



Quarterly Report March 31,

2022

2022

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 Statements	13

COMPANY INFORMATION

Board of Directors

- Aamir H. Shirazi
Chairman
- Azam Faruque
Director
- Bashir Makki
Director
- Fahd K. Chinoy
Director
- Mehreen Amin
Director
- Toru Furuya
Director
- Ali H. Shirazi
President / Chief Executive
- Abdullah Zaheer
Company Secretary

Audit Committee

- Azam Faruque
Chairman
- Bashir Makki
Member
- Fahd K. Chinoy
Member
- Faiz Ullah Ghazi
Secretary & Head of Internal Audit

Human Resource and Remuneration Committee

- Mehreen Amin
Chairperson
- Ali H. Shirazi
Member
- Bashir Makki
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
- Muhammad Asher Ahmad
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 Accounts

Legal Advisors

- Agha Faisal, Barrister at Law
Mohsin Tayebaly & Co.

Tax Advisors

- EY Ford Rhodes
Chartered Accountants

COMPANY INFORMATION

Bankers

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank 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
UAN: 111-247-225

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) 37186388-91

Lahore Service Center

25-KM, Near Shamshad House, Opposite
Hussaini Darbar, Multan Road, Maraka, Lahore
Tel: (042) 35479004-5

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

Plot No. 109-110, Multan Industrial Estate,
Phase II, Opposite Coca-Cola Factory, Multan
Tel: (061) 6538715-8

Peshawar Sales Office and Service Center

First Floor, Zeenat Plaza, G.T. 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 G.T.
Road, Near Pakpattan Chowk, Sahiwal
Tel: (040) 4400445 & 4400545

Company Website

www.abl.atlas.pk

Email Address

abl@abl.atlas.pk

CHAIRMAN'S REVIEW

I am pleased to present the un-audited condensed interim results of your Company for the nine months ended March 31, 2022.

Macroeconomic Overview

At a time when the global economy had started to show signs of recovery from the pandemic, the recent geopolitical tensions have undermined the revival prospects. These challenges have fueled global inflation and downgraded the growth outlook in most countries. The substantial increase in global commodity prices and in particular oil prices have contributed to inflation soaring to 10.8% during 9M FY-22 as against 8.3% during the same period last year.

The substantial increase in global commodity prices has stressed Pakistan's external sector position, pushing the trade deficit to USD 27.3 billion during the 8M FY-22 as compared to USD 16.0 billion in corresponding period. Demand-side pressures emanating from recovery of domestic economy have added to the import burden. This imbalance was partially offset by workers' remittances, which continue to post more than USD 2 billion per month during the 8M FY-22. Moreover, robust growth of 28.1% in exports as compared to 8M FY-21 have somewhat helped to mitigate the pressure on the current account. Still the current account deficit for the 8M FY-22 has surged to USD 12.1 billion. The country's foreign exchange reserves have recently witnessed a declining trend too, creating further pressure on the local currency. Resultantly, the PKR came under pressure in the interbank market and depreciated by 15.7% against the USD as compared to the start of FY-22. In response to the recovery in domestic demand, emerging inflationary pressures and a trade deficit account, SBP has increased the policy rate by 525 basis points in quick succession, to stand at 12.25%, during FY-22. Fiscal deficit remained around 2.9% of GDP for 7M FY-22. Strong growth of 29.1% was witnessed in FBR tax collection during 9M FY-22 making the total tax collection of Rs.4,382 billion.

After a successful Kharif season, agricultural prospects during the Rabi season have somewhat been affected with key inputs such as fertilizer off-take and water availability during the Rabi season expected to be lower than last year. However, the increased wheat support prices and agricultural credit disbursements is likely to provide much needed support to the agricultural sector.

During 7M FY-22, LSM gained the growth momentum of 7.6% against 1.8% last year. However, on account of global supply chain disruptions, raw material supply is becoming increasingly constrained and prices are on the rise, exerting pressure on profitability.

Operating Results

During the third quarter of FY-22 your Company achieved sales of Rs.6,655 million as compared to Rs.5,424 million in the same quarter last year, up 22.7%. This increase was mainly due to demand of batteries in the replacement market. However, the surge in raw material prices along with inflationary pressure resulted in lower gross profit of Rs.584 million as compared to Rs.665 million in the corresponding quarter, down by 12.1%.

Operating expenses stood at Rs.262 million as compared to Rs.233 million in the corresponding quarter of last year, up 12.4%. Your Company achieved profit from operations of Rs.314 million as compared to Rs.422 million during corresponding quarter. Finance cost increased to Rs.154 million from Rs.33 million owing to increase in mark-up rates and working capital requirement.

