



Quarterly Report March 31,

2023

2023

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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

Faizan Raza Nayani
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

Mansoor Jamil Khan
Director Technical

Ahmar Waheed
General Manager Human Resource

Iftikhar ul Islam
General Manager Marketing

Muhammad Asher Ahmad
General Manager Information Technology

Muhammad Rafi
General Manager Service &
Business Development

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

Mohsin Tayebaly & Co.

Tax Advisors

EY Ford Rhodes
Chartered Accountants

COMPANY INFORMATION

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezan Bank Limited
National Bank of Pakistan
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
UAN: 111-247-225
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,
Opposite Government Wheat Godown,
Shikarpur Bypass, Sukkur
Tel: (071) 5806124-26

Lahore Sales Office

Plaza No. 68/1, XX-DHA Lahore Cantt.,
Phase 3, D.H.A., Lahore
Tel: (042) 37186388-91

Lahore Service Center

U-STORE-3, Moaza Maraka,
Multan Road Lahore

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, 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

Ground Floor, 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

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 results of your Company for the nine months ended March 31, 2023.

Macroeconomic Overview

The economy is under considerable stress due to rising inflation largely due to supply side constraints, devaluation, recent fuel price adjustments, rising interest rates and political uncertainty. The economic distress has worsened due to delay in the IMF stabilisation program.

However, the fiscal deficit has been contained to 2.3% of GDP during Jul-Jan FY23 compared to 2.8% in the same period last year, while the primary balance posted a surplus of 1.1% of GDP against a deficit of 0.3% last year due to significant decline in non-markup expenditures. FBR tax collection during Jul-Feb FY23, although short of target, achieved 18% growth despite unprecedented challenges due to slowdown in economic activity, import compression and inadequate policy focus on expanding the tax net.

On the external front, the current account deficit has narrowed considerably, more than anticipated, mainly on the back of sizable import containment. Nonetheless, the overall balance of payments position continues to remain under stress with foreign exchange reserves still at low levels. The current account deficit (CAD) stands at USD 3.9 billion in Jul-Feb FY23 from USD 12.1 billion during same period last year. This mainly reflects the contraction in imports from USD 47.3 billion to USD 37.4 billion, down by 21% at the cost of significant slowdown in economy. On the flip side there has been a 10.8% reduction in remittances and 9.7% in exports. The higher loan repayments relative to disbursements are keeping the foreign exchange reserves still under pressure. SBP has also increased the policy rate by 7.25%, from 13.75% to 21% due to the higher inflation outcome due to external and fiscal adjustments.

Due to the lagged effect of floods, the production losses especially of major agriculture crops has not yet been fully recovered. Consequently, the shortage of essential items has emerged and is persisting. The government has increased the wheat support price to incentivise the farmers and credit disbursement during Jul-Feb FY23 has been increased by 28.5% as compared to same period last year.

Large Scale Manufacturing (LSM) performance remained under pressure and witnessed a contraction of 4.4% during Jul-Jan FY23 owing to increasingly synchronised policy stance to correct the imbalances, reduce imports of key components and interest rate hike to curb demand. Resultantly, significant decline is witnessed in sales volumes of automobiles and petroleum products. The performance of auto industry also remains subdued due to above measures.

Operating Results

During the third quarter of FY23, your Company achieved sales of Rs.12,597 million as compared to Rs.6,655 million in the same quarter of last year, up 89.3%. This increase was mainly due to demand of batteries in the replacement market in anticipation of energy shortage and solar demand. Cost of sales was registered at Rs.10,624 million as compared to Rs.6,071 million of last year, up 75.0%, consistent with improvement in sales mix and volume. This resulted in gross profit of Rs.1,973 million as compared to Rs.584 million for same quarter last year. Operating expenses stood at Rs.454 million as compared to Rs.262 million, up 73.5%. The operating profit increased to Rs.1,345 million as compared to Rs.314 million, up 328.8%. Finance cost decreased to Rs.121 million from Rs.154 million due to efficient working capital management despite the increase in mark-up rates.

Profit before tax for third quarter of FY23 stood at Rs.1,224 million as compared to Rs.159 million for same quarter last year, up 668.9%. After providing Rs.404 million for taxation, the profit after tax stood at Rs.820 million as compared to Rs.86 million, up 852.4%. Earnings per share (diluted) for the quarter was Rs.23.43 as compared to Rs.2.46 for the same quarter of last year.

During the nine months of FY23, your Company achieved sales of Rs.28,976 million as compared to Rs.16,494 million in the same period of last year, up 75.7%. Gross profit stood at Rs.4,173 million as compared to Rs.1,599 million, up 160.9%. The operating profit increased to Rs.2,737 million as compared to Rs.773 million, up 254.2%. Finance cost increased to Rs.332 million from Rs.303 million owing to increase in mark-up rates.

