



Quarterly Report
March 31, 2017

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COMPANY INFORMATION

Board of Directors

Yusuf H. Shirazi
Chairman

Ariful Islam
Director

Azam Faruque
Director

Bashir Makki
Director

Frahim Ali Khan
Director

Toru Furuya
Director

Ali H. Shirazi
President / Chief Executive

Rizwan Ahmed
Company Secretary

Audit Committee

Frahim Ali Khan
Chairman

Azam Faruque
Member

Bashir Makki
Member

M. Rizwan Jamil
Secretary & Head of Internal Audit

Human Resource and Remuneration Committee

Bashir Makki
Chairman

Ali H. Shirazi
Member

Frahim Ali Khan
Member

Ahmar Waheed
Secretary

Management Committee

Ali H. Shirazi
President / Chief Executive

Talha Saad
Managing Director

Mohsin Khan
General Manager Marketing

Muhammad Iqbal
General Manager Supply Chain

Muhammad Jamil Awan
General Manager Technical Development

Nehal Asghar
General Manager Plant

Adeel Sartaj
General Manager Quality Assurance

Ahmar Waheed
General Manager Human Resource

Malik Nasir Mohyuddin
General Manager After Sales & Business Development

Mansoor Jamil Khan
General Manager Engineering & Projects

Qasim Imran Khan
General Manager Information Technology

Rizwan Ahmed
Chief Financial Officer & Company Secretary

Auditors

ShineWing Hameed Chaudhri & Co.
Chartered Accountants

Legal Advisors

Agha Faisal Barrister at Law
Mohsin Tayebaly & Co.

Tax Advisor

Ernst & Young Ford Rhodes
Chartered Accountants

COMPANY INFORMATION

Bankers

Allied Bank Limited
Bank Alfalah Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
The Bank of Tokyo-Mitsubishi UFJ, Limited
United Bank Limited

Share Registrar

Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road,
Karachi.
Tel: (021) 32424826 & 32412754
Fax: (021) 32424835
E-mail: shares@hmaconsultants.com.pk

Registered Office & Factory

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

Zonal Office Karachi

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

Sukkur Office

F-33/4, Barrage Colony,
Workshop Road, Sukkur
Tel: (071) 5612532
Fax: (071) 5612532

Zonal Office Lahore

Plaza No. 68/1, XX-Block,
Khayaban-e-Iqbal, Phase 3,
D.H.A, Lahore
Tel: (042) 37186388-90
Fax: (042) 37186391

Faisalabad Office

54-Chenab Market,
Madina Town, Faisalabad
Tel: (041) 8713127
Fax: (041) 8726628

Multan Office

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

Peshawar Office

Ground Floor, Zeenat Plaza,
Near General Bus Stand,
G.T. Road, Peshawar
Tel: (091) 2262485

Islamabad Office

Plot No. 23, Ground Floor,
Sector I-11/3, Near Nescom,
Islamabad
Tel: (051) 4863962-63

Sahiwal Office

647-V-7, Al-Hilal Building,
Nishter Road, Sahiwal-57000
Tel: (040) 4461539

Company Website

www.atlasbattery.com.pk

Email Address

abl@atlasbattery.com.pk

CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited condensed interim results of your Company for the nine months ended March 31, 2017.

ECONOMY

Pakistan's economy has exhibited positive growth during the current fiscal year and is on course to achieve 5% GDP growth in FY16-17. The economic growth has been aided by muted inflation, record low interest rates, CPEC based economic activity and a stable currency. Large-Scale Manufacturing (LSM) grew by 3.5% during July-February of FY 2016-17 as compared to 4.5% in the corresponding period of last year while the liquidity generated in the agriculture sector has helped to increase consumer demand. Moreover, the Pakistan Stock Exchange has crossed all previous milestones and been declared the best performing market in Asia and fifth best in the world.

There are some headwinds that the economic managers must navigate diligently. During July-February of FY 2016-17, exports decreased to US\$ 14.1 billion, down by 2.0% as compared to US\$ 14.3 billion in the corresponding period of last year. Imports increased to US\$ 29.4 billion, up 11.2% as compared to US\$ 26.5 billion in the corresponding period of last year. Foreign remittances decreased to US\$ 12.4 billion, down by 2.5% as compared to US\$ 12.7 billion in the corresponding period of last year. Growing imports, decline in exports and slowdown in foreign remittances, pushed the current account deficit to US\$ 5.5 billion as compared to US\$ 2.5 billion in the corresponding period of last year. Some structural reforms are required to enhance broad based revenue collection, generate value added exports and improve yield of our cash crops.

OPERATING RESULTS

During 3rd quarter, your Company achieved net sales revenue of Rs.4,451 million as compared to Rs.3,491 million in the same quarter of last year, up 27.5%. This is mainly due to strong demand of batteries in the replacement market. Surge in major material prices forced the cost of sales to grow by 33.0% from Rs.2,782 million to Rs.3,699 million resulting in decline in gross profit ratio which stood at 16.9% as compared to 20.3% during the same quarter of last year.

