	22.79
Earning per share-Basic (Rs.)	0.62	1.00	14.98	2.29	2.04	4.90



REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the "Code") prepared by the Board of Directors of **ADOS Pakistan Limited** (the "Company") for the year ended June 30, 2015 to comply with the requirements of Listing Regulation of the Karachi, Lahore and Islamabad Stock Exchanges where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Following instances of non-compliance with the requirements of the Code was observed which are not stated in the Statement of Compliance:

- The Company has not implemented the orientation program for its directors as required in clause (xi) of the Code.

Based on our review, except for the above instance of non-compliance, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2015.

GRANT THORNTON ANJUM RAHMAN
Chartered Accountants
Engagement Partner: Imran Afzal
Lahore
October 08, 2015



AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of ADOS Pakistan Limited (the Company) as at June 30, 2015 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that except as stated in paragraph (a) below, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

Except for the matters stated in paragraph (a) below, we conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by the management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) We were unable to verify the existence, correctness of valuation and nomenclature of items being classified as Stores, spares and loose tools (refer note 10) amounting to Rs. 1,653,593 (2014: Rs. 1,653,593) and Stock in trade (refer note 11) amounting to Rs. 3,264,562 (2014: Rs. 3,264,562) due to non availability of information.
- b) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;
- c) in our opinion: except for the matter stated in paragraph (a) above:
 - i. the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - ii. the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company.
- d) In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter referred to in paragraph 1 above, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984 in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2015 and of the profit, its cash flows and changes in equity for the year then ended; and



- e) In our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Grant Thornton Anjum Rahman
Chartered Accountants
Audit Engagement Partner
Imran Afzal
Lahore
October 08, 2015

ADOS PAKISTAN LIMITED
BALANCE SHEET
AS AT JUNE 30, 2015



	Note	JUNE 30 2015	JUNE 30 2014
-----Rupees-----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	45,338,977	49,394,806
Long term loans and advances	7	681,920	4,549,489
Long term deposits	8	1,401,600	-
Deferred taxation	9	593,382	9,886,173
		48,015,879	63,830,468
CURRENT ASSETS			
Stores, spares and loose tools	10	1,653,593	1,653,593
Stock in trade	11	66,335,924	18,130,958
Trade debts	12	269,767,775	379,691,302
Advances	13	26,430,432	1,226,222
Trade deposits and short term prepayments	14	16,168,735	8,748,627
Due from associated company	15	23,167,366	4,949,058
Accrued interest on saving accounts		151,178	339,462
Tax refunds due from the Government	16	114,707,375	85,796,212
Cash and bank balances	17	92,640,971	232,119,221
		611,023,349	732,654,655
TOTAL ASSETS		659,039,228	796,485,123
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 7,000,000 (2014: 7,000,000) ordinary shares of Rs. 10 each		<u>70,000,000</u>	<u>70,000,000</u>
Issued, subscribed and paid up share capital	18	65,826,000	65,826,000
RESERVES			
Revenue reserve-unappropriated profit		201,693,271	197,731,376
TOTAL EQUITY		267,519,271	263,557,376
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' benefit obligation	19	6,552,524	6,031,220
		6,552,524	6,031,220
CURRENT LIABILITIES			
Trade and other payables	20	381,489,308	524,631,007
Unclaimed dividend		3,478,125	2,265,520
		384,967,433	526,896,527
TOTAL LIABILITIES		391,519,957	532,927,747
TOTAL EQUITY AND LIABILITIES		659,039,228	796,485,123
CONTINGENCIES AND COMMITMENTS	21		

The annexed notes 1 to 37 form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015



	Note	JUNE 30 2015	JUNE 30 2014
-----Rupees-----			
Revenue-net	22	580,257,047	724,179,272
Cost of sales/services	23	<u>(475,178,196)</u>	<u>(600,376,162)</u>
Gross profit		105,078,851	123,803,110
Selling and distribution expenses	24	(29,017,605)	(36,302,539)
Administrative expenses	25	(61,078,394)	(66,635,760)
Other operating expenses	26	(9,847,260)	(12,121,853)
Other income	27	<u>9,426,315</u>	<u>25,031,155</u>
Profit from operations		14,561,907	33,774,113
Financial cost	28	<u>(2,323,214)</u>	<u>(2,645,179)</u>
Profit before income tax		12,238,693	31,128,934
Taxation	29	<u>(8,170,491)</u>	<u>(24,546,391)</u>
Profit for the year		4,068,202	6,582,543
Earnings per share - basic and diluted	30	0.62	1.00

The annexed notes 1 to 37 form an integral part of these financial statements.

ZIA AKBAR ANSARI
 CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
 DIRECTOR

ADOS PAKISTAN LIMITED
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED JUNE 30, 2015



	JUNE 30 2015	JUNE 30 2014
	-----Rupees-----	
Profit for the year	4,068,202	6,582,543
Remeasurement loss on employees retirement benefits	(322,696)	(1,107,084)
Deferred tax charge on remeasurement loss on employees retirement benefits	216,389	365,338
Remeasurement of plan obligations - net of tax	(106,307)	(741,746)
Other comprehensive loss for the year	(106,307)	(741,746)
Total comprehensive income for the year	3,961,895	5,840,797

The annexed notes 1 to 37 form an integral part of these financial statements.

ZIA AKBAR ANSARI
 CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
 DIRECTOR

ADOS PAKISTAN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2015



	Issued, subscribed and paid up capital	Revenue reserves Unappropriated Profit/(loss)	Shareholders' equity
	-----Rupees-----		
Balance as at July 01, 2013	65,826,000	208,347,076	274,173,076
Comprehensive income for the year			
Profit for the year ended June 30, 2014	-	6,582,543	6,582,543
Other comprehensive income for the year:			
Remeasurement loss on employees retirement benefits	-	(1,107,084)	(1,107,084)
Deferred tax charge on remeasurement loss on employees retirement benefits	-	365,338	365,338
Remeasurement of plan obligations - net of tax	-	(741,746)	(741,746)
Final dividend for the year ended June 30, 2013	-	(16,456,497)	(16,456,497)
Balance as at June 30, 2014	65,826,000	197,731,376	263,557,376
Comprehensive income for the year			
Profit for the year ended June 30, 2015	-	4,068,202	4,068,202
Other comprehensive income for the year:			
Remeasurement loss on employees retirement benefits	-	(322,696)	(322,696)
Deferred tax charge on remeasurement loss on employees retirement benefits	-	216,389	216,389
Remeasurement of plan obligations - net of tax	-	(106,307)	(106,307)
Balance as at June 30, 2015	65,826,000	201,693,271	267,519,271

The annexed notes 1 to 37 form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015