Profit before tax for nine months of FY23 stood at Rs.2,405 million as compared to Rs.470 million in the corresponding period of last year, up 412.2%. After providing Rs.794 million for taxation, the profit after tax stood at Rs.1,611 million as compared to Rs.291 million, up 453.2%. Earnings per share (diluted) for the nine months was Rs.46.01 as compared to Rs.8.32 for the same period of last year.

Future Outlook

The consequences of recent flooding, the steep devaluation of the Pakistani rupee, the pressures of high inflation, import constraints and the rising discount rate all make FY23 very challenging. Strategies to reduce imports, monetary policy tightening and decreased purchasing power will continue to restrain the performance of the automotive industry. Surge in lead prices coupled with persisting political instability will also aggravate supply chain bottlenecks.

Keeping in view the current socio-economic situation and persistent energy shortages along with hike in energy tariffs, the demand for your Company's products will sustain. Your Company is well aligned to take advantage of the situation and despite rising cost pressures, is hopeful of maintaining market share along with ensuring reasonable margins. Smart capex allocated for HSE, production process, information technology and engineering & development will continue to enhance business efficiency.

Capitalizing on superior quality and after sales service, your Company will strive for improved market penetration by exploring new territories including export markets. Curbing costs and maintaining high quality of product will remain the focus of your Company. For achieving these objectives, the "Atlas Way" will remain the guiding principles of your Company's business philosophy.

ستاروں سے آگے جہاں اور بھی ہیں

(Remain positive and strive for the best)

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 26, 2023

مالی سال 2023 کی تیسری سہ ماہی میں قبل از ٹیکس منافع 1,224 ملین روپے رہا جو کہ گزشتہ سال کی اسی سہ ماہی کے 159 ملین روپے کے مقابلے میں 668.9 فیصد زیادہ ہے۔ ٹیکس کے لیے 404 ملین روپے فراہم کرنے کے بعد، بعد از ٹیکس منافع 852.4 فیصد اضافے کے ساتھ 86 ملین روپے کے مقابلے میں 820 ملین روپے رہا۔ اس سہ ماہی کے لیے فی حصص آمدنی (diluted) 23.43 روپے تھی جو گزشتہ سال کی اسی سہ ماہی کے دوران 2.46 روپے تھی۔

مالی سال 2023 کے نو مہینوں کے دوران، آپ کی کمپنی نے 28,976 ملین روپے کی فروخت حاصل کی جو کہ گزشتہ سال کی اسی مدت کے دوران 16,494 ملین روپے کے مقابلے میں 75.7 فیصد زیادہ ہے۔ مجموعی منافع 160.9 فیصد اضافے کے ساتھ 1,599 ملین روپے کے مقابلے میں 4,173 ملین روپے رہا۔ آپریشنز سے منافع 254.2 فیصد اضافے کے ساتھ 773 ملین روپے کے مقابلے میں 2,737 ملین روپے تک بڑھ گیا مارک اپ شرح میں اضافے کی وجہ سے مالیاتی لاگت 303 ملین روپے سے بڑھ کر 332 ملین روپے ہو گئی۔

مالی سال 2023 کے نو ماہ کے لیے قبل از ٹیکس منافع 2,405 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 470 ملین روپے کے مقابلے میں 412.2 فیصد زیادہ ہے۔ ٹیکس محصولات کے لیے 794 ملین روپے فراہم کرنے کے بعد، بعد از ٹیکس منافع 453.2 فیصد اضافے کے ساتھ 291 ملین روپے کے مقابلے میں 1,611 ملین روپے رہا۔ نو مہینوں کے لیے فی حصص آمدنی (diluted) 46.01 روپے رہی جو گزشتہ سال کی اسی مدت میں 8.32 روپے تھی۔

مستقبل کے خدو خال:

مالی سال 2023 میں حالیہ سیلاب کے بعد پاکستانی روپے کی قدر میں شدید کمی، مہنگائی کے بڑھتے ہوئے دباؤ اور ڈسکاؤنٹ ریٹ میں اضافے کے ساتھ بدستور چیلنجنگ ہے۔ اپورٹ کمپنیشن کی حکمت عملی، مانیٹری پالیسی میں سختی اور قوت خرید میں کمی انٹوموبائل سیکٹر کی کارکردگی پر دباؤ بڑھاتی رہے گی۔ سیاسی عدم استحکام کے ساتھ لیڈ کی قیمتوں میں اضافہ سپلائی چین کی رکاوٹوں کو بڑھا سکتا ہے۔