Operating expenses stood at Rs.231 million, increased by Rs.63 million as compared to Rs.168 million in the corresponding quarter of last year mainly due to increase in promotional activities. Other income stood at Rs.29 million mainly due to income from investment in mutual funds. Profit from operations decreased to Rs.512 million as compared to Rs.524 million during corresponding quarter, down by 2.3%. Finance cost increased to Rs.30 million from Rs.25 million.

Thus, profit before tax for 3rd quarter of FY 2016-17 was Rs.482 million as compared to Rs.499 million in the corresponding quarter of last year, down by 3.4%. After providing Rs.138 million in respect of current and deferred taxation, the profit after tax of your Company stood at Rs.344 million as compared to Rs.335 million, up 2.7%. Earnings per share for the quarter was Rs.19.77 as compare to Rs.19.25 for the same quarter of last year.

For the nine months of FY 2016-17, net sales revenue generated Rs.12,017 million, up 15.5% as compared to Rs.10,408 million for the same period of last year. Cost of sales also increased by 17.0% as against corresponding period of last year. The gross profit ratio stood at 17.2% as compared to 18.3% of last year. However, in absolute amount, it improved to Rs.2,068 million from Rs.1,905 million, up 8.6%.

Operating profit for nine months improved to Rs.1,508 million from Rs.1,275 million, up 18.2% as compared to same period of last year. Profit after tax was Rs.1,073 million as against Rs.843 million during the same period of last year and earnings per share improved to Rs.61.68 as against Rs.48.46, up 27.3%.

FUTURE OUTLOOK

Being a vendor of automotive industry, your Company's product is highly dependent on the growth of the automotive industry. During July-February of FY 2016-17, sales of locally manufactured cars, trucks, buses, etc. increased by 2.7% to 175,500 units from 170,886 units during the corresponding period last year. Motorcycles and three wheelers segment (assemblers who are registered with PAMA) witnessed growth of 21.7% to 1,069,111 units from 878,723 units during the corresponding period last year. Automotive industry is likely to witness growth momentum in 4th quarter of FY 2016-17 which bodes well for your Company's growth prospects.

Strong demand with stiff competition in replacement market is expected to continue during 4th quarter of FY 2016-17. New entrants will further increase competition in the near future. Direct exposure of your Company to the rise in major material prices in the international and local market, and inflationary pressure on other input costs will be major challenges to maintain profitability in the 4th quarter. However, the management of your Company is determined to remain competent through process efficiency, curbing costs and maintaining quality of product along with growth in sales supported by brand activation activities. This will enhance efficiency and result in improved financial performance and growth of your Company. The improvement in human resource capabilities and value addition for shareholders is always a prime focus of your Company. I am sure that your Company will continue to focus on productivity and efficiency while meeting customers' desire for superior quality by following the principles of "The Atlas Way":

سے خودی کو کر بلند اتنا کہ ہر تقدیر سے پہلے
خدا بندے سے خود پوچھے بتا تیری رضا کیا ہے

ACKNOWLEDGEMENTS

I would like to thank our JV Partners GS Yuasa International Limited; Japan, Board of Directors, shareholders, bankers, vendors and customers for their continuous support and guidance. I also thank Mr. Ali H. Shirazi; President and Chief Executive of your Company and the management team for their dedication and commitment to achieve sustained growth year after year.



Yusuf H. Shirazi
Chairman

Karachi: April 27, 2017

چیرمین کا جائزہ

میں نہایت مسرت کے ساتھ 31 مارچ 2017 کو مکمل ہونے والے نو مہینوں کے لیے کمپنی کے غیر پڑتال شدہ عبوری مالیاتی نتائج پیش کر رہا ہوں۔

معیشت

پاکستانی معیشت نے مالی سال 17-2016 کے دوران نہایت مثبت کارکردگی دکھائی اور ترقی کارخان جاری رکھتے ہوئے 5 فیصد شرح نمو کا حصول ممکن بنانے کے راستے پر گامزن ہے۔ اس معاشی ترقی کا سبب افراط زر پر قابو، کم ترین شرح سود، CPEC پر مبنی معاشی سرگرمیاں اور مستحکم کرنسی ہے۔ مالی سال 17-2016 میں جولائی تا فروری کے دوران بڑے پیمانے پر مینوفیکچرنگ میں 3.5 فیصد اضافہ ہوا جبکہ گزشتہ سال اسی مدت کے دوران یہی اضافہ 4.5 فیصد تھا جبکہ زراعت کے شعبے میں ہونے والی ترقی کی وجہ سے صارفین کی طلب میں اضافہ ممکن ہوا ہے۔ پاکستان اسٹاک ایکسچینج اپنی تمام سابقہ اعلیٰ کارکردگی کے ریکارڈ توڑتے ہوئے ایشیاء کی سب سے بہترین کارکردگی والی اسٹاک ایکسچینج جبکہ دنیا کی پانچویں بہترین اسٹاک ایکسچینج قرار پائی۔

