



Quarterly Report September 30,

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
- 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

Agha Faisal, Barrister at Law

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 first quarter ended September 30, 2022.

The Economy

The economy has slowed down considerably signaling that the tightening measures implemented over the last fiscal year are gaining traction. The recent floods have altered the macroeconomic outlook and a fuller assessment of their impact would become firmer after the flood damage is ascertained by the government. During the first quarter of FY23, most of the demand indicators were lower compared to the same period last year – including sales of cement, POL and automobiles. On the supply side, electricity generation declined for the third consecutive month in August, falling by 12.6% compared to the same period last year. Similarly, Large-Scale Manufacturing declined by 1.4% in July against 4.4% growth in the corresponding period last year, largely driven by broad-based deterioration in domestic market sectors. The agricultural output has also suffered significantly due to recent floods and heavy monsoon rains.

After peaking in August, headline inflation fell by more than 4 percentage points in September to 23.2%, driven by reduction in electricity prices due to an administrative intervention. Considering continued deceleration in economic activity as well as the decline in headline inflation and the current account deficit, the SBP decided to maintain the policy rate at 15% on October 10, 2022.

The current account and trade deficits narrowed significantly in August and September, respectively, and the Rupee has recouped some of its losses following the recent depreciation. The current account deficit shrank for the second consecutive month in August to USD 0.7 billion. In September, the trade deficit contracted sharply by 30.6% year on year to reach USD 2.9 billion, reflecting a decline in both energy and non-energy imports amid stable exports. During the first quarter of FY23, imports have declined by 12.7% to USD 16.3 billion while exports have grown by 1.8% to USD 7 billion. In Jul-Aug FY23, the workers' remittances were recorded at USD 5.2 billion against USD 5.4 billion of last year, down 3.2%.

During the first quarter of FY23, the FBR tax collection rose to Rs.1.635 trillion, surpassing the target by Rs.27 billion. While the floods could make it challenging to achieve the planned fiscal consolidation this year, the government has so far been able to meet urgent spending needs through re-allocation and re-appropriations of budgeted funds.

Operating Results

During the first quarter of FY23, your Company achieved sales of Rs.8,396 million as compared to Rs.5,293 million in the same quarter of last year, up 58.6%. This increase was mainly due to demand of batteries in the replacement market. Cost of sales was registered at Rs.7,216 million as compared to Rs.4,753 million in the corresponding quarter, up 51.8% consistent with improvement in sales mix and volume. This resulted in gross profit of Rs.1,180 million as compared to Rs.540 million, up 118.4%.

Operating expenses stood at Rs.345 million as compared to Rs.245 in the corresponding quarter, up 41.1%. The operating profit increased to Rs.791 million as compared to Rs.261 million during the corresponding quarter, up 203.5%. Finance cost increased to Rs.57 million from Rs.43 million owing to increase in mark-up rates and working capital requirement.

Profit before tax for first quarter of FY23 stood at Rs.733 million as compared to Rs.218 million in the corresponding quarter of last year, up 236.7%. After providing Rs.244 million for taxation, the profit after tax stood at Rs.490 million as compared to Rs.154 million in the corresponding quarter of last year, up 217.7%. Earnings per share (diluted) for the quarter was Rs.13.98 as compared to Rs.4.40 for the same quarter of last year.

Future Prospects

FY23 is challenging due to floods coupled with tough economic conditions. Surge in lead prices coupled with persisting political instability will aggravate supply chain bottlenecks.

Keeping in view the current socio-economic situation and persistent energy shortages, the demand for your Company's products is expected to sustain. However, with rising cost pressures, maintaining market share as well as ensuring reasonable margins will be a challenge. Smart capex allocated for HSE, production process, information technology and engineering & development will continue to enhance business efficiency.

Capitalizing on unmatched quality and after sales service, your Company will strive for improved market penetration by exploring new territories and 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.