موجودہ سماجی اور اقتصادی صورتحال اور توانائی کی مسلسل قلت کو مد نظر رکھتے ہوئے آپ کی کمپنی کی مصنوعات کی مانگ برقرار رہنے کی امید ہے۔ آپ کی کمپنی اس صورتحال کا فائدہ اٹھانے کے لیے پوری طرح تیار ہے اور بڑھتی ہوئی لاگت کے دباؤ کے باوجود مارکیٹ شیئر کو برقرار رکھتے ہوئے مناسب مارجن کے لیے پرامید ہے۔ HSE پیداواری عمل، انفارمیشن ٹیکنالوجی اور انجینئرنگ اینڈ ڈیولپمنٹ کے لیے مختص دانشمندانہ انویسٹمنٹ کاروبار کی کارکردگی کو بڑھاتا رہے گا۔

اعلیٰ معیار اور بعد از فروخت کی سہولیات سے مستفید ہوتے ہوئے آپ کی کمپنی نئے علاقوں اور برآمدی منڈیوں کی تلاش کے ذریعے مارکیٹ میں رسائی کو بہتر بنانے کی کوشش جاری رکھے گی۔ لاگت کو کم کرنے اور مصنوعات کے اعلیٰ معیار کو برقرار رکھنا آپ کی کمپنی کی توجہ کا مرکز رہے گا۔ ان مقاصد کے حصول کے لیے "ٹھنکے" آپ کی کمپنی کے کاروباری فلسفے کے رہنما اصول بنے رہیں گے۔

ستاروں سے آگے جہاں اور بھی ہیں

(Remain positive and strive for the best)

اظہار تشکر

میں اس موقع پر اپنے جوائنٹ ونچر 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 شکر یہ ادا کرتا ہوں۔ میں آپ کی کمپنی کے صدر اور چیف ایگزیکٹو آفیسر جناب علی ایچ شیرازی اور انتظامیہ کے تمام اراکین کا دلچسپی اور محنت کے ساتھ کام کرنے پر شکر یہ ادا کرتا ہوں۔



عامر ایچ شیرازی

چیئر مین

کراچی: 26 اپریل 2023

چیمبر میں کا جائزہ

میں نہایت مسرت کے ساتھ 31 مارچ 2023 کو ختم ہونے والے نو ماہ کے لیے آپ کی کمپنی کے غیر پڑتال شدہ عبوری مالیاتی نتائج پیش کر رہا ہوں۔

میکرو اکانومک جائزہ

سپلائی سائینڈ پر کا وٹھیں، روپے کی قدر میں کمی، ایندھن کی حالیہ ایڈجسٹمنٹ، بڑھتی ہوئی شرح سود، سیاسی غیر یقینی کی صورتحال اور بڑھتی ہوئی افراط زر کے باعث معیشت کا تباہی کا شکار ہے۔ آئی ایم ایف اسٹیبلزیشن پروگرام میں تاخیر سے ملک میں معاشی بد حالی میں مزید اضافہ دیکھنے میں آیا ہے۔

تاہم، مالی سال 2023 جولائی تا جنوری کے دوران تجارتی خسارہ کل جی ڈی پی کے 2.3 فیصد تک رہ گیا ہے جو گزشتہ سال کی اسی مدت میں 2.8 فیصد تھا، جبکہ پرائمری بیلنس نے نان-مارک اپ اخراجات میں نمایاں کمی کے باعث گزشتہ سال 0.3 فیصد کے خسارے کے مقابلے میں جی ڈی پی کا 1.1 فیصد سپر پلس پوسٹ کیا۔ معاشی سرگرمیوں میں سست روی، درآمدی دباؤ اور ٹیکس نیٹ کو بڑھانے کی پالیسی پر کم توجہ کے باعث غیر معمولی چیلنجز کے باوجود جولائی تا فروری 2023 کے دوران ایف بی آر کی ٹیکس وصولی، اگرچہ ہدف سے کم، تاہم 18 فیصد کی شرح سے بڑھ رہی ہے