ملکی معیشت کو بعض عناصر سے مخالفت کا سامنا ہے جس کے سدباب کے لیے تندی سے سرگرم عمل رہنے کی ضرورت ہے۔ مالی سال 17-2016 میں جولائی تا فروری کے دوران برآمدات گزشتہ سال اسی مدت کے دوران 14.3 بلین ڈالر کے مقابلے میں 2.0 فیصد کمی کے ساتھ 14.1 بلین ڈالر رہیں۔ درآمدات 11.2 بلین ڈالر کے ساتھ 29.4 بلین ڈالر رہیں، جبکہ درآمدات گزشتہ سال اسی مدت کے دوران 26.5 بلین ڈالر تھیں۔ غیر ملکی ترسیلات زر گزشتہ سال 12.7 بلین ڈالر کے مقابلے میں 2.5 فیصد کمی کے ساتھ 12.4 بلین ڈالر رہیں۔ برآمدات میں کمی، درآمدات میں اضافہ اور غیر ملکی ترسیلات زر میں سستی رومی کے سبب کرنٹ اکاؤنٹ خسارہ گزشتہ سال اسی مدت کے دوران 2.5 بلین ڈالر کے مقابلے میں 5.5 بلین ڈالر رہا۔ آمدنی کے حصول، برآمدات میں خاطر خواہ اضافے اور نقد آورا جتناس میں اضافے کے لیے ساختی اصلاحات تشکیل دینے کی اشد ضرورت ہے۔

آپریٹنگ نتائج

تیسری سہ ماہی کے دوران، آپ کی کمپنی نے ہلز ریونیو کی مدد میں 27.5 فیصد اضافے کے ساتھ 4,451 ملین روپے حاصل کیے جو کہ گزشتہ سال اسی مدت کے دوران 3,491 ملین روپے تھی۔ اس کی اہم وجہ متبادل مارکیٹ میں بیڑیوں کی بڑھتی ہوئی طلب ہے۔ زیادہ تر میٹریل کی قیمتوں میں اضافے کے سبب ہلز کی لاگت 33 فیصد اضافے کے ساتھ 2,782 ملین روپے کے مقابلے میں 3,699 ملین روپے رہی، جس کے نتیجے میں مجموعی منافع کا تناسب 16.9 فیصد موجود ہے جو کہ گزشتہ سال اسی مدت کے دوران سہ ماہی میں 20.3 فیصد تھا۔

آپریٹنگ اخراجات 63 ملین روپے اضافے سے گزشتہ سہ ماہی کے 168 ملین روپے کے مقابلے میں 231 ملین روپے پر موجود ہیں، اخراجات میں اضافے کی وجہ تیسری سرگرمیوں میں اضافہ ہے۔ دیگر وسائل سے آمدنی 29 ملین روپے ہوئی جس میں زیادہ تر میوچل فنڈز سے حاصل ہونے والی آمدنی ہے۔ آپریٹرز سے حاصل ہونے والا منافع گزشتہ سہ ماہی کے منافع 524 ملین روپے کے مقابلے میں 2.3 فیصد کمی کے ساتھ 512 ملین روپے ہے۔ مالیاتی لاگت 25 ملین روپے سے بڑھ کر 30 ملین روپے ہو گئی ہے۔

چنانچہ مالی سال 17-2016 کی تیسری سہ ماہی میں قلیل ازگیس پروفٹ 482 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران کمائے گئے منافع 499 ملین روپے کے مقابلے میں 3.4 فیصد کم ہے۔ 138 ملین روپے موجودہ اور موخرنگس ادا کیے گئے، آپ کی کمپنی کا بعد ازنگس منافع 344 ملین روپے پر موجود ہے جو کہ گزشتہ سال اسی مدت کے دوران حاصل کیے گئے منافع کے مقابلے میں 2.7 فیصد زیادہ ہے۔ اس سہ ماہی میں آمدنی فی شخص 19.77 روپے رہی جو کہ گزشتہ سال اسی مدت کے دوران 19.25 روپے فی شخص تھی۔

مالی سال 17-2016 کے نو مہینوں کے دوران خالص ہلز ریونیو 12,017 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 10,408 ملین روپے کے مقابلے میں 15.5 فیصد زیادہ ہے۔ ہلز کی لاگت بھی گزشتہ سال اسی مدت کے مقابلے میں 17 فیصد زیادہ رہی۔ مجموعی منافع کا تناسب گزشتہ سال کے 18.3 فیصد کے مقابلے میں 17.2 فیصد رہا۔ تاہم مطاق رقم میں 1,905 ملین روپے کے مقابلے میں 8.6 فیصد اضافے سے 2,068 ملین روپے بہتری آئی۔

