



Quarterly Report
September 30, 2011



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COMPANY INFORMATION

Board of Directors

Yusuf H. Shirazi
Chairman

Kamal A. Chinoy
Director

Khaleeq-ur-Rahman Khan
Director

Makio Tanaka
Director

Omar Saeed
Director

Talha Saad
Director

Ali H. Shirazi
President / Chief Executive

Rizwan Ahmed
Company Secretary

Audit Committee

Omar Saeed
Chairman

Khaleeq-ur-Rahman Khan
Member

Talha Saad
Member

M. Rizwan Jamil
Head of Internal Audit

Muhammad Saleem
Secretary

Management Committee

Ali H. Shirazi
President / Chief Executive

Talha Saad
Managing Director

Ahmad Zafaryab Ali
Chief Financial Officer

Arshad Gulraiz Butt
General Manager Marketing

Muhammad Iqbal
General Manager Supply Chain

Muhammad Jamil Awan
General Manager Quality Assurance

Shahzad Ahmad Khan
General Manager Plant

Qasim Imran Khan
Head of Information Technology

Ahmar Waheed
Manager Human Resources

Auditors

Hameed Chaudhri & Co.
Chartered Accountants

Legal Advisors

Agha Faisal Barrister at Law
Mohsin Tayebaly & Co.

Tax Advisor

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

COMPANY INFORMATION

Bankers

Allied Bank Limited
 Bank Alfalah Limited
 Habib Bank Limited
 HSBC Bank Middle East Limited
 MCB Bank Limited
 Meezan Bank Limited
 National Bank of Pakistan
 Summit Bank Limited
 The Bank of Tokyo-Mitsubishi UFJ, Limited
 United Bank Limited

Share Registrar

Hameed Majeed Associates (Pvt) Limited
 Karachi Chambers, Hasrat Mohani Road,
 Karachi.
 Tel: 32424826 & 32412754
 Fax: 32424835
 E-mail: majeed@hmaconsultants.com

Registered Office & Factory

D-181, Central Avenue, S.I.T.E.,
 Karachi-75730
 Tel: 32567990-94
 Fax: 32564703

Zonal Office Karachi

PPI Building, Near Sindh Secretariat Building,
 Shahra-e-Kamal Ataturk, Karachi-74200
 Tel: 32636057 & 32610145
 Fax: 32626478

Sukkur Office

F-33/4, Barrage Colony,
 Workshop Road, Sukkur
 Tel: 612532
 Fax: 612532

Zonal Office Lahore

Salam Chambers,
 21 Link Mcleod Road, Lahore-54000
 Tel: 37227075 & 37354245
 Fax: 37352724

Faisalabad Office

54-Chenab Market,
 Madina Town, Faisalabad
 Tel: 8713127
 Fax: 8726628

Multan Office

Azmat Wasti Road,
 Chowk Dera Adda, Multan-60000
 Tel: 4548017

Peshawar Office

1st Floor, Zeenat Plaza,
 Near General Bus Stand,
 G.T. Road, Peshawar
 Tel: 2262485

Rawalpindi Office

312-A, Kashmir Road,
 R. A. Bazar, Rawalpindi-65847
 Tel: 5567423

Sahiwal Office

647-V-7, Al-Hilal Building,
 Nishter Road, Sahiwal-57000
 Tel: 4461539

Company Website

www.atlasbattery.com.pk

Email Address

abl@atlasbattery.com.pk

CHAIRMAN'S REVIEW

It is my pleasure to present to you the un-audited accounts of your Company for first quarter ended September 30, 2011.

ECONOMY

Pakistan economy is inherently resilient. Despite several unfavourable factors, FY10-11 ended with a growth of 2.4% as against original target of 4.5%. For FY11-12, GDP growth target has been set at 4.2% which seems quite challenging in light of the devastating flood in lower Sind which has destroyed cash crops - sugarcane and cotton. It is estimated that a total of 4.0 million acres of land, including 1.7 million acres of agriculture land has been inundated, causing damage to 80% of these cash crops. Historically, floods lead to fertility the following year and compensate for the loss to crops. This is the case in the present scenario as well. On the other hand, a protracted power shortage is hurting the economy, as it has brought the industrial wheel almost to a standstill. Due to heavy imports of US\$ 11.1 billion as against exports of US\$ 6.0 billion, trade deficit increased to US\$ 5.1 billion for the first quarter, up 28.8% over the same period of last year.