Thus profit before tax for the third quarter of FY-22 stood at Rs.159 million as compared to Rs.389 million in the corresponding quarter of last year. After providing Rs.73 million for taxation, the profit after tax stood at Rs.86 million as compared to Rs.257 million in the corresponding quarter. Earnings per share for the quarter was Rs.3.07 as compared to Rs.9.19 for the same quarter of last year.

During the nine months of FY-22, your Company achieved sales of Rs.16,494 million as compared to Rs.14,126 million in the same period of last year, up 16.8%. However, owing to the factors explained above margins remained subdued and profit before tax for nine months of FY-22 reduced to Rs.470 million as compared to Rs.912 million in the corresponding period of last year. After providing Rs.178 million for taxation, the profit after tax stood at Rs.291 million as compared to Rs.669 million in the corresponding period. Earnings per share for the nine months was Rs.10.40 as compared to Rs 23.87 for the same period of last year.

Future Outlook

The country at the end of nine months of FY-22 witnessed growth prospects and improved business sentiments. However, driven by rising global commodity prices coupled with political instability, economic indicators have started showing signs of weakness. The volatile geopolitical situation may further aggravate supply chain bottlenecks.

Keeping in view the current socio-political and economic situation, the demand for your Company's products is expected to remain modest. However, with the rising cost pressures, maintaining market share as well ensuring reasonable margins will remain a challenge. The management is focused on managing costs, maintaining high quality of products and services and improving market penetration. Your Company has also made significant investment to improve 5S, HSE, information technology and engineering & development to enhance business efficiency. This will also help improve technology and development of new products. Your Company will continue to focus on productivity and efficiency while meeting customers' demand for superior quality.

ع پیوستہ رہ شجر سے، امید بہار رکھ

(Preservance and determination are key to success)

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 / Chief Executive of your Company and the management team for their dedication and commitment to achieve sustained growth year after year.



Aamir H. Shirazi
Chairman

Karachi: April 27, 2022

اس طرح مالی سال 2022 کی تیسری سہ ماہی میں قبل از ٹیکس منافع 159 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 389 ملین روپے تھا۔ 73 ملین روپے ٹیکس محصولات فراہم کرنے کے بعد، اسی سہ ماہی کے دوران بعد از ٹیکس منافع 86 ملین روپے رہا جو کہ گزشتہ سال کی اس مدت کے دوران 257 ملین روپے تھا۔ اس سہ ماہی کی فی حصص آمدنی 3.07 روپے رہی جب کہ گزشتہ سال اسی مدت کے دوران فی حصص آمدنی 9.19 روپے تھی۔

FY-22 کے نو مہینوں کے دوران، آپ کی کمپنی نے 16,494 ملین روپے کی فروخت حاصل کی جو کہ گزشتہ سال کی اسی مدت کے دوران 14,126 ملین روپے کے مقابلے میں 16.8 فیصد زیادہ ہے۔ تاہم اوپر بیان کردہ عوامل کی وجہ سے مارجن دباؤ کے زخمیں رہا ہے اور اسی وجہ سے مالی سال 2022 کے نو ماہ کے لیے قبل از ٹیکس منافع 470 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 912 ملین روپے تھا۔ ٹیکس محصولات کے لیے 178 ملین روپے فراہم کرنے کے بعد، بعد از ٹیکس منافع 291 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 669 روپے تھا۔ نو مہینوں کے لیے فی حصص آمدنی 10.40 روپے رہی جو پچھلے سال کی اسی مدت میں 23.87 روپے تھی۔

مستقبل کے خدوخال

مالی سال 2022 کے نو ماہ کے اختتام پر ملک میں ترقی کے امکانات اور کاروباری سرگرمیوں میں بہتری دیکھنے میں آئی۔ تاہم، بڑھتی ہوئی عالمی اجناس کی قیمتوں اور سیاسی عدم استحکام کے باعث اقتصادی اشاروں نے مندی کے آثار دکھانا شروع کر دیے ہیں۔ مزید یہ کہ غیر مستحکم مغربیائی سیاسی صورت حال سپلائی چین کی رکاوٹوں کو مزید بڑھا سکتی ہے۔