نومہینوں میں آپریٹنگ منافع گزشتہ سال اسی مدت کے دوران 1,275 ملین روپے کے مقابلے میں 18.2 فیصد اضافے سے 1,508 ملین روپے رہا۔ بعد ازاں گلیکس منافع 1,073 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 843 ملین روپے تھا۔ آمدنی فی حصص 48.46 روپے کے مقابلے میں 27.3 فیصد بہتر ہو کر 61.68 روپے رہی۔

مستقبل کے خدو خال

آٹوموٹیو اینڈ سٹری میں بطور وینڈر، آپ کی کمپنی کی پروڈکٹ آٹوموٹیو اینڈ سٹری کی ترقی پر بہت زیادہ انحصار کرتی ہے۔ مالی سال 2016-17 میں جولائی تا فروری، مقامی سطح پر تیار کاروں، بڑکوں، بسوں وغیرہ کی پیداوار 2.7 فیصد اضافے سے 175,500 یونٹس رہی جبکہ یہی تعداد گزشتہ سال اسی مدت کے دوران 170,886 تھی۔ موٹر سائیکل اور 3 ریبوں والی گاڑیوں (ایسے اسمبلر جو PAMA سے رجسٹرڈ ہیں) نے 21.7 فیصد ترقی کرتے ہوئے 1,069,111 یونٹس تیار کیے جبکہ گزشتہ سال اسی مدت کے دوران 878,723 یونٹس تیار کیے گئے تھے۔ آٹوموٹیو اینڈ سٹری مالی سال 2016-17 کی چوتھی سہ ماہی میں ترقی کا امکان ہے۔ جو آپ کی کمپنی کی ترقی پر بہترین اثرات مرتب کرے گی۔

مالی سال 2016-17 کی چوتھی سہ ماہی کے دوران تہاڈل مارکیٹ میں مقابلے کا سخت رجحان اور زیادہ طلب جاری رہنے کی توقع ہے۔ نئی کمپنیاں مستقبل قریب میں اس مقابلے کے رجحان کو مزید تقویت دیں گی۔ مقامی اور بین الاقوامی مارکیٹس میں میٹریل کی قیمتوں میں اضافہ آپ کی کمپنی پر براہ راست اثر انداز ہوتا ہے، اس کے علاوہ دیگر لاگت پر اثر انداز ہونے والے افراتفر کے دباؤ کے سبب مالی سال 2016-17 کی چوتھی سہ ماہی میں منافع کے رجحان کو برقرار رکھنا کمپنی کے لیے درپیش مشکلات میں شامل ہے۔ تاہم کمپنی کی انتظامیہ مستعد طریقہ کار، احتیاط کے ساتھ خرچ، برانڈ ایکٹیویشن کی سرگرمیوں کے ذریعے سیکڑ میں اضافے کے ساتھ ان مشکلات سے نبرد آزما ہونے کے لیے تیار ہے۔ یہ آپ کی کمپنی کی کارکردگی بہتر بنائے گی جس سے مالیاتی نتائج بہتر ہوں گے اور کمپنی ترقی کرے گی۔ انسانی وسائل کی صلاحیتوں میں اضافہ اور شیئر ہولڈرز کے لیے ویلیو ایڈیشن ہمیشہ سے ہماری توجہ کا مرکز رہے ہیں۔ مجھے مکمل یقین ہے کہ آپ کی کمپنی "The Atlas Way" کے سنہرے اصولوں پر کار بند رہتے ہوئے پیداوار اور کارکردگی پر توجہ مرکوز رکھے گی اور کسٹمرز کی توقعات پر پورا اترتے ہوئے انہیں سب سے بہترین کوالٹی پروڈکٹ پیش کرے گی۔

سے خودی کو کر بلند اتنا کہ ہر تقدیر سے پہلے
خدا بندے سے خود پوچھے بتا تیری رضا کیا ہے

اظہار تشکر

میں اس موقع پر تہہ دل سے اپنے مشنر کہ منسوبے کے شراکت داروں GS Yuasa انٹرنیشنل لمیٹڈ، جاپان، بورڈ آف ڈائریکٹرز، حصص داران، بینکلرز، وینڈرز اور کسٹمرز کا مسلسل سپورٹ اور رہنمائی پر شکر یہ ادا کرنا چاہتا ہوں۔ میں آپ کی کمپنی کے صدر اور چیف ایگزیکٹو جناب علی ایچ شیرازی اور مینجمنٹ ٹیم کو پوری لگن اور محنت کے ساتھ کام کرنے اور کامیابی حاصل کرنے پر مبارکباد پیش کرتا ہوں۔