	Note	JUNE 30 2015	JUNE 30 2014
-----Rupees-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		12,238,693	31,128,934
Adjustment for:			
Depreciation	6.2	6,513,903	6,846,551
Provision for doubtful receivables	8 & 12.1	14,464,516	15,575,474
Provision for employees' benefit obligation	19	1,616,030	1,271,936
Provision for WPPF & WWF	26	800,481	2,765,254
Interest on bank accounts	27	(6,410,846)	(14,163,474)
Financial cost	28	2,323,214	2,645,179
		19,307,298	14,940,920
Operating Profit Before Working Capital Changes		31,545,991	46,069,854
(Increase)/decrease in current assets			
Stock in trade		(48,204,966)	(12,072,621)
Trade debts		95,459,011	71,147,700
Advances		(25,204,210)	899,697
Trade deposits and short term prepayments		(7,420,108)	(734,270)
Due from associated company		(18,218,308)	(4,949,058)
		(3,588,581)	54,291,448
Increase/(decrease) in current liabilities			
Trade and other payables		(143,942,180)	(60,200,506)
Due to associated company		-	(3,572,252)
		(143,942,180)	(63,772,758)
Cash generated from/(used in) operations		(115,984,771)	36,588,544
Financial cost paid		(2,323,214)	(46,247,082)
Tax paid		(27,572,475)	(30,457,638)
Gratuity paid		(1,417,423)	(2,310,767)
WPPF & WWF paid		-	(8,420,420)
		(31,313,112)	(87,435,907)
Net cash used in operating activities		(147,297,883)	(50,847,363)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment - net of disposals		(2,458,074)	(10,780,693)
Profit realized on bank accounts		6,599,132	339,535
Long term loans and advances		3,867,569	13,088,609
Long term deposits		(1,401,600)	-
Net cash generated from investing activities		6,607,027	2,647,451
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(18,369,542)
Unclaimed dividend		1,212,606	-
Net cash generated/(used in) financing activities		1,212,606	(18,369,542)
Net decrease in cash and cash equivalents		(139,478,250)	(66,569,454)
Cash and cash equivalents at the beginning of the year		232,119,221	298,688,675
Cash and cash equivalents at the end of the year		92,640,971	232,119,221

The annexed notes 1 to 37 form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR



ADOS PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

1 LEGAL STATUS AND OPERATIONS

Ados Pakistan Limited (the "Company") was incorporated in Pakistan under the Companies Ordinance, 1984 on March 5, 1986 as a Private Limited Company and was later on converted into Public Limited Company on April 4, 1989. The Company's registered office is situated at 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 equipments, 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 huller proofing protection.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) as are notified under Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirement differs, the requirement of and directives issued under the Companies Ordinance, 1984, shall prevail.

3 STATUS OF STANDARDS AND INTERPRETATIONS

3.1 Standards and interpretations that became effective but not relevant to the Company or do not have material effect

During the year certain amendments to standards or new interpretations became effective, however, the amendments or interpretations did not have any material effect on these financial statements.

3.2 Standards, interpretations and amendments not yet effective

The following revised standards and amendments and interpretations to the approved accounting standards, as applicable in Pakistan, would be effective from the dates mentioned below against the respective standard.

	Effective date (annual periods beginning on or after)
IAS 1 Presentation of Financial Statements (Amendments)	January 1, 2016
IAS 16 Property, Plant and Equipment (Amendments)	January 1, 2016
IAS 19 Employee Benefits (Amendments)	January 1, 2016
IAS 27 Separate Financial Statements (Amendments)	January 1, 2016
IAS 27 Separate Financial Statements (Revised 2011)	January 1, 2015
IAS 28 Investment in Associates and Joint Ventures (Amendments)	January 1, 2016
IAS 28 Associates and Joint Ventures (Revised 2011)	January 1, 2015
IAS 34 Interim Financial Reporting (Amendments)	January 1, 2016
IAS 38 Intangible Assets (Amendments)	January 1, 2016
IAS 41 Agriculture (Amendments)	January 1, 2016
IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations (Amendments)	July 1, 2016
IFRS 7 Financial Instruments: Disclosures (Amendments)	July 1, 2016
IFRS 10 Consolidated Financial Statements	January 1, 2015
IFRS 11 Joint Arrangements	January 1, 2015
IFRS 12 Disclosure of Interests in Other Entities	January 1, 2015
IFRS 13 Fair Value Measurement	January 1, 2015

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation/disclosures. The Company is yet to assess the full impact of the amendments.

3.3 Standards, interpretations and amendments not yet adopted

Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 9	Financial Instruments
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers

The following interpretations issued by the IASB have been waived of by SECP:

IFRIC 4	Determining Whether an Arrangement Contains Lease
IFRIC 12	Service Concession Arrangements

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated. Financial statements, except for cash flow statement, have been prepared under accrual basis of accounting.

All accounting estimates and assumptions that are used in preparing the financial statements are consistent. Judgments are based on the information available at each balance sheet date. Although these estimates are based on the best information available to management, actual results may ultimately differ from those estimates.

4.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except:-
 Employees' benefit obligation (refer note 4.10).

4.2 Operating segments

Operating segments are reported in a manner consistent with internal reporting by management of the Company. The management has determined that the Company has a single reportable segment as the Board of Directors view the Company's operation as one reportable segment.

4.3 Property, plant and equipment

Property, plant and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management. Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses if any, except leased hold land held for business use is stated at leased amount less amortized amount.

Material residual value estimates are updated as required, but at least annually, whether or not the asset is revalued. Depreciation is provided on reducing balance method to write down cost less accumulated residual value of property, plant and equipment over the estimated useful lives of the assets at rates specified below.

• Lease hold land	10%
• Factory building on leasehold land	10-20%
• Plant and machinery	10%
• Tools and lab equipments	10%
• Office equipments	10%
• Furniture and fixtures	10%
• Carpets and curtains	10%
• Vehicles	20%

Depreciation on additions is charged from the month of acquisition and on disposals up to the month the asset is in use. Maintenance and normal repairs are charged to profit and loss as and when incurred. Major renewals and improvements are capitalized.

Residual values are determined by the management as the amount it expects it would receive currently for an item of property, plant and equipment if it was already of the age and in the condition expected at the end of its useful life based on the prevailing market prices of similar assets already at the end of their useful lives.

• Useful lives are determined by the management based on the expected usage of assets, physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Disposal of assets and non-current assets

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognized in the profit and loss. The gain or loss arising from the sale of non-current assets is generally included in "other income" or "other operating expense" in the profit and loss.

4.4 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized at the time when the Company loses the control of the contractual rights that comprise the financial assets. Financial liabilities are de-recognized at the time when obligation specified in the contract is discharged, cancelled or expired.

Financial assets and financial liabilities are set off and net amount is reported in the balance sheet if the Company has legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.4.1 Financial assets

4.4.1.1 Classification

The management determines the appropriate classification of the financial instruments in accordance with the requirements of International Accounting Standard (IAS 39) "Financial Instruments: Recognition and Measurement" for subsequent measurement.

The classification depends on the purpose for which the financial assets are acquired. The Company determines the classification of its financial assets at initial recognition and, where allowed and appropriate, revalues the designation at each balance sheet date.



a) **Available for sale financial assets**

Financial assets intended to be held for an indefinite period of time which may be sold in response to needs for liquidity or changes in equity prices are classified as available for sale. Available for sale financial instruments are those non-derivative that are designed as available for sale or not classified as (b) held to maturity (c) loan and receivables and (d) financial assets at fair value through profit and loss.

b) **Held-to-maturity Investment (HTM)**

Investments held-to-maturity are non-derivative financial assets which carry fixed or determinable payments and fixed maturities other than loans and receivables. Investments are classified as HTM if the company has the positive intention and ability to hold to maturity. HTM investments are measured subsequently at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

c) **Loans and receivables**

Loans and receivables include trade debts, advances, trade deposits and short term prepayments, accrued interest and cash and bank balances. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially measured at fair value plus directly attributable transaction costs. After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate method less impairment, if any. Discounting is ignored when immaterial. These are classified as current and non-current assets in accordance with criteria set out by IFRSs.