موجودہ سماجی، سیاسی اور اقتصادی صورت حال کو مد نظر رکھتے ہوئے آپ کی کمپنی کی مصنوعات کی مانگ معمولی رہنے کی امید ہے تاہم لاگت کے بڑھتے ہوئے دباؤ کے ساتھ مناسب مارجن کو یقینی بناتے ہوئے مارکیٹ شیئر کو برقرار رکھنا ایک چیلنج ہوگا۔ کمپنی کی مینجمنٹ انتظامی لاگت میں کمی اور مصنوعات اور خدمات کے اعلیٰ معیار کو برقرار رکھنے کے ساتھ ساتھ مارکیٹ پیننڈیشن کے لیے کوشاں ہے۔ کاروباری کارکردگی کو بڑھانے کے لیے آپ کی کمپنی نے 5S، HSE اور انفارمیشن ٹیکنالوجی اور انجینئرنگ اور ڈیولپمنٹ کے لیے نمایاں سرمایہ کاری کی ہے۔ اس سے ٹیکنالوجی کو بہتر بنانے اور نئی مصنوعات کی ترویج میں بھی مدد ملے گی۔ آپ کی کمپنی صارفین کے لیے اعلیٰ معیار کی پراڈکٹ کی فراہمی کے ساتھ ساتھ پیداواریت اور کارکردگی کو بڑھانے کے لیے کوشاں رہے گی۔

ع پیوستہ رہ شجر سے، امید بہار رکھ

(Preservance and determination are key to success)

اظہار تشکر

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


عامر ایچ شیرازی
چیئرمین

کراچی: 127 اپریل 2022

چیمبر مین کا جائزہ

میں نہایت مسرت کے ساتھ 31 مارچ 2022 کو ختم ہونے والے نو ماہ کے لیے آپ کی کمپنی کے غیر پڑتال شدہ عبوری مالیاتی نتائج پیش کر رہا ہوں۔

مانکروا کا نوک جائزہ

عالمی معیشت نے وبا کی مرض سے بحالی کے آچار دکھانا شروع ہی کیے تھے کہ ایسے وقت میں حالیہ جغرافیائی تناؤ نے معاشی بحالی کے امکانات کو متاثر کر دیا ہے۔ ان چیلنجز نے عالمی افراط زر کو نہ صرف ہوا دی بلکہ زیادہ تر ممالک کی ترقی کی سطح کو بھی گھٹا دیا ہے۔ عالمی اجناس کی قیمتوں اور خاص طور پر تیل کی قیمتوں میں خاطر خواہ اضافے نے 9M FY-22 کے دوران افراط زر کی شرح 10.8 فیصد تک بڑھادی ہے جو گزشتہ سال کی اسی مدت کے دوران 8.3 فیصد تھی۔

عالمی اجناس کی قیمتوں میں اضافے کے باعث پاکستان کے بیرونی شعبے کی صورت حال پر دباؤ بڑھ گیا ہے، جس سے تجارتی خسارہ 8M FY-22 کے دوران 27.3 ملین امریکی ڈالر ہو گیا جو گزشتہ سال کی اسی مدت کے دوران 16.0 ملین امریکی ڈالر تھا۔ ملکی معیشت کی بحالی سے پیدا ہونے والی ڈیماڈ سائڈ پریشی نے بھی درآمدی بوجھ میں اضافہ کیا ہے۔ اس عدم توازن کو جزوی طور پر ترسیلات زر نے پورا کیا، جو کہ 8M FY-22 کے دوران ماہانہ 2 ملین امریکی ڈالر سے زیادہ ریکارڈ کی گئیں۔ مزید برآں، 8M FY-21 کے مقابلے میں برآمدات میں 28.1 فیصد کی مضبوط نمو نے کرنٹ اکاؤنٹ پر دباؤ کو کم کرنے میں کسی حد تک مدد کی ہے، پھر بھی 8M FY-22 کے لیے کرنٹ اکاؤنٹ خسارہ بڑھ کر 12.1 ملین امریکی ڈالر ہو گیا ہے۔ حال ہی میں ملکی زرمبادلہ کے ذخائر میں کمی دیکھنے میں آئی جس کے باعث ملکی کرنسی پر مزید دباؤ پڑ گیا ہے۔ اس کے نتیجے میں پاکستانی روپے کی قدر میں انٹربینک مارکیٹ میں کمی واقع ہوئی اور امریکی ڈالر FY-22 کے آغاز کے مقابلے میں 15.7 فیصد تک گر گیا ہے، ملکی طلب میں بحالی، ابھرتے ہوئے افراط زر کا دباؤ اور تجارتی خسارے کے باعث اسٹیٹ بینک آف پاکستان (SBP) نے FY-22 کے دوران پالیسی کی شرح میں 525 بیس پوائنٹس کا اضافہ کیا ہے، جو کہ 12.25 فیصد تک پہنچ گیا ہے۔ مالیاتی خسارہ 7M FY-22 میں GDP کا تقریباً 2.9 فیصد رہا۔ 9M FY-22 کے دوران ایف بی آر کی ٹیکس وصولی میں 29.1 فیصد کی نمو دیکھی گئی اور کل ٹیکس وصولی 4,382 ملین روپے ہوئی ہے۔