یوسف ایچ شیرازی
چیئر مین

کراچی: 27 اپریل 2017

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

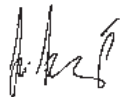
AS AT MARCH 31, 2017

	Note	Un-audited March 31, 2017 ----- (Rupees in '000) -----	Audited June 30, 2016
ASSETS			
Non-current assets			
Property, plant and equipment	5	3,022,301	2,672,742
Intangible assets		488	4,883
Investments		-	-
Long term loans		1,327	1,152
Long term deposits		15,147	14,647
		3,039,263	2,693,424
Current assets			
Stores, spares and loose tools		197,044	182,314
Stock-in-trade	6	2,239,724	1,889,810
Trade debts	7	901,375	119,477
Loans and advances		12,919	5,561
Deposits and prepayments	8	63,197	6,457
Investments	9	1,771,253	1,558,861
Other receivables		2,886	8,840
Taxation - net		124,422	196,036
Cash and bank balances	10	75,396	45,257
		5,388,216	4,012,613
Total assets		8,427,479	6,706,037
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital 50,000,000 (June 30, 2016: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000
Issued, subscribed and paid up capital 17,399,769 (June 30, 2016: 17,399,769) ordinary shares of Rs.10 each		173,998	173,998
General reserve		3,827,500	2,827,500
Unappropriated profit		1,080,257	1,276,794
Total equity		5,081,755	4,278,292
Surplus on revaluation of leasehold land		193,886	193,886
Liabilities			
Non current liabilities			
Staff retirement benefits		80,112	65,359
Deferred taxation		241,969	216,880
		322,081	282,239
Current liabilities			
Trade and other payables		1,395,301	1,193,182
Sales tax payable - net		132,163	18,057
Accrued mark-up		17,180	4,392
Short term borrowings	11	1,285,113	735,989
		2,829,757	1,951,620
Total liabilities		3,151,838	2,233,859
Contingencies and commitments	12		
Total equity and liabilities		8,427,479	6,706,037

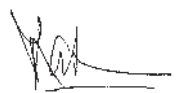
The annexed notes 1 to 18 form an integral part of this condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



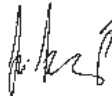
Fahim Ali Khan
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2017

	Note	Quarter ended		Period ended	
		March 31,		March 31,	
		2017	2016	2017	2016
----- (Rupees in '000) -----					
Sales - net		4,451,445	3,491,276	12,017,453	10,408,460
Cost of sales	13	(3,699,299)	(2,781,725)	(9,949,488)	(8,503,563)
Gross profit		752,146	709,551	2,067,965	1,904,897
Distribution cost		(149,923)	(106,238)	(433,693)	(335,347)
Administrative expenses		(81,430)	(62,127)	(238,738)	(199,658)
Other income	14	29,183	2,758	236,399	53,457
Other expenses		(38,106)	(19,825)	(124,378)	(147,877)
Profit from operations		511,870	524,119	1,507,555	1,275,472
Finance cost		(29,744)	(24,941)	(59,555)	(63,631)
Profit before taxation		482,126	499,178	1,448,000	1,211,841
Taxation		(138,116)	(164,260)	(374,840)	(368,583)
Profit after taxation		344,010	334,918	1,073,160	843,258
Other comprehensive income		-	-	-	-
Total comprehensive income		344,010	334,918	1,073,160	843,258
----- (Rupees) -----					
Basic and diluted earnings per share		19.77	19.25	61.68	48.46

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.


Yusuf H. Shirazi
Chairman


Ali H. Shirazi
President / Chief Executive


Fahim Ali Khan
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2017

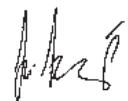
	Period ended	
	2017	2016
	March 31,	
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,448,000	1,211,841
Adjustments for non-cash charges and other items:		
Depreciation	186,642	148,087
Amortisation	4,395	4,395
Provision for gratuity	4,786	5,275
Provision for compensated leave absences	16,379	9,356
Gain on sale of investments at fair value through profit or loss	(103,131)	-
Dividend income	(5,378)	(45,795)
Mark-up income	-	(52)
Fair value (gain) / loss on investments at fair value through profit or loss	(118,977)	32,865
Loss on sale of operating fixed assets	11,266	6,634
Provision for doubtful debts	764	3,922
Finance cost	59,555	63,631
	1,504,301	1,440,159
Changes in working capital:		
Decrease / (increase) in current assets		
Stores, spares and loose tools	(14,730)	(53,990)
Stock-in-trade	(349,914)	(176,953)
Trade debts	(782,662)	(817,419)
Loans and advances	(7,358)	21,397
Deposits and prepayments	(56,740)	(52,526)
Other receivables	5,954	6,596
	(1,205,450)	(1,072,895)
Increase / (decrease) in current liabilities:		
Trade and other payables	205,762	228,919
Sales tax payable - net	114,106	41,307
	319,868	270,226
	(885,582)	(802,669)
Cash generated from operations	618,719	637,490
Finance cost paid	(46,767)	(56,974)
Mark-up income received	-	52
Income taxes paid (including tax deducted at source)	(278,137)	(74,217)
Gratuity paid	(13,639)	(12,742)
Compensated leave absences paid	(1,463)	(6,098)
Long term loans - net	(175)	82
Long term deposits - net	(500)	-
	(340,681)	(149,897)
Net cash generated from operating activities - carried forward	278,038	487,593