بیرونی محاذ پر، کرنٹ اکاؤنٹ خسارے میں کافی حد تک کمی دیکھنے میں آئی ہے جس کی بنیادی وجہ درآمدی روکاؤٹیں ہیں۔ نتیجتاً، ادائیگیوں کے مجموعی توازن کی صورتحال بدستور دباؤ کا شکار ہے جس میں زرمبادلہ کے ذخائر اب بھی کم سطح پر ہیں۔ کرنٹ اکاؤنٹ خسارہ (CAD) مالی سال 2023 جولائی تا فروری کے دوران 3.9 بلین ڈالر ہا رہا جو گزشتہ سال کی اسی مدت کے دوران 12.1 بلین ڈالر تھا۔ جس کی بنیادی وجہ، معیشت میں نمایاں سست روی کی قیمت پر، درآمدات کا 47.3 بلین امریکی ڈالر سے 37.4 بلین امریکی ڈالر پر آنا ہے جو کہ 21 فیصد کمی کی عکاسی کرتی ہے دوسری جانب ترسیلات زر میں 10.8 فیصد اور برآمدات میں 9.7 فیصد کمی واقع ہوئی ہے۔ واجب الادا قرضوں کی ادائیگیوں کے باعث غیر ملکی زرمبادلہ کے ذخائر پر اب بھی دباؤ ہے۔ بیرونی اور مالیاتی ایڈجسٹمنٹ کی وجہ سے بلند افراط زر کے نتیجے میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں بھی 7.25 فیصد اضافہ کیا ہے جو کہ 13.75 فیصد سے بڑھ کر 21 فیصد ہو گیا ہے۔

سیلاب کے اثرات میں کمی کے باعث بڑی فصلوں کے پیداواری نقصانات کا ابھی تک مکمل ازالہ نہیں ہو سکا ہے۔ نتیجتاً، ضرورت کی اشیاء میں قلت دیکھنے میں آئی جو کہ اب تک برقرار ہے۔ حکومت نے کسانوں کو سہارا دینے کے لیے گندم کی امدادی قیمت میں اضافہ کیا اور سال 2023 جولائی تا فروری کے دوران قرضوں کی تقسیم میں گزشتہ سال کی اسی مدت کے مقابلے میں 28.5 فیصد اضافہ دیکھا گیا ہے۔

بڑے پیمانے پر میٹالورجی (LSM) کی کارکردگی دباؤ میں رہی اور مالی سال 2023 جولائی تا جنوری کے دوران 4.4 فیصد کمی دیکھی گئی جس کی وجہ معاشی عدم توازن کو بہتر بنانے، ضروری اشیاء کی درآمدات کو کم کرنے، مانگ میں کمی اور شرح سود میں اضافے کے لیے تیزی سے مطابقت پذیر پالیسی کے اقدامات ہیں۔ نتیجتاً، ٹومو بانکز اور پیٹرولیم مصنوعات کی فروخت کے حجم میں نمایاں کمی دیکھنے میں آئی ہے۔ مذکورہ بالا عوامل کے باعث آٹو انڈسٹری کی کارکردگی بھی دباؤ میں رہی ہے۔

آپریٹنگ نتائج:

مالی سال 2023 کی تیسری سہ ماہی کے دوران، آپ کی کمپنی نے 12,597 ملین روپے کی فروخت حاصل کی جو گزشتہ سال کی اسی سہ ماہی میں 6,555 ملین روپے کے مقابلے میں 89.3 فیصد زیادہ ہے۔ یہ اضافہ بنیادی طور پر توانائی کی قلت اور شمسی توانائی کی طلب کے پیش نظر تبادول مارکیٹ میں بیٹریوں کی مانگ کی وجہ سے ہوا۔ فروخت کی لاگت 10,624 ملین روپے درج کی گئی جو کہ گزشتہ سال کی اسی مدت کے دوران 6,071 کے مقابلے میں 75 فیصد زیادہ ہے جو بیٹریوں اور حجم میں بہتری کے عین مطابق ہے۔ اس کے نتیجے میں 1,973 ملین روپے کا مجموعی منافع ہوا جو گزشتہ سال کی اسی سہ ماہی میں 584 ملین روپے تھا۔ آپریٹنگ اخراجات 73.5 فیصد اضافے کے ساتھ 262 ملین روپے کے مقابلے میں 454 ملین روپے رہے۔ آپریٹنگ منافع 328.8 فیصد سے بڑھ کر 314 ملین روپے کے مقابلے میں 1,345 ملین روپے ہو گیا ہے۔ مارک اپ شرح میں اضافے کے باوجود منوٹر ورکنگ کپٹیل منجسٹ کی وجہ سے فنانس لاگت 154 ملین روپے سے کم ہو کر 121 ملین روپے ہو گئی ہے۔