Receivables are assessed on regular basis for impairment and if there is any doubt about the recoverability of these receivables, appropriate amount of provision is made.

d) **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets carried at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed in the profit and loss account. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets. Financial assets at fair value through profit and loss are subsequently carried at fair value.

e) **Held to maturity**

Held to maturity are financial assets with fixed or determinable payments and fixed maturity, where management has the intention and ability to hold till maturity are carried at amortized cost. Held to maturity financial assets are initially measured at fair value plus directly attributable transaction costs. Held to maturity investments are subsequently carried at amortized cost using effective interest rate method.

4.4.2 Financial Liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective yield method.

The Company's financial liabilities include trade and other payables.

a) **Trade and other payables**

Trade and other payables include trade creditors, accrued liabilities, advances from customer, Workers' Profit Participation Fund (WPPF), other liabilities, due to associated company and unclaimed dividend. Subsequent to initial recognition accrued and other payables are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. Trade and other payables are initially recognized at fair value less any directly attributable transaction cost.

4.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which Company operates. These financial statement are presented in Pakistani Rupees, which is the Company's functional and presentational currency. All financial information presented in Pak Rupees is rounded to nearest rupee.

4.6 Stores and loose tools

Stores and loose tools are valued at lower of cost and net realizable value (NRV).

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Non significant stores and loose tools are charged to profit and loss account when purchased.

4.7 Stock-in-trade

Stock in trade is valued at lower of cost and estimated net realizable value. Stock in trade comprise of raw-material, work in process and finished goods, while basis of valuation is weighted average cost.

Raw material cost comprises invoice values plus other related charges paid thereon. Net realizable value signifies estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

4.8 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at fair value. For the purpose of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and running finances under mark up arrangements.



4.9 Taxation

a) Current

Provision for current taxation is based on taxable income at the current tax rates after taking into account tax rebates and tax credits available, if any, and tax paid on presumptive basis.

b) Deferred

Deferred tax is recognized using the balance sheet liability method on all temporary differences between the carrying amount of the assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable profit and the carrying amount of the deferred tax asset is reviewed at each balance sheet date. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Changes in deferred tax assets or liabilities are recognized as a component of tax expense in the profit and loss account, except where they relate to items that are charged or credited directly to the statement of other comprehensive income in which case the related deferred tax is also charged or credited directly to the statement of other comprehensive income.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it becomes probable that future taxable profit will allow deferred tax asset to be recovered.

4.10 Defined benefits plans

The Company operates an unfunded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme. Provision is made annually to cover obligations under the scheme in accordance with actuarial recommendations. Projected Unit Credit Method has been used for actuarial valuation carried out by an independent actuary as of 30 June, 2015. The results of current valuation are summarized in note 19.

The actuarial gains or losses at each evaluation date are charged to other comprehensive income. The amount recognized in the balance sheet represents the present value of defined benefit obligations as reduced by the fair value of plan assets.

Calculation of gratuity requires assumptions to be made of future outcomes which mainly increase in remuneration, expected long term return on plan assets and the discount rates used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

4.11 Provisions

Provision is recognized when the Company has a present obligation as a result of past event, probably will result in an outflow of economic benefits and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Long term provisions are discounted to their present values, where the time value of money is material.

4.12 Related party transactions

Sale and purchase transactions with related parties are carried out at arm's length price under the comparable uncontrolled price method. All other transactions are carried out on the basis of mutually agreed terms.

4.13 Revenue recognition

Revenue is measured by reference to the fair value of consideration received or receivables excluding sales tax, rebates and trade discounts. The Company applies the revenue recognition criteria set out below to each separately identifiable component of revenue.

Sales are recorded on dispatch of goods to customers.

Revenue from repair services is recognized as and when services are rendered.

Interest income is recorded on a time proportional basis.

Cumulative gain or losses previously recognized in equity on revaluation of fair values of 'available for sale' financial assets are recognized in income at the time of derecognition of available for sale assets.

4.14 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the exchange rates prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary balance sheet items at year end exchange rates are recognized in profit and loss account.

4.15 Equity and dividend payments

Share capital represents the nominal value of shares that have been issued.

Revenue reserve include all current and prior period profits as disclosed in the profit and loss.

Capital reserve include gain on remeasurement of available for sale financial asset to fair value

Interim dividend distributions are recognized in the period in which the dividends are declared by the Board of Directors, while final dividend distributions are recognized as liability in the financial statements in the period in which the dividend are approved by the Company's shareholders at the Annual General Meetings.



4.16 Proposed dividends and transfer between reserves

Dividend declared and transfers between reserves made subsequent to the balance sheet date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividends are declared / transfers are made.

4.17 Expense recognition, borrowing costs

Operating expenses are recognized in the profit and loss account upon utilization of the service or at the date of their origin. Interest expenses are reported on an accrual basis. Borrowing costs relating to the acquisition, construction or production of a qualifying asset are recognized as a part of the cost of that asset. All other borrowing costs are recognized as an expense in the period in which these are incurred.

4.18 Impairment

4.18.1 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

4.18.2 Non-financial assets

The carrying amounts of non financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the profit and loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each balance sheet date. Reversals of the impairment loss are restricted to the original cost of the assets. An impairment loss or reversal of the impairment loss is recognized in income for the year.

4.19 Contingent liability

Contingent liability is disclosed when:

- there is possible obligation that arise from past event and whose existence will be confirmed only on the occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is a present obligation that arise from past event but is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.20 Operating leases/ Ijarah Contracts

Leases in which a significant portion of the risks and rewards of ownership is retained by the lessor are classified as operating leases. Payments made under operating leases / Ijarah contracts are charged to profit and loss on a straight-line basis over the period of the lease.

5 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and judgments are continually evaluated and are based on historical expenditure and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

- (a) Depreciation on property, plant and equipment;
- (b) Recoverable amount and related impairment of depreciable, amortizable and financial assets;
- (c) Provision for taxation and related deferred tax liability;
- (d) Liability against employees' benefit; and
- (e) Other provision, contingent liabilities and contingent assets.

However, assumptions and judgments made by the management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the foreseeable period.