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2017

	Period ended March 31,	
	2017	2016
	----- (Rupees in '000) -----	
Net cash generated from operating activities - brought forward	278,038	487,593
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment	(570,126)	(297,140)
Proceeds from sale of property, plant and equipment	22,659	26,614
Payment for investments	(1,560,629)	(107,300)
Proceeds from sale of investments	1,570,345	-
Dividend received	5,378	45,795
Net cash used in investing activities	(532,373)	(332,031)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - net	549,124	250,486
Dividend paid	(264,650)	(204,611)
Net cash generated from financing activities	284,474	45,875
Net increase in cash and cash equivalents	30,139	201,437
Cash and cash equivalents - at beginning of the period	45,257	78,318
Cash and cash equivalents - at end of the period	75,396	279,755

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.


Yusuf H. Shirazi
Chairman


Ali H. Shirazi
President / Chief Executive


Fahim Ali Khan
Director

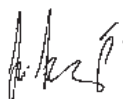
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2017

	Issued, subscribed and paid up capital	General reserve	Unappro- priated profit	Total
----- (Rupees in '000) -----				
Balance as at July 1, 2015	173,998	2,027,500	1,019,277	3,220,775
Transfer to general reserve	-	800,000	(800,000)	-
Transactions with owners, recognised directly in equity				
Cash dividend for the year ended June 30, 2015 at the rate of Rs.12.00 per share	-	-	(208,797)	(208,797)
Total comprehensive income for the period ended March 31, 2016				
Profit for the period	-	-	843,258	843,258
Other comprehensive income	-	-	-	-
	-	-	843,258	843,258
Balance as at March 31, 2016	173,998	2,827,500	853,738	3,855,236
Total comprehensive income for the period ended June 30, 2016				
Profit for the period	-	-	427,569	427,569
Other comprehensive loss	-	-	(4,513)	(4,513)
	-	-	423,056	423,056
Balance as at June 30, 2016	173,998	2,827,500	1,276,794	4,278,292
Transfer to general reserve	-	1,000,000	(1,000,000)	-
Transactions with owners, recognised directly in equity				
Cash dividend for the year ended June 30, 2016 at the rate of Rs.15.50 per share	-	-	(269,697)	(269,697)
Total comprehensive income for the period ended March 31, 2017				
Profit for the period	-	-	1,073,160	1,073,160
Other comprehensive income	-	-	-	-
	-	-	1,073,160	1,073,160
Balance as at March 31, 2017	173,998	3,827,500	1,080,257	5,081,755

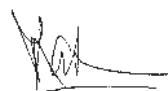
The annexed notes 1 to 18 form an integral part of this condensed interim financial information.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Frahim Ali Khan
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

Atlas Battery Limited (the Company) was incorporated as a public limited company on October 19, 1966 and its shares are quoted on Pakistan Stock Exchange Limited. The Company is engaged in manufacturing and sale of automotive and motorcycle batteries. The registered office and manufacturing facilities are located at D-181, Central Avenue, S.I.T.E., Karachi with branches at Karachi, Lahore, Multan, Islamabad, Faisalabad, Sahiwal, Peshawar and Sukkur.

The Honourable High Court of Sindh has sanctioned the merger of Shirazi Capital (Private) Limited and Shirazi (Private) Limited with and into Shirazi Investments (Private) Limited. As a result, the Company became Subsidiary Company of Shirazi Investments (Private) Limited, which holds 58.86% of issued, subscribed and paid-up capital of the Company as at March 31, 2017.

2. BASIS OF PREPARATION

This condensed interim financial information of the Company for the period ended March 31, 2017 is un-audited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2016.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of audited annual financial statements of the Company for the year ended June 30, 2016.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2016. These are considered not to be relevant or to have any significant effect on Company's financial reporting and operations and are, therefore, not disclosed in the condensed interim financial information.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In preparing this condensed interim financial information, the significant judgements 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, 2016.

