



Quarterly Report
September 30, 2012



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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

Kamal A. Chinoy

Chairman

Khaleeq-ur-Rahman Khan

Member

Talha Saad

Member

Rizwan Ahmed

Secretary

M. Rizwan Jamil

Head of Internal Audit

Human Resource and Remuneration Committee

Omar Saeed

Chairman

Ali H. Shirazi

Member

Khaleeq-ur-Rahman Khan

Member

Ahmar Waheed

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

Nehal Asghar

General Manager Plant

Ahmar Waheed

Head of Human Resource

Qasim Imran Khan

Head of Information Technology

COMPANY INFORMATION

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

Bankers

Allied Bank Limited
Bank Alfalah Limited
Barclays Bank PLC
HSBC Bank Middle East Limited
Habib Bank Limited
Habib Metropolitan Bank 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: (021) 32424826 & 32412754
Fax: (021) 32424835
E-mail: shares@hmaconsultants.com.pk

Registered Office & Factory

D-181, Central Avenue, S.I.T.E.,
Karachi-75730
Tel: (021) 32567990-94
Fax: (021) 32564703

Zonal Office Karachi

4-C, Khayaban-e-Tanzeem,
Touheed Commercial,
Phave V, D.H.A., Karachi
Tel: (021) 35877911-15
Fax: (021) 35877916

Sukkur Office

F-33/4, Barrage Colony,
Workshop Road, Sukkur
Tel: (071) 5612532
Fax: (071) 5612532

Zonal Office Lahore

Salam Chambers,
21 Link Mcleod Road, Lahore-54000
Tel: (042) 37227075 & 37354245
Fax: (042) 37352724

Faisalabad Office

54-Chenab Market,
Madina Town, Faisalabad
Tel: (041) 8713127
Fax: (041) 8726628

Multan Office

Azmat Wasti Road,
Chowk Dera Adda, Multan-60000
Tel: (061) 4548017

Peshawar Office

1st Floor, Zeenat Plaza,
Near General Bus Stand,
G.T. Road, Peshawar
Tel: (091) 2262485

Rawalpindi Office

312-A, Kashmir Road,
R. A. Bazar, Rawalpindi-65847
Tel: (051) 5567423

Sahiwal Office

647-V-7, Al-Hilal Building,
Nishter Road, Sahiwal-57000
Tel: (040) 4461539

Company Website

www.atlasbattery.com.pk

Email Address

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CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited condensed interim results of the Company for first quarter ended September 30, 2012.

ECONOMY

The Pakistan economy has endured several challenges to achieve economic stability. However, the current year is displaying signs of improvement despite being faced with various global and domestic challenges.

The GDP growth target for FY 12-13 has been set at 4.5% which seems quite challenging in the present scenario. However, the SBP's policy to reduce discounts rates may help in spurring the requisite economic growth. The latest reduction by 50 bps will, to some extent, help to lessen the burden of increasing cost of doing business. General Inflation continued to ease to 9.1% in July - September 2012 period as against 11.5% during the same period last year. Overseas Pakistani workers remitted an amount of US\$ 3,599.1 million during Q1 of FY 12-13 as against US\$ 3,297.2 million during July - September quarter of FY 11-12, showing growth of 9.1%. Surprisingly, trade deficit contracted by 10% to US\$ 4.7 billion from July - September 2012 as against US\$ 5.2 billion during the corresponding period. Exports grew by 4.3% year-on-year basis to US\$ 6.2 billion, while imports decreased by 2.4% to US\$ 10.9 billion, which are US\$ 264 million less than the corresponding period's import bill. Meanwhile, foreign exchange reserves fell to US\$ 14.4 billion at the end of the Q1 as against US\$ 17.3 billion in September last year.

OPERATING RESULTS

Your Company achieved sales revenue of Rs.1,786.2 million during 1st quarter as compared to Rs.1,519.5 million for the same period last year, up 17.6%. Cost of sales for the same period increased from Rs.1,288.4 million to Rs.1,508.2 million, up 17.1%. Despite higher raw material prices, depreciation of Pak Rupee against US Dollar and unabated higher cost of energy and other related products, higher volumes helped net sales value grow more than the increase in cost of sales. Resultantly, gross profit percentage improved from 15.2% in the corresponding period of last year to 15.6%.