On the positive side inflation continued to ease for the third month consecutively to 10.5% against 13.8% at the start of the FY11-12. Overseas Pakistani workers remitted an amount of US\$ 3,297.2 million during July - September quarter of FY11-12, showing an impressive growth of 24.6% over the same period of last year. Foreign exchange reserves touched historically high levels and crossed US\$ 18.3 billion in July this year due to increased remittances. Revenue collection has been reported at Rs.366 billion during first quarter of FY11-12 as against the target of Rs.363 billion.

OPERATING RESULTS

Your Company continued its journey towards growth and has achieved ever highest quarterly sales revenue of Rs.1,519.5 million during July-September period as compared to Rs.1,217.6 million for the same period last year, up 24.8%. Cost of sales for the same period increased from Rs.1,008.0 million to Rs.1,288.4 million, up 27.8%, mainly because of increase in cost of refined lead in addition to depreciation of rupee against all foreign currencies and unabated higher cost of energy and other related products. Resultantly, gross profit percentage reduced to 15.2% from 17.2% in the corresponding period of last year. However, in terms of value it improved by 10.2% to Rs.231.1 million from Rs.209.6 million.

Operating expenses increased by 22.9% from Rs.59.3 million to Rs.72.9 million, because of increase in sales volume and inflation. Operating profit increased from Rs.141.3 million to Rs.148.9 million, up 5.4%. Financial cost increased by 49.7%, from Rs.11.4 million to Rs.17.0 million, mainly due to higher utilization of running finance facilities as compared to corresponding period. After providing Rs.34.9 million in respect of current and deferred taxation, the after tax profit of your Company stood at Rs.97.0 million compared to Rs.84.3 million, up 15.0%. Earnings per share improved from Rs.6.98 to Rs.8.02 during the reporting period.

FUTURE OUTLOOK

The decision taken by State Bank of Pakistan recently to reduce the interest rate by 150bps seems to be a timely well-taken step. Pakistan economy needs private sector growth and such policy measures may encourage businesses to borrow at lower rates and move the economy forward. Being a vendor of automotive industry, your Company's product is highly dependent on the growth of the industry. The present situation of automotive industry looks promising which will lead to strong growth in the battery industry as well. The abolition of federal excise duty and reduction in rate of sales tax has given a breathing space to the automotive industry. Resultantly, during the period from July to September 2011, sales of locally manufactured cars jumped by 26.8% to 38,065 units from 30,030 units during the same period of last year. LCV segment also grew significantly by 53.9% with sales volume of 5,629 units as against 3,657 units sold in the corresponding period. However, sales of heavy vehicles i.e. trucks & buses and farm tractors nose dived by 44.1% and 69.7%, respectively. Slow down in sales of tractor was mainly because of imposition of 16% general sales tax. Motorcycles and three-wheeler segment grew by 17.2% during the period under review and sold 220,447 units as against 188,140 units during last year.

On the other side, there seems no end to production cost escalation. Significant increase in raw materials costs coupled with rupee depreciation and high cost of energy are some of the factors resulting in high cost of doing business. Locally available recycled lead cost is still on higher side due to illegal-export through misuse of DTRE scheme. Rupee depreciated by 5% against dollar during last three months and it is expected to slide further in the coming quarters due to unfavorable trade balance. Additionally, unavailability of electricity and unabated increase in cost of energy related facilities will have a multiple impact on the cost of production.

The silver lining for battery industry is a slight ease in the cost of one of the basic raw materials i.e. refined lead in international market. This will help in maintaining the margins despite all other unfavourable factors. All these factors will put the onus on the management of your Company to be more competitive in this challenging environment to ensure sustainable growth and profitability. I am sure the Company will continue to focus on productivity while meeting customers' need with improved quality:

خدا رحمت کند این عاشقان پاک طینت را
(Blessed are those who are blissful)

ACKNOWLEDGEMENT

I would like to thank our JV Partners GS Yuasa International Limited; Japan, Board of Directors, our bankers, shareholders, vendors and customers for their continuous support and guidance. I also thank Mr. Ali H. Shirazi; President / Chief Executive of your Company and the management team for their dedication and commitment to achieve sustained growth year after year.



