



Quarterly Report March 31,

2020

2020

CONTENTS

Company Information	2
Chairman's Review (English)	4
Chairman's Review (Urdu)	7
Condensed Interim Statement of Financial Position	8
Condensed Interim Statement of Profit or Loss and Other Comprehensive Income	9
Condensed Interim Statement of Changes in Equity	10
Condensed Interim Statement of Cash Flows	11
Notes to the Condensed Interim Financial Information	13

COMPANY INFORMATION

Board of Directors

Aamir H. Shirazi
Chairman

Ariful Islam
Director

Azam Faruque
Director

Bashir Makki
Director

Frahim Ali Khan
Director

Toru Furuya
Director

Ali H. Shirazi
President / Chief Executive

Abdullah Zaheer
Company Secretary

Audit Committee

Azam Faruque
Chairman

Bashir Makki
Member

Frahim Ali Khan
Member

Faiz Ullah Ghazi
Secretary & Head of Internal Audit

Human Resource and Remuneration Committee

Azam Faruque
Chairman

Bashir Makki
Member

Frahim Ali Khan
Member

Ahmar Waheed
Secretary

Management Committee

Ali H. Shirazi
President / Chief Executive

Ahmar Waheed
General Manager Human Resource

Mansoor Jamil Khan
General Manager Quality Assurance and
Technical Services

Mohsin Khan
General Manager Marketing

Qasim Imran Khan
General Manager Information Technology

Rizwan Ahmed
Chief Financial Officer

Sheikh Adeel-ur-Rehman
General Manager Supply Chain

Tehseen Raza
General Manager Plant

Auditors

ShineWing Hameed Chaudhri & Co.
Chartered Accountants

Legal Advisors

Agha Faisal Barrister at Law
Mohsin Tayebaly & Co.

Tax Advisor

EY Ford Rhodes
Chartered Accountants

COMPANY INFORMATION

Bankers

Allied Bank Limited
Bank Alfalah Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
Soneri Bank Limited
United Bank Limited

Share Registrar

Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road,
Karachi
Tel: (021) 32424826 & 32469573
Fax: (021) 32424835
E-mail: shares@hmaconsultants.com.pk

Registered Office and Factory

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

Karachi Sales Office

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

Karachi Service Center

PPI Building, Near Sindh Secretariat, Karachi
Tel: (021) 32636057 & 32626478

Sukkur Sales Office and Service Center

Pak Memon Cooperative Housing Society
Limited, Opposite Abad Wheat Godown,
Shikarpur Road, Sukkur
Tel: (071) 5806124-26

Lahore Sales Office

Plaza No. 68/1, XX-Block, Khayaban-e-Iqbal,
Phase 3, D.H.A., Lahore
Tel: (042) 37186388-90

Lahore Service Center

Shop No. 1, E-24, Qureshi Market
Islam Nagar, Main Walton Road,
Lahore Cantt
Tel: (042) 36666064-65

Faisalabad Sales Office and Service Center

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

Multan Sales Office

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

Multan Service Center

Shop No. 17, Khilji Arcade Near
Railway Station, Multan
Tel: (061) 4548020

Peshawar Sales Office and Service Center

First Floor, Zeenat Plaza, GT Road, Peshawar
Tel: (091) 2262485

Islamabad Sales Office

Plot No. 784/785, Islamabad Corporate
Center, Golra Road, Islamabad
Tel: (051) 5495638 & 5495788

Rawalpindi Service Center

New Naralla Market, Shop No. 3,
IJP Road, Near Metro Bus Station, Rawalpindi
Tel: (051) 4856515

Rahim Yar Khan Sales Office and Service Center

Makhdoom Altaf Road, West Sadiq,
Canal Bank, Near City School,
Rahim Yar Khan
Tel: (068) 5883415-7 & 5888068

Sahiwal Sales Office and Service Center

Plot No. 449-1, Ice Factory, Main GT Road,
Near Pakpattan Chowk, Sahiwal
Tel: (040) 4400445 & 4400545

Company Website

www.atlasbattery.com.pk

Email Address

abl@abl.atlas.pk

CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited condensed interim results of your Company for the nine months ended March 31, 2020.

MACROECONOMIC OVERVIEW

Recent economic indicators showed a gradual improvement until the outbreak of Corona Virus (COVID-19) globally as well as in Pakistan. COVID-19 has disrupted the global economy and Pakistan is no exception. Rising COVID-19 cases is taking a toll on domestic demand while on the external front, sharp reduction in exports is further adding to fall in economic activities. The current lockdown situation in the country would instigate a risk of supply chain disruptions that would further add to the slowdown. To mitigate the economic impact, to some extent, the government has announced Rs.1.2 trillion financial package to support the economic activities. State Bank of Pakistan has brought down the discount rate by 2.25%, in two tranches, which now stands at 11%. Pak Rupee is standing at 166.75 per US Dollar as at March 31, 2020, losing its value by 7.3% as compared to 155.35 as at December 31, 2019. Pakistan Stock Exchange also plummeted 11,503 points, by 28.2% during January-March 2020 which stood at 29,232 points at the end of March 2020. Average CPI inflation is coming down and stands at 11.7% during July-February of FY 2019-20, compared to 6.5% in the corresponding period of FY 2018-19.

During July-February of FY 2019-20, exports increased to US\$ 16.4 billion, up 2.7% as compared to US\$ 16.0 billion during the same period last year. Imports decreased to US\$ 29.7 billion, down by 17.5%, as compared to US\$ 35.9 billion. Foreign remittances increased to US\$ 15.1 billion, up 5.4% as compared to US\$ 14.4 billion. The above factors narrowed the current account deficit to US\$ 2.9 billion, down by 70.2% as compared to US\$ 9.8 billion.

OPERATING RESULTS

During third quarter of FY 2019-20, your Company achieved sales of Rs.3,127 million, at par as compared to Rs.3,132 million in the same quarter of last year. This was mainly due to outbreak of COVID-19 in Pakistan which forced the lock down situation in the country during last week of March 2020 which adversely affected the sales in the replacement market. However, decrease in cost of sales was 8.2% from Rs.3,021 million to Rs.2,774 million resulting in gross profit of Rs.353 million as compared to Rs.110 million during the same quarter of last year, up 220.8%.