خریف کے کامیاب سیزن کے بعد، ربیع کے موسم کے دوران زرعی پیداوار کے امکانات کچھ حد تک متاثر ہوئے ہیں جس کی وجہ کھاد کی کمی اور پانی کی عدم دستیابی ہے جو کہ گزشتہ سال کے مقابلے میں کم رہنے کی توقع ہے۔ تاہم، گندم کی امدادی قیمتوں میں اضافہ اور زرعی قرضوں کی تقسیم سے زراعت کے شعبے میں استحکام کے امکانات ہیں۔

7M FY-22 کے دوران LSM نے گزشتہ سال 1.8 فیصد کے مقابلے میں 7.6 فیصد کی ترقی حاصل کی۔ تاہم، عالمی سپلائی چین میں رکاوٹوں کے باعث خام مال کی سپلائی میں کمی کے ساتھ قیمتوں میں اضافہ ہوا ہے، جس سے منافع پر دباؤ پڑ رہا ہے۔

آپریٹنگ نتائج:

مالی سال 2022 کی تیسری سہ ماہی کے دوران آپ کی کمپنی نے 6,655 ملین روپے کی فروخت حاصل کی جو کہ گزشتہ سال کی اسی سہ ماہی میں 5,424 ملین روپے کے مقابلے میں 22.7 فیصد زیادہ ہے۔ یہ اضافہ بنیادی طور پر متبادل مارکیٹ میں بیئر یو کی مانگ کی وجہ سے ہوا تاہم افراط زر کے دباؤ اور خام مال کی قیمتوں میں اضافے کے باعث اسی سہ ماہی میں 665 ملین روپے کے مقابلے میں مجموعی منافع 584 ملین روپے رہا جو کہ 12.1 فیصد کم ہے۔

آپریٹنگ اخراجات 262 ملین روپے رہے جو کہ گزشتہ سال کی اسی سہ ماہی میں 233 ملین روپے کے مقابلے میں 12.4 فیصد زیادہ ہے۔ آپ کی کمپنی نے اسی سہ ماہی کے دوران آپریٹنگ سے 314 ملین روپے کا منافع حاصل کیا جو کہ گزشتہ سال اسی مدت کے دوران 422 ملین روپے رہا۔ مارک اپ کی شرح میں اضافے اور درگت کیچل کی ضرورت میں اضافے کے باعث مالیاتی لاگت 33 ملین روپے سے بڑھ کر 154 ملین روپے ہو گئی۔

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2022

		Un-audited March 31, 2022	Audited June 30, 2021
	Note	----- Rupees in '000 -----	
ASSETS			
Non current assets			
Property, plant and equipment	5	4,184,097	3,952,397
Intangible assets		2,270	3,929
Investments		-	-
Long term loans		3,033	1,897
Long term deposits		25,363	20,388
		4,214,763	3,978,611
Current assets			
Stores, spares and loose tools		318,757	259,332
Stock-in-trade	6	4,682,142	3,912,393
Trade debts	7	2,107,331	1,092,145
Loans and advances		15,436	19,970
Deposits and prepayments	8	92,856	39,779
Investments		203,647	146,364
Accrued mark-up		-	302
Other receivables		2,686	2,983
Sales tax receivable - net		-	29,674
Taxation - net		351,645	209,017
Cash and bank balances		642,610	189,113
		8,417,110	5,901,072
Total assets		12,631,873	9,879,683
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
50,000,000 (June 30, 2021: 50,000,000)			
ordinary shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid up capital			
28,013,627 (June 30, 2021: 24,359,676)			
ordinary shares of Rs. 10 each		280,136	243,597
Revenue reserves			
General reserve		5,037,500	5,037,500
Accumulated losses		(103,942)	(261,198)
		4,933,558	4,776,302
Capital reserve			
Surplus on revaluation of leasehold land		589,186	589,186
Total equity		5,802,880	5,609,085
Liabilities			
Non current liabilities			
Lease liabilities		356,493	319,547
Long term borrowings		283,475	411,652
Deferred income - government grant		18,639	11,724
Staff retirement benefits		96,968	83,047
Deferred taxation		190,156	215,492
		945,731	1,041,462
Current liabilities			
Trade and other payables		1,554,904	1,692,228
Sales tax payable - net		288,856	-
Accrued mark-up		128,499	16,119
Current portion of lease liabilities		49,455	39,130
Current maturity of long term borrowings		262,447	308,252
Current portion of deferred income - government grant		6,451	13,623
Short term borrowings	9	3,500,726	1,083,666
Dividend payable		51,155	36,539
Unclaimed dividend		40,769	39,579
		5,883,262	3,229,136
Total liabilities		6,828,993	4,270,598
Contingencies and commitments	10		
Total equity and liabilities		12,631,873	9,879,683