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2011

	Note	Unaudited September 30, 2011 ----- (Rupees in '000) -----	Audited June 30, 2010
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	998,431	900,503
Intangible assets	6	4,596	6,129
Investments - Available for sale		-	-
Long term deposits		517	517
Long term loans		611	605
		<u>1,004,155</u>	<u>907,754</u>
CURRENT ASSETS			
Stores, spares and loose tools		47,629	30,933
Stock-in-trade	7	828,882	717,004
Trade debts		164,589	89,625
Loans and advances		5,068	2,884
Deposits and prepayments		45,084	4,847
Investments	8	211,066	204,863
Other receivables		2,317	2,317
Taxation - net		38,019	26,488
Cash and bank balances	9	73,931	93,952
		<u>1,416,585</u>	<u>1,172,913</u>
		<u>2,420,740</u>	<u>2,080,667</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital 50,000,000 (June 30, 2011: 50,000,000) ordinary shares of Rs. 10/- each		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid up capital 12,083,174 (June 30, 2011: 10,069,312) ordinary shares of Rs. 10/- each		120,832	100,693
General reserves		727,500	497,500
Unappropriated profit		102,681	356,552
		<u>951,013</u>	<u>954,745</u>
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
Leasehold land		173,786	173,786
NON CURRENT LIABILITIES			
Deferred liabilities	10	144,530	138,411
CURRENT LIABILITIES			
Trade and other payables		387,311	356,874
Sales tax payable - net		25,111	3,908
Special exise duty payable - net		-	13,023
Accrued mark-up / interest		11,524	5,222
Short term borrowings - secured	11	713,872	434,698
Dividend payable		13,593	-
		<u>1,151,411</u>	<u>813,725</u>
CONTINGENCIES AND COMMITMENTS			
	12	<u>2,420,740</u>	<u>2,080,667</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Omar Saeed
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	Note	September 30, 2011	September 30, 2010
----- (Rupees in '000) -----			
Sales		1,519,535	1,217,622
Cost of sales	13	(1,288,444)	(1,007,982)
Gross profit		231,091	209,640
Distribution cost		(40,873)	(35,537)
Administrative expenses		(31,979)	(23,732)
Other operating income		6,908	913
Other operating expenses		(16,190)	(9,957)
Profit from operations		148,957	141,327
Finance cost		(17,030)	(11,379)
Profit before tax		131,927	129,948
Taxation	14	(34,966)	(45,655)
Profit after tax		96,961	84,293
Other comprehensive income		-	-
Total comprehensive income		96,961	84,293
-----Rupees-----			
Earnings per share - basic and diluted	15	8.02	6.98

The annexed notes 1 to 19 form an integral part of these condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Omar Saeed
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

Note	September 30, 2011	2010
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	131,927	129,948
Adjustments for:		
Depreciation	18,748	15,688
Amortization	1,533	1,650
Unrealized gain on remeasurement of investments	(5,557)	(185)
Gain on sale of investment	(647)	(125)
Finance cost	17,030	11,379
Gain on sale of fixed assets	-	(104)
Provision for gratuity	2,105	2,036
Provision for compensated absences	2,671	2,202
	35,883	32,541
Operating profit before working capital changes	167,810	162,489
Working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(16,696)	(457)
Stock-in-trade	(111,878)	(85,649)
Trade debts	(74,964)	20,156
Loans and advances	(2,184)	(1,941)
Deposits and prepayments	(40,237)	(20,249)
	(245,959)	(88,140)
Increase / (decrease) in current liabilities		
Trade and other payables	28,382	(60,101)
Sales tax payable - net	21,203	7,624
Special exise duty payable - net	(13,023)	(233)
	36,562	(52,710)
Working capital changes	(209,397)	(140,850)
Cash (used in) / generated from operations	(41,587)	21,639
Finance cost paid	(10,728)	(4,211)
Interest received	-	195
Income taxes paid (including tax deducted at source)	(36,842)	(39,578)
Compensated absences paid	(6,257)	-
Long term loans	(6)	27
	(53,833)	(43,567)
Net cash used in operating activities	(95,420)	(21,928)

