

EXIDE[®]



1st Quarterly Report
June 30, 2020



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Corporate Profile

Board Of Directors

Altaf Hashwani - Chairman
Arshad Shehzada - MD/CEO
Arif Hashwani
Hussain Hashwani
Ayub Hameed
Mrs. Saira Soomro Najmi
S. Haider Mehdi
Quaid Johar Udaipurwala

Chief Financial Officer

S. Haider Mehdi

Audit Committee

Ayub Hameed - Chairman
Altaf Hashwani
Quaid Johar Udaipurwala
Salim Abdul Ali - Secretary

Human Resource and Remuneration Committee

Ayub Hameed - Chairman
Arif Hashwani - Member
Altaf Hashwani - Member
Syed Zulquarnain Shah - Secretary

Bankers

Allied Bank Ltd.
Bank Alfalah Limited
BankIslami Pakistan Ltd.
Habib Bank Ltd.
Habib Metropolitan Bank Limited
JS Bank Ltd.
MCB Bank Ltd.
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Ltd.
United Bank Ltd.
Dubai Islamic Bank Pakistan Limited

Auditors

Deloitte Yousuf Adil

Solicitors

Orr, Dignam & Co.

Registered Office

A-44, Hill Street, Off.
Manghopir Road, S.I.T.E., Karachi-
Pakistan.
Website: www.exide.com.pk
E-mail: exidepk@exide.com.pk

Chairman's Review

I am pleased to present on behalf of the Board of Directors un-audited Accounts of the Company for the 1st quarter ended June 30, 2020.

The Economy

Pakistan's GDP growth rate declined to 2.6 percent in the year 2019-20 compared to growth of 3.3 percent in the last year and against a target of 3.5 percent. The already subdued economic activity during the quarter under review, became further depressed due to the global outbreak of the Coronavirus pandemic. In order to reduce the adverse economic impact, the government has given Rs.1.2 trillion financial package to support the economic activities in the Country. The State Bank of Pakistan has brought down the policy rate by 6.25 percent to 7 percent to stimulate the economy.

Pakistan's trade deficit narrowed significantly - by 27 per cent to US\$ 23.18 billion in financial year 2019-20 from US \$ 31.8 billion the last year. Reduction in the deficit was primarily due to the suppression in imports from US\$ 54.76 billion to US\$ 44.57 billion (-19% YOY), however, the exports of the country declined by 7% YOY basis to US\$ 21.39 billion from US\$ 22.96 billion last year. Further analysis indicates that if we exclude the impact of pandemic the exports would have depicted a flat growth. Trade deficit goes down by 8 per cent in July 2020 prompted by recovery in exports by 6 percent YOY and marginal decline in imports by 0.7 percent YOY amid ease in global lockdown and picking up new orders from the International market. Current account deficit in FY20 sharply reduced by 78 percent (YOY) to US\$ 2.97 billion which is at 5-years low as compared to US\$ 13.43 in FY19. Improvement in Current account is primarily due to reduced trade deficit coupled with 6.3 percent YOY increase in remittances. Remittances hit record high of US\$ 23.12 billion in FY20 - up by 6.3 per cent - compared to US\$ 21.74 billion in FY19. During July 2020, remittances recorded all-time high of US\$ 2.77 billion compared to US\$ 2.04 billion in the same period last year. We believe that the remittances to remain under pressure during FY21 owing to job losses and expected economic downturn in the Gulf region, however, the incentives provided by the government may limit the downside risk. Inflation rose to 11.1 percent in June-20. Total foreign exchange reserves of the Country amounted to US\$ 18.79 billion as on July 3, 2020.

The Industry

Fiscal year 2019-20 proved period highly disappointing for the entire auto sector. The sector laggard due to massive decline in sales in FY20 on account of upward price revisions due to currency depreciation. On yearly basis, the sector saw production of tractors plunged by 35 percent, trucks by 51 percent, buses by 42% and jeeps & cars by 55%, LCV 51% and motorcycles by 24%. Sale of cars showed some improvement in July 2020 as the lockdown eased and buyers reappeared.

Production

Production activities were effectively planned and adjusted to cater to the market demand both in terms of quantity and quality. Stress on quality control at all stages of production process was implemented with great vigour for further strengthening quality standards of the products of your Company. Production was badly effected during the quarter under review because of lockdown.

Sales

Net sales revenue of the company during the quarter under review decreased by 35 percent to Rs.1.73 billion from Rs.2.68 billion during the same period last year on account of decrease in sale volume of battery Division due to curtailment in sales and production as a result of lockdown. The company was effectively shut for half this quarter because of the government mandated Covid lockdown.