The annexed notes 1 to 16 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, 2022


		Quarter ended		Period ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Note		----- Rupees in '000 -----			
Sales - net		6,655,292	5,423,972	16,494,392	14,125,932
Cost of sales	11	(6,071,253)	(4,759,214)	(14,894,895)	(12,442,298)
Gross profit		584,039	664,758	1,599,497	1,683,634
Distribution cost		(194,385)	(169,178)	(559,763)	(469,033)
Administrative expenses		(67,127)	(63,471)	(212,792)	(180,406)
Other income		7,066	15,256	23,366	48,232
Other expenses		(15,985)	(25,392)	(77,456)	(70,996)
Profit from operations		313,608	421,973	772,852	1,011,431
Finance cost		(154,407)	(33,254)	(303,311)	(99,627)
Profit before taxation		159,201	388,719	469,541	911,804
Taxation		(73,069)	(131,325)	(178,307)	(243,063)
Profit after taxation		86,132	257,394	291,234	668,741
Other comprehensive income		-	-	-	-
Total comprehensive income		86,132	257,394	291,234	668,741

----- Rupees -----					
Restated			Restated		
Earnings per share					
- basic and diluted	12	3.07	9.19	10.40	23.87

The annexed notes 1 to 16 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, 2022

	Issued, subscribed and paid-up capital	Revenue reserves		Capital reserve	Total
		General reserve	Accumulated losses	Surplus on revaluation of leasehold land	
Balance as at July 1, 2020	243,597	5,037,500	(915,479)	589,186	4,954,804
Total comprehensive income for the period ended March 31, 2021					
Profit for the period	-	-	668,741	-	668,741
Other comprehensive income	-	-	-	-	-
	-	-	668,741	-	668,741
Balance as at March 31, 2021	243,597	5,037,500	(246,738)	589,186	5,623,545
Transactions with owners, recognized directly in equity					
Interim cash dividend for the year ended June 30, 2021 at the rate of Rs. 10 per share	-	-	(243,597)	-	(243,597)
Total comprehensive income for the period ended June 30, 2021					
Profit for the period	-	-	227,233	-	227,233
Other comprehensive income	-	-	1,904	-	1,904
	-	-	229,137	-	229,137
Balance as at June 30, 2021	243,597	5,037,500	(261,198)	589,186	5,609,085
Transactions with owners, recognized directly in equity					
Final cash dividend for the year ended June 30, 2021 at the rate of Rs. 4 per share	-	-	(97,439)	-	(97,439)
Bonus shares issued for the year ended June 30, 2021 in the ratio of 3 shares for every 20 shares held	36,539	-	(36,539)	-	-
Total comprehensive income for the period ended March 31, 2022					
Profit for the period	-	-	291,234	-	291,234
Other comprehensive income	-	-	-	-	-
	-	-	291,234	-	291,234
Balance as at March 31, 2022	280,136	5,037,500	(103,942)	589,186	5,802,880

The annexed notes 1 to 16 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, 2022