c/f

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	Note	September 30, 2011	September 30, 2010
		----- (Rupees in '000) -----	
Net cash used in operating activities	b/f	(95,420)	(21,928)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(119,854)	(52,580)
Intangible assets		-	(13,196)
Investments acquired		(30,000)	(2,459)
Proceeds from disposal of property, plant and equipment		3,179	1,150
Proceeds from disposal of investments		30,000	20,324
Net cash used in investing activities		(116,675)	(46,761)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short term borrowings		279,174	261,582
Dividend paid		(87,100)	(72,583)
Net cash generated from financing activities		192,074	188,999
(Decrease) / increase in cash and cash equivalents		(20,021)	120,310
Cash and cash equivalents at the beginning of the period		93,952	29,869
Cash and cash equivalents at the end of the period		73,931	150,179

The annexed notes 1 to 19 form an integral part of these condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Omar Saeed
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	Share Capital	General Reserves	Unappro- priated Profit	Total
	----- (Rupees in '000) -----			
Balance as at June 30, 2010 (Audited)	83,911	375,500	224,743	684,154
Total comprehensive income for the quarter ended September 30, 2010	-	-	84,293	84,293
Cash dividend paid @ Rs. 10/- per share	-	-	(83,911)	(83,911)
Transfer to general reserves	-	122,000	(122,000)	-
Bonus shares issued	16,782	-	(16,782)	-
Transactions with owners directly recorded in equity	16,782	122,000	(222,693)	(83,911)
Balance as at September 30, 2010 (Unaudited)	100,693	497,500	86,343	684,536
Total comprehensive income for the nine months period ended June 30, 2011	-	-	270,209	270,209
Balance as at June 30, 2011 (Audited)	100,693	497,500	356,552	954,745
Total comprehensive income for the quarter ended September 30, 2011	-	-	96,961	96,961
Cash dividend paid @ Rs. 10/- per share	-	-	(100,693)	(100,693)
Transfer to general reserves	-	230,000	(230,000)	-
Bonus shares issued	20,139	-	(20,139)	-
Transactions with owners directly recorded in equity	20,139	230,000	(350,832)	(100,693)
Balance as at September 30, 2011 (Unaudited)	<u>120,832</u>	<u>727,500</u>	<u>102,681</u>	<u>951,013</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Omar Saeed
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2011

1. LEGAL STATUS AND NATURE OF BUSINESS

Atlas Battery Limited (the Company) was incorporated as a public limited company on October 19, 1966 under the Companies Act, 1913, now Companies Ordinance, 1984 (the Ordinance). Currently, the shares of the Company are listed on Karachi and Lahore Stock Exchanges in Pakistan. The registered office is located at D-181, Central Avenue, S.I.T.E., Karachi. The Company is engaged in manufacturing and marketing of automotive and motorcycle batteries. The manufacturing facilities are located at Karachi with branches at Karachi, Lahore, Multan, Rawalpindi, Faisalabad, Sahiwal, Peshawar and Sukkur.

2. BASIS OF PREPARATION

- 2.1** These condensed interim financial information of the Company for the quarter ended September 30, 2011 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34, "Interim Financial Reporting" (IAS 34) and provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Ordinance. Where ever the requirements of IAS 34 differ from the requirements of the Ordinance or directives issued by the SECP, the Ordinance and the set directives have been followed. These are being submitted to the shareholders in accordance with the requirements of Section 245 of the Ordinance and the listing regulations of Karachi and Lahore Stock Exchanges.
- 2.2** These condensed interim financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2011.
- 2.3** These condensed interim financial information are presented in Pak Rupee, which is the functional currency of the Company. All the financial information presented in Pak Rupee has been rounded off to the nearest thousand, except for earnings per share which is presented in whole figures.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The principal accounting policies and the methods of computation followed in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited annual financial statements of the Company for the year ended June 30, 2011.
- 3.2** Amendments to certain existing standards and new interpretation on approved accounting standards effective during the period were not relevant to the Company's operation and did not have any impact on the accounting policies of the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

- 4.1** The preparation of these condensed interim financial information requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.
- 4.2** During the preparation of these condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to audited annual financial statements of the Company for the year ended June 30, 2011.