ع ذرا نم ہو تو یہ مٹی بہت زرخیز ہے ساقی

(Hard work and patience produce good results)

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: October 28, 2022

آپریٹنگ اخراجات اسی سہ ماہی میں 245 ملین روپے کے مقابلے میں 345 ملین روپے رہے جو 41.1 فیصد زیادہ ہے۔ آپریٹرز سے منافع 203.5 فیصد اضافے کے ساتھ اسی سہ ماہی کے دوران 261 ملین روپے کے مقابلے میں 791 ملین روپے تک بڑھ گیا۔ مارک اپ کی شرحوں اور ورکنگ کپٹل میں اضافے کی وجہ سے فنانس لاگت 43 ملین روپے سے بڑھ کر 57 ملین روپے ہو گئی۔

مالی سال 2023 کی پہلی سہ ماہی کے لیے قبل از ٹیکس منافع 236.7 فیصد سے بڑھ کر گزشتہ سال کی اسی سہ ماہی میں 218 ملین روپے کے مقابلے میں 733 ملین روپے رہا۔ ٹیکس کے لیے 244 ملین روپے فراہم کرنے کے بعد، بعد از ٹیکس منافع 490 ملین روپے رہا جو کہ گزشتہ سال کی اسی سہ ماہی کے 154 ملین روپے کے مقابلے میں 217.7 فیصد زیادہ ہے۔ اسی سہ ماہی کے لیے فی حصص آمدنی (Diluted) 13.98 روپے رہی جبکہ گزشتہ سال اسی مدت کے دوران فی حصص آمدنی (Diluted) 4.40 روپے تھی۔

مستقبل کے خدو خال

مالی سال 2023 سیلاب کی تباہ کاریوں کے باعث کٹھن معاشی حالات سے دوچار ہے۔ مسلسل سیاسی عدم استحکام کے ساتھ لیڈ کی قیمتوں میں اضافہ سپلائی چین کی رکاوٹوں کو مزید بڑھا سکتا ہے۔

موجودہ سماجی و اقتصادی صورتحال اور توانائی کی مسلسل قلت کو مد نظر رکھتے ہوئے، آپ کی کمپنی کی مصنوعات کی مانگ برقرار رہنے کی امید ہے۔ تاہم، بڑھتی ہوئی لاگت کے دباؤ کے ساتھ، مارکیٹ شیئر کو برقرار رکھنے کے لیے مناسب مارجن کو یقینی بنانا ایک چیلنج رہے گا۔ HSE، پیداواری عمل، انفرامیشن ٹیکنالوجی اور انجینئرنگ اینڈ ڈیولپمنٹ کے لیے مختص دانشمندانہ انوولسٹمنٹ کاروباری کارکردگی کو بڑھاتا رہے گا۔

اعلیٰ معیار اور بعد از فروخت سہولیات سے مستفید ہوتے ہوئے، آپ کی کمپنی نئے علاقوں اور برآمدی منڈیوں کی تلاش کے ذریعے مارکیٹ میں بہتر رسائی کے لیے کوششیں جاری رکھے گی۔ لاگت کو کم کرنا اور مصنوعات کے اعلیٰ معیار کو برقرار رکھنا آپ کی کمپنی کی توجہ کا مرکز رہے گا۔ ان مقاصد کے حصول کے لیے، "ٹلس وے" آپ کی کمپنی کے کاروباری فلسفے کے لیے مشعل راہ کے طور پر برقرار رہے گا۔

عزراںم ہو تو یہ مٹی بہت زرخیز ہے ساقی

(Hard work and patience produce good results)

اظہار تشکر

میں اس موقع پر اپنے جوائنٹ ونیچر 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 دلجمعی اور محنت کے ساتھ کام کرنے پر شکریہ ادا کرتا ہوں۔



عامر ایچ شیرازی

چیئرمین

کراچی: 28 اکتوبر 2022

چیمبر میں کا جائزہ

میں نہایت مسرت کے ساتھ 30 ستمبر 2022 کو ختم ہونے والی سہ ماہی کے لیے آپ کی کمپنی کے غیر پڑتال شدہ مالیاتی نتائج پیش کر رہا ہوں۔