Operating expenses increased from Rs.72.9 million to Rs.102.4 million, up by Rs.29.5 million, mainly because of increase in freight cost and marketing activities. However, other operating income increased significantly from Rs.6.9 million to Rs.19.1 million due to investment of excess funds in treasury activities. Other operating expenses reduced by 5.1% due to lower exchange loss on imports as compared to same period last year. Profit from operations increased to Rs.179.4 million from Rs.148.9 million, up 20.4%. Financial cost reduced from Rs.17.1 million to Rs.14.9 million, lower by 12.7%, because of lesser utilization of running finance facilities as compared to corresponding period despite increased working capital requirements.

Thus, profit before tax for the 1st quarter stood at Rs.164.5 million as compared to Rs.131.9 million in the corresponding period of last year, up 24.7%. After providing Rs.50.6 million in respect

of current and deferred taxation, the after tax profit of your Company stood at Rs.113.9 million as compared to Rs.96.9 million, up 17.5%. Earnings per share for the quarter improved from Rs.6.69 to Rs.7.85.

FUTURE OUTLOOK

The key challenges facing Pakistan's economy emanates from long standing structural issues which have continued to stifle economic activity and growth. The macroeconomic outlook is largely dependent on the government's ability to control fiscal deficit while addressing energy shortage to revitalize large scale manufacturing and GDP growth. A protracted power and gas shortage is crippling the economy as it has brought the industrial wheel almost to a standstill. Agriculture, with 21% contribution to GDP, holds the key to economic revival. Support price and subsidies to farmers will create liquidity in the rural areas which in turn will benefit the automotive industry. With a population of 180 million people and significant resources at the country's disposal, we believe that the economy has the potential of taking strides towards significant growth and a promising future.

Locally available recycled lead cost is selling at record high levels with tight supply due to illegal export through misuse of DTRE scheme. Rupee is also expected to slide down further in the coming quarters due to unfavorable trade balance, which will severely hit the landed cost of imported raw materials. All these factors are expected to put more pressure on management of your Company to be more competitive in this challenging environment and make plans to sustain the growth and profitability of your Company. I am sure the management has the capability to perform better and it will continue to put more focus on productivity while meeting its customers' need with improved quality:

ہم ملت سے رابطہ استوار رکھ
(We are led by social responsibility)

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 and 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

Karachi: October 23, 2012

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2012

	Note	Unaudited September 30, 2012 ----- (Rupees in '000) -----	Audited June 30, 2012
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,138,435	1,127,859
Intangible assets		481	-
Investments		-	-
Long term deposits		6,832	6,832
Long term loans		606	719
		<u>1,146,354</u>	<u>1,135,410</u>
CURRENT ASSETS			
Stores, spares and loose tools		48,687	43,594
Stock-in-trade	6	777,717	811,490
Trade debts		112,882	112,423
Loans and advances		4,698	2,682
Deposits and prepayments		33,152	5,138
Investments		464,396	436,291
Other receivables		6,605	7,023
Taxation - net		30,358	29,481
Cash and bank balances	7	29,727	48,191
		<u>1,508,222</u>	<u>1,496,313</u>
		<u>2,654,576</u>	<u>2,631,723</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital 50,000,000 (June 30, 2012: 50,000,000) ordinary shares of Rs.10 each		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid up capital 14,499,808 (June 30, 2012: 12,083,174) ordinary shares of Rs.10 each		144,998	120,832
General reserves		1,067,500	727,500
Unappropriated profit		120,618	491,734
		<u>1,333,116</u>	<u>1,340,066</u>
SURPLUS ON REVALUATION OF LEASEHOLD LAND		173,786	173,786
NON-CURRENT LIABILITIES			
Deferred liabilities	8	181,085	179,325
CURRENT LIABILITIES			
Trade and other payables		585,914	494,461
Sales tax payable - net		56,091	21,066
Accrued mark-up		10,756	7,810
Short term borrowings	9	297,516	415,209
Dividend payable		16,312	-
		<u>966,589</u>	<u>938,546</u>
CONTINGENCIES AND COMMITMENTS	10		
		<u>2,654,576</u>	<u>2,631,723</u>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive





Kamal A. Chinoy
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	Note	Quarter Ended	
		September 30,	
		2012	2011
		----- (Rupees in '000) -----	
Sales		1,786,215	1,519,535
Cost of sales	11	(1,508,233)	(1,288,444)
Gross profit		277,982	231,091
Distribution cost		(55,972)	(40,873)
Administrative expenses		(46,386)	(31,979)
Other operating income		19,147	6,908
Other operating expenses		(15,372)	(16,190)
Profit from operations		179,399	148,957
Finance cost		(14,875)	(17,030)
Profit before taxation		164,524	131,927
Taxation	12	(50,642)	(34,966)
Profit after taxation		113,882	96,961
Other comprehensive income		-	-
Total comprehensive income		113,882	96,961
-----Rupees-----			
Earnings per share - basic and diluted	13	7.85	6.69

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.


