Atlas Battery

REDEFINING
SUSTAINABILITY



Annual Report 2024



ABOUT THEME

Empowered by our enduring commitment to sustainability, Atlas Battery embarks on a journey to redefine what it means to be sustainable in today's world. Our theme for 2024, "Redefining Sustainability," signifies our pledge to innovate and diversify our product offerings. This year, we are focusing on transitioning from traditional automotive and motorcycle batteries to advanced energy storage solutions, including tall batteries for solar applications and maintenance-free batteries. By leveraging cutting-edge technologies, we aim to support renewable energy initiatives and provide reliable power solutions that meet the evolving needs of our customers. Together, we can create a future where sustainable energy powers communities, supports economies and protects our planet for generations to come.

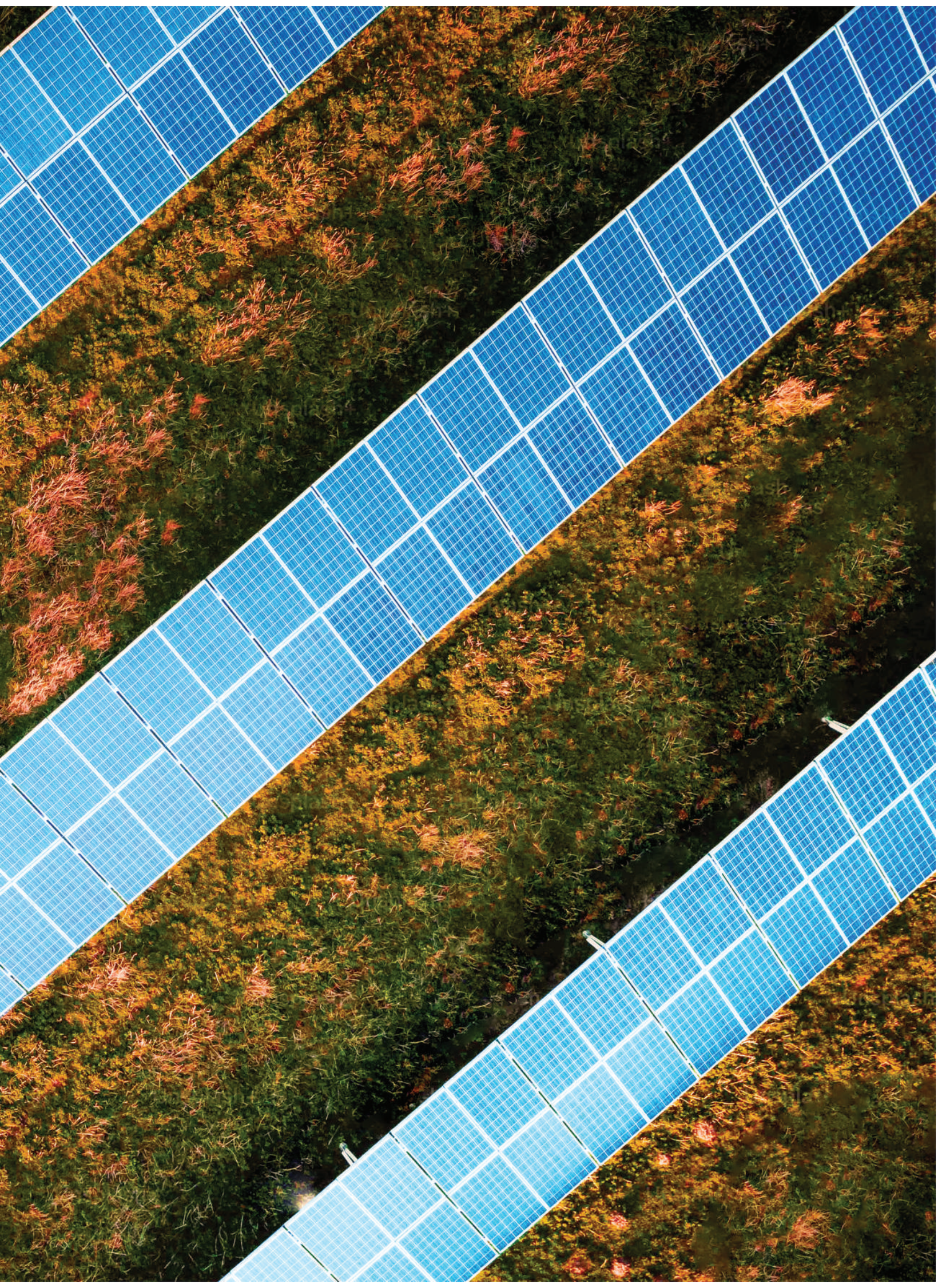


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OPERATING STRUCTURE, OWNERSHIP & RELATIONSHIP WITH GROUP COMPANIES

ABOUT THE COMPANY

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 and energy storage batteries and their allied products. The registered office is located at D-181, Central Avenue, S.I.T.E., Karachi. The manufacturing facilities 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 constituent entity of Atlas Group.

The Company signed a technical collaboration agreement with Japan Storage Battery Co. Ltd., Japan in 1969 (now known as GS Yuasa Corporation) for production and sale of Japanese quality batteries in Pakistan. The Company started production in 1969 with the genesis of the brand "AGS" – "A" for Atlas and "GS" for Genzo Shimadzu (the founder of Japan Storage Battery Co. Ltd., Japan).

The Company is proud of its successful journey of development and manufacturing a diversified range of products for more than five decades. The product range varies from conventional batteries to innovative low-maintenance hybrid, maintenance free and deep cycle batteries. Today, AGS is the nation's preferred choice not only for automotives and motorcycles but also for gensets, construction equipment, uninterrupted power supply (UPS) equipment and solar panels. Our extensive battery knowledge, vast experience and state-of-the-art manufacturing facility enable us to consistently meet the customers' demand. The Company's continued focus on HSE, unmatched after sales service and Japanese technology, is the true reflection of its tagline ...بات ہے کوالٹی کی

ABOUT THE GROUP

The foundation of Atlas Group was laid down by our late Chairman, Mr. Yusuf H. Shirazi in 1962 when Shirazi Investments (Private) Limited was formed with a capital of half a million rupees and 2 associates by his side. The Atlas motto coined by him, 'Organization Development through Self-development', has been the mantra of success for Atlas since inception.

Today Atlas is a diversified group dealing in engineering, power generation, trading and financial services. The Group embodies the spirit of development as it endeavors to fuel the growth of Pakistan's economy through 19 companies out of which four are quoted on Pakistan Stock Exchange Limited.

The Group has harmonized professional management and institutionalized the Group shareholding to build businesses that last generation after generation. Atlas has also been playing a leading role as a responsible corporate citizen promoting professional education, contributing to health facilities, helping law enforcement agencies and improving the standard of life.

GROUP SHAREHOLDING

The following is the details of shareholdings by group companies:



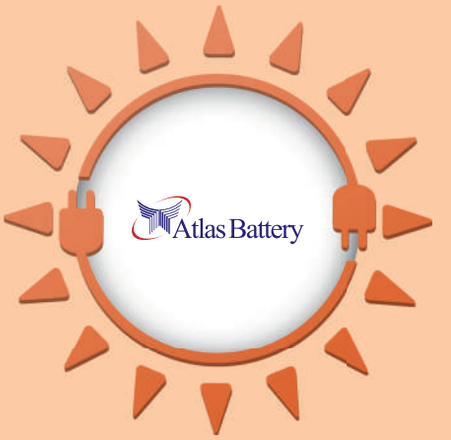
Shirazi Investments (Private) Limited [SIL] was incorporated in 1962 and is the holding company of Atlas Group. SIL holds 58.86% of the shares of Atlas Battery Limited. Besides being holding company of Atlas Group, it is engaged in the businesses of real estate, warehousing and investments in capital markets.



Atlas Foundation was incorporated in 1986 as not for profit organization. The Foundation has played its role in promoting professional education, contributing to health facilities, helping law enforcement agencies and improving the quality of life. Atlas Foundation holds 1.84% shares of Atlas Battery Limited.



Atlas Insurance Limited is engaged in general insurance and takaful business. The company was founded by Sir Muhammad Iqbal in 1934 and was acquired by Atlas Group in 1980. Atlas Insurance holds 1.74% shares of Atlas Battery Limited.



Atlas Battery Limited is engaged in the manufacturing and sale of automotive, motorcycle and energy storage batteries and their allied products. The Company has technical collaboration with GS Yuasa Japan.

VISION

A leading innovative organization, manufacturing and marketing superior quality automotive, motorcycle and industrial batteries for domestic and international market.

MISSION

Ensuring customer satisfaction through the highest degree of quality and service with innovation and dynamic management while meeting stakeholders' expectations and serving as a model corporate citizen.