معیشت

معیشت کافی حد تک ست روی کا شکار ہے جو اس بات کا عہد یہ دے رہی ہے کہ گزشتہ مالی سال کے دوران نافذ کیے گئے سخت اقدامات تیزی سے لاگو کیے جا رہے ہیں حالیہ سیلاب نے معاشی نقطہ نظر کو تبدیل کر کے رکھ دیا ہے اور حکومت کی جانب سے سیلاب سے ہونے والی تباہ کاریوں کے تخمینہ کو حتمی شکل دینے کے بعد ان کے اثرات کا مکمل جائزہ مزید مستحکم ہو جائے گا۔ مالی سال 2023 کی پہلی سہ ماہی کے دوران، زیادہ تر طلب کے اشارے گزشتہ سال کی اسی مدت کے مقابلے میں کم تھے جس میں سینٹ، تیل اور آٹو موویل کی فروخت شامل ہے۔ سپلائی کی سطح پر، اگست کے مسلسل تیسرے مہینے میں بجلی کی پیداوار میں کمی دیکھنے میں آئی، جو گزشتہ سال کی اسی مدت کے مقابلے میں 12.6 فیصد کم ہے۔ مزید برآں، بڑے پیمانے پر مینو فیکچرنگ LSM میں جولائی کے مہینے میں 1.4 فیصد کی واقع ہوئی جو گزشتہ سال کی اسی مدت میں 4.4 فیصد نمو تھی، جس کی بنیادی وجہ مقامی سطح پر شعبوں میں موجود وسیع بنیاد پر لگاؤ کی صورتحال ہے۔ حالیہ سیلاب اور مون سون کی شدید بارشوں کے باعث زراعت کی پیداوار کو بھی کافی نقصان پہنچا ہے۔

اگست کے مہینے میں برہتے ہوئے افراط زر کے پیش نظر، انتظامی مداخلت کی وجہ سے بجلی کی قیمتوں میں کمی کے باعث ستمبر میں افراط زر 4 فیصد پوائنٹس سے زیادہ گر کر 23.2 فیصد رہ گئی ہے۔ معاشی سرگرمیوں میں مسلسل کمی کے ساتھ ساتھ افراط زر میں کمی اور کرنٹ اکاؤنٹ خسارے کو مد نظر رکھتے ہوئے، اسٹیٹ بینک نے 10 اکتوبر 2022 کو پالیسی ریٹ 15 فیصد پر برقرار رکھنے کا فیصلہ کیا ہے۔

کرنٹ اکاؤنٹ اور تجارتی خسارے میں بالترتیب اگست اور ستمبر کے مہینے میں نمایاں کمی دیکھنے میں آئی، اور روپے کی قدر میں حالیہ کمی کے بعد، روپے نے کسی حد تک اپنے نقصانات کو پورا کیا جبکہ کرنٹ اکاؤنٹ خسارہ اگست میں مسلسل دوسرے مہینے کم ہو کر 0.7 ارب امریکی ڈالر رہ گیا ہے اور ستمبر کے مہینے میں تجارتی خسارہ سال بہ سال 30.6 فیصد سے کم ہو کر 2.9 ارب امریکی ڈالر تک پہنچ گیا جو کہ مستحکم برآمدات اور توانائی اور غیر توانائی کی درآمدات میں کمی کو ظاہر کرتا ہے۔ مالی سال 2023 کی پہلی سہ ماہی کے دوران، درآمدات 12.7 فیصد کم ہو کر 16.3 ارب امریکی ڈالر رہیں جبکہ دوسری طرف برآمدات 1.8 فیصد اضافے سے 7 ارب امریکی ڈالر تک پہنچ گئی ہیں۔ جولائی تا اگست مالی سال 2023 میں، ملازمین کی ترسیلات گزشتہ سال کے 5.4 ارب امریکی ڈالر کے مقابلے میں 3.2 فیصد کم ہو کر 5.2 ارب امریکی ڈالر ریکارڈ کی گئیں ہیں۔