Yusuf H. Shirazi
Chairman


Ali H. Shirazi
President / Chief Executive


Kamal A. Chinoy
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2012

September 30,
2012 2011
----- (Rupees in '000) -----

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	164,524	131,927
Adjustments for non-cash charges and other items		
Depreciation of operating fixed assets	23,130	18,748
Amortization of intangible assets	69	1,533
Net change in fair value of investments at fair value through profit or loss	(14,664)	(5,557)
Gain on sale of investments	(1,546)	(647)
Finance cost	14,875	17,030
Provision for gratuity	1,931	2,105
Provision for compensated leave absences	2,770	2,671
	26,565	35,883
Operating profit before working capital changes	191,089	167,810
Working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(5,093)	(16,696)
Stock-in-trade	33,773	(111,878)
Trade debts	(459)	(74,964)
Loans and advances	(2,016)	(4,501)
Deposits and prepayments	(28,014)	(40,237)
Other receivables	418	2,317
	(1,391)	(245,959)
Increase / (decrease) in current liabilities		
Trade and other payables	89,564	28,382
Sales tax payable - net	35,025	21,203
Special excise duty payable - net	-	(13,023)
	124,589	36,562
Working capital changes	123,198	(209,397)
Cash generated from / (used in) operations	314,287	(41,587)
Finance cost paid	(11,929)	(10,728)
Income taxes paid (including tax deducted at source)	(51,250)	(36,842)
Compensated leave absences paid	(1,320)	(6,257)
Long term loans	113	(6)
	(64,386)	(53,833)
Net cash generated from / (used in) operating activities - c/f	249,901	(95,420)

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	September 30,	
	2012	2011
	----- (Rupees in '000) -----	
Net cash generated from / (used in) operating activities - b/f	249,901	(95,420)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(38,116)	(119,854)
Sale proceeds from disposal of operating fixed assets	4,409	3,179
Additions in intangible assets	(550)	-
Investments acquired	(81,880)	(30,000)
Sale proceeds from disposal of investments	69,985	30,000
Net cash used in investing activities	(46,152)	(116,675)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - net	(117,693)	279,174
Dividend paid	(104,520)	(87,100)
Net cash (used in) / generated from financing activities	(222,213)	192,074
Net decrease in cash and cash equivalents	(18,464)	(20,021)
Cash and cash equivalents - at beginning of the period	48,191	93,952
Cash and cash equivalents - at end of the period	29,727	73,931

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Kamal A. Chinoy
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	Share Capital	General Reserves	Unappro- priated Profit	Total
	----- (Rupees in '000) -----			
Balance as at July 01, 2011 (Audited)	100,693	497,500	356,552	954,745
Transfer to general reserves	-	230,000	(230,000)	-
Transactions with owners				
Cash dividend for the year ended June 30, 2011 @ Rs.10 per share	-	-	(100,693)	(100,693)
Bonus shares @ 20% issued during the period	20,139	-	(20,139)	-
	20,139	-	(120,832)	(100,693)
Total comprehensive income for the quarter ended September 30, 2011	-	-	96,961	96,961
Balance as at September 30, 2011 (Unaudited)	120,832	727,500	102,681	951,013
Total comprehensive income for the nine months period ended June 30, 2012	-	-	389,053	389,053
Balance as at June 30, 2012 (Audited)	120,832	727,500	491,734	1,340,066
Transfer to general reserves	-	340,000	(340,000)	-
Transactions with owners				
Cash dividend for the year ended June 30, 2012 @ Rs.10 per share	-	-	(120,832)	(120,832)
Bonus shares @ 20% issued during the period	24,166	-	(24,166)	-
	24,166	-	(144,998)	(120,832)
Total comprehensive income for the quarter ended September 30, 2012	-	-	113,882	113,882
Balance as at September 30, 2012 (Unaudited)	<u>144,998</u>	<u>1,067,500</u>	<u>120,618</u>	<u>1,333,116</u>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Kamal A. Chinoy
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2012