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION


AS AT MARCH 31, 2023

		Un-audited March 31, 2023	Audited June 30, 2022
	Note	---- (Rupees in '000) ----	
ASSETS			
Non-current assets			
Property, plant and equipment	5	4,459,803	4,349,246
Intangible assets		2,465	5,670
Investments		-	-
Long term loans		2,745	2,636
Long term deposits		29,338	23,338
		4,494,351	4,380,890
Current assets			
Stores, spares and loose tools		338,032	307,914
Stock-in-trade	6	7,483,273	4,621,550
Trade debts	7	1,003,412	850,036
Loans and advances		103,861	17,895
Deposits and prepayments	8	162,095	58,834
Investments		230,446	207,150
Accrued mark-up		1,906	-
Other receivables		2,317	2,460
Taxation - net		53,827	128,810
Cash and bank balances		634,482	222,325
		10,013,651	6,416,974
Total assets		<u>14,508,002</u>	<u>10,797,864</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital 50,000,000 (June 30, 2022: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000
Issued, subscribed and paid up capital 35,017,033 (June 30, 2022: 28,013,627) ordinary shares of Rs.10 each		350,170	280,136
Revenue reserves			
General reserves		5,037,500	5,037,500
Un-appropriated profit		1,478,013	287,061
		6,515,513	5,324,561
Capital reserve			
Surplus on revaluation of leasehold land		589,186	589,186
Total equity		7,454,869	6,193,883
Liabilities			
Non-current liabilities			
Lease liabilities		297,473	343,275
Long term borrowings	9	934,891	224,516
Deferred income - government grant		24,781	29,482
Staff retirement benefits		107,537	91,625
Deferred taxation		117,041	193,687
		1,481,723	882,585
Current liabilities			
Trade and other payables		4,417,335	2,652,728
Sales tax payable - net		357,786	74,423
Accrued mark-up		56,810	59,654
Current portion of lease liabilities		59,020	50,530
Current maturity of long term borrowings	9	170,199	216,633
Current portion of deferred income - government grant		6,279	7,151
Short term borrowings	10	354,729	568,366
Dividend payable		103,680	51,155
Unclaimed dividend		45,572	40,756
		5,571,410	3,721,396
Total liabilities		7,053,133	4,603,981
Contingencies and commitments	11		
Total equity and liabilities		<u>14,508,002</u>	<u>10,797,864</u>

The annexed notes 1 to 17 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, 2023


	Quarter ended		Period ended	
	March 31,	March 31,	March 31,	March 31,
	2023	2022	2023	2022
Note	----- Rupees in '000 -----			
Sales - net	12,596,813	6,655,292	28,975,726	16,494,392
Cost of sales	12 (10,623,861)	(6,071,253)	(24,803,034)	(14,894,895)
Gross profit	1,972,952	584,039	4,172,692	1,599,497
Distribution cost	(331,963)	(194,385)	(881,856)	(559,763)
Administrative expenses	(121,804)	(67,127)	(321,380)	(212,792)
Other income	13,731	7,066	50,282	23,366
Other expenses	(188,231)	(15,985)	(282,633)	(77,456)
Profit from operations	1,344,685	313,608	2,737,105	772,852
Finance cost	(120,627)	(154,407)	(331,959)	(303,311)
Profit before taxation	1,224,058	159,201	2,405,146	469,541
Taxation	(403,721)	(73,069)	(793,990)	(178,307)
Profit after taxation	820,337	86,132	1,611,156	291,234
Other comprehensive income	-	-	-	-
Total comprehensive income	820,337	86,132	1,611,156	291,234

----- Rupees -----					
Earnings per share		Restated	Restated		
- basic and diluted	13	23.43	2.46	46.01	8.32

The annexed notes 1 to 17 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, 2023

	Issued, subscribed and paid-up capital	Revenue reserves		Capital Reserve	Total
		General reserve	(Accumulated losses) / un-appropri- ated profit	Surplus on revaluation of lease-hold land	
----- Rupees in '000 -----					
Balance as at July 1, 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
Total comprehensive income for the period ended June 30, 2022					
Profit for the period	-	-	398,203	-	398,203
Other comprehensive loss	-	-	(7,200)	-	(7,200)
	-	-	391,003	-	391,003
Balance as at June 30, 2022	280,136	5,037,500	287,061	589,186	6,193,883
Transaction with owners, recognized directly in equity					
Final cash dividend for the year ended June 30, 2022 at the rate of Rs.12.50 per share	-	-	(350,170)	-	(350,170)
Bonus shares issued for the year ended June 30, 2022 in the ratio of 1 share for every 4 shares held	70,034	-	(70,034)	-	-
Total comprehensive income for the period ended March 31, 2023					
Profit for the period	-	-	1,611,156	-	1,611,156
Other comprehensive income	-	-	-	-	-
	-	-	1,611,156	-	1,611,156
Balance as at March 31, 2023	350,170	5,037,500	1,478,013	589,186	7,454,869

The annexed notes 1 to 17 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, 2023