مالی سال 2023 کی پہلی سہ ماہی کے دوران، ایف بی آر کی ٹیکس وصولی 1.635 ٹریلین روپے تک پہنچ گئی، جو ہدف سے 27 ارب روپے سے زیادہ ہے۔ اگرچہ سیلاب اس سال منصوبہ بند مالی استحکام کو حاصل کرنا مشکل بنا سکتا ہے تاہم حکومت اب تک بجٹ کے فنڈز کی دوبارہ مختص اور دوبارہ تخصیص کے ذریعے فوری اخراجات کی ضروریات کو پورا کرنے میں کامیاب رہی ہے۔

آپریٹنگ نتائج


مالی سال 2023 کی پہلی سہ ماہی کے دوران، آپ کی کمپنی نے 8,396 ملین روپے کی فروخت حاصل کی جو گزشتہ سال کی اسی سہ ماہی میں 5,293 ملین روپے کے مقابلے میں 58.6 فیصد زیادہ ہے۔ اس اضافے کا سبب متبادل مارکیٹ میں بیٹریوں کی طلب میں ہونے والا اضافہ ہے۔ فروخت کی لاگت اسی سہ ماہی میں 4,753 ملین روپے کے مقابلے میں 7,216 ملین روپے درج کی گئی ہے، جو سیکڑکس اور حجم میں بہتری کے باعث 51.8 فیصد زیادہ ہے۔ اس کے نتیجے میں 540 ملین روپے کے مقابلے میں 1,180 ملین روپے کا مجموعی منافع ہوا، جو کہ 118.4 فیصد زیادہ ہے۔


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

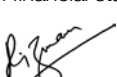
AS AT SEPTEMBER 30, 2022

	Un-audited September 30, 2022	Audited June 30, 2022
Note	----- Rupees in '000 -----	
5	4,432,472 4,602 - 2,682 23,338 4,463,094	4,349,246 5,670 - 2,636 23,338 4,380,890
6	328,173	307,914
7	4,792,481	4,621,550
8	1,090,142	850,036
	46,150	17,895
	177,917	58,834
	214,552	207,150
	2	-
	6,700	2,460
	42,917	-
	101,459	128,810
	425,738	222,325
	7,226,231	6,416,974
	11,689,325	10,797,864
	500,000	500,000
	350,170	280,136
	5,037,500	5,037,500
	356,552	287,061
	5,394,052	5,324,561
	589,186	589,186
	6,333,408	6,193,883
	328,548	343,275
	893,080	224,516
	27,891	29,482
	100,796	91,625
	189,784	193,687
	1,540,099	882,585
	2,545,409	2,652,728
	-	74,423
	45,594	59,654
	52,849	50,530
	254,677	216,633
	6,323	7,151
9	696,916	568,366
	173,312	51,155
	40,738	40,756
	3,815,818	3,721,396
	5,355,917	4,603,981
10	11,689,325	10,797,864

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 QUARTER ENDED SEPTEMBER 30, 2022

	Note	Quarter ended	
		September 30, 2022	September 30, 2021
		----- Rupees in '000 -----	
Sales - net		8,396,411	5,293,116
Cost of sales	11	(7,216,495)	(4,752,845)
Gross profit		1,179,916	540,271
Distribution cost		(252,107)	(172,773)
Administrative expenses		(93,037)	(71,772)
Other income		18,160	5,871
Other expenses		(62,240)	(41,066)
Profit from operations		790,692	260,531
Finance cost		(57,496)	(42,782)
Profit before taxation		733,196	217,749
Taxation		(243,501)	(63,619)
Profit after taxation		489,695	154,130
Other comprehensive income		-	-
Total comprehensive income		489,695	154,130

		----- Rupees -----	
			Restated
Earnings per share - basic and diluted	12	13.98	4.40

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 QUARTER ENDED SEPTEMBER 30, 2022