CORE VALUES

QUALITY

To deliver quality proucts that exceed customer expectations.

TRANSPARENCY

To promote a culture of openness of communication, coordination and collaboration with internal and external stakeholders.

INTEGRITY

To embrace and promote strong ethical and moral principles.

MERITOCRACY

To recruit on merit; reward and recognise on performance.

EXCELLENCE

We continuously pursue operational efficiencies and process improvements.

SAFETY

Committed to providing a safe working environment for our associates.



Quality, Health, Safety and Environment (QHSE) Policy

Atlas Battery Limited (the Company) fosters superior technologies and innovations through strict compliance of its Quality Management System to meet the needs and expectations of its customers.

The Company recognizes its responsibilities for the Health, Safety and Environment (HSE) of its associates and assets. The ultimate objective of the management is to promote good health, high level of safety and mitigate environmental issues related to the business activities.

International Certifications - ISO Integrated Management System

All business functions / relevant processes and systems of the Company have been designed, improved and aligned as per guidelines of the following international standards:

Standard	Description	Certified By	Certified Since
ISO 9001:2015	Quality Management System (QMS)	Bureau Veritas	2000
ISO 14001:2015	Environment Management System (EMS)	Bureau Veritas	2018
ISO 45001:2018	Occupation Health & Safety (OH&S) Management System	Bureau Veritas	2021
ISO 50001:2018	Energy Management System (EnMS)	Bureau Veritas	2020

The above systems provide us the means to regulate, validate and trace all processes associated with product, research, design manufacturing, logistics, sale and after sale services.





Principal Business Activities

Industry

The Company is engaged in manufacturing and marketing of automotive, motorcycle and energy storage batteries for domestic and international markets and falls in the category of automobiles parts and accessories industry.

Markets

The Company serves various segments including Original Equipment Manufacturers (OEMs), domestic appliances, industrial equipment and replacement market through nationwide dealership network. Major usage of batteries includes vehicles, motorcycles, heavy vehicles including tractors, buses and energy backup solution such as UPS (Uninterrupted Power Supply equipment), Solar Panels and Gensets etc.

Products and their Applications

The Company is specialized in manufacturing of automotive, motorcycle and energy storage batteries. The Company's products are mainly categorized in light, medium and heavy batteries for automotive, motorcycle batteries, energy storage batteries and distilled water. The detailed application of product types and their applications are enlisted in "Other Information" section of this report.

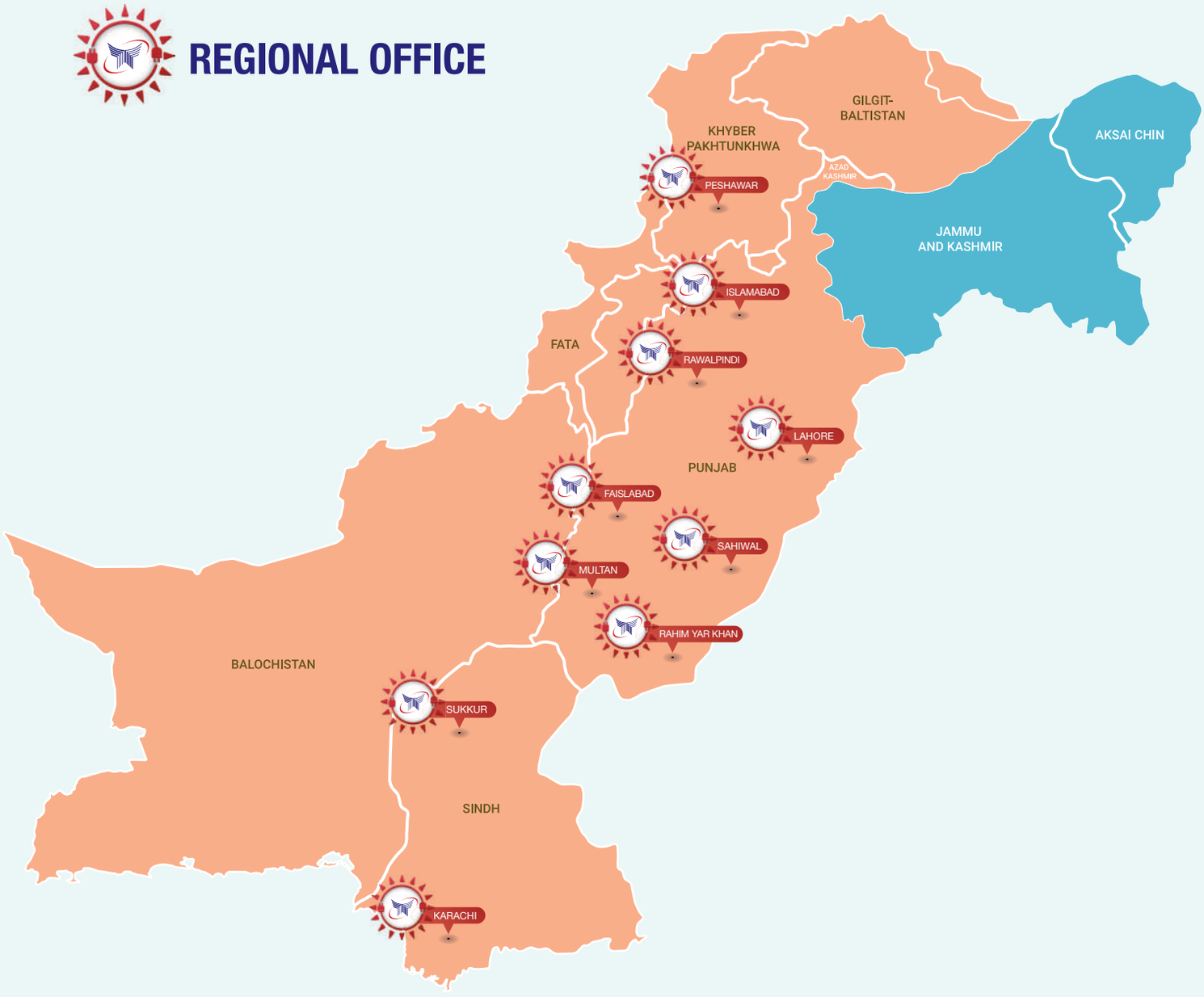
Brands

The Company sells its products under the following brand names:

- Atlas
- AGS

GEOGRAPHICAL PRESENCE

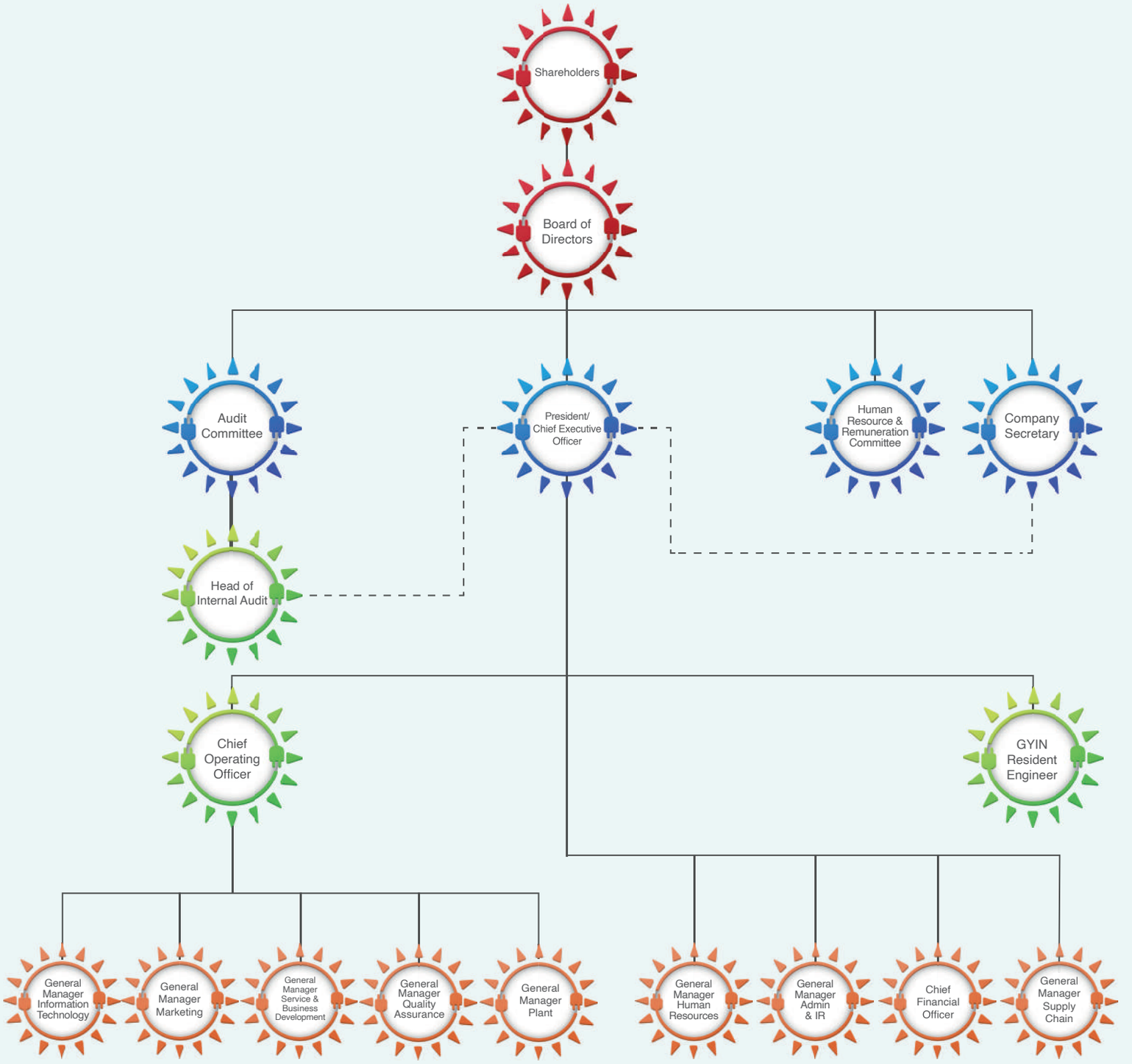
REGIONAL OFFICE



DEALERSHIP NETWORK

The Company has presence throughout the country with regional offices, extensive dealership network and service centers at all strategic locations.
There are 334 dealers and their network profile is available on our website **www.abl.atlas.pk**

ORGANIZATION CHART



COMPANY INFORMATION

Board of Directors

Aamir H. Shirazi
Chairman

Bashir Makki
Director

Fahd K. Chinoy
Director

Mehreen Amin
Director

Sanaullah Qureshi
Director

Toru Furuya
Director

Ali H. Shirazi
President / Chief Executive

Faizan Raza Nayani
Company Secretary

Audit Committee

Sanaullah Qureshi
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

Adnan Hameed
Secretary

Management Committee

Ali H. Shirazi
President / Chief Executive

Mansoor Jamil Khan
Chief Operating Officer

Adnan Hameed
General Manager Human Resource

Ahmar Waheed
General Manager Admin & IR

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

Sami Ahmed
General Manager Quality Assurance

Sheikh Adeel-ur-Rehman
General Manager Supply Chain

Tehseen Raza
General Manager Plant

Auditors

ShineWing Hameed Chaudhri & Co.
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.

Tax Advisors

EY Ford Rhodes
Chartered Accountants

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
United Bank Limited

Share Registrar

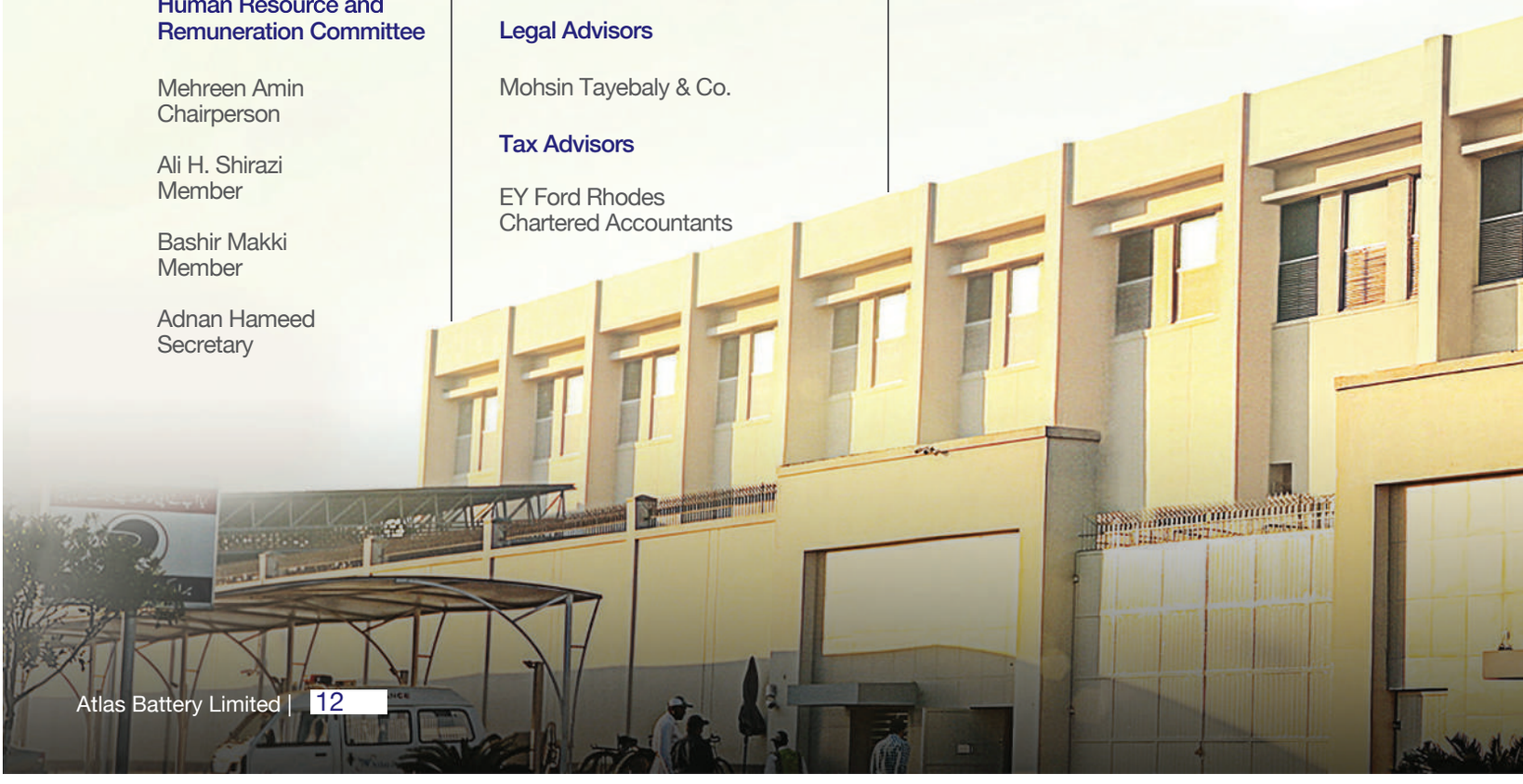
Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road, Karachi
Tel: (021) 32424826 & 32469573
Fax: (021) 32424835
E-mail: shares@hmaconsultants.com.pk

Registered Office & 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. 784/75,
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 & (068) 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



STRATEGIC OBJECTIVES

The Company is determined to follow its key strategic objectives and gauge the performance against certain parameters / Key Performance Indicators (KPIs) laid down by the Company, which are regularly monitored and will continue to be relevant in future.

Objectives	Nature	Strategy	Resource Allocation Plan	KPIs	Actual Results
To provide highest level of satisfaction to our customers and value for their money.	Short to long term	· Deploying state-of-the-art manufacturing facilities with latest technology for enhanced quality · Providing expeditious after sales services and claim settlements · Train associates, consumers and dealers	· Intellectual Capital · Social & Relationships Capital	· Claim Settlement Period · Warranty Claim Expense · Market share · Value growth	· Total of 942 training sessions during the year provided to dealers and OEMs.
To expand sales of the Company in all segments	Short to long term	· Market penetration through expansion in dealership network · Providing quality after sales services · Maintaining international product quality standards · Promoting Brand Equity	All Capitals	· Sales and profitability · Market share · Customer base · New market reach · Export sales	· Achieved sales of Rs.41.5 billion. · Achieved profitability of Rs.1,344 million.
To be committed to good corporate citizenship and compliance with laws and regulations	Short to long term	· Deployment of strong internal control framework · Hiring of team of qualified and experienced staff to ensure compliance with laws	· Human Capital · Intellectual Capital · Financial Capital	· Number of compliances · Reporting Awards	· No non-compliances were reported during the year · 17th Employers' Federation of Pakistan best practices award on Occupational, Safety and Health
To ensure workplace health and safety.	Short to long term	· Creating healthy work environment complying with all SOPs and best practices	· Human Capital · Manufactured Capital · Financial Capital · Social and Relationship Capital	· Number of accidents · Employee turnover and feedback on surveys	· No major accidents took place

Objectives	Nature	Strategy	Resource Allocation Plan	KPIs	Actual Results
To recruit and retain the best people and provide adequate training. To recognize that Leadership, Empowerment and Accountability are essential for corporate success.	Short to long term	· Hiring staff on merit basis · Training and education · Succession planning of potential associates · Job rotation and career development · Encourage ideas from bottom to top	· Human Capital · Financial Capital	· Man days of training · Number of successors	· Altogether 871 and 114 associates benefited from internal trainings and external training / conferences, respectively during the year. · 96 training sessions. · 4,700 manned hours of training.
To ensure optimum cost levels	Short to long term	· Cost efficiencies through effective resourcing · Process innovations for reduction in wastages and rejections · Energy Efficient Measures	· Manufactured Capital · Human Capital · Financial Capital	· Reduction in wastages · Use of Renewable Energy · Water recycling for resource savings	· Solar capacity upto 510 KW. · 530 MW electricity generated from solar · Increased use of recycled water · 33 million USG water recycled

The strategic objectives of the company are closely linked to its vision, mission and objectives as follows:

Vision Connection:

- These objectives are crafted to achieve the long-term vision of the Company, ensuring all actions contribute towards the future state the Company aspires to reach.