	Period ended	
	March 31, 2022	March 31, 2021
	----- Rupees in '000 -----	
Cash flows from operating activities		
Profit before taxation	469,541	911,804
Adjustments for non-cash charges and other items:		
Depreciation	304,770	295,922
Amortization	1,659	-
Provision for gratuity	6,160	5,427
Provision for compensated leave absences	15,686	16,488
Gain on sale of investments at fair value through profit or loss	(2)	(1,713)
Mark-up income	(1)	(9,246)
Dividend income	(4)	(11,648)
Fair value gain on investments at fair value through profit or loss	(12,282)	(6,965)
Gain on disposal of operating fixed assets	(1,056)	(746)
Provision for doubtful debts	6,726	77
Finance cost	303,311	99,627
	1,094,508	1,299,027
Changes in working capital:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(59,425)	(24,515)
Stock-in-trade	(769,749)	(1,336,735)
Trade debts	(1,021,912)	(536,653)
Loans and advances	4,534	(5,877)
Deposits and prepayments	(53,077)	(72,392)
Other receivables	297	(2,637)
	(1,899,332)	(1,978,809)
Increase / (decrease) in current liabilities		
Trade and other payables	(138,997)	621,784
Sales tax payable - net	318,530	(107,856)
	179,533	513,928
	(1,719,799)	(1,464,881)
Cash used in operations	(625,291)	(165,854)
Finance cost paid	(150,520)	(73,136)
Mark-up income received	303	9,245
Income taxes (paid) [including tax deducted at source] / receipts	(346,271)	77,017
Gratuity paid	(4,255)	(5,766)
Compensated leave absences paid	(1,997)	(3,986)
Long term loans - net	(1,136)	630
Long term deposits - net	(4,975)	(1,705)
Net cash used in operating activities - carried forward	(1,134,142)	(163,555)

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2022

	Period ended	
	March 31, 2022	March 31, 2021
	----- Rupees in '000 -----	
Net cash used in operating activities - brought forward	(1,134,142)	(163,555)
Cash flows from investing activities		
Payments for property, plant and equipment	(472,811)	(158,368)
Proceeds from sale of property, plant and equipment	17,795	17,842
Payments for investments	(45,432)	(509,903)
Proceeds from sale of investments	433	511,617
Dividend received	4	11,648
Net cash used in investing activities	(500,011)	(127,164)
Cash flows from financing activities		
Lease rentals paid	(73,538)	(61,246)
Long term borrowings obtained	49,528	198,883
Long term borrowings repaid	(223,767)	(45,813)
Short term borrowings - net	2,417,060	608,506
Dividend paid	(81,633)	(132)
Net cash generated from financing activities	2,087,650	700,198
Net increase in cash and cash equivalents	453,497	409,479
Cash and cash equivalents - at beginning of the period	189,113	45,507
Cash and cash equivalents - at end of the period	642,610	454,986

The annexed notes 1 to 16 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 STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED MARCH 31, 2022

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, 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, 2021: 58.86%) of issued, subscribed and paid-up capital of the Company as at March 31, 2022.

2. BASIS OF PREPARATION

These condensed interim financial statements have 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;
- 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 provision of and directives issued under the Companies Act, 2017 have been followed.

3. ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements of the Company for the year ended June 30, 2021.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2021. These are considered either not to be relevant or not to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards 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 the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

In preparing these 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, 2021.

		Un-audited March 31, 2022	Audited June 30, 2021
5. PROPERTY, PLANT AND EQUIPMENT	Note	---- Rupees in '000 ----	
Operating fixed assets	5.1	3,628,812	3,586,533
Capital work-in-progress	5.5	224,139	65,579
Right of use assets		331,146	300,285
		<u>4,184,097</u>	<u>3,952,397</u>
5.1 Operating fixed assets			
Net book value at beginning of the period / year		3,586,533	3,691,097
Additions during the period / year	5.2	314,247	261,347
Disposals during the period / year	5.3	(16,739)	(21,802)
Depreciation charged during the period / year		(255,229)	(344,109)
Net book value at end of the period / year	5.4	<u>3,628,812</u>	<u>3,586,533</u>
5.2 Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:			
Buildings on leasehold land		34,891	28,586
Plant and machinery		200,928	133,399
Office equipment		3,195	3,251
Computer and accessories		9,879	4,312
Furniture and fixtures		3,924	2,998
Air conditioners		1,531	2,022
Vehicles		59,899	86,779
		<u>314,247</u>	<u>261,347</u>

	Un-audited March 31, 2022		Audited June 30, 2021	
	Cost	Net book value	Cost	Net book value
5.3 Disposals during the period / year:	---- Rupees in '000 ----			
Plant and machinery	1,782	774	11,191	3,058
Computers and accessories	372	290	416	-
Furniture and fixtures	-	-	144	94
Air conditioners	250	101	-	-
Vehicles	29,889	15,574	37,612	18,650
	<u>32,293</u>	<u>16,739</u>	<u>49,363</u>	<u>21,802</u>
5.4 Plant and machinery includes dies and molds held with:				
Related parties	38,682	28,199	34,077	25,632
Others	122,417	60,114	113,701	55,798
	<u>161,099</u>	<u>88,313</u>	<u>147,778</u>	<u>81,430</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, 2022	Audited June 30, 2021
5.5 Capital work-in-progress	Note	---- Rupees in '000 ----	
Buildings on leasehold land		163,202	14,993
Plant and machinery		43,490	42,232
Furniture and fixtures		794	686
Air conditioners		258	258
Vehicles		11,572	2,736
Intangible asset		4,823	4,674
	5.6	<u>224,139</u>	<u>65,579</u>