	Issued, subscribed and paid-up capital	Revenue reserves General reserve	(Accumulated losses) / Un- appropriated profit	Capital reserve Surplus on revaluation of leasehold land	Total
Balance as at July 1, 2021	243,597	5,037,500	(261,198)	589,186	5,609,085
Transaction 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 share held (i.e. 15%)	36,539	-	(36,539)	-	-
Total comprehensive income for the quarter ended September 30, 2021					
Profit for the quarter	-	-	154,130	-	154,130
Other comprehensive income	-	-	-	-	-
	-	-	154,130	-	154,130
Balance as at September 30, 2021	280,136	5,037,500	(241,046)	589,186	5,665,776
Total comprehensive income for the period ended June 30, 2022					
Profit for the period	-	-	535,307	-	535,307
Other comprehensive loss	-	-	(7,200)	-	(7,200)
	-	-	528,107	-	528,107
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 (i.e. 25%)	70,034	-	(70,034)	-	-
Total comprehensive income for the quarter ended September 30, 2022					
Profit for the quarter	-	-	489,695	-	489,695
Other comprehensive income	-	-	-	-	-
	-	-	489,695	-	489,695
Balance as at September 30, 2022	350,170	5,037,500	356,552	589,186	6,333,408

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 QUARTER ENDED SEPTEMBER 30, 2022


	Quarter ended	
	September 30, 2022	September 30, 2021
	----- Rupees in '000 -----	
Cash flows from operating activities		
Profit before taxation	733,196	217,749
Adjustments for non-cash charges and other items:		
Depreciation	110,597	95,687
Amortization	1,069	553
Provision for gratuity	2,810	2,053
Provision for compensated leave absences	9,447	8,610
Gain on sale of investments at fair value through profit or loss	(1,409)	(2)
Dividend income	(2,686)	(4)
Mark-up income	(2,159)	(1)
Fair value gain on investments at fair value through profit or loss	(7,402)	(3,278)
Provision for doubtful debts	2,391	1,388
Finance cost	57,496	42,782
	903,350	365,537
Changes in working capital:		
(Increase) / decrease in current assets		
- Stores, spares and loose tools	(20,259)	(4,449)
- Stock-in-trade	(170,931)	(369,963)
- Trade debts	(242,497)	(752,650)
- Loans and advances	(28,255)	(4,391)
- Deposits and prepayments	(119,083)	(107,257)
- Other receivables	(4,240)	445
- Sales tax receivable - net	(117,340)	(31,451)
	(702,605)	(1,269,716)
Increase / (decrease) in current liabilities		
- Trade and other payables	(110,025)	249,300
	(812,630)	(1,020,416)
Cash generated from / (used in) operations	90,720	(654,879)
Finance cost paid	(59,251)	(16,712)
Mark-up received	2,157	303
Income taxes paid (including tax deducted at source)	(220,053)	(157,067)
Gratuity paid	-	(4,254)
Compensated leave absences paid	(379)	(500)
Long term loans - net	(46)	(167)
Long term deposits - net	-	50
Net cash used in operating activities - carried forward	(186,852)	(833,226)


CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter ended	
	September 30, 2022	September 30, 2021
	----- Rupees in '000 -----	
Net cash used in operating activities - brought forward	(186,852)	(833,226)
Cash flows from investing activities		
Payment for property, plant and equipment	(202,574)	(124,296)
Proceeds from sale of property, plant and equipment	8,751	5,492
Payment for investments	(402,423)	(45,431)
Proceeds from sale of investments	403,832	433
Dividend received	2,686	4
Net cash used in investing activities	(189,728)	(163,798)
Cash flows from financing activities		
Lease rentals paid	(24,713)	(21,356)
Long term borrowings obtained	750,000	21,688
Long term borrowings repaid	(45,813)	(52,107)
Short term borrowings - net	128,550	1,152,859
Dividend paid	(228,031)	(81,524)
Net cash generated from financing activities	579,993	1,019,560
Net increase in cash and cash equivalents	203,413	22,536
Cash and cash equivalents at beginning of the period	222,325	189,113
Cash and cash equivalents at end of the period	425,738	211,649

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 QUARTER ENDED SEPTEMBER 30, 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% of issued, subscribed and paid-up capital of the Company as at September 30, 2022 (June 30, 2022: 58.86%).

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, 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.