Mission Alignment:

- These objectives are designed to fulfill the Company's mission by focusing on core values and goals that define the Company's purpose and direction.

Objective Integration:

- These objectives are integrated with the Company's overall objectives after detailed analysis and consideration which includes numerous factors such as market conditions, economic affairs of local and international markets, prevailing industry norms, operations, available resources, financial capacity, liquidity, historical experiences and customer demand.

The Company focuses on superior quality, product innovation, HSE improvement and initiatives for highest level of customer satisfaction.

Company's strategies on market development, product and service development are as follows:

Market Development:

- We are committed to expanding into new geographical regions to access untapped customer segments and increase market share.
- By forming strategic partnerships and alliances, we aim to effectively penetrate new markets through expansion in dealership network.

Product Development:

- Our focus remains on innovating and introducing new products that meet emerging customer needs and preferences.
- We are dedicated to continuously enhancing our existing products with new features and technologies to maintain a competitive edge in the market place.

Service Development:

- We are committed to developing the basic technical know-how of our sales staff and providing comprehensive technical training to our service staff to enhance their skills in applications and new products.
- We are dedicated to educating our customers on battery care and maintenance via social media platforms to ensure optimal product use and satisfaction.

Effects of PESTEL on Company's strategy and resource allocation

Please refer PESTEL section in this report.

Significant changes in Management Objectives and Strategies

There have been no significant changes in objectives and strategies of the Company as compared to previous year.

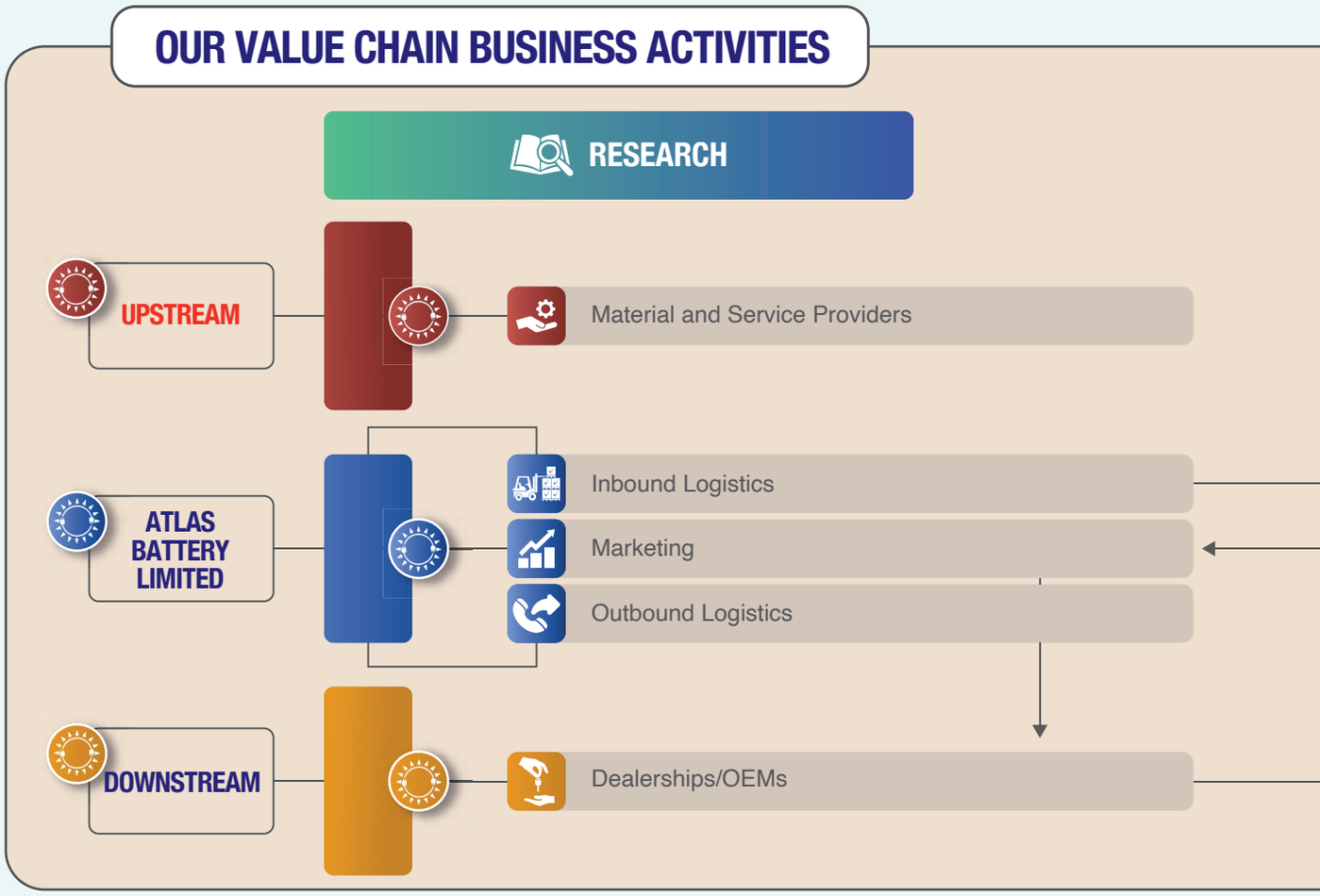
BUSINESS MODEL

The Company is guided by sustainability framework which is a product of Atlas Group's fundamental business doctrine "The Atlas Way" which comprises of the principles of "ATLAS CULTURE" and "ATLAS SYSTEMS".

ATLAS CULTURE

- Corporate Governance
- Respect, Recognition and Reward (3Rs)
- Value of time
- Recruitment and career advancement based on integrity, merit, experience and skills
- Education and training of staff and descendants
- Self-reliance
- Leading by example
- Humility and excellence
- Living with one's means, saving for the future and donating for good cause
- To be happy and healthy

HOW WE CREATE VALUE FOR OUR STAKEHOLDERS



OUR CAPITALS INPUT

Financial
Stable Financial Position

Intellectual
Partnership with GS Yuasa
Atlas Way
Technical Expertise
Brand Equity
Diversified Product Mix