	Note	Un-audited March 31, 2017 ---- (Rupees in '000) ----	Audited June 30, 2016
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	2,798,835	2,602,811
Capital work-in-progress	5.5	223,466	69,931
		<u>3,022,301</u>	<u>2,672,742</u>
5.1 Operating fixed assets			
Net book value at beginning of the period / year		2,602,811	1,894,974
Additions during the period / year	5.2	416,591	953,103
Disposals costing Rs.61,782 thousand (June 30, 2016: Rs.62,418 thousand) - at net book value	5.3	(33,925)	(41,297)
Depreciation charged during the period / year		(186,642)	(203,969)
Net book value at end of the period / year		<u>2,798,835</u>	<u>2,602,811</u>
5.2 Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:			
Leasehold land		-	322,140
Buildings on leasehold land		52,836	200,157
Plant and machinery		284,466	371,369
Office equipment		1,580	1,256
Computer and accessories		3,834	6,216
Furniture and fixtures		9,115	13,834
Air conditioners		4,771	2,872
Vehicles		59,989	35,259
		<u>416,591</u>	<u>953,103</u>
5.3 Disposals during the period / year:			
Plant and machinery		18,043	26,408
Office Equipment		174	-
Air conditioners		110	520
Vehicles		15,598	14,369
		<u>33,925</u>	<u>41,297</u>
5.4 Plant and machinery includes certain dies and moulds having cost aggregating Rs.102,845 thousand (June 30, 2016: Rs.88,824 thousand) and net book value of Rs.67,028 thousand (June 30, 2016: Rs.57,936 thousand) which 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.			

	Note	Un-audited March 31, 2017 ---- (Rupees in '000) ----	Audited June 30, 2016
5.5 Capital work-in-progress			
Buildings on leasehold land		77,953	9,947
Plant and machinery		135,241	51,142
Furniture and fixtures		597	1,277
Vehicles	5.6	8,075	7,565
Intangibles	5.6	1,600	-
		<u>223,466</u>	<u>69,931</u>

5.6 Includes Rs.8,107 thousand (June 30, 2016: Rs.4,657 thousand) advance payment to related parties for purchase of vehicles and computer software.

	Un-audited March 31, 2017 ---- (Rupees in '000) ----	Audited June 30, 2016
6. STOCK-IN-TRADE		
Raw materials and components:		
- in hand	894,350	913,940
- with third parties	32,890	28,394
	<u>927,240</u>	<u>942,334</u>
Work-in-process	658,013	586,649
Finished goods	603,747	327,649
Items in transit	50,724	33,178
	<u>2,239,724</u>	<u>1,889,810</u>

7. TRADE DEBTS - Unsecured

Consider good

Associated Companies	65,288	70,553
Others	836,087	48,924
	<u>901,375</u>	<u>119,477</u>

Consider doubtful

Others	7,619	6,855
	<u>908,994</u>	<u>126,332</u>
Provision for doubtful debts	(7,619)	(6,855)
	<u>901,375</u>	<u>119,477</u>

8. DEPOSITS AND PREPAYMENTS

Include prepayments of Rs.50,988 thousand (June 30, 2016: Rs.2,338 thousand) in respect of renewals of insurance policies and rental agreements.

Un-audited March 31, 2017 ---- (Rupees in '000) ----	Audited June 30, 2016
---	-----------------------------

9. INVESTMENTS - at fair value through profit or loss

Investments in units of mutual funds:

- Related parties	1,681,266	1,471,555
- Others	89,987	87,306
	<u>1,771,253</u>	<u>1,558,861</u>

	Note	Un-audited March 31, 2017 ---- (Rupees in '000) ----	Audited June 30, 2016
10. CASH AND BANK BALANCES			
Cash in hand		290	-
Balances with banks on current accounts		15,905	10,617
Cheques / pay orders / demand drafts in hand	10.1	59,201	34,640
		<u>75,396</u>	<u>45,257</u>
10.1 Represents banking instruments received by the Company from dealers at regional offices in respect of sales but not deposited in the Company's bank account till reporting date.			
		Un-audited March 31, 2017 ---- (Rupees in '000) ----	Audited June 30, 2016
11. SHORT TERM BORROWINGS - Secured			
Running finances / musharakah		735,113	735,989
Demand finances		550,000	-
		<u>1,285,113</u>	<u>735,989</u>
11.1 Short term borrowings include Rs.501,960 thousand (June 30, 2016: Rs.33,872 thousand) payable to Meezan Bank Limited - an Associated Company.			
12. CONTINGENCIES AND COMMITMENTS			
12.1 Contingencies			
12.1.1 There is no significant change in status of the contingencies as disclosed in note 25.1 of the audited annual financial statements of the Company for the year ended June 30, 2016.			
12.1.2 The Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi, for the tax year 2015 passed an order under section 161 / 205 of the Income Tax Ordinance, 2001 (the Ordinance) on account of non-deduction of withholding tax on various expenses and created a demand of Rs.56.449 million, including default surcharge and penalty. The Company filed a rectification application against the aforesaid order pursuant to which the DCIR passed a rectified order under section 221 / 161 / 205 of the Ordinance. As a result of the rectified order, the total demand of Rs.56.449 million identified in the original order was reduced to Rs.0.398 million inclusive of default surcharge and penalty.			
While passing the rectified order, the DCIR created an additional demand of Rs.81.593 million including default surcharge and penalty on account of non-deduction of tax on discounts allowed to dealers. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] against the rectified order and challenged the aggregate demand of Rs.81.991 million. Pursuant to this appeal, CIR(A) passed an order under section 129 of the Ordinance and granted relief to the Company on aggregate demand of Rs.81.991 million. The Commissioner Inland Revenue (CIR) filed an appeal against the above mentioned order of CIR(A) before the Appellate Tribunal Inland Revenue; which is pending for hearing.			
		Un-audited March 31, 2017 ---- (Rupees in '000) ----	Audited June 30, 2016
12.2 Outstanding bank guarantees			
		<u>76,816</u>	<u>75,162</u>
12.3 Commitments			
In respect of confirmed letters of credit relating to:			
- raw materials, stores, spares and loose tools		127,823	218,961
- capital expenditure		44,028	101,460
In respect of capital expenditure other than through letters of credit			
		<u>191,703</u>	<u>52,650</u>
		<u>363,554</u>	<u>373,071</u>