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 September 30, 2022	Audited June 30, 2022
5.	PROPERTY, PLANT AND EQUIPMENT	Note	----- Rupees in '000 -----
	Operating fixed assets	5.1	4,083,742
	Capital work-in-progress	5.5	49,819
	Right of use assets		298,911
			<u>4,432,472</u>
			<u>4,349,246</u>

5.1 Operating fixed assets

Net book value at beginning of the period / year		3,976,438	3,586,533
Additions during the period / year	5.2	210,929	762,292
Disposals and write offs during the period / year	5.3	(8,751)	(23,479)
Depreciation charged during the period / year		(94,874)	(348,908)
Net book value at end of the period / year	5.4	<u>4,083,742</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	-	401,156
Plant and machinery	155,830	274,377
Office equipment	-	3,345
Computers and accessories	3,292	11,059
Furniture and fixtures	931	6,647
Air conditioners	396	1,789
Vehicles	50,480	63,919
	<u>210,929</u>	<u>762,292</u>

		Un-audited		Audited	
		September 30, 2022		June 30, 2022	
		Cost	Net book value	Cost	Net book value
		----- Rupees in '000 -----			
5.3	Disposals / write offs during the period / year:				

Buildings on leasehold land	-	-	7,657	4,576
Plant and machinery	-	-	1,781	773
Office equipment	-	-	291	260
Computers and accessories	308	78	373	290
Air conditioners	-	-	251	100
Vehicles	17,523	8,673	32,711	17,480
	<u>17,831</u>	<u>8,751</u>	<u>43,064</u>	<u>23,479</u>

5.4 Plant and machinery includes dies and molds held with:

Related parties	54,707	42,651	42,083	30,674
Others	122,419	57,038	122,419	58,500
	<u>177,126</u>	<u>99,689</u>	<u>164,502</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 September 30, 2022	Audited June 30, 2022
5.5	Capital work-in-progress	Note	----- Rupees in '000 -----
	Buildings on leasehold land		445
	Plant and machinery		11,128
	Computers and accessories		293
	Furniture and fixtures		420
	Vehicles		35,623
	Intangible asset		1,910
		5.6	49,819
			58,174

5.6 Includes advance payments to related parties amounting to Rs.925 thousand (June 30, 2022: Rs.1,421 thousand) to Atlas Honda Limited and Rs.32,276 thousand (June 30, 2022: Rs.6,481 thousand) to Honda Atlas Cars (Pakistan) Limited for purchase of vehicles and Rs.150 thousand (June 30, 2022: Rs.150 thousand) to Integration Xperts (Private) Limited for development of software.

		Un-audited September 30, 2022	Audited June 30, 2022
6.	STOCK-IN-TRADE	Note	----- Rupees in '000 -----
	Raw materials and components:		
	- in hand		2,607,931
	- with third parties	6.1	51,137
			2,659,068
	Work-in-process		1,300,614
	Finished goods		740,073
	Items in transit		92,726
			4,792,481
			4,621,550

6.1 Includes raw materials amounting to Rs.1,878 thousand (June 30, 2022: Rs.1,349 thousand) held with Atlas Autos (Private) Limited, a related party.

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 September 30, 2022	Audited June 30, 2022
7.	TRADE DEBTS - Unsecured		----- Rupees in '000 -----
	Considered good		
	Related parties		15,668
	Others		1,074,474
			1,090,142
	Considered doubtful		
	Others		31,191
			1,121,333
	Provision for expected credit loss		(31,191)
			1,090,142
			850,036

8. DEPOSITS AND PREPAYMENTS

Includes prepayments of Rs.173,364 thousand (June 30, 2022: Rs.47,337 thousand) in respect of renewals of insurance policies, rental agreements and other expenses.

	Un-audited September 30, 2022	Audited June 30, 2022
	----- Rupees in '000 -----	
9. SHORT TERM BORROWINGS - Secured		
Running finances / musharakah	696,916	568,366

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, 2022 except for the following:

- 10.1.1 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 which are pending for hearing.