Profitability

Gross profit for the quarter under review decreased to Rs.16.5 million from Rs.203.9 million - down by 92% due to reduced margins on account of higher raw material prices and lesser sale revenue. Gross profit ratio decreased from 7.61 percent to just 0.95 percent of net sales revenue. Selling and distribution expenses decreased by 54 percent to Rs.122.4 million from 266.4 million. Administration and general expenses decreased by 22.2 per cent to Rs.29.3 million from Rs.37.7 million. Operating loss for the first quarter recorded at Rs.135.2 million compared to loss of Rs100.20 million in the corresponding period of last year. Financial charges decreased by 19 percent to Rs.70.1 million from Rs.86.7 million on account of reduced borrowings and decreased markup rates. Loss before tax for the period under review was Rs.202.0 million compared to Rs.187.1 million in the corresponding period of last year.

Future Prospects

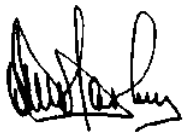
It is anticipated that indigenous organized battery industry will face competition due to capacity expansion of existing battery plants and changing market dynamics. The management have suitably adjusted prices in Replacement and Export segments which will improve the performance of the Company in the remaining period of the year. The Company's short-term borrowing has reduced due to reduction in Trade debtors and the general reduction in mark-up rate will reduce financial charges and improve operating performance.

In order to support the manufacturing sector and minimize the impact of Covid-19 pandemic on economy, the State Bank of Pakistan has taken steps such as reduction in discount rate and introduction of a refinance scheme for payment of wages and salaries. These steps will favorably impact operating performance of the manufacturing sector.

Your management is determined to avail full benefits of the opportunities by continued focus on quality, productivity, cost control and after sales services to improve its competitiveness.

Acknowledgement

On my behalf and on behalf of the Board of Directors' of your company, I take this opportunity of acknowledging the devoted and sincere services of employees of all cadres of the company. I am also grateful to our bankers, shareholders, M/s Furukawa Battery Company Limited (Japan), vendors, main dealers, retailers and valued customers, including Fauji Fertilizer Bin Qasim Limited, the Original Equipment Manufacturers and the government organizations for their trust and support.



Altaf Hashwani

Chairman

Karachi: August 28, 2020

منافع:

اس سہ ماہی میں مجموعی منافع 92 فیصد کی کمی کے ساتھ 203.9 ملین روپے سے کم ہو کر 16.5 ملین روپے ہو گیا منافع میں کمی کی وجہ خام مال کی قیمتوں کا بڑھنا اور آمدنی میں کمی ہونا ہے مجموعی منافع کا تناسب خالص فروخت آمدنی کا 7.61 فیصد سے کم ہو کر 0.95 فیصد ہو گیا۔ فروخت اور تقسیم کے اخراجات 266.4 ملین روپے سے 54 فیصد کم ہو کر 122.4 ملین روپے ہو گئے۔ انتظامی اور عمومی اخراجات 22.2 فیصد کمی کے بعد 37.7 ملین روپے سے 29.3 ملین روپے ہو گئے۔ گزشتہ سال کی اسی مدت میں 100.2 ملین روپے کے نقصان کے مقابلے میں پہلی سہ ماہی کے دوران آپریٹنگ نقصان 135.2 ملین روپے ریکارڈ کیا گیا۔ مالی ادائیگی 19 فیصد کم ہو کر 70.1 ملین روپے ہو گئی جو کہ گزشتہ سال اسی عرصے میں 86.7 ملین روپے تھی جو کہ قرضوں اور شرح سود میں کمی کی وجہ سے ہوئی۔ اس سہ ماہی میں محصولات سے پہلے نقصان 202.0 ملین روپے رہا جو کہ گزشتہ سال اسی عرصے کے دوران 187.1 ملین روپے تھا۔

مستقبل کے امکانات:

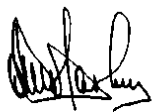
یہ متوقع ہے کہ مقامی منظم بیٹری صنعت پیداواری صلاحیتوں اور نئے بیٹری مینوفیکچرز، درآمدات اور اسمگل شدہ بیٹریوں کی وجہ سے اور مارکیٹ کی حرکیات کی وجہ سے سخت مقابلے کا سامنا کرنا پڑے گا۔ انتظامیہ نے متبادل اور ایکسپورٹ طبقات میں قیمتوں میں اضافہ کیا ہے جو اس سال کہ باقی عرصے میں کمپنی کی کارکردگی کو بہتر بنائے گا۔ شرح سود میں کمی اور کمپنی کے تجارتی قرضے میں ٹریڈ ڈیلرز میں کمی کی وجہ سے مالی ادائیگیوں میں کمی آپریٹنگ کارکردگی کو بہتر بنائے گی۔