Operating expenses stood at Rs.174 million, decreased by Rs.29 million as compared to Rs.202 million in the corresponding quarter of last year. Resultantly, your Company achieved profit from operations of Rs.179 million as compared to loss of Rs.90 million during corresponding quarter. Finance cost increased to Rs.107 million from Rs.67 million.

The profit before tax for third quarter of FY 2019-20 was Rs.72 million as compared to loss of Rs.157 million in the corresponding quarter of last year. After providing Rs.50 million for taxation, the profit after tax of your Company stood at Rs.22 million as compared to loss of Rs.198 million. Earning per share for the quarter was Rs.0.91 as compared to loss per share of Rs.8.13 for the same quarter of last year.

During nine months of FY 2019-20, your Company achieved sales of Rs.9,775 million as compared to Rs.8,837 million in the same period of last year, up 10.6%. This was mainly due to volume and change in sales mix in the replacement market. Likewise, increase in cost of sales was 0.8% from Rs.8,919 million to Rs.8,989 million resulting in gross profit of Rs.785 million as compared to loss of Rs.82 million during the same period of last year.

The profit before tax for nine months of FY 2019-20 was Rs.12 million as compared to loss of Rs.529 million in the corresponding period of last year. After providing Rs.145 million for taxation, the loss after tax of your Company stood at Rs.133 million as compared to loss of Rs.644 million. Loss per share for the nine months was Rs.5.45 as compared to loss of Rs.26.43 for the same period of last year.

FUTURE OUTLOOK

Being a vendor of automotive industry, your Company's product is highly dependent on the growth of the automotive industry. During July-February of FY 2019-20, sales of locally manufactured cars, trucks, buses, tractors, etc. decreased by 42.4% to 115,021 units from 199,828 units during the corresponding period last year. Motorcycles and three wheelers segment (assemblers who are registered with PAMA) also witnessed decline of 9.7% to 1,081,272 units from 1,197,222 units during the corresponding period last year. Imposition of federal excise duty, weakening of Pak Rupee, high discount rate and other input cost has adversely affected the automotive industry.

The battery industry is likely to face continued competition in replacement market during fourth quarter of FY 2019-20 due to surplus capacity on one hand and shrinking market size on the other. This will further extend due to post COVID-19 impacts on the economy and society at large. Some of the battery manufacturers are still habitually resorting to unfair trade practices which is creating uneven competition for law abiding companies such as yours. As such the unfolding of COVID-19 economic impact, uneven competition, low volume, particularly of heavy batteries, devaluation of Pak Rupee and relatively high interest rates (despite of 2.00% reduction in discount rate by SBP in April 2020, bringing it down to 9.00%) will continue to be faced by the Company. However, the nose dive decline in oil prices in international markets will provide relief to the inflationary pressures in the coming months. Apart from the economic impact, COVID-19 is first and foremost a health pandemic. Your Company has taken timely and proactive HSE measures for its associates to combat COVID-19. Specifically, SOPs related to social distancing, essential hygiene and health checks were furnished and implemented prior to lockdown. Moreover, laser guns, temperature gate, sanitizer gates, extra hand washing basins and PPEs have already been installed/procured which should go a long way in protecting our associates as and when operations restart. Social media is also being used for spreading best practices related to Covid-19 to our stakeholders.

Your Company is well aware of the challenges being faced and will leave no stone unturned to overcome these unprecedented circumstances. The improvement in human resource capabilities and value addition for shareholders is always a prime focus of your Company. I am sure that your Company will continue to focus on productivity and efficiency while meeting customers' desire for superior quality by following the principles of "The Atlas Way":

پیوستہ رہ شجر سے، امید بہار رکھ

ACKNOWLEDGEMENTS

I would like to thank our JV Partners GS Yuasa International Limited; Japan, Board of Directors, shareholders, bankers, 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.



Amir H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive

Karachi: April 23, 2020

مالی سال 2019-20 کے نو ماہ کے دوران قبل از ٹیکس منافع 12 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں 529 ملین روپے کا نقصان تھا۔ ٹیکس کی مد میں 145 ملین روپے فراہم کرنے کے بعد، آپ کی کمپنی کا بعد از ٹیکس نقصان 133 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 644 ملین روپے کا نقصان تھا۔ اس نو ماہی میں فی شخص نقصان 5.45 روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران نقصان 26.43 روپے تھا۔

مستقبل کے حدود خال

آٹوموٹیو انڈسٹری میں بطور وینڈر، آپ کی کمپنی کی مصنوعات آٹوموٹیو انڈسٹری کی ترقی پر انحصار کرتی ہے۔ مالی سال 2019-20 کے جولائی سے فروری کے دوران، مقامی سطح پر تیار کردہ کاروں، ٹرکوں، بسوں، ٹریکٹروں وغیرہ کی فروخت 42.4 فیصد کی کے بعد 115,021 یونٹ ہو گئی جو کہ گزشتہ سال اسی مدت کے دوران 199,828 یونٹ تھی۔ موٹر سائیکلوں اور تین پہیوں والی گاڑیاں (PAMA) سے رجسٹرڈ اسمبلز 9.7 فیصد کی کے بعد 1,081,272 یونٹ فروخت ہوئیں، جو کہ گزشتہ سال اسی مدت کے دوران 1,197,222 یونٹ فروخت ہوئی تھیں۔ فیڈرل ایکسائز ڈیوٹی کے نفاذ، پاکستانی روپے کی قدر میں کمی، زیادہ ڈسکاؤنٹ ریٹ اور دیگر لاگت کے اخراجات نے آٹوموٹیو انڈسٹری کو بری طرح متاثر کیا ہے۔