	Un-audited September 30, 2022	Audited June 30, 2022
	----- Rupees in '000 -----	
10.2 Outstanding bank guarantees	169,360	169,360
10.3 Commitments		
In respect of letters of credit / contract relating to:		
- raw materials, stores, spares and loose tools	655,529	303,903
- capital expenditure	151,014	225,198
	806,543	529,101
In respect of capital expenditure other than through letters of credit	17,024	21,905
	823,567	551,006

		----- Un-audited ----- Quarter ended September 30, 2022 September 30, 2021	
	Note	----- Rupees in '000 -----	
11. COST OF SALES			
Opening stock of finished goods		374,579	375,120
Cost of goods manufactured	11.1	7,424,825	5,137,011
Purchases during the period		157,164	45,577
		7,581,989	5,182,588
		7,956,568	5,557,708
Closing stock of finished goods		(740,073)	(804,863)
		7,216,495	4,752,845

----- Un-audited -----
Quarter ended
September 30, September 30,
2022 2021
 ----- Rupees in '000 -----

11.1 Cost of goods manufactured

Opening stock of work-in-process	1,205,366	917,455
Raw materials and components consumed	5,776,714	4,122,895
Factory overheads	1,743,359	1,100,147
	7,520,073	5,223,042
	8,725,439	6,140,497
Closing stock of work-in-process	(1,300,614)	(1,003,486)
	7,424,825	5,137,011

12. EARNINGS PER SHARE

12.1 Basic earnings per share

Net profit for the quarter	489,695	154,130
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--- (Number of shares) ---

		Restated
Weighted average ordinary shares in issue	35,017,033	35,017,033

----- Rupees -----

		Restated
Basic earnings per share	13.98	4.40

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 ended September 30, 2021 have been restated taking into effect the issue of bonus shares at the rate of 25% issued during the current period.

13. TRANSACTIONS WITH RELATED PARTIES

13.1 Significant transactions with related parties are as follows:

----- Un-audited -----
Quarter ended
September 30, September 30,
2022 2021
 ----- Rupees in '000 -----

The Holding Company

Lease rental paid	76,403	72,771
Service charges paid	23,901	-
Dividend paid	206,115	57,354
Bonus shares issued	41,223	21,508

----- Un-audited -----
Quarter ended
September 30, September 30,
2022 2021
----- Rupees in '000 -----

Associated companies

Sale of:

- goods	266,344	299,914
- operating fixed assets	2,963	-

Purchases of:

- goods	229,483	141,992
- operating fixed assets	54,117	19,985
- consumables / services	5,543	4,686

Lease rental paid

2,502 2,275

Reimbursement of expenses

7,609 687

Expenses charged

101 -

Insurance premium

159,511 75,697

Insurance claims

146 878

Purchase of units in mutual funds

402,423 432

Sale of units in mutual funds

403,832 433

Dividend received

2,686 4

Dividend paid

12,543 3,490

Royalty and technical fee

89,303 56,389

Contribution to pension funds

5,023 4,423

Bonus shares issued

13,013 6,790

Donation paid

10,000 11,950

Other related parties

Contributions paid to:

- gratuity funds	-	4,255
- provident fund	1,509	1,412

Key Management Personnel

- salaries and other short term employment benefits	29,303	25,278
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13.2

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

Un-audited Audited
September 30, June 30,
2022 2022
----- Rupees in '000 -----

Receivable from related parties

Loans and advances	572	538
Deposits and prepayments	159,104	34,413
Other receivables	4,343	143

Payable to related parties

Staff retirement benefits	27,951	24,354
Trade and other payables	459,377	332,293
Dividend payable	103,680	51,155

These are in the normal course of business.

14. FINANCIAL RISK MANAGEMENT

14.1 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.

14.2 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	214,552	-	-	214,552
------------------------	---------	---	---	---------

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


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, 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 quarter ended September 30, 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 October 28, 2022 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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Atlas Battery Limited

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

UAN: 111-247-225,

Fax: (92-21) 32564703

E-mail: abl@abl.atlas.pk

Website: www.abl.atlas.pk