5.6 Includes advance payments to related parties amounting to Rs.412 thousand (June 30, 2021: Rs.1,296 thousand) to Atlas Honda Limited and Rs.6,181 thousand (June 30, 2021: Rs. Nil) to Honda Atlas Cars (Pakistan) Limited, for purchase of vehicles, and Rs.3,213 thousand to Integration Xperts (Private) Limited, for development of software.

		Un-audited March 31, 2022	Audited June 30, 2021
6. STOCK-IN-TRADE	Note	---- Rupees in '000 ----	
Raw materials and components:			
- in hand		2,528,568	2,389,029
- with third parties	6.1	45,680	39,613
		<u>2,574,248</u>	<u>2,428,642</u>
Work-in-process		1,208,916	917,455
Finished goods		802,657	375,120
Items in transit		96,321	191,176
		<u>4,682,142</u>	<u>3,912,393</u>

6.1 Includes raw materials amounting to Rs.1,045 thousand (June 30, 2021: Rs.834 thousand) held with Atlas Autos (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.8,734,687 thousand (June 30, 2021: Rs.5,801,020 thousand) are under hypothecation of commercial banks as security for short term borrowings.

		Un-audited March 31, 2022	Audited June 30, 2021
7. TRADE DEBTS - Unsecured		---- Rupees in '000 ----	
Considered good			
Associated Companies		8,803	114,000
Others		2,098,528	978,145
		<u>2,107,331</u>	<u>1,092,145</u>
Considered doubtful			
Others		49,010	42,284
		<u>2,156,341</u>	<u>1,134,429</u>
Provision for expected credit loss		(49,010)	(42,284)
		<u>2,107,331</u>	<u>1,092,145</u>

8. DEPOSITS AND PREPAYMENTS

Include prepayments of Rs.87,470 thousand (June 30, 2021: Rs.34,730 thousand) in respect of renewals of insurance policies, rental agreements and other expenses.

	Un-audited March 31, 2022	Audited June 30, 2021
9. SHORT TERM BORROWINGS - Secured	---- Rupees in '000 ----	
Running finances / musharakah	2,700,726	783,666
Demand Finance	800,000	300,000
	<u>3,500,726</u>	<u>1,083,666</u>

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There is no significant change in the status of the contingencies as disclosed in note 27.1 of the audited annual financial statements of the Company for the year ended June 30, 2021 except for the following:

10.1.1 With respect to the matters discussed in note 27.1.4, 27.1.6, 27.1.7, 27.1.10 and 27.1.11 of the audited annual financial statements, the Company has obtained stay from the Honourable High Court of Sindh against the recovery of the demand.

10.1.2 Assistant / Deputy Commissioner Inland Revenue (DCIR), Unit-4, Audit-1, Large Taxpayers' Office, Karachi conducted income tax audits for the tax years 2016, 2018, 2019 & 2020 and accordingly, passed orders dated July 29, 2021 u/s 122(1) of the Income Tax Ordinance, 2001 (the Ordinance) and created demand of Rs.2.597 billion, Rs.3.746 billion, Rs.2.693 billion and Rs.2.225 billion, respectively for the said tax years. The significant issues alleged in these orders are disallowance of lead purchases on account of alleged fake and flying sales tax invoices, difference in bank credit entries with audited accounts, add backs of additional discounts and disallowance of certain expenditures. The Company has filed appeals before Commissioner Inland Revenue (Appeals) [CIR(A)] which is pending for hearing. The Company has obtained stay order from the Honourable High Court of Sindh against the recovery of aforesaid demand.