مینوفیکچرنگ سیکٹر کی معاونت اور معیشت پر کووڈ-19 وبائی مرض کے اثرات کو کم کرنے کیلئے اسٹیٹ بینک آف پاکستان نے ڈسکاؤنٹ ریٹ میں کمی اور اجرتوں اور تنخواہوں کی ادائیگی کیلئے ری فائنانس اسکیم متعارف کروانے جیسے اقدامات کئے ہیں یہ اقدامات مینوفیکچرنگ سیکٹر کی آپریٹنگ کارکردگی کو سازگار طریقے سے متاثر کریں گے۔

آپ کی کمپنی کی انتظامیہ یقین دلاتی ہے کہ بیٹری کے معیار، پیداواری صلاحیت، لاگت پر کنٹرول پر مسلسل توجہ مرکوز کرتے ہوئے اپنی مسابقت کو بہتر بناتے ہوئے مکمل فائدہ اٹھانے کا عزم رکھتی ہے۔

اعتراف خدمات:

میری جانب سے اور آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے میں کمپنی کے تمام کیڈرز کے ملازمین کی مخلص خدمات کو تسلیم کرنے کا موقع لیتا ہوں۔ میں کمپنی کے بینکوں، نحص داروں، فرو کووا بیٹری کمپنی لمیٹڈ (جاپان)، تھوک اور خوردہ فروش حضرات، مین ڈیلرز، کمپنی کے سپلائرز، فوجی فریڈلانڈرز بن قاسم لمیٹڈ اور گاڑیوں کے پیداواری یونٹس اور سرکاری تنظیموں سمیت اپنے تمام گاہکوں کا بھی شکر گزار ہوں۔



الطاف ہاشوانی

چیئرمین

کراچی: 28 اگست 2020

چیمبر مین کا جائزہ:

میں بورڈ آف ڈائریکٹرز کی جانب سے 30 جون 2020 کو ختم ہونے والے پہلے کوارٹر کیلئے آپ کی کمپنی کے غیر آڈٹ شدہ اکاؤنٹس کا جائزہ پیش کر رہا ہوں۔

معیشت:

پاکستان کی جی ڈی پی کی شرح نمو گزشتہ سال 3.3 فیصد کے مقابلے میں 2.6 فیصد رہی جس کا ہدف 3.5 فیصد تھا۔ پہلے سے زیر نظر معاشی سرگرمیاں زیر جائزہ سہ ماہی کے دوران عالمی وبا کو رونا وائرس کی وجہ سے مزید مسائل زدہ ہو گئی۔ منفی معاشی اثرات کو کم کرنے کیلئے حکومت نے ملک میں معاشی سرگرمیوں کی حمایت کیلئے 1.2 ٹریلین روپے کا مالی پیکج دیا ہے نیز اسٹیٹ بینک آف پاکستان نے معیشت کی حوصلہ افزائی کیلئے شرح 6.25 فیصد کم کر کے 7 فیصد کر دی ہے۔

مالی سال 2019-2020 میں پاکستان کا تجارتی خسارہ نمایاں طور پر کم ہوا۔ گزشتہ سال کے دوران 31.8 بلین امریکی ڈالر سے 27 فیصد کمی کے ساتھ 23.18 بلین امریکی ڈالر رہا۔ خسارے میں کمی کی بنیادی وجہ درآمدات میں 54.76 بلین امریکی ڈالر سے کم ہو کر 44.57 بلین امریکی ڈالر ہونا ہے جو کہ گزشتہ سال کے مقابلے میں 19 فیصد کم ہے تاہم برآمدات 7 فیصد کمی سے 21.39 بلین امریکی ڈالر رہی جو کہ گزشتہ سال 22.96 بلین امریکی ڈالر تھی مزید تجزیہ اس بات کی نشاندہی کرتا ہے کہ اگر ہم وبائی مرض کے اثرات کو خارج کر دیں تو برآمدات میں ایک مستقل نمو ہوگی۔ عالمی سطح پر لاک ڈاؤن میں آسانی اور بین الاقوامی منڈی سے نئے احکامات لینے کے دوران تجارتی خسارہ جولائی 2020 میں 8 فیصد کم ہوا اور برآمدات میں 6 فیصد اضافہ اور درآمدات میں معمولی سی 0.7 فیصد کمی واقع ہوئی۔ کرنٹ اکاؤنٹ 78 فیصد سے کم ہو کر 2.97 بلین امریکی ڈالر ہو گیا جو کہ گزشتہ 5 سال کی کم ترین سطح پر ہے جو کہ پچھلے سال 13.43 بلین امریکی ڈالر تھا۔ کرنٹ اکاؤنٹ میں بہتری کی بنیادی وجہ تجارتی خسارے میں کمی ہونا اور ترسیلات میں 6.3 فیصد اضافہ ہونا ہے۔ مالی سال 2020 میں ترسیلات بڑھ کر 23.12 بلین امریکی ڈالر ہو گئی جو کہ گزشتہ سال 2019 میں 21.74 بلین امریکی ڈالر تھی۔ جولائی 2020 کے دوران ترسیلات زر گزشتہ سال کے اسی عرصے میں 2.04 بلین امریکی ڈالر کے مقابلے میں 2.77 بلین امریکی ڈالر رہی۔ ہم سمجھتے ہیں کہ خلیجی خطے میں ملازمتوں کے نقصانات اور متوقع معاشی بد حالی کی وجہ سے مالی سال 2021 کے دوران ترسیلات زر دباؤ میں رہیں گی تاہم حکومت کی طرف سے فراہم کردہ مراعات منفی خطرے کو محدود کر سکتی ہیں۔ جون 2020 میں افراط زر بڑھ کر 11.1 فیصد ہو گئی۔ ملک کے زر مبادلہ کے ذخائر 3 جولائی 2020 تک 18.79 بلین امریکی ڈالر تھے۔