	Note	Unaudited September 30, 2011 ---- (Rupees in '000) ----	Audited June 30, 2011 ---- (Rupees in '000) ----
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	925,120	866,223
Capital work in progress		73,311	34,280
		<u>998,431</u>	<u>900,503</u>
5.1 Operating fixed assets			
Book value at the beginning of the period / year		866,223	680,935
Additions during the period / year	5.2	80,824	259,070
		<u>947,047</u>	<u>940,005</u>
Less:			
Written down value of disposals	5.3	(3,179)	(5,810)
Depreciation		(18,748)	(67,972)
		<u>(21,927)</u>	<u>(73,782)</u>
Book value at the end of the period / year		<u>925,120</u>	<u>866,223</u>
5.2 Additions during the period / year			
Land		-	48,105
Buildings		-	1,220
Plant and machinery		15,946	141,822
Moulds, dies and jigs		8,446	13,558
Factory equipments		13,370	18,675
Office equipments		-	634
Computer and accessories		589	748
Air conditioners		562	1,726
Electrical installation		28,896	3,022
Vehicles		13,015	29,560
		<u>80,824</u>	<u>259,070</u>
5.3 Written down value of disposals			
Plant and machinery		-	285
Moulds, dies and jigs		-	13
Office equipments		-	37
Computer and accessories		-	66
Air conditioners		-	30
Vehicles		3,179	5,379
		<u>3,179</u>	<u>5,810</u>
5.4 Certain moulds, dies and jigs having cost of Rs.30,908 thousand (June 30, 2011: Rs.30,908 thousand) and book value of Rs.14,987 thousand (June 30, 2011: Rs.15,371 thousand) are held by third parties for production of components to be supplied to the Company.			
		Unaudited September 30, 2011 ---- (Rupees in '000) ----	Audited June 30, 2011 ---- (Rupees in '000) ----
6. INTANGIBLE ASSETS			
Book value at the beginning of the period / year		6,129	-
Additions during the period / year			
Software		-	5,796
ERP implementation cost		-	7,400
		<u>6,129</u>	<u>13,196</u>
Less:			
Written down value of disposal of software		-	(937)
Amortization		(1,533)	(6,130)
		<u>(1,533)</u>	<u>(7,067)</u>
		<u>4,596</u>	<u>6,129</u>

	Unaudited September 30, 2011 ----- (Rupees in '000) -----	Audited June 30, 2011 ----- (Rupees in '000) -----
7. STOCK-IN-TRADE		
Raw materials and components:		
In hand	433,653	290,108
With third parties	23,307	53,961
	<u>456,960</u>	<u>344,069</u>
Work in process	268,514	233,876
Finished goods	63,533	90,701
Goods in transit	39,875	48,358
	<u>828,882</u>	<u>717,004</u>
8. INVESTMENTS		
Investments in mutual funds:		
Related parties	201,332	195,425
Others	9,734	9,438
	<u>211,066</u>	<u>204,863</u>
9. CASH AND BANK BALANCES		
At banks:		
In current account	1,077	13,474
In imprest account	42	40
Cheques in hand	72,812	80,438
	<u>73,931</u>	<u>93,952</u>
10. DEFERRED LIABILITIES		
Provision for gratuity - Non management	1,683	1,633
Compensated leave absences	30,192	33,778
Deferred taxation	112,655	103,000
	<u>144,530</u>	<u>138,411</u>
11. SHORT TERM BORROWINGS - SECURED		
Short term running finance	417,880	255,294
Demand finance	199,000	-
Import finance	96,992	179,404
	<u>713,872</u>	<u>434,698</u>
12. CONTINGENCIES AND COMMITMENTS		
12.1	There is no change in the contingencies as disclosed in Note 23.1 and 23.2 of the audited annual financial statements of the Company for the year ended June 30, 2011.	
	Unaudited September 30, 2011 ----- (Rupees in '000) -----	Audited June 30, 2011 ----- (Rupees in '000) -----
12.2 Guarantees		
Issued by banks on behalf of Company to:		
Sui Southern Gas Company Limited	7,677	7,677
Karachi Electric Supply Corporation	26,025	-
	<u>33,702</u>	<u>7,677</u>
12.3 Commitments		
Confirmed letters of credits / contracts relating to:		
Raw materials and stores, spare parts and loose tools	317,048	292,547
Plant and equipment	53,602	3,862
	<u>370,650</u>	<u>296,409</u>