بیٹری انڈسٹری مالی سال 2019-20 کی چوتھی سہ ماہی کے دوران متبادل مارکیٹ میں ایک طرف فاضل پیداواری صلاحیتوں کے سبب اور دوسری طرف مارکیٹ میں بیٹریوں کی طلب کے کم ہونے سے سبب توقع کی جاتی ہے کہ بیٹری انڈسٹری کو مشکل صورت حال کا سامنا کرنا پڑے گا۔ معیشت اور معاشرے پر پڑنے والے COVID-19 کے بعد اثرات کے سبب اس میں مزید توسیع ہو سکتی ہے۔ کچھ بیٹری ساز ادارے اپنی جاری عادت کے مطابق اب بھی غیر منصفانہ تجارتی طریقوں کا سہارا لے رہے ہیں جو کہ آپ کی کمپنی کی طرح قانون کی پاسداری کرنے والی کمپنیوں کے لیے غیر مساوی مسابقت کا باعث بن رہی ہیں۔ COVID-19 کے معاشی حالات پر مزید افشاء ہونے والے اثرات، غیر منصفانہ مسابقتی ماحول، بطور خاص بیٹریوں کا کم حجم، پاکستانی روپے کی قدر میں کمی اور سبجکٹ زیادہ سود (باوجود بینک دولت پاکستان کی اپریل 2020 میں مزید 2 (دو) فیصد کی کے بعد، 9 (نو) فیصد تک پہنچ گئی ہے) جیسے مسائل کا کمپنی کو سامنا رہے گا۔ تاہم بین الاقوامی منڈیوں میں ٹیل کی قیمتوں میں اچانک آنے والی کمی آئندہ مہینوں میں مہنگائی کے دباؤ میں راحت فراہم کرے گی۔ معاشی اثرات کے علاوہ، COVID-19 صحت سے جڑا ایک وبائی مرض ہے۔ آپ کی کمپنی نے COVID-19 سے مقابلہ کرنے اور اپنے ساتھیوں کی صحت محفوظ بنانے کے لیے بروقت اور فعال HSE کے اقدامات کیے ہیں۔ لاک ڈاؤن سے قبل ہی سماجی دوری، انتہائی ضروری صحت و صفائی اور طبی معائنے جیسے اقدامات سے متعلق SOPs کو جاری اور نافذ کیا گیا۔ اس سلسلے میں لیئر گنز، ٹمبر پیچر والے دروازے، سینی ٹائزر والے دروازے، ہاتھ دھونے کے اضافی واٹش بیسن اور PPEs کی خریداری/انسٹالیشن کا انتظام کیا گیا ہے تاکہ کاروبار کے آغاز کے بعد طویل المدت میں ہمارے ایسوسی ایٹس کی صحت کے خیال کو یقینی بنایا جاسکے۔ اس سلسلے میں سوشل میڈیا کا استعمال کرتے ہوئے ہمارے اسٹیک ہولڈرز کو بھی COVID-19 سے بچاؤ کے طریقوں سے متعلق آگاہی فراہم کی جا رہی ہے۔

آپ کی کمپنی تمام مشکلات سے بخوبی آگاہ ہے اور مشکل صورت حال سے نکلنے کے لیے تمام وسائل بروئے کار لائے گی۔ افرادی قوت کی صلاحیتوں میں اضافہ اور حصص یافتگان کے لیے قدر میں اضافہ بھی آپ کی کمپنی کی اولین ترجیح ہے۔ میں آپ کو یقین دلاتا ہوں کہ آپ کی کمپنی صارفین کو مطلوب اعلیٰ ترین معیار پر پورا اترنے کے لیے پیداوار، برت اور موثر کارکردگی پر توجہ مرکوز رکھے گی اور "The Atlas Way" کے اصولوں پر عمل پیرا ہوگی۔

۔ پیوستہ رہ شجر سے امید بہا رکھو

اظہار تشکر

میں اس موقع پر اپنے جوائنٹ وینچر پارٹنرز GS Yuasa انٹرنیشنل لمیٹڈ، جاپان، بورڈ آف ڈائریکٹرز، حصص یافتگان، بینکار، فروخت کار (وینڈرز) اور گاہکوں کو ان کی مسلسل حمایت اور رہنمائی پر تہ دل سے شکر یادا کرتا ہوں۔ میں اس کے ساتھ ساتھ آپ کی کمپنی کے صدر اور چیف ایگزیکٹو آفیسر جناب علی ایچ شیرازی اور انتظامیہ کے تمام اراکین کا دلجمعی اور محنت کے ساتھ کام کرنے پر شکر یادا کرتا ہوں۔



علی ایچ شیرازی
پریزیڈنٹ / چیف ایگزیکٹو



عامر ایچ شیرازی
چیئرمین

کراچی: 23 اپریل، 2020

چیرمین کا جائزہ

میں نہایت مسرت کے ساتھ 31 مارچ 2020 کو ختم ہونے والی نوماہی کے لیے آپ کی کمپنی کے غیر پرنٹال شدہ عبوری مالیاتی نتائج پیش کر رہا ہوں۔