صنعت:

مالی سال 2019-2020 تمام آٹو سیکٹر کیلئے انتہائی مایوس کن ثابت ہوا اس شعبے میں مالی سال 2020 میں بڑے پیمانے میں کمی کی وجہ کرنسی کی قدر میں کمی کی وجہ سے قیمتوں میں اضافہ ہونا تھا سالانہ بنیادوں پر اس شعبے میں دیکھا گیا کہ ٹریکٹروں کی پیداوار میں 35 فیصد، ٹرکوں میں 51 فیصد، بسوں میں 42 فیصد، جیپوں اور کاروں میں 55 فیصد، ایل سی وی میں 51 فیصد اور موٹر سائیکلوں میں 24 فیصد کمی واقع ہوئی۔ جولائی 2020 میں کاروں کی فروخت میں کچھ بہتری آئی جب لاک ڈاؤن میں آسانی پیدا ہوئی اور خریدار دوبارہ نظر آئے۔

پیداوار:

پیداواری سرگرمیوں کی موثر طریقے سے منصوبہ بندی کی گئی اور اسے طلب اور رسد کے مطابق بنایا گیا اور پیداوار کے تمام مراحل پر معیار کے کنٹرول پر بھرپور طریقے سے عملدرآمد ہوا۔ رواں سہ ماہی کے دوران لاک ڈاؤن کی وجہ سے پیداوار بری طرح متاثر ہوئی۔

فروخت:

کمپنی کی نیٹ سیلز آمدنی 35 فیصد کمی کے بعد 2.68 بلین روپے سے کم ہو کر 1.73 بلین روپے رہی جسکی وجہ بیڑی کی فروخت میں کمی اور لاک ڈاؤن کے نتیجے میں پیداوار اور فروخت میں تخفیف ہونا ہے۔ حکومت کی جانب سے کووڈ لاک ڈاؤن کی پابندی کی وجہ سے اس سہ ماہی کے آدھے عرصے تک کمپنی کو بند رکھا گیا تھا۔



UNCONSOLIDATED
**FINANCIAL
STATEMENTS**

EXIDE PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	(Unaudited) June 30, 2020 -----Rupees '000-----	(Audited) March 31, 2020 -----Rupees '000-----
Property, plant and equipment	1,313,867	1,340,079
Assets classified as held for sale	552,015	552,015
Long-term investments	224	224
Long-term loans and advances - unsecured	434	491
Long-term deposits	48,771	42,480
Current assets		
Store and spares	125,260	112,321
Stock-in-trade	1,960,373	1,881,076
Trade debts	1,332,887	3,155,002
Loans and advance:	31,250	31,020
Trade deposits, prepayments and other receivables	31,854	39,697
Taxation recoverable	1,073,349	1,076,443
Cash and bank balances	8,955	140,253
	4,563,928	6,435,812
Current liabilities		
Trade and other payables	1,404,194	1,790,762
Mark-up accrued	44,345	98,936
Loan from Director	110,550	110,550
Short-term borrowings	1,122,623	2,345,284
	2,681,712	4,345,532
Net current assets	1,882,216	2,090,280
Long term loan	221,894	221,894
	3,575,633	3,803,675
Financed by:		
Share Capital and Reserves		
Authorised capital		
18,000,000 ordinary shares of Rs 10 each	180,000	180,000
Issued, subscribed and paid-up capital	77,686	77,686
Capital reserves	259	259
Revenue reserves	3,329,991	3,329,991
Reserves arising on amalgamation - net	25,823	25,823
Unappropriated profit / (loss)	(953,962)	(725,920)
Surplus on revaluation of fixed assets - net of tax	1,095,836	1,095,836
	3,575,633	3,803,675
	3,575,633	3,803,675

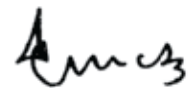
The annexed notes form an integral part of these unconsolidated financial statements.



Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer

EXIDE PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UNAUDITED)
FOR THE QUARTER ENDED JUNE 30, 2020

(Unaudited)						
Batteries		Chemicals		Total		
For the 1st Quarter ended June 30, 2020	For the 1st Quarter ended June 30, 2019	For the 1st Quarter ended June 30, 2020	For the 1st Quarter ended June 30, 2019	For the 1st Quarter ended June 30, 2020	For the 1st Quarter ended June 30, 2019	
(Rupees '000)						
Turnover	1,658,009	2,583,231	74,099	97,572	1,732,108	2,680,803
Cost of goods sold	1,648,326	2,401,084	67,299	75,793	1,715,625	2,476,877
Gross profit	9,683	182,147	6,800	21,779	16,483	203,926
Distribution cost	120,995	265,331	1,382	1,101	122,377	266,432
Administrative expenses	28,061	36,414	1,254	1,247	29,315	37,661
Total Operating expenses	149,056	301,745	2,636	2,348	151,692	304,093
Operating profit / (loss)	(139,373)	(119,598)	4,164	19,431	(135,209)	(100,167)
Other operating income					850	566
					(134,359)	(99,601)
Financial charges					70,112	86,693
Other operating charges					(2,411)	814
					67,701	87,507
Profit/(Loss) before taxation					(202,060)	(187,108)
Provision for taxation						
- current - for the period					25,982	40,212
- deferred					-	-
					25,982	40,212
Profit/(Loss) after taxation					(228,042)	(227,320)
Loss per share					(Rupees)	
					(29.35)	(29.26)

Appropriations have been reflected in the Statement of Changes in Equity.

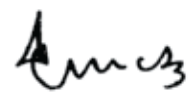
The annexed notes form an integral part of these unconsolidated financial statements.



Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer

EXIDE PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED JUNE 30, 2020

	2020	2019
	----- (Rupees '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	1,246,434	367,499
Financial charges paid	(122,485)	(87,482)
Taxes paid	(22,888)	(156,386)
Decrease / (Increase) in long-term loans	-	2,908
Decrease / (Increase) in long-term deposits	(6,291)	130
Net cash inflow from operating activities	1,094,770	126,669
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(3,407)	(2,295)
Proceeds from sale of fixed assets	-	-
Net cash outflow on investing activities	(3,407)	(2,295)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	-	-
Loan from Director	-	-
	-	-
Net Increase / (decrease) in cash and cash equivalents	1,091,363	124,374
Cash and cash equivalents at the beginning of the period	(2,205,031)	(3,050,580)
Cash and cash equivalents at end of the period	<u>(1,113,668)</u>	<u>(2,926,206)</u>

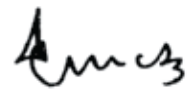
The annexed notes form an integral part of these unconsolidated financial statements.



Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer

EXIDE PAKISTAN LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER ENDED JUNE 30, 2020

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Reserve arising on amalgamation - net (Rupees '000)	Unappropriated profit	Revaluation surplus on property, plant and equipment net of tax	Total
Balance at March 31, 2019	77,686	259	3,329,991	25,823	(262,021)	609,132	3,780,870
Final dividend for the year ended March 31, 2019	-	-	-	-	-	-	-
Transfer to revenue reserves for the year ended March 31, 2019	-	-	-	-	-	-	-
Profit/(Loss) after taxation for first quarter ended June 30, 2019	-	-	-	-	(227,320)	-	(227,320)
Transferred from surplus on revaluation of property, plant and equipment - net of tax	-	-	-	-	-	-	-
Balance at June 30, 2019	<u>77,686</u>	<u>259</u>	<u>3,329,991</u>	<u>25,823</u>	<u>(489,341)</u>	<u>609,132</u>	<u>3,553,550</u>
Balance at March 31, 2020	77,686	259	3,329,991	25,823	(725,920)	1,095,836	3,803,675
Final dividend for the year ended March 31, 2020	-	-	-	-	-	-	-
Transfer to revenue reserves for the year ended March 31, 2020	-	-	-	-	-	-	-
Profit/(Loss) after taxation for first quarter ended June 30, 2020	-	-	-	-	(228,042)	-	(228,042)
Transferred from surplus on revaluation of property, plant and equipment - net of tax	-	-	-	-	-	-	-
Balance at June 30, 2020	<u>77,686</u>	<u>259</u>	<u>3,329,991</u>	<u>25,823</u>	<u>(953,962)</u>	<u>1,095,836</u>	<u>3,575,633</u>

The annexed notes form an integral part of these unconsolidated financial statements.



Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UNAUDITED) FOR THE QUARTER ENDED JUNE 30, 2020

1. 'These unconsolidated financial statements are unaudited and are being submitted to shareholders in accordance with the requirements of section 237 of the Companies Act, 2017
2. 'These unconsolidated financial statements have been prepared in accordance with the requirements of International Accounting Standard -34 (IAS-34) "Interim Financial Reporting".
3. The accounting policies adopted in preparation of these unconsolidated financial statements are the same as those applied in the preparation of the preceding annual published financial statements of the Company.
4. PROPERTY, PLANT AND EQUIPMENT

Following is the cost of operating property, plant and equipment that have been added / disposed off during the quarter ended June 30, 2020

	Cost of additions/(deletions)	
	June 2020	June 2019
	----- (Rupees '000) -----	
Building	241	-
Plant and machinery	2,539	850
Furniture and fixture	304	719
Office equipment	247	389
Vehicles	76	-
	-	-
	<u>3,407</u>	<u>1,958</u>

4.1 CAPITAL WORK-IN-PROGRESS

	June 30, 2020	March 31, 2020
	----- (Rupees '000) -----	
Plant and machinery	360	360
	<u>360</u>	<u>360</u>

5. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise of local associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel, which are under the terms of their employment, are as follows:

	June 2020	June 2019
	----- (Rupees '000) -----	
Expenses charged in respect of staff retirement benefits	2,190	2,243
Payment made to the employee defined benefit plan	974	780

Key management personnel received an amount of Rs. 14,927 thousands (2019 : Rs.13,880 thousands) out of which Rs.257 thousands (2019: Rs. 376 thousands) relates to post employment benefits.

6. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying value of all financial assets and liabilities reflected in the unconsolidated financial statements approximate their fair values.

7. ESTIMATES

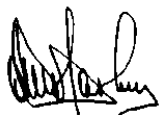
Judgments and estimates made by the management in the preparation of these interim financial statements were the same as those that were applied to the financial statements for the year ended March 31, 2020.

8. GENERAL

Amounts have been rounded off to the nearest thousands of Rupees unless otherwise stated.

9. DATE OF AUTHORISATION FOR ISSUE

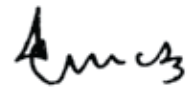
These unconsolidated financial statements were authorised for issue on August 28, 2020 by the Board of Directors of the Company.



Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer



CONSOLIDATED
**FINANCIAL
STATEMENTS**

EXIDE PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	(Unaudited) June 30, 2020 -----Rupees '000-----	(Audited) March 31, 2020
Property, plant and equipment	1,313,867	1,340,079
Assets classified as held for sale	552,015	552,015
Long-term loans and advances - unsecured	434	491
Long-term deposits	48,771	42,480
Current assets		
Store and spares	125,260	112,321
Stock-in-trade	1,960,373	1,881,076
Trade debts	1,332,887	3,155,002
Loans and advances	31,250	31,020
Trade deposits, prepayments and other receivables	31,854	39,697
Taxation recoverable	1,073,349	1,076,443
Cash and bank balances	8,957	140,255
	4,563,930	6,435,814
Current liabilities		
Trade and other payables	1,404,337	1,790,892
Mark-up accrued	44,345	98,936
Loan from Director	111,275	111,275
Short-term borrowings	1,122,623	2,345,284
	2,682,580	4,346,387
Net current assets	1,881,350	2,089,427
Long term loan	221,894	221,894
	3,574,543	3,802,598
Financed by:		
Share Capital and Reserves		
Authorised capital		
18,000,000 ordinary shares of Rs 10 each	180,000	180,000
Issued, subscribed and paid-up capital	77,686	77,686
Capital reserves	259	259
Revenue reserves	3,329,991	3,329,991
Reserves arising on amalgamation - net	25,823	25,823
Unappropriated profit / (loss)	(955,052)	(726,997)
Surplus on revaluation of fixed assets - net of tax	1,095,836	1,095,836
	3,574,543	3,802,598
	3,574,543	3,802,598

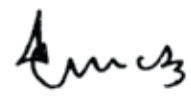
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Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer

EXIDE PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UNAUDITED)
FOR THE QUARTER ENDED JUNE 30, 2020

(Unaudited)						
Batteries		Chemicals		Total		
For the 1st Quarter ended June 30, 2020	For the 1st Quarter ended June 30, 2019	For the 1st Quarter ended June 30, 2020	For the 1st Quarter ended June 30, 2019	For the 1st Quarter ended June 30, 2020	For the 1st Quarter ended June 30, 2019	
(Rupees '000)						
Turnover	1,658,009	2,583,231	74,099	97,572	1,732,108	2,680,803
Cost of goods sold	1,648,326	2,401,084	67,299	75,793	1,715,625	2,476,877
Gross profit	9,683	182,147	6,800	21,779	16,483	203,926
Distribution cost	120,995	265,331	1,382	1,101	122,377	266,432
Administrative expenses	28,061	36,414	1,254	1,247	29,315	37,661
Total Operating expenses	149,056	301,745	2,636	2,348	151,692	304,093
Operating profit / (loss)	(139,373)	(119,598)	4,164	19,431	(135,209)	(100,167)
Other operating income					850	566
					(134,359)	(99,601)
Financial charges					70,112	86,693
Other operating charges					(2,398)	827
					67,714	87,520
Profit/(Loss) before taxation					(202,073)	(187,121)
Provision for taxation						
- current - for the period					25,982	40,212
- deferred					-	-
					25,982	40,212
Profit/(Loss) after taxation					(228,055)	(227,333)
					(Rupees)	
Loss per share					(29.36)	(29.26)

Appropriations have been reflected in the Statement of Changes in Equity.

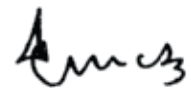
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Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer

EXIDE PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED JUNE 30, 2020

	2020	2019
	----- (Rupees '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	1,246,434	367,499
Financial charges paid	(122,485)	(87,482)
Taxes paid	(22,888)	(156,386)
Decrease / (Increase) in long-term loans	-	2,908
Decrease / (Increase) in long-term deposits	(6,291)	130
Net cash inflow from operating activities	1,094,770	126,669
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(3,407)	(2,295)
Proceeds from sale of fixed assets	-	-
Net cash outflow on investing activities	(3,407)	(2,295)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	-	-
Loan from Director	-	-
	-	-
Net Increase / (decrease) in cash and cash equivalents	1,091,363	124,374
Cash and cash equivalents at the beginning of the period	(2,205,029)	(3,050,578)
Cash and cash equivalents at end of the period	<u>(1,113,666)</u>	<u>(2,926,204)</u>

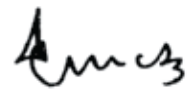
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Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer

EXIDE PAKISTAN LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER ENDED JUNE 30, 2020

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Reserve arising on amalgamation - net (Rupees '000)	Unappropriated profit	Revaluation surplus on property, plant and equipment net of tax	Total
Balance at March 31, 2019	77,686	259	3,329,991	25,823	(263,039)	609,132	3,779,852
Final dividend for the year ended March 31, 2019	-	-	-	-	-	-	-
Transfer to revenue reserves for the year ended March 31, 2019	-	-	-	-	-	-	-
Profit/(Loss) after taxation for first quarter ended June 30, 2019	-	-	-	-	(227,333)	-	(227,333)
Transferred from surplus on revaluation of property, plant and equipment - net of tax	-	-	-	-	-	-	-
Balance at June 30, 2019	<u>77,686</u>	<u>259</u>	<u>3,329,991</u>	<u>25,823</u>	<u>(490,372)</u>	<u>609,132</u>	<u>3,552,519</u>
Balance at March 31, 2020	77,686	259	3,329,991	25,823	(726,997)	1,095,836	3,802,598
Final dividend for the year ended March 31, 2020	-	-	-	-	-	-	-
Transfer to revenue reserves for the year ended March 31, 2020	-	-	-	-	-	-	-
Profit/(Loss) after taxation for first quarter ended June 30, 2020	-	-	-	-	(228,055)	-	(228,055)
Transferred from surplus on revaluation of property, plant and equipment - net of tax	-	-	-	-	-	-	-
Balance at June 30, 2020	<u>77,686</u>	<u>259</u>	<u>3,329,991</u>	<u>25,823</u>	<u>(955,052)</u>	<u>1,095,836</u>	<u>3,574,543</u>

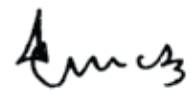
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Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UNAUDITED) FOR THE QUARTER ENDED JUNE 30, 2020

1. 'These consolidated financial statements are unaudited and are being submitted to shareholders in accordance with the requirements of section 237 of the Companies Act, 2017
2. 'These consolidated financial statements have been prepared in accordance with the requirements of International Accounting Standard -34 (IAS-34) "Interim Financial Reporting".
3. The accounting policies adopted in preparation of these consolidated financial statements are the same as those applied in the preparation of the preceding annual published financial statements of the Company.
4. PROPERTY, PLANT AND EQUIPMENT