	Note	----- Un-audited -----			
		Quarter ended March 31,		Period ended March 31,	
		2017	2016	2017	2016
		----- (Rupees in '000) -----			
13. COST OF SALES					
Opening stock of finished goods		428,760	413,031	327,649	80,684
Cost of goods manufactured	13.1	3,642,105	2,611,472	9,720,076	8,360,574
Purchases during the period		232,181	51,797	505,510	356,880
		4,303,046	3,076,300	10,553,235	8,798,138
Closing stock of finished goods		(603,747)	(294,575)	(603,747)	(294,575)
		<u>3,699,299</u>	<u>2,781,725</u>	<u>9,949,488</u>	<u>8,503,563</u>
13.1 Cost of goods manufactured					
Opening work-in-process		500,720	369,739	586,649	541,194
Raw materials and components consumed		3,072,346	2,128,695	7,644,966	6,385,506
Factory overheads		727,052	633,061	2,146,474	1,953,897
		3,799,398	2,761,756	9,791,440	8,339,403
		4,300,118	3,131,495	10,378,089	8,880,597
Closing work-in-process		(658,013)	(520,023)	(658,013)	(520,023)
		<u>3,642,105</u>	<u>2,611,472</u>	<u>9,720,076</u>	<u>8,360,574</u>
14. OTHER INCOME					
Dividend income		-	-	5,378	45,795
Gain on sale of investments at fair value through profit or loss		15,295	-	103,131	-
Fair value gain on investments at fair value through profit or loss		11,601	-	118,977	-
Mark-up on deposit		-	-	-	52
Scrap sales		2,287	2,758	8,913	7,610
		<u>29,183</u>	<u>2,758</u>	<u>236,399</u>	<u>53,457</u>

15. FINANCIAL RISK MANAGEMENT

15.1 Financial risk factors

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

The condensed interim financial information does not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the audited annual financial statement of the Company as at June 30, 2016.

There have been no changes 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 the financial information 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].
- 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 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

	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	1,771,253	-	-	1,771,253

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

16. TRANSACTIONS WITH RELATED PARTIES

16.1 Significant transactions with related parties are as follows:

	Un-audited March 31, 2017 2016	
	----- (Rupees in '000) -----	
Holding Company		
Rent / service charges paid	111,326	157,840
Dividend paid	80,613	62,410
Associated Companies		
Sale of:		
- goods	1,451,628	903,586
- operating fixed assets	-	1,771
Purchases of:		
- goods and services	7,628,454	5,734,774
- operating fixed assets	74,711	78,828
Rent / service charges paid	1,412	27,784
Mark-up paid	10,784	19,544
Reimbursement of expenses	2,911	752
Insurance premium	105,233	105,905
Insurance claims	10,576	12,152
Purchase of units in mutual funds	1,471,674	100,000
Sale of units in mutual funds	1,481,001	-
Dividend received	5,378	45,795
Dividend paid	128,249	99,290
Royalty and technical fee	121,447	107,116
Donation paid	18,682	14,807
Contribution to pension funds	7,321	6,797
Other related parties		
Contribution paid to:		
- gratuity fund	13,361	12,536
- provident fund	5,567	5,363
Key Management Personnel		
- salaries and other short term employment benefits	86,922	71,733
- sale of vehicles	4,971	2,978

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

	Un-audited March 31, 2017 ----- (Rupees in '000) -----	Audited June 30, 2016
Receivables from related parties		
Deposits and prepayments	45,115	-
Other receivables	570	6,523
Payables to related parties		
Trade and other payables	292,876	172,966
Accrued mark-up	9,056	1,468

These are in the normal course of business.

17. DATE OF AUTHORIZATION FOR ISSUE

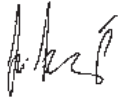
This condensed interim financial information was authorized for issue on April 27, 2017 by the Board of Directors of the Company.

18. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2016, whereas, the condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial information of the Company for the period ended March 31, 2016.



Yusuf H. Shirazi
Chairman



Ali H. Shirazi
President / Chief Executive



Fahim Ali Khan
Director

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