	Period ended	
	March 31,	
	2023	2022
	----- (Rupees in '000) -----	
Cash flows from operating activities		
Profit before taxation	2,405,146	469,541
Adjustments for non-cash charges and other items:		
Depreciation	344,160	304,770
Amortization	3,206	1,659
Provision for gratuity	8,431	6,160
Provision for compensated leave absences	16,849	15,686
Gain on sale of investments at fair value through profit or loss	(2,346)	(2)
Dividend income	(1,748)	(4)
Mark-up income	(5,506)	(1)
Fair value gain on investments at fair value through profit or loss	(23,297)	(12,282)
Gain on disposal of operating fixed assets	(3,500)	(1,056)
(Reversal) / Provision for doubtful debts	(3,245)	6,726
Finance cost	331,959	303,311
	3,070,109	1,094,508
Changes in working capital:		
(Increase) / decrease in current assets		
- Stores, spares and loose tools	(30,118)	(59,425)
- Stock-in-trade	(2,861,723)	(769,749)
- Trade debts	(150,131)	(1,021,912)
- Loans and advances	(85,966)	4,534
- Deposits and prepayments	(103,261)	(53,077)
- Other receivables	143	297
	(3,231,056)	(1,899,332)
Increase / (decrease) in current liabilities		
- Trade and other payables	1,774,601	(138,997)
- Sales tax payable - net	283,363	318,530
	2,057,964	179,533
	(1,173,092)	(1,719,799)
Cash generated from / (used in) operations	1,897,017	(625,291)
Finance cost paid	(299,075)	(150,520)
Mark-up income received	3,600	303
Income taxes paid (including tax deducted at source)	(795,653)	(346,271)
Gratuity paid	(18,117)	(4,255)
Compensated leave absences paid	(1,245)	(1,997)
Long term loans - net	(109)	(1,136)
Long term deposits - net	(6,000)	(4,975)
Net cash generated from / (used in) operating activities - carried forward	780,418	(1,134,142)


CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2023

	Period ended	
	March 31,	
	2023	2022
	----- (Rupees in '000) -----	
Net cash generated from / (used in) operating activities - brought forward	780,418	(1,134,142)
Cash flows from investing activities		
Payments for property, plant and equipment	(487,302)	(472,811)
Proceeds from sale of property, plant and equipment	36,085	17,795
Payments for investments	(401,485)	(45,432)
Proceeds from sale of investments	403,832	433
Dividend received	1,748	4
Net cash used in investing activities	(447,122)	(500,011)
Cash flows from financing activities		
Lease rentals paid	(73,040)	(73,538)
Long term borrowings obtained	1,062,500	49,528
Long term borrowings repaid	(404,133)	(223,767)
Short term borrowings - net	(213,637)	2,417,060
Dividend paid	(292,829)	(81,633)
Net cash generated from financing activities	78,861	2,087,650
Net increase in cash and cash equivalents	412,157	453,497
Cash and cash equivalents - at beginning of the period	222,325	189,113
Cash and cash equivalents - at end of the period	634,482	642,610

The annexed notes 1 to 17 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, 2023

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, 2022: 58.86%) of issued, subscribed and paid-up capital of the Company as at March 31, 2023.

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; 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 provision of and directives issued under the Companies Act, 2017 have been followed.

3. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

3.1 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, 2022.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2022. 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.

3.2 Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on June 30, 2022. The impact of re-measurement of post-employment benefit plans has not been incorporated 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, 2022.