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6 PROPERTY, PLANT AND EQUIPMENT

Particulars	Rupees										Total
	Lease hold land	Factory building on lease hold land	Plant and machinery	Tools and lab equipment	Office equipment	Furniture and fixture	Carpets and curtains	Vehicles			
Gross carrying amount	15,663,368	28,817,986	84,290,913	5,842,580	6,923,426	2,958,457	143,111	20,380,947			165,020,788
Additions	-	-	-	-	2,458,074	-	-	-			2,458,074
Balance as at June 30, 2015	15,663,368	28,817,986	84,290,913	5,842,580	9,381,500	2,958,457	143,111	20,380,947			167,478,862
Amortization/Depreciation											
Balance as at July 01, 2014	(5,758,184)	(22,999,211)	(66,344,583)	(5,063,180)	(3,410,981)	(2,359,565)	(122,659)	(9,567,619)			(115,625,982)
Amortization/Depreciation	(990,518)	(880,164)	(1,794,626)	(77,940)	(546,055)	(59,889)	(2,045)	(2,162,666)			(6,513,903)
Balance as at June 30, 2015	(6,748,702)	(23,879,375)	(68,139,209)	(5,141,120)	(3,957,036)	(2,419,454)	(124,704)	(11,730,285)			(122,139,885)
Carrying amount as at June 30, 2015	8,914,666	4,938,611	16,151,704	701,460	5,424,464	539,003	18,407	8,650,662			45,338,977
2014											
Gross carrying amount	15,663,368	28,817,986	84,290,913	5,842,580	4,957,396	2,958,457	143,111	15,296,947			157,970,758
Additions	-	-	-	-	1,966,030	-	-	9,765,000			11,731,030
Disposals	-	-	-	-	-	-	-	(4,681,000)			(4,681,000)
Balance as at June 30, 2014	15,663,368	28,817,986	84,290,913	5,842,580	6,923,426	2,958,457	143,111	20,380,947			165,020,788
Amortization/Depreciation											
Balance as at July 01, 2013	(4,657,608)	(21,938,395)	(64,350,547)	(4,973,395)	(3,005,618)	(2,293,028)	(120,387)	(11,171,116)			(112,510,094)
Disposals	-	-	-	-	-	-	-	3,730,663			3,730,663
Amortization/Depreciation	(1,100,576)	(1,060,816)	(1,994,036)	(89,785)	(405,363)	(66,537)	(2,272)	(2,127,166)			(6,846,551)
Balance as at June 30, 2014	(5,758,184)	(22,999,211)	(66,344,583)	(5,063,180)	(3,410,981)	(2,359,565)	(122,659)	(9,567,619)			(115,625,982)
Carrying amount as at June 30, 2014	9,905,184	5,818,775	17,946,330	779,400	3,512,445	598,892	20,452	10,813,328			49,394,806

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6.1 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 Mills 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 in progress. The management expects a favourable decision based on legal advisor assessments and merits of the case. (Refer Note: 21.3).

	Note	2015 Rupees	2014 Rupees
6.2 Depreciation charge for the year has been allocated as under:			
Cost of sales/services	Note: 23	3,744,255	4,245,213
Administrative expenses	Note: 25	2,769,648	2,601,338
		<u>6,513,903</u>	<u>6,846,551</u>

7 LONG TERM LOANS AND ADVANCES

	Note	2015 Rupees	2014 Rupees
Long term loans and advances to employees	Note: 7.1 & 7.2	681,920	1,799,489
Long term advances		2,750,000	2,750,000
Less: Provision for impairment		(2,750,000)	-
Long term advance net		-	2,750,000
Long term loans and advances		681,920	4,549,489

7.1 Interest free loans to employees are provided for construction of house with no fixed repayment terms. Any outstanding loan due from employees is adjustable against employees benefit/gratuity. This includes amount of Rs. 60,364 extended to executives.

7.2 The maximum amount due from executives at the end of any month during the year was Rs. 1,070,000.

8 LONG TERM DEPOSITS

	Note	2015 Rupees	2014 Rupees
Long term deposits	Note: 8.1	1,401,600	-
Margin deposits and bid money- doubtful		5,283,711	-
		<u>6,685,311</u>	-
Less: Provision for impairment		(5,283,711)	-
Long term deposits		<u>1,401,600</u>	-

8.1 This represents security deposit held by the Bank Islami against Ijarah of two (2) vehicles amounting to Rs. 1,401,600 (2014: Nil).

9 DEFERRED TAXATION

Deferred taxes arising from temporary differences can be summarized as follows:

	Balance as at 30 June 2014	Recognized in/through Profit and loss Account	Comprehensive Income	Balance as at 30 June 2015
Taxable temporary difference:				
- on accelerated tax depreciation	(4,204,033)	327,435	-	(3,876,598)
Deductible temporary difference:				
- Stores and loose tools	390,187	(11,824)	-	378,363
- Trade debts	11,308,934	(10,019,076)	-	1,289,858
- Long term loans and advances	-	880,000	-	880,000
- Long term deposits	-	1,690,788	-	1,690,788
- Employees' benefit obligations	2,355,641	(258,833)	216,389	2,313,197
- Trade payables	35,444	(2,117,670)	-	(2,082,226)
Net deferred tax asset/(liability)	9,886,173	(9,509,180)	216,389	593,382

10 STORES, SPARES AND LOOSE TOOLS

	Note	2015 Rupees	2014 Rupees
Stores		926,907	926,907
Loose tools	Note: 10.1	726,686	726,686
Stores, spares and loose tools		1,653,593	1,653,593
10.1 Loose tools			
Loose tools		1,909,070	1,909,070
Less: Provision for obsolete and slow moving items		(1,182,384)	(1,182,384)
Loose tools		726,686	726,686

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11 STOCK IN TRADE			
	Note	2015	2014
		Rupees	Rupees
Raw materials	Note: 23.1	64,851,924	16,646,958
Finished goods		1,484,000	1,484,000
Stock in trade		66,335,924	18,130,958
12 TRADE DEBTS - UNSECURED			
	Note	2015	2014
		Rupees	Rupees
Considered			
- good		269,767,775	379,691,302
- doubtful		6,430,805	29,707,138
		<u>276,198,580</u>	<u>409,398,440</u>
Less: Provision for impairment in trade debts	Note: 12.1	(6,430,805)	(29,707,138)
Trade debts		269,767,775	379,691,302
12.1 Provision for impairment in trade debts			
Balance at July 01		29,707,138	14,131,664
Provision made during the year	Note: 25.4	6,430,805	15,575,474
Less: Write off		(29,707,138)	-
Balance at June 30		6,430,805	29,707,138
12.2	The status of past dues relating to trade debts has been disclosed in note 34.2 (b).		
13 ADVANCES			
	Note	2015	2014
		Rupees	Rupees
Advances - unsecured, considered good			
Short term loans and advances to employees	Note: 13.1	207,232	1,226,222
Other advances	Note: 13.2	26,223,200	-
Advances		26,430,432	1,226,222
13.1	This includes an amount of Rs. 120,000 given to executive. This loan is adjustable against the future salary.		
13.2	This includes an amount of Rs. 26,133,200 for import of a vehicle for Director's use.		
14 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
	Note	2015	2014
		Rupees	Rupees
Security deposits		667,720	1,477,720
Margin deposits and bid money	Note: 14.1	13,503,989	5,283,711
		<u>14,171,709</u>	<u>6,761,431</u>
Prepayments		1,997,026	1,987,196
Trade deposits and short term prepayments		16,168,735	8,748,627
14.1	This includes bid money amounted to Rs. 12.99 (2014: nil) million deposited against tender for armoring of vehicles for Punjab Police department and Baluchistan Government.		
15 DUE FROM ASSOCIATED COMPANY			
	Note	2015	2014
		Rupees	Rupees
Akbar Associates (Private) Limited	Note: 15.1	23,167,366	4,949,058
15.1	This includes advances given to Akbar Associates (Private) Limited for common expenses and on average monthly balances interest is charged at monthly KIBOR plus 2.00%.		
16 TAX REFUNDS DUE FROM THE GOVERNMENT			
		2015	2014
		Rupees	Rupees
Opening balance		85,764,694	40,154,042
Deducted at source during the year		26,463,581	76,068,290
Less: provision for taxation		1,338,689	(30,457,638)
Advance tax - net of provision		113,566,964	85,764,694
Sales tax refunds		1,140,411	31,518
Taxation refundable		114,707,375	85,796,212