معاشی معیشت کا جائزہ

پاکستان سمیت عالمی سطح پر کرونا وائرس (COVID-19) کے پھیلنے تک حالیہ معاشی اشاریات نے بتدریج بہتری کا مظاہرہ کیا تھا۔ کرونا وائرس نے عالمی معیشت سمیت ملکی معیشت کو بھی شدید متاثر کیا ہے۔ بڑھتے ہوئے کرونا وائرس کے کیسز مقامی طلب میں اضافہ کر رہے ہیں جبکہ بیرونی محاذ پر برآمدات میں تیزی سے کمی اقتصادی سرگرمیوں میں مزید کمی کا باعث بن رہا ہے۔ ملک میں لاک ڈاؤن کی موجودہ صورت حال سپلائی چین میں درپیش رکاوٹ کے خطرات کو بڑھنے میں مدد دے سکتی ہے جو کہ معیشت میں مزید سست روی کا سبب بن سکتا ہے۔ معاشی اثرات کو کچھ حد تک کم کرنے کے لیے حکومت نے معاشی سرگرمیوں کی حمایت میں 1.2 ٹریلین روپے مالیاتی پیکج کا اعلان کیا ہے۔ اسٹیٹ بینک آف پاکستان نے دو حصوں میں ڈسکاؤنٹ ریٹ کو 2.25 فیصد کم کیا ہے، جو کہ اب 11 فیصد ہے۔ 31 دسمبر 2019 کو 155.35 کے مقابلے میں پاکستانی روپیہ 31 مارچ 2020 کو قدر میں 7.3 فیصد کمی کے ساتھ فی امریکی ڈالر 166.75 پر موجود رہا۔ پاکستان اسٹاک ایکسچینج میں بھی جنوری تا مارچ 2020 کے دوران 28.2 فیصد کے ساتھ 11,503 پوائنٹس کی کمی آئی جو کہ مارچ 2020 کے آخر میں 29,232 پوائنٹس پر برقرار تھا۔ مالی سال 2019-20 کے جولائی تا فروری کے دوران اوسط CPI افراط زر میں کمی واقع ہوئی جس کے بعد اوسط افراط زر 11.7 فیصد پر آ گیا جو کہ مالی سال 2018-19 کی اسی مدت کے مقابلے میں 6.5 فیصد تھا۔

مالی سال 2019-20 کے جولائی تا فروری کے دوران، برآمدات 2.7 فیصد اضافے کے ساتھ 16.4 بلین امریکی ڈالر ہو گئیں جو کہ گزشتہ سال اسی مدت کے دوران 16.0 بلین امریکی ڈالر تھیں۔ جبکہ درآمدات 35.9 بلین امریکی ڈالر کے مقابلے میں 17.5 فیصد کمی کے ساتھ 29.7 بلین امریکی ڈالر ہو گئیں ہیں۔ غیر ملکی ترسیلات زر 15.1 بلین امریکی ڈالر ہیں جو کہ گزشتہ سال کے 14.4 بلین امریکی ڈالر کے مقابلے میں 5.4 فیصد زیادہ ہیں۔ ان مندرجہ بالا عوامل کے باعث کرنٹ اکاؤنٹ خسارہ 70.2 فیصد کی نمایاں کمی کے بعد 2.9 بلین امریکی ڈالر پہنچ گیا ہے جبکہ گزشتہ سال اسی مدت کے دوران کرنٹ اکاؤنٹ خسارہ 9.8 بلین ڈالر تھا۔

آپریٹنگ نتائج

مالی سال 2019-20 کی تیسری سہ ماہی کے دوران، آپ کی کمپنی نے 3,127 ملین روپے کی فروخت حاصل کی جو کہ گزشتہ سال اسی سہ ماہی کے دوران 3,132 ملین روپے تھی۔ اس کی بنیادی وجہ پاکستان میں کرونا وائرس کی وبا کا پھیلنا ہے جس کے باعث مارچ 2020 کے آخری تہفے کے دوران ملک میں لاک ڈاؤن کی صورت حال پیدا ہوئی جس نے متبادل مارکیٹ میں فروخت کو بری طرح متاثر کیا۔ تاہم، فروخت کی لاگت 8.2 فیصد کمی کے ساتھ 3,021 ملین روپے سے 2,774 ملین روپے پر آگئی، جس کے نتیجے میں گزشتہ سال کی اسی سہ ماہی کے دوران 110 ملین روپے کے مقابلے میں 353 ملین روپے کا مجموعی منافع ہوا جو کہ 220.8 ملین روپے زیادہ ہے۔

عمل کاری مصارف 29 ملین روپے کمی کے ساتھ 174 ملین روپے پر برقرار ہیں جو کہ گزشتہ سال کی اسی مدت کے دوران 202 ملین روپے تھے۔ نتیجتاً آپ کی کمپنی کو اس سہ ماہی میں گزشتہ سال کے 90 ملین روپے نقصان کے مقابلے میں آپریشن سے 179 ملین روپے کا منافع حاصل ہوا۔ مالیاتی اخراجات 67 ملین روپے سے بڑھ کر 107.7 ملین روپے ہو گئے ہیں۔

مالی سال 2019-20 کی تیسری سہ ماہی کے لیے قبل از ٹیکس منافع 72 ملین روپے رہا جبکہ گزشتہ سال اسی سہ ماہی کے دوران نقصان 157 ملین روپے تھا۔ ٹیکس کی مد میں 50 ملین روپے فراہم کرنے کے بعد، آپ کی کمپنی کا ٹیکس کے بعد منافع 22 ملین روپے ہو گیا جو کہ گزشتہ سال اس مدت کے دوران 198 ملین روپے کا نقصان تھا۔ اس سہ ماہی کے لیے فی شخص آمدنی 0.91 روپے رہی جبکہ گزشتہ سال اسی مدت کے دوران فی شخص نقصان 8.13 روپے تھا۔

مالی سال 2019-20 کے نو ماہ کے دوران آپ کی کمپنی کی فروخت 9,775 ملین روپے رہی جو کہ گزشتہ سال اسی مدت کے دوران 8,837 ملین روپے کے مقابلے میں 10.6 فیصد زیادہ ہے۔ اس کی بنیادی وجہ حجم اور متبادل مارکیٹ کی سبزیوں میں فروٹا ہونے والی تبدیلی ہے۔ اس طرح فروخت کی لاگت 0.8 فیصد اضافے کے ساتھ 8,919 ملین روپے سے بڑھ کر 8,989 ملین روپے ہو گئی ہے۔ جس کے نتیجے میں کمپنی کو گزشتہ سال کی اس مدت میں 82 ملین روپے نقصان کے مقابلے میں 785 ملین روپے کا مجموعی منافع ہوا۔