Human
Strong Corporate Governance
Highly Proficient Workforce

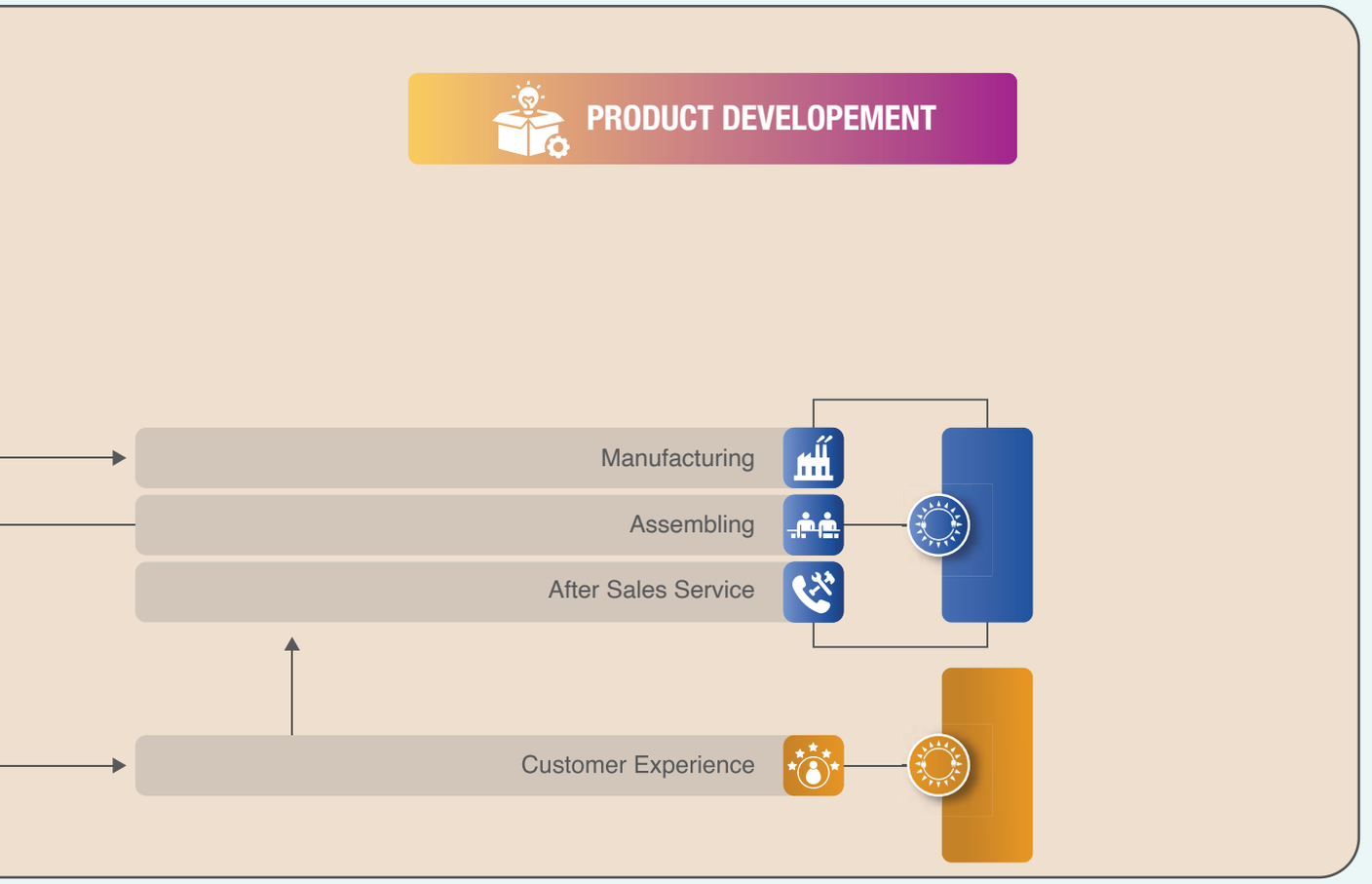
Manufactured
Advanced Manufacturing Facility
ERP & MIS

Social and Relationship
Brand Loyalty
Relationship with Customers, Suppliers, Communities and other Stake holders

Natural
Material
Renewable and Non Renewable Energy

ATLAS SYSTEMS

- Management by Objectives (MBO) to align activities towards agreed Company goals
- Implementing 7S vision (Strategy, Structure, System, Style, Staff, Skills and Shared Values) for the Company
- Inducting and retaining competent and skilled staff – right man for the right job
- Using BCG model for strategic direction
- Creating value through implementation of internal controls (SOPs and policy manuals)
- Management development to produce performers, organization builders and strategists
- Active participation in management meetings for continuous performance improvement
- Ensuring accuracy and control performance improvement
- Ensuring accuracy and control of information / data through efficient MIS
- Judicious sharing of profitability between employee bonuses, dividend payout and profit retention



VALUE CREATED IN 2024 OUTPUTS & OUTCOMES

Customers
- Millions of Satisfied Customers Nationwide

Investors
- Sustainable Returns to Investors
- Return on Equity - 15.8%
- Dividend Payout Ratio - 52.1%

Employees
- Highly Motivated Workforce
- 114 associates attended Training
- 4.4% of Wealth Distributed

Partners
- Collaboration with vendors to provide quality products to our valued customers
- 69.3% of Wealth Distributed

Communities
- Uplifting standards of communities through various initiatives / CSR

Governing Bodies and Regulations
- Contribute towards growth of Pakistan through direct and indirect taxes
- 19.2% Wealth Distributed



RELIABLE PERFORMANCE

WITH LOW MAINTENANCE

AGS batteries are technologically advanced and manufactured to be compatible with the Pakistani environment; they are also equipped with built-in safety features to make your journey safe and sound.





Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting ("AGM") of the shareholders of Atlas Battery Limited ("the Company") will be held at 9:30 a.m. on Friday, September 27, 2024 at 2nd Floor, Federation House, Sharae Firdousi, Clifton, Karachi and / or online through Zoom to transact the following business:

Ordinary Business:

1. To confirm Minutes of Annual General Meeting held on September 30, 2023.

2. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the year ended June 30, 2024 together with the Chairman's Review, Directors' and Auditors' Reports, thereon.

   As required under section 223(6) of the Companies Act, 2017 ("the Act"), Financial Statements of the Company has been uploaded on the website of the Company, which can be downloaded from the following link / QR code:

https://www.abl.atlas.pk/financial-reports/

3. To consider and approve the payment of final cash dividend at the rate of 200% (Rs.20.00 per share) for the year ended June 30, 2024 as recommended by the Board of Directors.

4. To appoint auditors and fix their remuneration for the year ending June 30, 2025. The present auditors M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants, retire and being eligible, offer themselves for reappointment.

Other Business:

5. To transact any other business with the permission of the Chair.

BY ORDER OF THE BOARD

Faizan Raza Nayani
Company Secretary

Karachi: September 06, 2024

NOTES:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from September 13, 2024 to September 27, 2024 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. Hameed Majeed Associates (Private) Limited, Karachi Chambers, Hasrat Mohani Road, Karachi before the close of business on September 12, 2024 will be considered in time for determination of entitlement of shareholders to cash dividend and to attend and vote at the meeting.

2. Participation in General Meeting

A member entitled to attend and vote at the General Meeting is entitled to appoint another member as a proxy to attend and vote on his / her behalf. In case of a corporate entity, being a member, may appoint as its proxy any of its officials or any other person, through Board Resolution / Power of Attorney.

The instrument appointing proxy must be received at the Registered Office of the Company or at the office of our Share Registrar or through email at investor.relations@abl.atlas.pk not less than 48 hours before the time of the meeting. A proxy form is attached in the last portion of the Annual Report.

3. Guidelines to the General Meeting for CDC Account Holders

CDC Account Holders will have to follow the guidelines below as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan ("SECP"):

For Attending the Meeting

a) In case of individual, the account holder or sub-account holder whose securities and their registration details are up-loaded as per the CDC Regulations, shall authenticate his / her identity by showing his / her original Computerized National Identity Card ("CNIC") or original passport at the time of attending the general meeting.
b) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and attested copy of valid CNIC of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

For Appointing Proxies

a) In case of individual, the account holder or sub-account holder whose securities and their registration details are up-loaded as per the CDC Regulations, shall submit the proxy form as per above requirement.
b) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
c) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
d) The proxy shall produce his / her original CNIC or original passport at the time of the meeting.
e) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and an attested copy of valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with proxy form to the Company.

4. Change of Address

Members are requested to immediately inform the Company's Share Registrar of any change in their mailing address.

5. Submission of Computerized National Identity Card (CNIC) or National Tax Number (NTN) or Passport

The shareholders are informed that as per Sub Clause 9 (i) of Regulation 4 of Companies (Distribution of Dividends) Regulations, 2017 the identification of the registered shareholder or its authorized person should be made available with the Company. Therefore, it is requested that shareholders must provide copy of their valid CNIC (in case of individual) or NTN (in case of other than individual) or Passport (in case of foreign individual) along with their folio number by mail or email to the Company Secretary or Share Registrar, unless it has been provided earlier.

6. E-Dividend

As per Section 242 of the Act it is mandatory for the public listed companies to pay cash dividend to its shareholders only through electronic mode, directly into bank account designated by the entitled shareholders. Therefore, all shareholders are requested to provide their valid bank account details (if it is not provided earlier) in the "Dividend Mandate Form", attached in the last portion of this report at the earliest. Shareholders maintaining shareholding under Central Depository System (CDS) are advised to submit their bank mandate information directly to the relevant participant / CDC Investor Account Service. In case of non-submission of valid bank account details, the Company will withhold the dividend payments under the Companies (Distribution of Dividends) Regulations, 2017. Further, the information regarding gross dividend, tax / zakat deductions and net dividend will be provided through the Centralized Cash Dividend Register (CCDR), therefore, shareholders should register themselves to CDC's eServices Portal.

7. Zakat Declaration (CZ-50)

Zakat will be deducted from the dividends at source at the rate of 2.5% of the paid-up value of the share (Rs.10 each) and will be deposited within the prescribed period with the relevant authority as per the prescribed regulations. In case of claiming exemption, Zakat Declaration CZ-50 Form under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981 shall be submitted to the Company Secretary / Share Registrar before book closure. The shareholders must write Atlas Battery Limited's name and their respective Folio Number or CDS Account Number on Zakat Declarations. In case shares are held in scripless, form such Zakat Declaration Form must be uploaded in the CDC account of the shareholder, through their

Participant / Investor Account Services.
Further, non-muslim shareholders are also required to submit solemn affidavit before book closure to the Company Secretary / Share Registrar in case of physical shares or with CDC Participant / Investor Account Services in case shares are in scripless form, to claim exemption from zakat deduction.