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17 CASH AND BANK BALANCES

Cash in hand		7,561	26,813
Cash at banks:			
Local currency:			
Saving accounts	Note: 17.1	55,775,614	12,482,451
Current accounts	Note: 17.2	36,647,594	219,403,331
Foreign currency current accounts		210,202	206,626
Cash and bank balances		92,640,971	232,119,221

17.1 The range of interest on these saving accounts is 3.50-8.00 % per annum (2014: 3.50-6.50% per annum).

17.2 This includes an amount of Rs. 21.58 million (2014: Rs. 20.268 million) under lien against performance bonds. (refer note 21.1).

18 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

The share capital of Ados Pakistan Limited consists only of ordinary shares with a par value of Rs.10 each. All shares are equally eligible to receive dividend.

2015 Number	2014 Number		2015 Rupees	2014 Rupees
6,582,600	6,582,600	Ordinary shares of Rs. 10 each issued and fully paid in cash	65,826,000	65,826,000

18.1 These includes 106,000 shares held by the Akbar Associates (Private) Limited, an associated company.

19 EMPLOYEES' BENEFIT OBLIGATION

	2015 Rupees	2014 Rupees	
Employees' gratuity	6,552,524	6,031,220	
The employees' benefit obligation as at the balance sheet date for the reporting year are as follows:			
Present value of defined benefit obligation	4,714,059	4,610,346	
Benefit payable	1,838,465	1,420,874	
Net liability at the end of the year	6,552,524	6,031,220	
Movement in the present value of defined benefit obligation (DBO) is as follows:			
Present value of DBO at the beginning of the year	4,610,347	4,352,756	
Current service cost	1,126,729	926,272	
Interest cost	489,301	345,664	
Benefit payable	(423,652)	(215,038)	
Benefit paid	(1,411,362)	(1,906,392)	
Remeasurements:			
Experience adjustments	322,696	1,107,084	
Present value of defined benefit obligation at the end of the year	4,714,059	4,610,346	
Expense recognized in profit and loss account:			
Current service cost	1,126,729	926,272	
Interest cost	489,301	345,664	
Provision of employees' benefit	1,616,030	1,271,936	
Expense is recognized in the following line items in profit and loss account:			
Cost of sale/services	Note: 23.2	1,539,981	890,355
Administrative expenses	Note: 25.1	76,049	381,581
	1,616,030	1,271,936	

Principal actuarial assumptions used were as follows:

Discount rate per annum	9.75%	13.25%
Expected rate of increase in eligible salary per annum	8.75%	12.25%

Mortality rate	SLIC	SLIC
	2001-2005	2001-2005
	Mortality table	Mortality table
Average expected remaining working life time of employees	8 years	8 years

These assumptions have been developed by management with assistance of independent actuarial appraisers. Discount rate is determined by reference to market yields on government bonds since long term private sector bonds market is not deep enough in Pakistan. Rate of salary growth reflects regular / special increments and any promotional increase.

Detail of present value of employees' benefit obligation



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	2015	2014	2013	2012	2011
			Rupees		
Present value of defined benefit obligation	4,714,059	4,610,346	4,352,756	3,600,684	3,186,530
Estimated charge to profit and loss for the next year is Rs. 1,501,191.					

20 TRADE AND OTHER PAYABLES

	Note	2015 Rupees	2014 Rupees
Creditors - unsecured		362,435,883	480,266,364
Accrued liabilities		8,007,921	7,774,502
Advance from customer	Note: 20.1	1,350,000	1,350,000
Sales tax payable		6,941	453
Workers' Profit Participation Fund (WPPF)	Note: 20.2	835,094	2,780,943
Employees' income tax payable		2,811	393,150
Workers' Welfare Fund (WWF)		8,811,424	7,936,370
Short term murabaha		-	24,056,515
Other liabilities		39,234	72,710
Trade and other payables		381,489,308	524,631,007

20.1 This include advance received from Saudi Relief Fund, amounting to Rs. 1.35 million (2014: Rs. 1.35 million) for the supply of rotary drilling rigs, the adjustment of which is subject to pending litigation as disclosed in note 21.2 to the financial statements.

	Note	2015 Rupees	2014 Rupees
20.2 Workers' Profit Participation Fund			
Balance as at July 01		2,780,943	8,420,420
Charge for the year	Note: 26	560,337	1,694,709
Interest for the year	Note: 28	274,757	1,086,234
Transfer to fund during the year		(2,780,943)	(8,420,420)
Balance as at June 30		835,094	2,780,943

21 CONTINGENCIES AND COMMITMENTS

	Note: 21.1	2015 Rupees	2014 Rupees
Bank guarantees and bid bonds		34,512,790	40,030,702

21.1 These include Performance bonds/bid bonds issued in favour of various customers for the supply of goods and performance of services through NIB Bank Limited with outstanding balance of Rs. 20.268 million (2014: 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 (2014: Rs. 13.635 million) on behalf of the Company, in favour of various Government and other organizations. This facility is secured by cash margin of Rs. 4.47 million (2014: Rs. 4.47 million).

Further, there are outstanding guarantees issued by Bank Islami Pakistan Limited amounting to Rs. 13.122 million (2014: Rs. 8.13 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 1% charge over present and future current and fixed assets of the Company amounting to Rs. 334 million.

21.2 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 filed 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 appeal is likely to be fixed for hearing during current month. Management based on opinion of the legal advisor, is hopeful of a positive decision in its favor. Consequently, no provision has been made in these financial statements for payment of the contractual/awarded amount and the penalty.



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- 21.3** 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.
- 21.4** 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 unabsorbed 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. 1,0,148 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 has been provided in these financial statements and Deferred tax impact has not been made in these financial statements.
- 21.5** During the year the Company has filed an appeal before the learned Commissioner Inland Revenue, Appeal- 1, Large Tax Payers Unit, Islamabad against the order dated April 30, 2015 passed under section 122(1) read with section 122(5) of the Ordinance for Tax year 2013 by the learned Officer Inland Revenue, Audit-VII, Large Taxpayers Unit, Islamabad. The same is pending adjudication. Management is hopeful of a positive decision in its favor. Consequently, no provision has been made in these financial statements.