عمل کاری مصارف 67 ملین روپے کمی کے ساتھ 536 ملین روپے پر موجود ہیں، جو کہ گزشتہ سال اسی مدت میں 603 ملین روپے تھے۔ نتیجتاً، آپ کی کمپنی نے آپریشن سے پچھلے سال ہونے والے 363 ملین روپے کے نقصان کے مقابلے میں 257 ملین روپے کا منافع حاصل کیا۔ مالیاتی اخراجات 166 ملین روپے سے بڑھ کر 245 ملین روپے ہو گئے۔


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

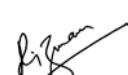
AS AT MARCH 31, 2020

	Note	Un-audited March 31, 2020	Audited June 30, 2019
----- (Rupees in '000) -----			
ASSETS			
Non-current assets			
Property, plant and equipment	5	3,944,254	3,924,958
Intangible assets		29	160
Investments		-	-
Long term loans		2,561	1,289
Long term deposits		20,926	20,281
		<u>3,967,770</u>	<u>3,946,688</u>
Current assets			
Stores, spares and loose tools		221,308	225,331
Stock-in-trade	6	3,079,584	1,760,092
Trade debts	7	1,916,987	1,096,449
Loans and advances		22,794	4,887
Deposits and prepayments	8	50,505	24,400
Investments		137,173	127,055
Other receivables		2,446	8,399
Sales tax receivable - net		16,153	-
Taxation - net		546,619	594,968
Cash and bank balances		29,286	423,649
		<u>6,022,855</u>	<u>4,265,230</u>
Total assets		<u><u>9,990,625</u></u>	<u><u>8,211,918</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
50,000,000 (June 30, 2019: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000
Issued, subscribed and paid up capital			
24,359,676 (June 30, 2019: 24,359,676) ordinary shares of Rs.10 each		243,597	243,597
Revenue reserves			
General reserve		5,037,500	5,037,500
Accumulated loss		(721,958)	(589,274)
		<u>4,315,542</u>	<u>4,448,226</u>
Capital reserve			
Surplus on revaluation of leasehold land		589,186	589,186
Total equity		<u>5,148,325</u>	<u>5,281,009</u>
Liabilities			
Non-current liabilities			
Lease liabilities		65,631	-
Long term loan	9	500,000	-
Staff retirement benefits		71,511	69,345
Deferred taxation		242,305	246,580
		<u>879,447</u>	<u>315,925</u>
Current liabilities			
Trade and other payables		1,384,085	1,037,880
Sales tax payable - net		-	87,717
Accrued mark-up		99,252	43,385
Short term borrowings	10	2,433,998	1,408,152
Current portion of lease liabilities		9,611	-
Unclaimed dividend		35,907	37,850
		<u>3,962,853</u>	<u>2,614,984</u>
Total liabilities		<u>4,842,300</u>	<u>2,930,909</u>
Contingencies and commitments	11		
Total equity and liabilities		<u><u>9,990,625</u></u>	<u><u>8,211,918</u></u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Aamir H. Shirazi
Chairman


Ali H. Shirazi
President / Chief Executive



Rizwan Ahmed
Chief Financial Officer

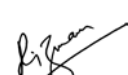
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)**
FOR THE PERIOD ENDED MARCH 31, 2020

	Note	Quarter ended		Period ended	
		March 31,		March 31,	
		2020	2019	2020	2019
----- (Rupees in '000) -----					
Sales		3,127,444	3,131,572	9,774,503	8,836,715
Cost of sales	12	(2,774,228)	(3,021,462)	(8,989,096)	(8,918,789)
Gross profit / (loss)		353,216	110,110	785,407	(82,074)
Distribution cost		(128,829)	(154,548)	(404,970)	(432,900)
Administrative expenses		(44,916)	(47,737)	(130,780)	(169,863)
Other income	13	9,048	4,654	22,882	352,050
Other expenses		(9,087)	(2,472)	(15,808)	(30,424)
Profit / (loss) from operations		179,432	(89,993)	256,731	(363,211)
Finance cost		(106,987)	(67,107)	(244,678)	(165,946)
Profit / (loss) before taxation		72,445	(157,100)	12,053	(529,157)
Taxation		(50,378)	(40,885)	(144,737)	(114,559)
Profit / (loss) after taxation		22,067	(197,985)	(132,684)	(643,716)
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss)		22,067	(197,985)	(132,684)	(643,716)
----- (Rupees) -----					
Earnings / (loss) per share					
- basic and diluted	14	0.91	(8.13)	(5.45)	(26.43)

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Aamir H. Shirazi
Chairman


Ali H. Shirazi
President / Chief Executive


Rizwan Ahmed
Chief Financial Officer


CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)


FOR THE PERIOD ENDED MARCH 31, 2020

	Issued, subscribed and paid-up capital	Revenue Reserves		Capital Reserve	Total
		General reserve	Unappropri- ated profit / (accumu- lated loss)	Surplus on revaluation of leasehold land	
----- (Rupees in '000) -----					
Balance as at July 1, 2018	173,998	4,697,500	589,307	193,886	5,654,691
Transfer to general reserve	-	340,000	(340,000)	-	-
Transactions with owners, recognised directly in equity					
Cash dividend for the year ended June 30, 2018 at the rate of Rs.10 per share	-	-	(173,998)	-	(173,998)
Bonus shares issued for the year ended June 30, 2018 in the ratio of 2 shares for every 5 shares held (i.e. 40%)	69,599	-	(69,599)	-	-
Total comprehensive loss for the period ended March 31, 2019					
Loss for the period	-	-	(643,716)	-	(643,716)
Other comprehensive income	-	-	-	-	-
	-	-	(643,716)	-	(643,716)
Balance as at March 31, 2019	243,597	5,037,500	(638,006)	193,886	4,836,977
Total comprehensive income for the quarter ended June 30, 2019					
Profit for the quarter	-	-	51,253	-	51,253
Other comprehensive (loss) / income	-	-	(2,521)	395,300	392,779
	-	-	48,732	395,300	444,032
Balance as at June 30, 2019	243,597	5,037,500	(589,274)	589,186	5,281,009
Total comprehensive loss for the period ended March 31, 2020					
Loss for the period	-	-	(132,684)	-	(132,684)
Other comprehensive income	-	-	-	-	-
	-	-	(132,684)	-	(132,684)
Balance as at March 31, 2020	243,597	5,037,500	(721,958)	589,186	5,148,325