Following is the cost of operating property, plant and equipment that have been added / disposed off during the quarter ended June 30, 2020

	Cost of additions/(deletions)	
	June 2020	June 2019
	----- (Rupees '000) -----	
Building	241	-
Plant and machinery	2,539	850
Furniture and fixture	304	719
Office equipment	247	389
Vehicles	76	-
	<u>3,407</u>	<u>1,958</u>

4.1 CAPITAL WORK-IN-PROGRESS

	June 30, 2020	March 31, 2020
	----- (Rupees '000) -----	
Plant and machinery	<u>360</u>	<u>360</u>
	<u>360</u>	<u>360</u>

5. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise of local associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel, which are under the terms of their employment, are as follows:

	June 2020	June 2019
	----- (Rupees '000) -----	
Expenses charged in respect of staff retirement benefits	2,190	2,243
Payment made to the employee defined benefit plan	974	780

Key management personnel received an amount of Rs. 14,927 thousands (2019 : Rs.13,880 thousands) out of which Rs.257 thousands (2019: Rs. 376 thousands) relates to post employment benefits.

6. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying value of all financial assets and liabilities reflected in the consolidated financial statements approximate their fair values.

7. ESTIMATES

Judgments and estimates made by the management in the preparation of these interim financial statements were the same as those that were applied to the financial statements for the year ended March 31, 2020.

8. GENERAL

Amounts have been rounded off to the nearest thousands of Rupees unless otherwise stated.

9. DATE OF AUTHORISATION FOR ISSUE

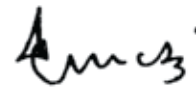
These consolidated financial statements were authorised for issue on August 28, 2020 by the Board of Directors of the Company.



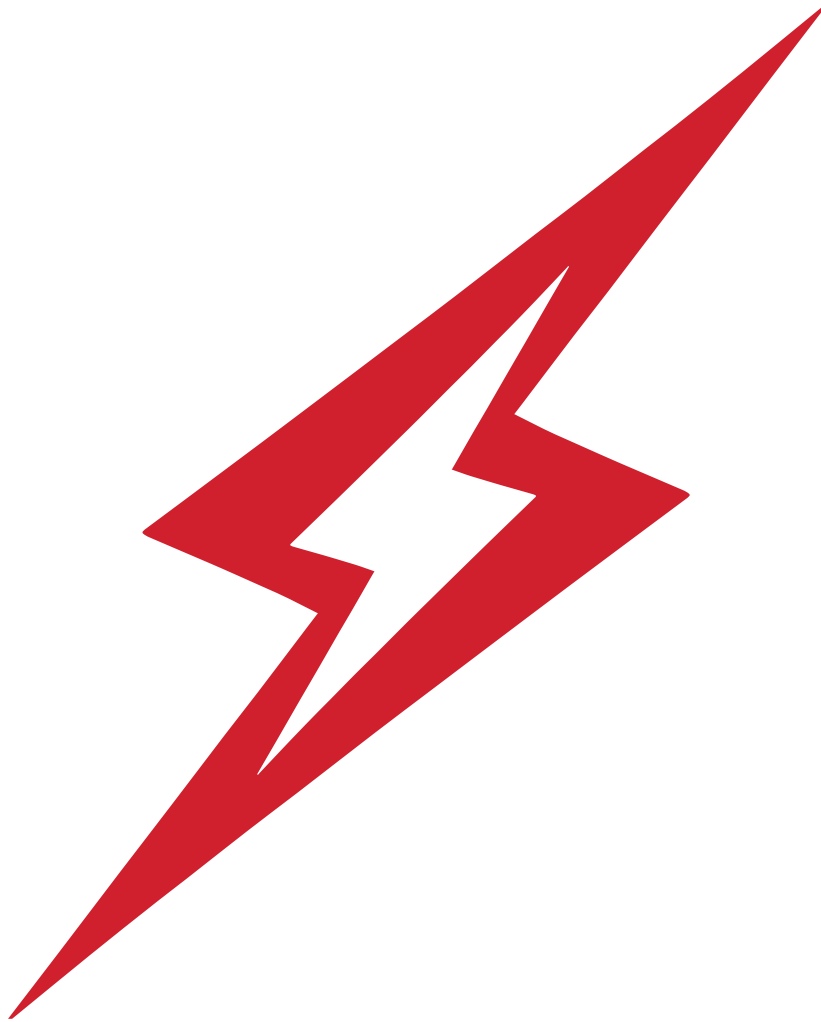
Altaf Hashwani
Chairman



Arshad Shehzada
Chief Executive Officer



S. Haider Mehdi
Chief Financial Officer



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