		Un-audited March 31, 2023	Audited June 30, 2022
		----- (Rupees in '000) -----	
5.	PROPERTY, PLANT AND EQUIPMENT	Note	
	Operating fixed assets	5.1	4,064,435
	Capital work-in-progress	5.5	127,112
	Right of use assets	5.7	268,256
			<u>4,459,803</u>
			<u>4,349,246</u>
5.1	Operating fixed assets		
	Net book value at beginning of the period / year		3,976,438
	Additions during the period / year	5.2	418,363
	Disposals costing Rs.68,452 thousand (June 30, 2022: Rs.35,407 thousand)		
	- at net book value	5.3	(32,584)
	Written off during the period		-
	Depreciation charged during the period / year		(297,782)
	Net book value at end of the period / year	5.4	<u>4,064,435</u>
			<u>3,976,438</u>
5.2	Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:		
	Buildings on leasehold land		3,979
	Plant and machinery		244,618
	Office equipment		1,895
	Computer and accessories		8,456
	Furniture and fixtures		11,710
	Air conditioners		1,085
	Vehicles		146,620
			<u>418,363</u>
			<u>762,292</u>
5.3	Disposals during the period / year:		
	Plant and machinery		2,949
	Office equipment		-
	Computers and accessories		78
	Air conditioners		39
	Vehicles		29,518
			<u>32,584</u>
			<u>18,903</u>
5.4	Plant and machinery includes dies and moulds:		
	- Atlas Autos (Private) Limited, a related party [aggregate cost Rs.70,240 thousand (June 30, 2022: Rs.42,083 thousand)]		54,605
	- Others [aggregate cost Rs.122,419 thousand (June 30, 2022: Rs.122,419 thousand)]		54,113
			<u>108,718</u>
			<u>89,174</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, 2023	Audited June 30, 2022
	Note	----- (Rupees in '000) -----	
5.5 Capital work-in-progress			
Buildings on leasehold land		15,872	17,886
Plant and machinery		104,173	25,240
Computers and accessories		604	293
Furniture and fixtures		-	420
Vehicles		4,553	12,574
Intangible asset		1,910	1,761
	5.6	<u>127,112</u>	<u>58,174</u>
5.6 Includes advance payments to related parties			
Atlas Autos (Private) Limited		1,650	-
Atlas Honda Limited		453	1,421
Honda Atlas Cars (Pakistan) Limited		2,800	6,481
Integration Xperts (Private) Limited		150	150
		<u>5,053</u>	<u>8,052</u>
5.7 Right of use assets			
Net book value at beginning of the period / year		314,634	300,285
Addition during the period		-	80,398
Depreciation charged during the period / year		(46,378)	(66,049)
Net book value at end of the period / year		<u>268,256</u>	<u>314,634</u>
6. STOCK-IN-TRADE			
Raw materials and components:			
- in hand		3,188,894	2,935,122
- with third parties	6.1	40,953	52,899
		<u>3,229,847</u>	<u>2,988,021</u>
Work-in-process		2,001,358	1,205,366
Finished goods		2,225,283	374,579
Items in transit		26,785	53,584
		<u>7,483,273</u>	<u>4,621,550</u>
6.1	Includes raw materials amounting to Rs.2,595 thousand (June 30, 2022: Rs.1,349 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.9,067,694 thousand (June 30, 2022: Rs.9,401,354 thousand) are under hypothecation of commercial banks as security for short term borrowings.		

	Un-audited March 31, 2023	Audited June 30, 2022
	----- (Rupees in '000) -----	
7. TRADE DEBTS - Unsecured		
Considered good		
Associated Companies	24	138,957
Others	1,003,388	711,079
	<u>1,003,412</u>	<u>850,036</u>
Considered doubtful		
Others	25,555	28,800
	<u>1,028,967</u>	<u>878,836</u>
Provision for expected credit loss	(25,555)	(28,800)
	<u>1,003,412</u>	<u>850,036</u>

8. DEPOSITS AND PREPAYMENTS

Includes prepayments of Rs.127,780 thousand (June 30, 2022: Rs.47,337 thousand) in respect of renewals of insurance policies, rental agreements and other expenses.

	Un-audited March 31, 2023	Audited June 30, 2022
	----- (Rupees in '000) -----	
9. LONG TERM BORROWINGS		
Term loan	1,062,500	312,500
Loan under refinance scheme for payment of wages and salaries	-	91,633
Temporary economic refinance facility (TERF)	73,650	73,650
Adjustment pertaining to fair value of loan at below market interest rate	(31,060)	(36,634)
	<u>1,105,090</u>	<u>441,149</u>
Current maturity	(170,199)	(216,633)
	<u>934,891</u>	<u>224,516</u>
10. SHORT TERM BORROWINGS - Secured		
Running finances / musharakah	354,729	568,366
Demand Finance	-	-
	<u>354,729</u>	<u>568,366</u>

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 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, 2022 except for the following:

11.1.2 In note 27.1.4, 27.1.6 and 27.1.7 of the audited annual financial statements, the Commissioner Inland Revenue (Appeals) [CIR(A)] passed the orders on August 23, 2022 under section 129 of the Income Tax Ordinance, 2001 and upheld the decision of the Deputy Commissioner Inland Revenue (DCIR) on the issue of non-deduction of tax on additional discounts. The Company has filed appeals on September 07, 2022 before the Appellate Tribunal Inland Revenue (ATIR) against the CIR(A) orders. ATIR on September 30, 2022 has deleted the demand and decided the case in favour of the Company. However, the department has filed an appeal before the Honourable High Court of Sindh against the ATIR decision which is pending for hearing.

11.1.3 In note 27.1.10 and 27.1.11 of the audited annual financial statements, the Appellate Tribunal Inland Revenue (ATIR) on January 01, 2023 remanded back the pending issues pertaining to inadmissible input tax adjustments to income tax authorities with the directions to re-examine the issue afresh.