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Aamir H. Shirazi
Chairman


Ali H. Shirazi
President / Chief Executive


Rizwan Ahmed
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2020

	Period ended	
	March 31,	
	2020	2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	12,053	(529,157)
Adjustments for non-cash charges and other items:		
Depreciation	229,451	235,750
Amortisation	131	731
Provision for gratuity	5,406	3,275
Provision for compensated leave absences	5,676	12,333
Gain on sale of investments at fair value through profit or loss	(10)	(4,450)
Dividend income	(18)	(7,905)
Fair value gain on investments at fair value through profit or loss	(12,196)	(5,111)
Gain on sale of operating fixed assets	(3,345)	(327,664)
Provision for doubtful debts	8,000	350
Finance cost	244,678	165,946
	489,826	(455,902)
Changes in working capital:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	4,023	(17,500)
Stock-in-trade	(1,319,492)	227,027
Trade debts	(828,538)	(275,768)
Loans and advances	(17,907)	(1,536)
Deposits and prepayments	(26,105)	(61,021)
Other receivables	5,953	(2,925)
Sales tax receivable - net	(103,870)	12,520
	(2,285,936)	(119,203)
Increase / (decrease) in current liabilities		
Trade and other payables	350,022	(49,592)
	(1,935,914)	(168,795)
Cash used in operations	(1,446,088)	(624,697)
Finance cost paid	(188,811)	(121,707)
Income taxes paid (including tax deducted at source)	(100,664)	(144,459)
Gratuity paid	(9,188)	(13,888)
Compensated leave absences paid	(3,544)	(9,040)
Long term loans - net	(1,272)	493
Long term deposits - net	(645)	120
	(304,124)	(288,481)
Net cash used in operating activities - carried forward	(1,750,212)	(913,178)


CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

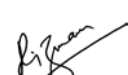
FOR THE PERIOD ENDED MARCH 31, 2020

	Period ended	
	March 31,	
	2020	2019
	----- (Rupees in '000) -----	
Net cash used in operating activities - brought forward	(1,750,212)	(913,178)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(185,218)	(573,444)
Proceeds from sale of property, plant and equipment	14,569	670,752
Payments for investments	(15)	(124,777)
Proceeds from sale of investments	2,103	873,090
Dividend received	18	7,905
Net cash (used in) / generated from investing activities	(168,543)	853,526
CASH FLOWS FROM FINANCING ACTIVITIES		
Leases - net	489	-
Long term loan	500,000	-
Short term borrowings - net	1,025,846	327,004
Dividend paid	(1,943)	(170,628)
Net cash generated from financing activities	1,524,392	156,376
Net (decrease) / increase in cash and cash equivalents	(394,363)	96,724
Cash and cash equivalents - at beginning of the period	423,649	381,180
Cash and cash equivalents - at end of the period	29,286	477,904

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Aamir H. Shirazi
Chairman


Ali H. Shirazi
President / Chief Executive


Rizwan Ahmed
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE PERIOD ENDED MARCH 31, 2020

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 Pakistan Stock Exchange Limited. The Company is engaged in manufacturing and sale of automotive and motorcycle batteries and allied products. The registered office is located at D-181, Central Avenue, S.I.T.E., Karachi. The manufacturing facilities of the Company are located at S.I.T.E., Karachi with branches at Karachi, Lahore, Multan, Islamabad, Faisalabad, Sahiwal, Peshawar, Sukkur and Rahim Yar Khan. The Company is a subsidiary of Shirazi Investments (Private) Limited, which holds 58.86% (June 30, 2019: 58.86%) of issued, subscribed and paid-up capital of the Company as at March 31, 2020.

2. BASIS OF PREPARATION

This condensed interim financial statements has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

Where the provision of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the preparation of audited annual financial statements of the Company for the year ended June 30, 2019.

The changes in accounting policies are also expected to be reflected in the Company's financial statements as at and for the year ending June 30, 2020.

The Company has adopted IFRS 16 'Leases' from July 1, 2019. A number of other new standards are effective from July 1, 2019 but they do not have a material effect on the Company's financial statements.

IFRS 16 'Leases' primarily affects the accounting by lessees and results in the recognition of almost all leases on statement of financial position. The standard removes distinction between operating and finance leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases. The accounting by lessors does not significantly changed. Some differences may arise as a result of the new guidance on the definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company has applied IFRS 16 using the modified retrospective approach. Under this approach, the cumulative effect of initial application to be recognized in retained earnings at July 1, 2019. Accordingly, the comparative information presented for 2019 has not been restated - i.e. it is presented as previously reported under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below:

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16 the Company recognizes right to use assets and lease liabilities for leases - i.e. these leases are on the statement of financial position. On initial application, the Company has also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets'). Some lease contracts of the Company are extendable through mutual agreement between the Company and the lessor or cancellable by both parties immediately or on short notice. In assessing the lease term for the adoption of IFRS 16, the Company concluded that such contracts are short-term in nature. The Company recognizes the lease payments associated with these leases as an expense in statement of profit or loss.

The Company presents right to use assets in 'property, plant and equipment', the same line item as it presents underlying assets of the same nature that it owns (Note 5.1 and 5.5). The Company present its lease liabilities as a separate line item in the statement of financial position.

The Company recognizes a right to use asset and a lease liability at the lease commencement date. The right to use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain re-measurement of the lease liability. At transition, the Company recognized right to use assets equal to the present value of lease payments.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate is used. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2019.