	Un-audited March 31, 2022	Audited June 30, 2021
10.2 Outstanding bank guarantees	<u>169,360</u>	<u>119,360</u>
10.3 Commitments		
In respect of letters of credit / contract relating to:		
- raw materials, stores, spares and loose tools	133,379	415,229
- capital expenditure	139,583	66,737
	<u>272,962</u>	<u>481,966</u>
In respect of capital expenditure other than through letters of credit	108,316	32,685
	<u>381,278</u>	<u>514,651</u>

11. COST OF SALES

		----- Un-audited -----		----- Un-audited -----	
		Quarter ended		Period ended	
		March 31,	March 31,	March 31,	March 31,
		2022	2021	2022	2021
Note		----- Rupees in '000 -----			
Opening stock of finished goods		1,255,435	480,322	375,120	327,271
Cost of goods manufactured	11.1	5,435,822	5,080,087	14,921,572	12,647,829
Purchases during the period		182,653	107,985	400,860	376,378
		5,618,475	5,188,072	15,322,432	13,024,207
		6,873,910	5,668,394	15,697,552	13,351,478
Closing stock of finished goods		(802,657)	(909,180)	(802,657)	(909,180)
		6,071,253	4,759,214	14,894,895	12,442,298

11.1 Cost of goods manufactured

Opening work-in-process	1,224,462	789,502	917,455	751,225
Raw materials and components consumed	4,252,770	4,224,363	11,801,431	10,109,870
Factory overheads	1,167,506	992,355	3,411,602	2,712,867
	5,420,276	5,216,718	15,213,033	12,822,737
	6,644,738	6,006,220	16,130,488	13,573,962
Closing work-in-process	(1,208,916)	(926,133)	(1,208,916)	(926,133)
	5,435,822	5,080,087	14,921,572	12,647,829

12. EARNINGS PER SHARE

12.1 Basic earnings per share

		----- Un-audited -----		----- Un-audited -----	
		Quarter ended		Period ended	
		March 31,	March 31,	March 31,	March 31,
		2022	2021	2022	2021
		----- Rupees in '000 -----			
Net profit for the period		86,132	257,394	291,234	668,741
		----- (Number of shares) -----			
		Restated		Restated	
Weighted average ordinary shares in issue		28,013,627	28,013,627	28,013,627	28,013,627
		----- Rupees -----			
		Restated		Restated	
Basic earnings per share		3.07	9.19	10.40	23.87

12.2 Diluted earnings per share

There is no dilutive effect on the earnings per share of the Company. Weighted average number of shares in issue and earnings per share for the quarter and period ended March 31, 2021 have been restated taking into effect the issue of bonus shares at the rate of 15% issued during the current period.

13. FINANCIAL RISK MANAGEMENT

13.1 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).

These condensed interim financial statements do 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, 2021.

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

13.2 Fair value estimation

The carrying values of all financial assets and liabilities reflected in these 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	203,647	-	-	203,647

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

14. TRANSACTIONS WITH RELATED PARTIES

14.1 Significant transactions with related parties are as follows:

	----- Un-audited -----	
	Period ended	
	March 31, 2022	March 31, 2021
	---- Rupees in '000 ----	
Holding Company		
Service charges / lease rental paid	93,913	78,798
Dividend paid	57,354	-
Bonus shares issued	21,508	-
Associated Companies		
Sales of:		
- goods	1,008,454	780,809
- operating fixed assets	133	622
Purchases of:		
- goods	421,549	189,482
- operating fixed assets	76,393	29,674
- consumables / services	14,210	7,893
Service charges / lease rental paid	2,275	2,068
Reimbursement of expenses	1,544	-
Expenses charged	-	955
Insurance premium	150,944	124,216
Insurance claims	7,726	10,930
Purchase of units in mutual funds	432	509,904
Sale of units in mutual funds	434	511,617
Dividend received	4	11,648
Royalty and technical fee	173,042	146,314
Donation paid	12,047	-
Contribution to pension funds	13,497	11,043
Dividend paid	3,490	-
Bonus shares issued	6,790	-
Other related parties		
Contributions paid to:		
- gratuity funds	4,255	5,606
- provident fund	4,163	4,003
Key Management Personnel		
Salaries and other short term employment benefits	71,416	69,595
Sale of operating fixed assets under Company policy	1,913	-

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

	Un-audited March 31, 2022	Audited June 30, 2021
	---- Rupees in '000 ----	
Receivables from related parties		
Long term loans	-	583
Loans and advances	300	134
Deposits and prepayments	48,628	28,266
Other receivables	369	666
Payables to related parties		
Staff retirement benefits	25,561	21,598
Trade and other payables	236,377	267,592
Dividend payable	51,155	36,539

These are in the normal course of business.


15. 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, 2021, 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, 2021. Corresponding figures have been re-arranged and reclassified for better presentation wherever considered necessary, the effect of which is not material.

16. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 27, 2022 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

UAN: 111-247-225

E-mail: abl@abl.atlas.pk

Website: www.abl.atlas.pk