8. Unclaimed Dividend

As per Section 244 of the Act any dividend and / or share certificate which are remained unclaimed or unpaid for a period of three years from the date these have become due and payable, the Company shall be liable to deposit those unclaimed / unpaid amounts with the Federal Government as per the directives to be issued by SECP from time to time.

9. Withholding Income Tax on Dividend

The latest Active Taxpayers List (ATL) available on book closure date at Federal Board of Revenue (FBR) website would be considered to determine the status of filer or non-filer and tax will be deducted accordingly at the prescribed rates. All shareholders are advised to take necessary action for inclusion of their names in ATL, to avoid higher rate of tax deduction. To claim exemption of withholding income tax on dividend amount, valid exemption certificate is required to be submitted to the Company Secretary / Share Registrar before book closure. Further, in respect of joint shareholders, their shareholding will be treated as equal for tax deduction purposes unless ratio / share (if any) is intimated by the shareholder to the Company Secretary / Share Registrar before book closure.

10. Transmission of Annual Audited Financial Statements / Annual Report and Notice of AGM

The Annual Audited Financial Statements / Annual Report and the Notice of AGM for the year ended June 30, 2024, have been placed on the Company's website, which can be accessed / downloaded from the following link and QR enabled code:

https://abl.atlas.pk/financial-reports/

In compliance with Section 223(6) of the Act and SECP Notification vide SRO 787(1)/2014 dated September 8, 2014, soft copies of the Annual Report 2024 are being emailed to those members who opted to receive such communication via email. Other members who wish to receive the Annual Report 2024 via email may file an application as per the form provided on the Company's website in compliance with the subject SRO.

Shareholders may request the Company Secretary or Share Registrar of the Company for transmitting the hard copy of Annual Report 2024 by filing a 'Standard Request Form' available on Company's website and the same will be provided at his / her registered address, free of cost, within one week of receipt of request.

11. Participation through video conferencing facility

The shareholders, can now participate in the AGM proceedings via video link also. Those members who are willing to attend and participate in the AGM via video link are requested to register themselves by sending an email along with following particulars and valid copy of both sides of CNIC at investor.relations@abl.atlas.pk with subject of 'Registration for AGM' not less than 48 hours before the time of the meeting:

Name of Shareholder	CNIC No.	Folio No. / CDC Account No.	Cell No.	Email Address

Members who will be registered, after necessary verification as per the above requirement, will be provided a password protected video link by the Company via email. The said link will remain open from 9:20 a.m. on the date of AGM till the end of the meeting.

12. E-Voting

Members can exercise their right to poll subject to meeting the requirement of Section 143 to 145 of the Act and applicable clauses of Companies (Postal Ballot) Regulations, 2018 ("the Regulations").

13. Deposit of Physical Shares in CDC Accounts

As per Section 72(2) of the Act, every existing company shall be required to replace its physical shares with book-entry form within four (4) years from the date of the promulgation of the Act. Further, vide its letter dated March 26, 2021, SECP has directed listed companies to pursue their such shareholders who are still holding shares in physical form to convert the same into book entry form. In order to ensure compliance with the aforementioned provision, all shareholders having physical shareholding are encouraged to open a CDC sub-account with any of the brokers or an Investor Account directly with CDC to place their physical shares into scripless form. This will facilitate them in many ways, including safe custody and sale of shares, at any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited.

For any query / information, the investors may contact the Company / Share Registrar at the following:

Company's Registered Office	Share Registrar
D-181, Central Avenue, S.I.T.E., Karachi-75730	M/s. Hameed Majeed Associates (Private) Limited,
UAN: 111-247-225	Karachi Chambers, Hasrat Mohani Road, Karachi.
Fax: (021) 32564703	Tel: (021) 32424826 & 32412754
	Fax: (021) 32424835

Information for Shareholders

Company's Registered Office

D-181, Central Avenue, S.I.T.E., Karachi-75730
UAN: 111-247-225
Fax: (021) 32564703

Share Registrar

M/s. Hameed Majeed Associates (Private) Limited
Karachi Chambers, Hasrat Mohani Road, Karachi.
Tel: (021) 32424826 & 32469576
Fax: (021) 32424835

Listing on Stock Exchange

Atlas Battery Limited is listed on Pakistan Stock Exchange Limited (PSX).

Listing Fee

The annual listing fee for the financial year 2024-25 has been paid within the prescribed time limit.

Stock Symbol

The stock symbol for dealing in equity shares of Atlas Battery Limited at PSX is 'ATBA'.

Statutory Compliance

During the year, the Company has complied with all applicable provisions, filed all returns / forms and furnished all the relevant particulars as required under the Companies Act, 2017 ("the Act") and allied rules, the Securities and Exchange Commission of Pakistan (SECP) regulations and the listing requirements.

Dividend Announcement

The Board of Directors has recommended a final cash dividend @ 200% (Rs.20.00 per share) for the year ended June 30, 2024 subject to approval by shareholders of the Company at the forthcoming Annual General Meeting.

Share Transfer System

Physical share transfers received by the Company's Share Registrar are registered within 15 days from the date of receipt, provided the documents are completed in all respects.

Book Closure Dates

The Register of Members and Share Transfer Books of the Company will remain closed from September 13, 2024 to September 27, 2024 (both days inclusive).

Annual General Meetings

Pursuant to Section 132 of the Act, the Company holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having nationwide circulation.

Proxies

Pursuant to Section 137 of the Act and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another member as his / her proxy to attend and vote on his / her behalf. Every notice calling a general meeting of the Company contains a statement that a shareholder entitled to attend and vote is entitled to appoint a proxy, who ought to be a member of the Company.

The instrument appointing a proxy (duly signed by the shareholder appointing that proxy) should be submitted at the registered office of the Company not less than 48 hours before the meeting.

Financial Calendar

The Company's financial year starts on July 01 and ends on June 30 of subsequent year.

Financial results will be announced as per the following tentative schedule:

Annual General Meeting	Last week of September, 2024
1st quarter ending September 30, 2024	Last week of October, 2024
Half year ending December 31, 2024	Last week of February, 2025
3rd quarter ending March 31, 2025	Last week of April, 2025
Year ending June 30, 2025	Last week of August, 2025

Website

Updated information about the Company can be accessed at www.abl.atlas.pk. The website contains latest financial results of the Company together with Company's profile and product range, etc.

Capital Structure

The paid-up capital of the Company stands at Rs.350.2 million represented by 35.02 million shares of Rs.10/- each. The balance sheet footing stands at Rs.23.3 billion and net worth at Rs.8.5 billion.

The Company is a subsidiary of Shirazi Investments (Private) Limited which holds 58.86% shareholding. Another major shareholder of the Company is GS Yuasa International Limited – Japan who holds 15.00% shareholding.

Adequacy of the Capital Structure

The capital structure is adequate for the foreseeable future. In case of any inadequacy identified, the Company has sufficient avenues, such as issuance of right shares and / or obtaining term financing.

Shares held by Directors / Sponsors / Executives

Details of shares held by Directors / Sponsors / Executives are given in Pattern of Shareholding.

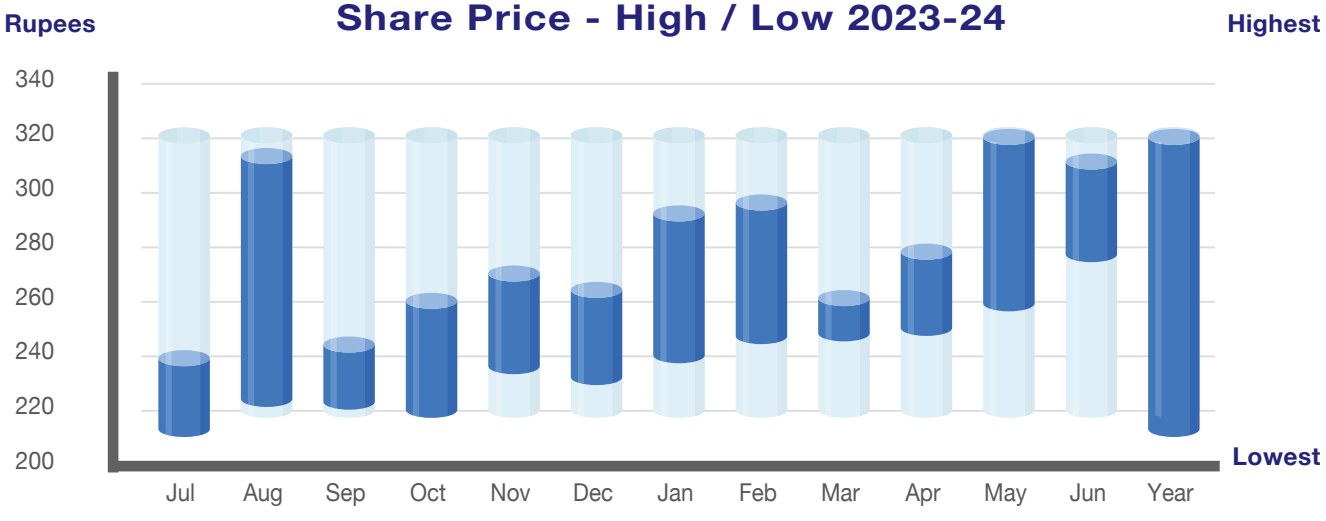
Market Capitalization, Share Price and Volume Data

During the year, the highest share price of the Company recorded at Pakistan Stock Exchange Limited (PSX) was Rs.323.99 on May 16, 2024. The market capitalization at that instant was Rs.11.35 billion.