Commitments

Commitments for rentals under operating lease agreements/ Ijarah contracts as at June 30, 2015 are as follows:

	2015	2014
	Rupees	Rupees
Not later than one year	3,884,095	5,574,052
Over one year to five years	4,220,224	9,203,948
Commitments	8,104,319	14,778,000

22 REVENUE-NET

Gross sales	581,668,181	732,378,861
Sales tax	(839,994)	(7,729,875)
Revenue-net of sales tax	580,828,187	724,648,986
Discount allowed	(571,140)	(469,714)
Revenue-net	580,257,047	724,179,272



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23 COST OF SALES/ SERVICES

	Note	2015 Rupees	2014 Rupees
Raw materials consumed	Note: 23.1	405,567,851	523,598,532
Stores, spares and lubricants		-	1,675,200
Salaries, wages and benefits	Note: 23.2	21,264,229	19,255,365
Factory rent		3,879,547	3,349,678
Repair and maintenance		978,248	1,679,761
Travelling and conveyance		1,922,430	1,789,506
Vehicle running and maintenance		9,022	6,500
Electricity, water and gas		4,513,316	4,298,119
Telephone and postage		100,221	170,657
Carriage and freight		1,362,430	9,492,166
Royalty and equipment rentals		1,665,586	1,174,563
Clearing and service charges		26,619,753	25,841,390
Other factory overheads		3,551,308	3,799,512
Depreciation	Note: 6.2	3,744,255	4,245,213
Cost of sales/ services		475,178,196	600,376,162
23.1 Raw materials consumed			
Opening balance as on July 01		16,646,958	4,574,337
Add: Purchases during the year		453,772,817	535,671,153
		470,419,775	540,245,490
Less: Closing balance as on June 30	Note: 11	(64,851,924)	(16,646,958)
Raw materials consumed		405,567,851	523,598,532

23.2 These include an amount in respect of employees' benefit obligation of Rs. 1,539,981 (2014: Rs. 890,355) (refer to note: 19).

24 SELLING AND DISTRIBUTION EXPENSES

	Note	2015 Rupees	2014 Rupees
Advertisement and sales promotion		364,299	70,100
Marketing expenses	Note: 24.1	28,653,306	36,232,439
Selling and distribution expenses		29,017,605	36,302,539

24.1 Marketing expenses

Marketing expenses are being paid to Akbar Associates (Private) Limited, an associated company @ maximum of 5% of the revenue for services rendered to the Company.

25 ADMINISTRATIVE EXPENSES

	Note	2015 Rupees	2014 Rupees
Salaries and other benefits	Note: 25.1	7,423,034	8,620,692
Directors' remuneration		11,216,022	15,051,105
Travelling and conveyance		2,802,517	3,232,588
Rent, rate and taxes		7,532,951	5,370,063
Legal and professional charges		481,560	151,250
Fee and subscription		2,498,183	2,825,308
Electricity, gas and water		1,002,572	753,672
Repair and maintenance		2,074,724	4,001,893
Insurance		1,218,032	1,321,485
Printing, stationary and periodicals		906,210	1,135,063
Postage, telex and telephone		2,451,985	1,836,198
Entertainment and staff welfare		1,443,483	1,204,858
Depreciation	Note: 6.2	2,769,648	2,601,338
Auditors' remuneration	Note: 25.2	700,000	645,000
Donations	Note: 25.3	1,264,388	1,132,047
Provision and write offs	Note: 25.4	14,603,357	15,575,474
Miscellaneous expenses		689,728	1,177,726
Administrative expenses		61,078,394	66,635,760

25.1 These include an amount in respect of employees' benefit obligation of Rs. 76,049 (2014: Rs. 381,581) (refer to note: 19).



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		2015 Rupees	2014 Rupees
25.2	Auditors' remuneration		
	Annual audit fee	525,000	500,000
	Half-yearly review fee	85,000	75,000
	Review of CCG	60,000	50,000
	Certification	30,000	20,000
	Auditors' remuneration	700,000	645,000
25.3	Donations do not include any amount paid to any person or any organization in which a director or his spouse had any interest.		
25.4	Provision and write-offs	2015	2014
		Rupees	Rupees
	Provision for doubtful debts	6,430,805	15,575,474
	Write-offs	138,841	-
	Provision and write-offs	6,569,646	15,575,474
26	OTHER OPERATING EXPENSES		
	Workers' profit participation fund	560,337	1,694,709
	Workers' welfare fund	240,143	1,070,545
	Net exchange loss	9,046,780	9,356,599
	Other operating expenses	9,847,260	12,121,853
27	OTHER INCOME		
	Income from financial assets		
	Interest income - Banks	6,410,846	14,163,474
	Interest income - Associated company	1,222,475	-
	Other income	715,805	-
		8,349,126	14,163,474
	Income from non financial assets		
	Scrap sale	-	3,163,280
	Discount received from Cameron Singapore PTE	-	3,178,238
	Gain on disposal of property, plant and equipment	-	4,526,163
	Other income	1,077,189	-
		1,077,189	10,867,681
	Other income	9,426,315	25,031,155
28	FINANCIAL COST		
	Interest on Workers' Profit Participation Fund	274,757	1,086,234
	Murabaha profit- shared	1,072,543	296,660
	Bank charges	975,914	1,262,285
	Financial cost	2,323,214	2,645,179
29	TAXATION		
	- for the year	5,802,570	17,646,107
	- prior year	(7,141,259)	12,811,531
	- deferred tax	9,509,180	(5,911,247)
	Income tax expense	8,170,491	24,546,391
29.1	Relationship between tax expense and accounting profit:		
	Profit before taxation	12,238,693	31,128,934
	Tax at applicable rate of 33% (2014: 34%)	33%	34%
	Tax on profit before taxation	4,038,769	10,583,838
	Minimum tax @ 1% of gross revenue	5,802,570	-
	Tax effect of amount not admissible for tax purposes	-	8,416,631
	Tax effect of depreciation - admissible for tax purposes	-	(1,841,349)
	Tax effect sale of fixed assets - admissible for tax purposes	-	1,272,648
	Tax effect of gratuity paid - admissible for tax purposes	-	(785,661)
	Tax impact of prior year income tax	(7,141,259)	12,811,531
	Tax impact of deferred tax charged	9,509,180	(5,911,247)
	Actual tax expense net	8,170,491	24,546,391
29.2	Current year tax has been provided at a minimum rate which is higher of tax expense under Normal Tax Regime (NTR) and Alternative Corporate Tax (ACT). Further more Company has announced a dividend of 50% of the Capital due to which taxation on undistributed profit has not been provided in these financial statements.		

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30 EARNINGS PER SHARE - BASIC AND DILUTED

	2015 Rupees	2014 Rupees
Profit/(Loss) for the year - Rupees	4,068,202	6,582,543
Number of ordinary shares outstanding during the year	6,582,600	6,582,600
Earnings per share-Rupees	0.62	1.00

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

31 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	2015	2014	2015	2014	2015	2014
	Rupees		Rupees		Rupees	
Managerial remuneration	2,394,550	2,250,010	2,659,210	2,404,848	3,685,334	4,401,935
House rent allowance	1,077,547	1,012,504	1,196,645	1,082,182	1,658,400	1,980,871
Travelling allowance	2,395,111	3,020,735	607,585	4,479,857	-	-
Medical allowance	239,455	225,001	265,921	240,485	368,533	440,194
Bonus	193,548	161,290	206,451	174,194	-	469,678
	6,300,211	6,669,540	4,935,812	8,381,566	5,712,267	7,292,678
Number of persons	1	1	2	2	4	6

In addition to the above, the chief executive and an executive director has been provided with two vehicles each and another director is provided with one fully company maintained vehicle and all other benefits and perquisites which are available to senior executives. Certain executives are also provided with the company maintained cars.