1. LEGAL STATUS AND NATURE OF BUSINESS

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

2. BASIS OF PREPARATION

- 2.1 This condensed interim financial information of the Company for the quarter ended September 30, 2012 has been prepared in accordance with the requirements of the International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34) and provisions of and directives issued under the Companies Ordinance, 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed.
- 2.2 This condensed interim financial information is unaudited and is being submitted to the members as required under Section 245 of the Ordinance and the listing regulations of the Karachi and Lahore Stock Exchanges.
- 2.3 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2012. Comparative balance sheet is extracted from audited annual financial statements of the Company as of June 30, 2012 where as comparative profit and loss account, cash flow statement and statement of changes in equity are extracted from unaudited condensed interim financial information of the Company for the quarter ended September 30, 2011.
- 2.4 This condensed interim financial information is presented in Pakistan Rupees, which is also the Company's functional currency. All the financial information presented in Pakistan Rupees has been rounded off to the nearest thousand, except stated otherwise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The principal accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the consistent with those applied in the preparation of the audited annual financial statements of the Company for the year ended June 30, 2012.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

- 4.1 The preparation of this 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 this 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, 2012.

Note	Unaudited September 30, 2012	Audited June 30, 2012
	---- (Rupees in '000) ----	

5. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	5.1	1,075,914	1,076,257
Capital work in progress		62,521	51,602
		<u>1,138,435</u>	<u>1,127,859</u>

	Note	Unaudited September 30, 2012 ---- (Rupees in '000) ----	Audited June 30, 2012 ---- (Rupees in '000) ----
5.1 Operating fixed assets			
Book value at the beginning of the period / year		1,076,257	866,223
Additions during the period / year	5.2	27,196	328,710
		<u>1,103,453</u>	<u>1,194,933</u>
Less:			
Written down value of disposals	5.3	(4,409)	(17,106)
Operating fixed assets written off		-	(11,190)
Depreciation		(23,130)	(90,380)
		<u>(27,539)</u>	<u>(118,676)</u>
Book value at the end of the period / year		<u>1,075,914</u>	<u>1,076,257</u>
5.2 Additions during the period / year			
Buildings		-	26,389
Plant and machinery		16,371	249,755
Office equipments		-	2,383
Computer and accessories		2,653	8,603
Furniture and fixtures		-	2,602
Air conditioners		106	2,778
Vehicles		8,066	36,200
		<u>27,196</u>	<u>328,710</u>
5.3 Written down value of disposals			
Plant and machinery		-	6,878
Computer and accessories		107	-
Vehicles		4,302	10,228
		<u>4,409</u>	<u>17,106</u>
5.4 Certain dies and moulds having aggregating cost of Rs.40,610 thousand (June 30, 2012: Rs.40,610 thousand) and book value of Rs.27,674 thousand (June 30, 2012: Rs.28,383 thousand) are held by various vendors.			
		Unaudited September 30, 2012 ---- (Rupees in '000) ----	Audited June 30, 2012 ---- (Rupees in '000) ----
6. STOCK-IN-TRADE			
Raw materials and components:			
- in hand		221,892	385,176
- with third parties		22,477	37,027
		<u>244,369</u>	<u>422,203</u>
Work in process		304,640	320,719
Finished goods		117,192	51,567
Goods in transit		111,516	17,001
		<u>777,717</u>	<u>811,490</u>