The following table shows the monthly high, low and closing share prices of the Company and the volume of shares traded on PSX during the financial year ended June 30, 2024.

Months	Highest (Rs.)	Lowest (Rs.)	Closing (Rs.)	No. of Shares Traded	Market Capitalization in Value * (Rs. in bln)	No. of Shares Outstanding
Jul	242.00	210.50	234.87	1,077,100	8.47	35,017,033
Aug	316.56	221.00	222.99	2,737,300	11.08	35,017,033
Sep	246.88	221.00	234.55	725,200	8.65	35,017,033
Oct	263.45	217.55	237.38	1,566,200	9.23	35,017,033
Nov	273.40	234.10	246.68	1,745,900	9.57	35,017,033
Dec	267.00	230.10	238.11	1,235,600	9.35	35,017,033
Jan	296.00	238.10	276.11	2,056,700	10.37	35,017,033
Feb	300.00	245.01	258.49	852,800	10.51	35,017,033
Mar	263.90	246.00	249.91	145,500	9.24	35,017,033
Apr	280.73	247.63	257.08	400,346	9.83	35,017,033
May	323.99	257.00	290.00	1,414,564	11.35	35,017,033
June	315.00	275.00	295.87	891,996	11.03	35,017,033
Year	323.99	210.50	295.87	14,849,206	11.35	35,017,033

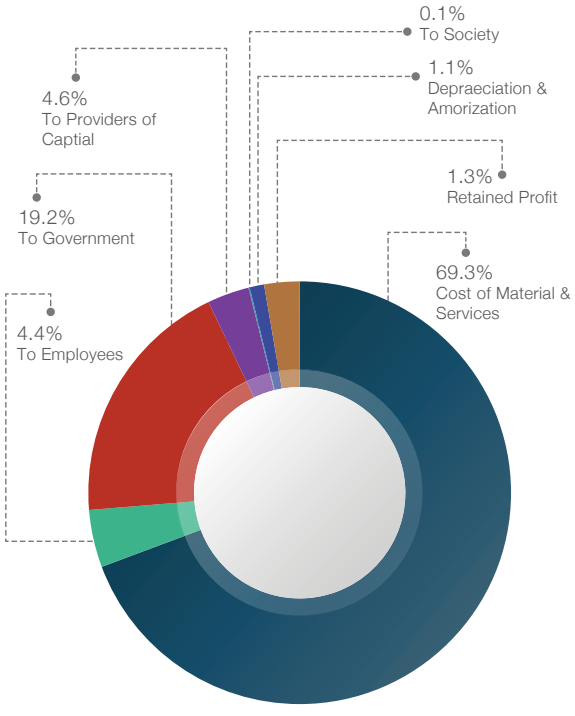
*based on highest price



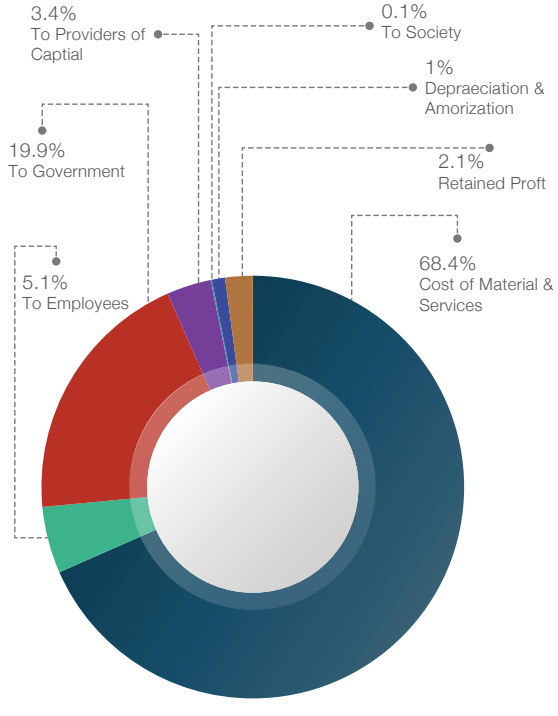
Statement of Value Addition

	Year ended June 30			
	2024		2023	
	(Rs. in '000)	% age	(Rs. in '000)	% age
Wealth Generated:				
Sales including Sales Tax	50,042,619	99.8	49,943,275	99.9
Other Income	99,883	0.2	72,346	0.1
	50,142,502	100.0	50,015,621	100.0
Wealth distributed:				
Cost of Material & Services	34,686,609	69.3	34,247,238	68.4
To Employees				
Salaries & other related costs	2,228,811	4.4	2,534,932	5.1
To Government				
Taxes	9,492,667	18.9	9,653,580	19.3
Workers' Profit Participation Fund	116,734	0.2	198,765	0.4
Workers' Welfare Fund	47,578	0.1	78,421	0.2
	9,656,979	19.2	9,930,766	19.9
To Providers of Capital				
Dividend to Shareholders	700,341	1.4	1,138,053	2.3
Finance Cost	1,619,351	3.2	552,066	1.1
	2,319,692	4.6	1,690,119	3.4
To Society				
Donation	61,981	0.1	71,377	0.1
Retained in the Business				
For replacement of Fixed Assets:				
Depreciation & Amortization	545,122	1.1	478,000	1.0
To provide for Growth: Retained Profit	643,308	1.3	1,063,189	2.1
	1,188,430	2.4	1,541,189	3.1
	50,142,502	100.0	50,015,621	100.0
Economic Value Added (Net Operating Profit After Tax - Cost of Capital)	1,857,292		521,570	

2024



2023



Pattern of Shareholding

AS AT JUNE 30, 2024

NO. OF SHAREHOLDERS	HAVING SHARES FROM	TO	SHARES HELD	PERCENTAGE
1,041	1	100	32,341	0.09%
688	101	500	187,862	0.55%
299	501	1,000	226,691	0.65%
469	1,001	5,000	1,082,621	3.09%
95	5,001	10,000	656,725	1.88%
29	10,001	15,000	346,566	0.99%
13	15,001	20,000	234,913	0.67%
13	20,001	25,000	290,701	0.83%
5	25,001	30,000	140,233	0.40%
2	30,001	35,000	64,037	0.18%
5	35,001	40,000	192,696	0.55%
1	40,001	45,000	44,500	0.13%
1	45,001	50,000	49,800	0.14%
1	50,001	55,000	54,136	0.15%
1	55,001	60,000	58,072	0.17%
6	60,001	65,000	378,807	1.08%
1	75,001	80,000	78,300	0.22%
2	85,001	90,000	175,437	0.50%
3	100,001	105,000	303,887	0.87%
1	125,001	130,000	125,192	0.36%
1	160,001	165,000	163,518	0.47%
1	195,001	200,000	197,828	0.56%
2	215,001	220,000	435,775	1.24%
1	610,001	615,000	610,632	1.74%
1	640,001	645,000	643,742	1.84%
1	655,001	660,000	655,111	1.87%
1	735,001	740,000	739,191	2.11%
1	980,001	985,000	983,737	2.81%
1	5,250,001	5,255,000	5,252,516	15.00%
1	20,610,001	20,615,000	20,611,466	58.86%
2,687			35,017,033	100.00%

The slabs representing nil holding have been omitted.