----- Unaudited -----
September 30,
2011 2010
 ----- (Rupees in '000) -----

13. COST OF SALES

	Note	2011	2010
Stock at beginning		90,701	69,056
Cost of goods manufactured	13.1	1,261,276	987,877
		<u>1,351,977</u>	<u>1,056,933</u>
Stock at end		63,533	48,951
		<u>1,288,444</u>	<u>1,007,982</u>

13.1 Cost of goods manufactured

Work in process at beginning		233,876	115,589
Raw materials and components consumed		1,040,516	833,364
Overheads		255,398	181,962
		<u>1,529,790</u>	<u>1,130,915</u>
Work in process at end		268,514	143,038
		<u>1,261,276</u>	<u>987,877</u>

14. TAXATION

Current year		25,311	30,897
Deferred		9,655	14,758
		<u>34,966</u>	<u>45,655</u>

15. EARNINGS PER SHARE - BASIC AND DILUTED

Earnings for the purpose of basic earnings per share			
Net profit for the period (Rupees in thousand)		<u>96,961</u>	<u>84,293</u>
Weighted average number of outstanding ordinary shares for the period (Numbers)		<u>12,083,174</u>	<u>12,083,174</u>
Basic and diluted earnings per share (Rupees)		<u>8.02</u>	<u>6.98</u>

2,013,862 (2011: 1,678,218) bonus shares of Rs. 10/- each were issued on September 30, 2011. Weighted average number of ordinary shares for the previous period has been restated accordingly.

16. SEGMENT INFORMATION

16.1 These condensed interim financial information have been prepared on the basis of a single reportable segment.

16.2 All non-current assets of the Company are located in Pakistan.

16.3 There is no customer of Company to whom 10% or more sale is made during the period.

17. RELATED PARTY TRANSACTIONS

Related parties comprise of associated companies, staff retirement funds / schemes, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. All transactions with related parties have been carried out on commercial terms and conditions. Significant transactions and balances with related parties are as follows:

Transactions	Relationship	----- Unaudited ----- September 30, 2011 2010 ---- (Rupees in '000) ----	
Sales	Associated companies	80,044	75,657
Sale of operating fixed assets	"	-	612
Purchase of operating fixed assets	"	9,353	2,207
Reimbursement of expenses	"	2,112	361
Expenses charged to	"	263	36
Donation paid	"	2,000	3,413
Insurance premium	"	30,636	25,392
Rent / service charges paid	"	32,232	12,033
Dividend paid	"	58,850	44,462
Investment in mutual fund	"	30,000	-
Redemption of mutual fund	"	30,000	-
Purchases of consumables	"	105	116
Purchases of raw materials	"	5,308	4,842
Royalty	"	15,195	12,391
Contributions paid	Staff retirement funds/schemes	4,428	3,724
Remuneration and other benefits	Key management personnel	36,051	24,213

Unaudited September 30, 2011	Audited June 30, 2011
---- (Rupees in '000) ----	

Balances	Relationship		
Trade debts	Associated companies	36,115	1,514
Advance for capital expenditure	"	2,020	1,499
Investments	"	201,332	195,425
Trade payable	"	14,217	-
Royalty payable	"	73,878	58,683
Dividend payable	"	13,593	-
Loan to staff	Key management personnel	218	167
Gratuity fund payable	Staff retirement funds/schemes	10,019	7,964

18. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorized for issue on October 27, 2011 by the Board of Directors of the Company.

19. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation, the effect of which is immaterial.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Omar Saeed
Director

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