		Unaudited September 30, 2012 ---- (Rupees in '000) ----	Audited June 30, 2012
7. CASH AND BANK BALANCES			
Bank balances in current accounts		2,681	7,758
Cheques in hand		27,046	40,433
		<u>29,727</u>	<u>48,191</u>
8. DEFERRED LIABILITIES			
Provision for gratuity - Non management		1,812	1,771
Compensated leave absences		41,118	39,668
Deferred taxation		138,155	137,886
		<u>181,085</u>	<u>179,325</u>
9. SHORT TERM BORROWINGS			
Running finances		108,517	365,209
Demand finances		188,999	50,000
		<u>297,516</u>	<u>415,209</u>
10. CONTINGENCIES AND COMMITMENTS			
10.1	There is no change in the contingencies as disclosed in Note 22.1 of the audited financial statements of the Company for the year ended June 30, 2012.		
10.2 Outstanding bank guarantees			
	Guarantees aggregating to Rs.18,397 thousand (June 30, 2012: Rs.33,703 thousand) are issued by various commercial banks on behalf of the Company to Sui Southern Gas Company Limited.		
		Unaudited September 30, 2012 ---- (Rupees in '000) ----	Audited June 30, 2012
10.3 Commitments			
Confirmed letters of credits / contracts relating to:			
- raw materials, stores, spares and loose tools		372,847	281,086
- capital expenditure		131,271	15,904
		<u>504,118</u>	<u>296,990</u>
		---- Unaudited ---- Quarter ended September 30, 2012	2011 ---- (Rupees in '000) ----
11. COST OF SALES			
Finished goods at beginning		51,567	90,701
Cost of goods manufactured	11.1	1,573,858	1,261,276
		<u>1,625,425</u>	<u>1,351,977</u>
Finished goods at end		117,192	63,533
		<u>1,508,233</u>	<u>1,288,444</u>
11.1 Cost of goods manufactured			
Work in process at beginning		320,719	233,876
Raw materials and components consumed		1,270,353	1,040,516
Overheads		287,426	255,398
		<u>1,878,498</u>	<u>1,529,790</u>
Work in process at end		304,640	268,514
		<u>1,573,858</u>	<u>1,261,276</u>

	----- Unaudited ----- Quarter ended September 30, 2012 2011 ----- (Rupees in '000) -----	
12. TAXATION		
Current year	50,373	25,311
Deferred	269	9,655
	<u>50,642</u>	<u>34,966</u>
13. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after taxation (Rupees in thousand)	<u>113,882</u>	<u>96,961</u>
		Restated
Weighted average number of ordinary shares in issue during the period (Numbers)	<u>14,499,808</u>	<u>14,499,808</u>
Basic and diluted earnings per share (Rupees)	<u>7.85</u>	<u>6.69</u>

2,416,634 (2011: 2,013,862) bonus shares of Rs.10 each were issued on September 25, 2012. Weighted average number of ordinary shares for the previous period has been restated accordingly.

14. SEGMENT INFORMATION

- 14.1 These condensed interim financial information have been prepared on the basis of a single reportable segment.
- 14.2 All non-current assets of the Company are located in Pakistan.
- 14.3 There is no customer of Company to whom 10% or more sale is made during the period.

15. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements for the year ended June 30, 2012. No reclassifications in the categories of financial assets have been made since June 30, 2012.

16. TRANSACTIONS WITH RELATED PARTIES

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

Relationship with the company	Transactions	----- Unaudited ----- September 30, 2012 2011 ----- (Rupees in '000) -----	
(i) Associates	Sales:		
	- goods	85,345	80,044
	- operating fixed assets	2,276	-
	Purchases:		
	- raw materials	134	5,308
	- consumables	83	105
	- operating fixed assets	7,801	9,353


		----- Unaudited ----- September 30, 2012 2011 ---- (Rupees in '000) ----	
	Rent / service charges	45,035	32,232
	Commission	21,011	-
	Reimbursement of expenses	156	2,112
	Expenses charged	-	263
	Insurance premium	30,431	30,636
	Insurance claims received	737	-
	Purchase of units in mutual funds	69,985	30,000
	Redemption of units in mutual funds	70,000	30,000
	Dividend paid	75,451	58,850
	Royalty	17,862	15,195
	Donation paid	-	2,000
	Contribution paid to pension funds	1,265	930
		----(Number of Shares)----	
	Bonus shares issued	1,871,520	1,479,081
		----(Rupees in '000)----	
(ii) Key management personnel	Remuneration and other benefits	39,862	36,051
(iii) Staff retirement fund	Contribution paid to provident fund	1,312	4,428
		Unaudited September 30, 2012	Audited June 30, 2012
		---- (Rupees in '000) ----	
Relationship with the company	Balances		
(i) Associates	Trade debts	48,457	27,044
	Advance for capital expenditure	4,581	-
	Investments	441,474	425,757
	Insurance claim receivables	4,289	4,706
	Trade payable	34,073	-
	Royalty payable	90,033	72,171
	Dividend payable	16,312	-
(ii) Key management personnel	Loan to staff	156	232
(iii) Staff retirement fund	Gratuity fund payable	10,112	8,222


17. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 23, 2012 by the Board of Directors of the Company.

18. 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


Kamal A. Chinoy
Director

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