	Note	Un-audited March 31, 2020 ----- (Rupees in '000) -----	Audited June 30, 2019
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	3,306,861	3,352,171
Right to use assets		71,564	-
Capital work-in-progress	5.6	565,829	572,787
		<u>3,944,254</u>	<u>3,924,958</u>
5.1 Operating fixed assets			
Net book value at beginning of the period / year		3,352,171	3,334,426
Revaluation / additions during the period / year	5.2	192,176	716,316
Disposals costing Rs.25,020 thousand (June 30, 2019: Rs.425,241 thousand)			
- at net book value	5.3	(11,224)	(382,208)
Written off		-	-
Depreciation charged during the period / year		(226,262)	(316,363)
Net book value at end of the period / year	5.4	<u>3,306,861</u>	<u>3,352,171</u>

	Un-audited March 31, 2020	Audited June 30, 2019
	----- (Rupees in '000) -----	
5.2 Revaluation / additions to operating fixed assets including transfer from capital work-in-progress during the period / year:		
Revaluation of leasehold land	-	395,300
Buildings on leasehold land	113,598	120,482
Plant and machinery	34,331	131,259
Office equipment	75	579
Computer and accessories	10,255	8,969
Furniture and fixtures	1,157	10,792
Air conditioners	325	5,458
Vehicles	32,435	43,477
	<u>192,176</u>	<u>716,316</u>
5.3 Disposals during the period / year:		
Leasehold land	-	322,140
Plant and machinery	-	33,538
Computers and accessories	24	127
Furniture and fixtures	-	9
Air conditioners	14	42
Vehicles	11,186	26,352
	<u>11,224</u>	<u>382,208</u>
5.4 Plant and machinery includes dies and molds:		
- Atlas Autos (Private) Limited, a related party [aggregate cost Rs.32,552 thousand (June 30, 2019: Rs.17,610)]	27,703	14,468
- Others [aggregate cost Rs.108,401 thousand (June 30, 2019: Rs.103,246)]	57,868	57,395
	<u>85,571</u>	<u>71,863</u>
These are held by various vendors of the Company as these dies and moulds are used by the vendors for producing certain parts for supply to the Company.		
	Un-audited March 31, 2020	Audited June 30, 2019
	----- (Rupees in '000) -----	
5.5 Right to use assets		
Amount recognized on initial application	74,753	-
Depreciation charged during the period / year	(3,189)	-
Net book value at end of the period / year	<u>71,564</u>	<u>-</u>
5.6 Capital work-in-progress		
Buildings on leasehold land	343,747	396,102
Plant and machinery	203,980	168,096
Computers and accessories	686	2,078
Furniture and fixtures	2,762	3,040
Air conditioners	1,453	1,453
Vehicles	10,901	-
Intangible asset	2,300	2,018
	<u>565,829</u>	<u>572,787</u>
	5.6	

- 5.7 Includes Rs.10,780 thousand and Rs.193 thousand advance payment made to Honda Atlas Cars (Pakistan) Limited and Atlas Honda Limited, related parties, for purchase of vehicles and Rs.Nil (June 30, 2019: Rs.52,185 thousand) to Atlas Global FZE, a related party, for purchase of plant and machinery.

		Un-audited March 31, 2020	Audited June 30, 2019
		----- (Rupees in '000) -----	
6. STOCK-IN-TRADE			
Raw materials and components:			
- in hand		936,836	557,726
- with third parties	6.1	24,954	31,924
		961,790	589,650
Work-in-process		797,418	695,094
Finished goods		1,184,691	474,704
Items in transit		135,685	644
		<u>3,079,584</u>	<u>1,760,092</u>

- 6.1 Includes raw materials amounting to Rs. 5,345 thousand held with Atlas Autos (Private) Limited, a related party (June 30, 2019: Rs.9,825 thousand held with Atlas Aluminium (Private) Limited, a related party) for further processing into parts to be supplied to the Company.

- 6.2 Stock in trade and trade debts upto maximum amount of Rs.5,534,020 thousand (June 30, 2019: Rs.5,534,020 thousand) are under hypothecation of commercial banks as security for short term borrowings.

		Un-audited March 31, 2020	Audited June 30, 2019
		----- (Rupees in '000) -----	
7. TRADE DEBTS - Unsecured			
Considered good			
Associated Companies		108,402	74,550
Others		1,808,585	1,021,899
		1,916,987	1,096,449
Considered doubtful			
Others		21,844	13,844
		1,938,831	1,110,293
Provision for doubtful debts		(21,844)	(13,844)
		<u>1,916,987</u>	<u>1,096,449</u>

8. DEPOSITS AND PREPAYMENTS

Include prepayments of Rs.46,877 thousand (June 30, 2019: Rs.7,123 thousand) in respect of renewals of insurance policies, rental agreements and other expenses.

9. LONG TERM LOAN - Secured

The Company has obtained term finance amounting to Rs.500,000 thousand from a commercial bank. The loan carries mark-up at the rate of 6 months KIBOR plus 0.6% and is secured against first pari passu hypothecation charge on existing and future plant & machinery with 25% margin. The tenure of the loan is five years from the date of disbursement (November 27, 2019) and is repayable in 8 equal bi-annual installments with a grace period of one year.

		Un-audited March 31, 2020	Audited June 30, 2019
		----- (Rupees in '000) -----	
10. SHORT TERM BORROWINGS - Secured			
Running finances / musharakah		1,952,901	1,408,152
Murabaha / musawamah		481,097	-
		<u>2,433,998</u>	<u>1,408,152</u>

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 Except for the note 11.1.2, there is no significant change in status of the contingencies as disclosed in note 25.1 of the audited annual financial statements of the Company for the year ended June 30, 2019.

11.1.2 With regard to matters reported in note 25.1.5, 25.1.7 and 25.1.8 of the audited annual financial statements of the Company for the year ended June 30, 2019 the Appellate Tribunal Inland Revenue (ATIR) on July 30, 2019 has remanded back the issue of non-deduction of tax on trade discount allowed to dealers for respective tax years with the direction to the income tax authorities to examine the issue afresh. The tax department has initiated the remand back proceedings and the Company is in the process of submission of relevant information.