32 RELATED PARTY TRANSACTIONS

Related parties comprise of associated companies, staff retirement funds, directors and key management personnel:

	Note	2015 Rupees	2014 Rupees
32.1 Transactions with Akbar Associates (Private) Limited:			
Marketing expenses	Note: 24	28,653,306	36,232,439
32.2 Common expense sharing:			
Rent, rate and taxes		230,210	2,600,000
Electricity, gas and water		1,174,666	753,672
Postage, telex and telephone		129,951	172,183
Entertainment and staff welfare		2,883,835	1,096,200
32.2.1 Out of total combined expenses, 66.66% has been allocated/ charged to Akbar Associates (Private) Limited.			
32.3 Non-sharing expenses paid on behalf of Akbar Associates (Private) Limited.		20,839,517	4,312,043
32.4 Interest income charged to Akbar Associates (Private) Limited on average monthly balances interest at monthly KIBOR plus 2.00%.		1,222,475	
32.5 Transactions with key management personnel			
The transaction with key personnel are disclosed in note 31.			
32.6 Transactions with others			
Employees' gratuity	Note: 19	6,552,524	6,031,220
Workers' profit participation fund	Note: 20.2	560,337	1,694,709
The related party status of outstanding balances as at balance sheet date are included in relevant notes to the financial statements.			

33 PLANT CAPACITY

As such the plant capacity cannot be determined. Utilization of plant capacity depends upon total market demand and market share held.

34 RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign exchange rates, market interest rates, commodity price, credit and liquidity risk associated with various financial assets and liabilities respectively.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company does not engage in the trading of financial assets for speculative purposes. All treasury related transactions are carried out within the parameters of those policies.

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The Company finances its operations through equity and management of working capital with a view to maintaining a reasonable mix and to minimize risk.

Taken as a whole, risks arising from the Company's financial instruments are limited as there is no significant exposure to risk. Risk measured and managed by the Company are explained in the notes below.

34.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and service charge out rate will effect the Company's income or the value of its holdings in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Foreign currency sensitivity, interest rate sensitivity and other price risk sensitivity are described in note: 34.1(a), 34.1(b) and 34.1(c) respectively.

(a) Foreign currency sensitivity

Local transactions except sales are carried out in Pak Rupees while transactions abroad are carried out in US Dollars. Exposures to currency exchange rates arise from the Company's receivables, payables and some balances with banks, which are primarily denominated in other than Pak Rupees. The activities of the Company expose it to foreign exchange risk, primarily with respect of US Dollars. To mitigate the Company's exposure to foreign currency risk, non-Pak Rupees cashflows are monitored in accordance with Company's risk management policies. Generally, the Company's risk management procedures distinguish short-term foreign currency cashflows from long term cashflows, where the amounts to be paid and received in a specific currency are managed to largely offset one another. Foreign currency denominated financial assets and liabilities, translated into Pak Rupees at the closing rate, are as follows:

	2015 Rupees	2014 Rupees
Financial assets	269,966,447	379,897,928
Financial liabilities	(361,992,878)	(480,266,364)
Short-term exposure	(92,026,431)	(100,368,436)
Financial assets	-	-
Financial liabilities	-	-
Long-term exposure	-	-

The following table illustrates the sensitivity of the net result for the year and equity with regards to Company's financial assets and liabilities and US Dollar - Pak Rupee exchange rate.

A + 2.81/- 1.89 change of the US Dollar exchange rate for the year ended June 30, 2015 (2014: A + 6.11/- 6.61) has been considered. These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on Company's foreign currency financial instruments held at each balance sheet date.

If the Pak Rupee had strengthened against the US Dollar by 2.81 (2014: 6.61), then this would have had the following impact:

	2015 Rupees	2014 Rupees
Net result for the year	2,578,620	(58,749,003)

If the Pak Rupee had weakened against the US Dollar by 1.89 (2014: 6.11), then this would have had the following impact:

	2015 Rupees	2014 Rupees
Net result for the year	(1,731,917)	54,336,252

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above has been considered to be representative of the Company's exposure to foreign currency risk.

(b) Interest rate sensitivity

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have any external borrowings except vehicles under Ijarah Finance. The Company is exposed to change in market interest rate through fund utilized out of Workers' Profit Participation Fund (WPPF) and saving accounts in bank, vehicles acquired under Ijarah lease agreements and amount receivable from Akbar Associates (Private) Limited, which are subject to variable interest rates.



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	2015 %	2014 %	2015 Rupees	2014 Rupees
	Effective interest rate			
Financial assets				
Bank balances	3.50 to 8.00 %	3.50 to 10.00 %	55,775,614	12,482,451
Due From Associated Company	12.10%	11.96%	23,167,366	4,949,058
			<u>78,942,980</u>	<u>17,431,509</u>
Financial liabilities				
Ijarah financing	12.10%	12.17%	8,104,319	14,778,000
WPPF	9.88 %	12.90 %	835,094	2,780,943
			<u>8,939,413</u>	<u>17,558,943</u>
On balance sheet gap			<u>70,003,567</u>	<u>(127,434)</u>

(c) Equity price risk

Equity price risk is the risk that the fair value of the equities changes as a result of changes in the level of equity indices and the value of individual stocks. The Company does not have exposure in listed equities as at June 30, 2015.

34.2 Credit risk analysis

Credit risk represents the accounting loss that would be recognized on the reporting date if counter parties failed completely to perform as contracted. The Company's credit risk is primarily attributable to its trade debts, advances, deposits and other receivables and balances with banks. The credit risk on liquid funds is limited, as the counter parties are banks with reasonably good credit ratings, trade debtors are petroleum companies which have good credit worthiness, associated undertaking over which we have influence, Ijarah security deposits are with banks which have good credit ratings and employees who are also contractually binded and subject to final settlement. The Company believes that it is not exposed to major concentration of credit risk. Out of the total financial assets of Rs. 428,405,390 (2014: Rs. 622,644,476), the financial assets of Rs. 428,405,390 (2014: Rs. 621,243,006) are subject to credit risk.

(a) Exposure to credit risk

	2015 Rupees	2014 Rupees
Classes of financial assets - carrying amounts		
Bank balances	92,784,588	232,744,519
Trade and other receivables	335,620,802	389,899,957
	<u>428,405,390</u>	<u>622,644,476</u>

The maximum exposure to credit risk for financial assets at the reporting date by type of counterparty was:

	2015 Rupees	2014 Rupees
Companies - Petroleum	269,767,775	379,691,302
Company - Associated Undertaking	23,167,366	4,949,058
Companies- Others	26,430,432	-
Banks and financial institutions	94,853,908	232,744,519
Employees	681,920	3,858,128
Provincial Governments	13,503,989	-
Others	-	1,401,469
	<u>428,405,390</u>	<u>622,644,476</u>

The Company's management continuously monitors defaults of customers and other counterparties, identified either individual or by group. Where available at reasonable cost, external credit ratings or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

(b) Credit quality of major financial assets

Management considers that all the above financial assets that are not impaired on each of the reporting dates have good credit quality, including those that are past due.