	Un-audited March 31, 2023	Audited June 30, 2022
	----- (Rupees in '000) -----	
11.2 Outstanding bank guarantees	209,360	169,360
11.3 Commitments		
In respect of confirmed letters of credit / contract relating to:		
- raw materials, stores, spares and loose tools	569,361	303,903
- capital expenditure	53,135	225,198
	622,496	529,101
In respect of capital expenditure other than through letters of credit	36,318	21,905
	658,814	551,006

	----- Un-audited -----			
	Quarter ended March 31,		Period ended March 31,	
	2023	2022	2023	2022
12. COST OF SALES	----- (Rupees in '000) -----			
Note	----- (Rupees in '000) -----			
Opening stock of finished goods	2,259,122	1,255,435	374,579	375,120
Cost of goods manufactured	10,287,583	5,435,822	25,806,616	14,921,572
Purchases during the period	302,439	182,653	847,122	400,860
	10,590,022	5,618,475	26,653,738	15,322,432
	12,849,144	6,873,910	27,028,317	15,697,552
Closing stock of finished goods	(2,225,283)	(802,657)	(2,225,283)	(802,657)
	10,623,861	6,071,253	24,803,034	14,894,895

12.1 Cost of goods manufactured				
Opening stock of work-in-process	1,184,855	1,224,462	1,205,366	917,455
Raw materials and components consumed	9,045,895	4,252,770	20,879,157	11,801,431
Factory overheads	2,058,191	1,167,506	5,723,451	3,411,602
	11,104,086	5,420,276	26,602,608	15,213,033
	12,288,941	6,644,738	27,807,974	16,130,488
Closing stock of work-in-process	(2,001,358)	(1,208,916)	(2,001,358)	(1,208,916)
	10,287,583	5,435,822	25,806,616	14,921,572

13. EARNINGS PER SHARE				
13.1 Basic earnings per share				
	----- Un-audited -----			
	Quarter ended March 31,		Period ended March 31,	
	2023	2022	2023	2022
	----- (Rupees in '000) -----			
Net profit for the period	820,337	86,132	1,611,156	291,234
	----- (Number of shares) -----			
	Restated		Restated	
Weighted average number of ordinary shares in issue during the period	35,017,033	35,017,033	35,017,033	35,017,033
	----- (Rupees) -----			
	Restated		Restated	
Basic earnings per share	23.43	2.46	46.01	8.32

13.2 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 period ended March 31, 2022 have been restated taking into effect the issue of bonus shares at the rate of 25% issued during the current period.

14. TRANSACTIONS WITH RELATED PARTIES

14.1	Significant transactions with related parties are as follows:	----- Un-audited ----- Period ended March 31, 2023 2022 ----- (Rupees in '000) -----	
	The Holding Company		
	Lease rental paid	82,830	72,771
	Service charges paid	23,901	21,142
	Dividend paid	206,115	57,354
	Bonus shares issued	41,223	21,508
	Associated Companies		
	Sale of:		
	- goods	902,611	1,008,454
	- operating fixed assets	2,964	133
	Purchases of:		
	- goods	1,383,806	421,549
	- operating fixed assets	101,455	76,393
	- consumables / services	13,596	14,210
	Lease rental paid	2,502	2,275
	Reimbursement of expenses	19,340	1,544
	Expenses charged	101	-
	Insurance premium	276,452	150,944
	Insurance claims	16,363	7,726
	Purchase of units in mutual funds	402,423	432
	Sale of units in mutual funds	403,832	434
	Dividend received	1,748	4
	Dividend paid	12,544	3,490
	Royalty and technical fee	305,669	173,042
	Contribution to pension funds	15,083	13,497
	Bonus shares issued	13,014	6,790
	Donation paid	21,377	11,950
	Bonus fraction donated	107	96
	Other related parties		
	Contributions paid to:		
	- gratuity funds	18,115	4,255
	- provident fund	4,482	4,163
	Key Management Personnel		
	- salaries and other short term employment benefits	113,733	71,416
	- sale of operating fixed assets as per Company policy	3,450	1,913

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

	Un-audited March 31, 2023	Audited June 30, 2022
	----- (Rupees in '000) -----	
Receivables from related parties		
Loans and advances	8	538
Deposits and prepayments	54,661	34,413
Other receivables	-	143
Payables to related parties		
Staff retirement benefits	28,055	24,354
Trade and other payables	687,807	332,293
Dividend payable	103,680	51,155

These are in the normal course of business.

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 foreign exchange 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, 2022.

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 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	<u>230,446</u>	<u>-</u>	<u>-</u>	<u>230,446</u>

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

16. 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, 2022, 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, 2022. Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary, the effect of which is not material.

17. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 26, 2023 by the Board of Directors of the Company.



Aamir H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Rizwan Ahmed
Chief Financial Officer

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