	Un-audited March 31, 2020 ----- (Rupees in '000) -----	Audited June 30, 2019 ----- (Rupees in '000) -----
11.2 Outstanding bank guarantees	115,711	105,711
11.3 Commitments		
In respect of confirmed letters of credit relating to:		
- raw materials, stores, spares and loose tools	65,830	130,042
- capital expenditure	9,180	17,731
	75,010	147,773
In respect of capital expenditure other than through letters of credit	42,235	58,675
	117,245	206,448

	Note	----- Un-audited -----			
		Quarter ended March 31,		Period ended March 31,	
		2020	2019	2020	2019
		----- (Rupees in '000) -----			
12. COST OF SALES					
Opening stock of finished goods		573,608	529,290	474,704	1,411,039
Cost of goods manufactured	12.1	3,252,935	3,241,701	9,371,302	8,200,531
Purchases during the period		132,376	-	327,781	56,748
		3,958,919	3,770,991	10,173,787	9,668,318
Closing stock of finished goods		(1,184,691)	(749,529)	(1,184,691)	(749,529)
		2,774,228	3,021,462	8,989,096	8,918,789
12.1 Cost of goods manufactured					
Opening stock of work-in-process		723,160	528,187	695,094	687,340
Raw materials and components consumed		2,609,519	2,596,404	7,304,965	5,819,841
Factory overheads		717,674	777,418	2,168,661	2,353,658
		3,327,193	3,373,822	9,473,626	8,173,499
		4,050,353	3,902,009	10,168,720	8,860,839
Closing stock of work-in-process		(797,418)	(660,308)	(797,418)	(660,308)
		3,252,935	3,241,701	9,371,302	8,200,531

	----- Un-audited -----			
	Quarter ended		Period ended	
	March 31,		March 31,	
	2020	2019	2020	2019
----- (Rupees in '000) -----				
13. OTHER INCOME				
Dividend income	-	-	18	7,905
Gain on sale of investments at fair value through profit or loss	-	-	10	4,450
Exchange gain	(1,148)	-	-	-
Fair value gain on investments at fair value through profit or loss	4,236	2,580	12,196	5,111
Scrap sales	2,677	1,849	7,313	6,920
Gain on disposal of operating fixed assets	3,283	225	3,345	327,664
	<u>9,048</u>	<u>4,654</u>	<u>22,882</u>	<u>352,050</u>

14. EARNINGS / (LOSS) PER SHARE

14.1 Basic earnings / (loss) per share	----- (Rupees in '000) -----			
	Net profit / (loss) for the period	<u>22,067</u>	<u>(197,985)</u>	<u>(132,684)</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares in issue during the period	<u>24,359,676</u>	<u>24,359,676</u>	<u>24,359,676</u>	<u>24,359,676</u>
	----- (Rupees) -----			
Basic and diluted earnings / (loss) per share	<u>0.91</u>	<u>(8.13)</u>	<u>(5.45)</u>	<u>(26.43)</u>

14.2 A diluted earnings / (loss) per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2020 and March 31, 2019 which would have any effect on the earnings per share if the option to convert is exercised.

15. FINANCIAL RISK MANAGEMENT

15.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk).

The condensed interim financial statements does not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the audited annual financial statement of the Company as at June 30, 2019.

There have been no change in the risk management policies since the year end.

15.2 Fair value estimation

The carrying values of all financial assets and liabilities reflected in this condensed interim financial statements are a reasonable approximation of their fair values.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
Assets - Recurring fair value measurement				
Financial assets at fair value through profit or loss				
Short term investments	<u>137,173</u>	<u>-</u>	<u>-</u>	<u>137,173</u>

There was no transfers amongst the levels and any change in valuation techniques during the period.

16. TRANSACTIONS WITH RELATED PARTIES

16.1 Significant transactions with related parties are as follows:

	----- Un-audited ----- March 31, 2020 2019 ----- (Rupees in '000) -----	
Holding Company		
Rent / service charges	59,905	59,905
Dividend paid	-	102,417
Bonus shares issued	-	40,967
Sale of operating fixed assets	-	650,000
Expenses charged	-	1,189
Associated Companies		
Sale of:		
- goods	567,937	762,121
- operating fixed assets	2,512	2,875
Purchases of:		
- goods and services	167,923	5,641,944
- operating fixed assets	22,432	27,021
Rent / service charges	9,495	10,265
Reimbursement of expenses	3,774	3,482
Expenses charged	766	-
Insurance premium	66,382	105,745
Insurance claims	11,533	16,721
Purchase of units in mutual funds	15	3,200
Sale of units in mutual funds	2,103	755,031
Dividend received	18	3,764
Dividend paid	-	32,332
Bonus shares issued	-	12,933
Royalty and technical fee	103,035	99,717
Donation paid	-	8,417
Contribution to pension funds	8,857	10,436
Other related parties		
Contributions paid to:		
- gratuity funds	9,005	13,891
- provident fund	3,732	4,553
Key Management Personnel		
- salaries and other short term employment benefits	49,928	82,747
- sale of operating fixed assets	2,398	1,509

16.2 Period / year end balances of related parties other than disclosed any where else are as follows:

	Un-audited March 31, 2020	Audited June 30, 2019
	---- (Rupees in '000) ----	
Receivables from related parties		
Deposits and prepayments	25,143	-
Investments	-	2,077
Other receivables	129	6,082
Payables to related parties		
Staff retirement benefits	20,333	20,333
Trade and other payables	124,564	170,860

These are in the normal course of business.


17. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2019, whereas, the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of condensed interim financial statements of the Company for the period ended March 31, 2019. Corresponding figures have been rearranged and reclassified for better presentation wherever considered necessary, the effect of which is not material.

18. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements was authorized for issue on April 23, 2020 by the Board of Directors of the Company.


Aamir H. Shirazi
Chairman


Ali H. Shirazi
President / Chief Executive


Rizwan Ahmed
Chief Financial Officer

Atlas Battery Limited

D-181, Central Avenue, S.I.T.E., Karachi-75730

Ph: (92-21) 32567990-4,

Fax: (92-21) 32564703

E-mail: abl@abl.atlas.pk

Website: www.atlasbattery.com.pk