Trade receivables

Financial assets due but not impaired can be shown as follows:

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	2015	2014
	Rupees	Rupees
Neither past due nor impaired:		
Not more than 1 month	8,677,000	161,944,291
Past due but not impaired:		
More than 1 month but not more than 6 months	14,466,118	130,388,088
More than 6 months but not more than 1 year	65,166,928	72,251,238
More than 1 year but not more than 3 years	181,457,729	15,107,685
	269,767,775	379,691,302
Past due - Credit worthiness in terms of default		
Customers with no defaults in the past one year	18,080,538	346,049,240
Customers with some defaults in past one year which have been fully recovered	-	1,587,203
Customers with defaults in past one year which have not yet been recovered	251,687,237	21,550,313
	269,767,775	369,186,756

Majority of companies includes multinationals which have good credit worthiness

Company - Associated Undertaking

This includes amount receivable from Akbar Associates (Private) Limited in respect of payments made for various expense. The company is also paid marketing commission @ 5% of sales in respect of marketing services provided by them which on average amount to Rs. 30-35 million yearly and this amount may also be adjusted against the marketing commission

Companies- Others

This includes amount receivable from a company involved in import of vehicles and having a good credit worthiness.

Bank balances

The credit risk for cash and cash equivalents is considered negligible, since the counter parties are reputable banks with high quality credit ratings.

The bank balances along with credit ratings are tabulated below:

		2015	2014
	Rating agency	Rupees	Rupees
AI+	PACRA	25,602,137	-
AI	PACRA	232,193	-
A-1+	JCR VIS	-	30,911,372
A-2	JCR-VIS	7,115,281	-
A-1	JCR-VIS	59,683,799	201,181,036
		92,633,410	232,092,408

Employees

This amount represents advances given to employees who are in the lawful binding employment contract and are subject to final settlement

Provincial Governments

This represents amounts paid to provincial governments in respect of bid money and the credit risk on such is low.

34.3 Liquidity risk analysis

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash flow management and planning policy to ensure the availability of funds and to take appropriate measures for new requirements.

Company maintains cash and balances with banks to meet its liquidity requirement for thirty (30) days period. Funding for long term liquidity needs is additionally secured by an adequate amount of committed credit facility from financial institutions and Company's directors.

At balance sheet date, the Company's liabilities have contractual maturities which are summarized below:

June 30, 2015	Within 1 months	More than 1 to 6 months	More than 6 to 12 months
Trade and other payables	73,709,983	307,779,325	-
Unclaimed dividend	3,478,125	-	-
	77,188,108	307,779,325	-

This compared to the maturity of Company's financial liabilities in the previous reporting period as follows:

June 30, 2014	Within 1 months	More than 1 to 6 months	More than 6 to 12 months
Trade and other payables	-	520,106,461	-
Unclaimed dividend	2,265,520	-	-
	2,265,520	520,106,461	-

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The above contractual maturities reflect the gross cash flows, which may differ with the carrying values of the liabilities at the balance sheet date. The management believes that the company is not exposed to any significant liquidity risk.

34.4 Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rates at the reporting date would not affect income and expenditure account.

34.5 Summary of financial assets and liabilities by category

The carrying amounts of the Company's financial assets and liabilities recognized at the balance sheet date are categorized as follows:

	Note	2015 Rupees	2014 Rupees
Financial assets at amortized cost			
- Trade debts	Note 12	269,767,775	379,691,302
- Due from Associated Undertaking	Note 15	23,167,366	4,949,058
- Advances	Note 13	26,430,432	-
- Margin deposits and bid money	Note 14.1	13,503,989	-
- Others		-	1,401,469
- Employees	Note 7	681,920	3,858,128
- Bank balances	Note 17	94,853,908	232,744,519
		428,405,390	622,644,476
Financial liabilities			
Financial liabilities measured at amortized cost			
- Trade and other payables		381,489,308	520,106,461
- Unclaimed dividend		3,478,125	2,265,520
		384,967,433	522,371,981

35 CAPITAL MANAGEMENT POLICIES AND PROCEDURES

Company is not subject to any externally imposed capital requirements.

Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus unappropriated profit less cash and cash equivalents as presented on the face of the balance sheet.

Consistent with industry practice and the requirements of lender, the Company monitors the capital structure on the basis of gearing ratio. The ratio is calculated as borrowings divided by total capital employed.

	2015 Rupees	2014 Rupees
Total equity	267,519,271	263,557,376
- Cash and bank balances	(92,640,971)	(232,119,221)
Capital	174,878,300	31,438,155
Total equity	267,519,271	263,557,376
Overall financing	267,519,271	263,557,376
Capital-to-overall financing ratio	0.65	0.12

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

36 NUMBER OF EMPLOYEES

	2015 Number	2014 Number
Number of employees at the year end	77	79
Average number of employees	78	77



ADOS PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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37 GENERAL

37.1 Non- adjusting event after the balance sheet date

The Board of Directors in its meeting held on October 08, 2015 proposed a final cash dividend of Rs. 5 per share (2014 : nil) for the year ended June 30, 2015. The dividend announcement shall be approved by the members in forthcoming Annual General Meeting. These financial statements do not include the effect of these appropriations which will be accounted for subsequent to the year end.

37.2 General and corresponding figures

Amounts have been rounded to the nearest thousand rupees unless otherwise stated. Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. There was no significant reclassifications/ restatements to these financial statements during the year.

37.3 Date of authorization for issue

These financial statements have been authorized for issue by the Board of Directors of the Company in its meeting held on October 08, 2015.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR



PROXY FORM

The Secretary,
ADOS Pakistan Limited
88, Khayaban-e-Iqbal,
Sector F-8/2,
Islamabad.

I, We _____
of _____
in the district of _____ being a member
ADOS Pakistan Limited and a holder of _____
Ordinary Shares as per Share Register

No. of Shares _____
Folio No. _____
Here by appoint _____ of _____ in the district
of _____ or failing him _____
of _____

as my/our proxy to vote for me/us on my/our behalf at the 30th Annual General Meeting of the
company to be held on _____ and at any adjournment thereof.

Signed this _____ day of _____ 2015.

Signature on
One Rupee
Revenue Stamp

(Signature of Proxy)
Signature should agree with the
Specimen signature registered with the company.

NOTE:

1. A member entitled to attend and vote at Annual General Meeting may appoint another member, as his/her proxy to attend and vote on his/her behalf.
2. The instrument appointing proxy and the power of attorney or other authority under which it is signed or a notarially certified copy of power of attorney must be deposited at the registered office of the Company at least 48 hours before the meeting.
For Beneficial Owners as per CDC List
In addition to the above the following requirements have to be met:
3. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be submitted with the Company prior to the meeting.
4. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
5. The proxy shall produce his original CNIC or passport at the time of the meeting.
6. In case of a corporate entity, the Board of Director's Resolution/ Power of attorney with specimen signatures shall be submitted along with proxy form to the Company.