Categories of Shareholders	Number of Shareholders	Number of Shares held	Percentage of Shares held
Directors, Chief Executive and their spouse and minor children	7	1,443	0.00%
Associated companies, undertakings & related parties (Note 1)	4	27,118,356	77.44%
NIT and ICP	5	3,375	0.01%
Banks, DFIs & NBFCs	1	4,543	0.01%
Insurance Companies	3	48,042	0.14%
Modarabas and Mutual Funds	10	262,210	0.75%
Public Sector Companies & Corporations	1	983,737	2.81%
General Public			
Local	2,620	5,778,286	16.51%
Foreign	-	-	-
Others:			
Joint Stock Companies	33	809,038	2.31%
Hamid Adamjee Trust	1	1,000	-
Trustees Al-Bader Welfare Trust	1	7,002	0.02%
Trustee of Iftikhar Shirazi Family Trust	1	1	-
	2,687	35,017,033	100.00%

Note:

1. Following shareholders are shown under Associated Companies category:

Atlas Foundation	643,742	1.84%
Atlas Insurance Limited	610,632	1.74%
GS Yuasa International Limited - Japan	5,252,516	15.00%
Shirazi Investments (Private) Limited	20,611,466	58.86%
	27,118,356	77.44%

Pattern of Shareholding
AS AT JUNE 30, 2024

Information required under the Code of Corporate Governance

Categories of Shareholders	Number of Shareholders	Number of Shares held	Percentage of Shares held
Directors, Chief Executive and their spouse and minor children			
Mr. Aamir H. Shirazi	1	1	-
Mr. Ali H. Shirazi	1	1	-
Mr. Bashir Makki	1	1	-
Mr. Fahd Kamal Chinoy	1	1,437	-
Ms. Mehreen Amin	1	1	-
Mr. Sanaullah Qureshi	1	1	-
Mr. Toru Furuya	1	1	-
	7	1,443	0.00%
Associated Companies, Undertakings and Related Parties			
Atlas Foundation	1	643,742	1.84%
Atlas Insurance Limited	1	610,632	1.74%
GS Yuasa International Limited - Japan	1	5,252,516	15.00%
Shirazi Investments (Private) Limited	1	20,611,466	58.86%
	4	27,118,356	77.44%
NIT and ICP			
Investment Corporation of Pakistan	4	3,080	0.01%
IDBL - (ICP Unit)	1	295	-
	5	3,375	0.01%
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies and Modarabas	4	52,585	0.15%
Mutual Funds	10	262,210	0.75%
Public Sector Companies & Corporations			
State Life Insurance Coporation of Pakistan	1	983,737	2.81%
General Public	2,620	5,778,286	16.51%
Others	36	817,041	2.33%
	2,687	35,017,033	100.00%
Shareholders holding 10% or more voting interest			
GS Yuasa International Limited - Japan	1	5,252,516	15.00%
Shirazi Investments (Private) Limited	1	20,611,466	58.86%

BOARD OF DIRECTORS



Mr. Aamir H. Shirazi
Chairman

Mr. Aamir H. Shirazi is the President of Atlas Group. He graduated from the Claremont Mckenna College and attended the OPM from the Harvard Business School. He has over 37 years of corporate management experience. He has to his credit, work experience in Honda – America, besides working at various positions in Atlas Group, he has also served as the Chief Executive of Atlas Honda Limited for eleven years.

He is currently Chairman of Honda Atlas Cars, Atlas Honda, Atlas Battery, Atlas Engineering and Atlas Autos. He serves on the Boards of Shirazi Investments (Group Holding Company), Shirazi Trading and Murree Brewery Company Limited. He is a member of the Board of Governors of Lahore University of Management Science and member Syndicate, University of Engineering & Technology, Lahore. He was appointed as a Professional Director on the Board of Lahore Stock Exchange for two consecutive terms by the Securities & Exchange Commission of Pakistan.

He has been serving the Honorary Consul General of Japan in Lahore, since 2002 and is the Patron-in-Chief of Pakistan Japan Cultural Association, Lahore.



Mr. Bashir Makki
Director

Mr. Bashir Makki is an MBA from IBA, Karachi and has over 40 years of diverse corporate management experience. He formerly worked with ICI Pakistan Limited for 22 years, which also included 2 years of secondment with ICI Malaysia Holdings, where he was actively involved in commercial and financial audits of ICI companies based in the Asia Pacific region.

He served in Atlas Group for more than 17 years and was Director Group HR & HSE and a member of the Group Executive Committee. He is now operating a management consultancy firm, which specializes primarily in offering HR related services to corporate clients. He also serves on the Boards of Atlas Power Limited and Shirazi Trading Company (Private) Limited.

He has also attended executive development programs at Harvard Business School, U.S.A. and Ashridge College in the U.K and is a 'Certified Director' from the Pakistan Institute of Corporate Governance.



Mr. Fahd K. Chinoy
Director

Mr. Fahd K. Chinoy holds a MBA from INSEAD (France) and a Bachelor of Arts in Economics and Political Science from the University of Pennsylvania, USA. He is currently CEO of Pakistan Cables Limited.

He has previously served in the banking industry, having worked with TD Securities in New York and Toronto as an Associate in various departments including Loan Syndications and Corporate Banking.

He serves on the Board of Directors of Atlas Battery Limited, MCB Investment Management Limited and the Amir Sultan Chinoy Foundation. He is also on the Board of Advisors for NOWPDP, serves as the President of the Board of Governors for Pakistan Society for Training & Development (PSTD) and is on the Executive Committee of the Management Association of Pakistan. He is a 'Certified Director' from the Pakistan Institute of Corporate Governance and has previously served on the Board of Focus Humanitarian Assistance Pakistan.



Ms. Mehreen Amin
Director

Ms. Mehreen Amin has over 30 years of both local and international work experience in the areas of I.T., and Human Resource and Administration. She has worked in different related capacities in G.D. Searle U.K, Shell Pakistan Limited, Reckitt Benckiser Pakistan, ABN Amro Pakistan and Faysal Bank Pakistan. She has been the member on the Board of Governors of Pakistan Society of Training and Development, Member Executive Council of Indus Valley School of Art and Architecture and member on the Board of Pakistan Society of Human Resource Management. She is a 'Certified Director' from the Pakistan Institute of Corporate Governance.



Mr. Sanaullah Qureshi
Director

Mr. Sanaullah Qureshi is qualified as a Chartered Accountant from Scotland and joined ICI Pakistan Limited in 1962. He worked in different capacities as General Manager and Director in-charge of Finance, Human Resources and various other businesses of ICI. He retired as the Deputy Chairman of ICI in 1993. Mr. Qureshi joined as CEO of Forbes Forbes Campbell & Co. Limited, an old established Group dealing in shipping, trading and manufacturing. He retired from Forbes in 1995 and has since worked in advisory capacity with Captain-PQ Chemicals Industries Limited. He is the former President of Management Association of Pakistan and the Chairman of Gillette Pakistan Limited. He previously held directorship in Linde Pakistan Limited (formerly known as BOC Pakistan Limited), Faysal Bank Limited, SSGCL, Atlas Bank Limited, MYK Associates (Private) Limited and Atlas Honda Limited.



Mr. Toru Furuya
Director

Mr. Toru Furuya specializes in Chemistry and has a career working at battery design, quality assurance and quality control departments in Japan. He has also experience working at PT. Trimitra Baterai Prakasa (TBP), one of the affiliate companies of GS Yuasa International Limited in Indonesia. He is a 'Certified Director' from the University of Lahore.



Mr. Ali H. Shirazi
President /
Chief Executive

Mr. Ali H. Shirazi graduated with a BA from Yale University, U.S.A. in 2000 and thereafter completed his Masters in Law from Bristol University, U.K. in 2005. He has worked with the Bank of Tokyo-Mitsubishi in New York as well as American Honda in Torrance, California. He is Group Director Financial Services and President / Chief Executive of Atlas Battery Limited. He is on the Board of Atlas Asset Management Limited, Atlas Insurance Limited, National Management Foundation (sponsoring body of LUMS), National Foods Limited, Cherat Packaging Limited, Pakistan Cables Limited and Pakistan Society for Training and Development. Previously, he has also served on the Board of National Clearing Company of Pakistan Limited (NCCPL).

He is a 'Certified Director' from the Pakistan Institute of Corporate Governance and in 2018 completed the Owner / President Management Program (OPM) from Harvard Business School.

JOURNEY OF SUCCESS

1966 TO 1978







1979 TO 1988







1989 TO 1998







1966	I&ED	Incorporation of the Company
1968	I&ED	Public floatation of shares
1969	I&ED	Technical collaboration with Japan Storage Battery Co. Ltd., Japan
1969	I&ED	Automotive batteries production started
1974	I&ED	Motorcycle batteries production started
1979	R&A	Nominated for KSE Top 25 Companies
1981	R&A	Nominated for KSE Top 25 Companies
1984	E&I	Plant expansion
1986	E&I	Introduced polypropylene batteries
1988	E&I	Joint Venture established with Japan Storage Battery Co. Ltd., Japan with 10% equity injection
1990	E&I	Joint Venture was strengthened with Japan Storage Battery Co. Ltd., Japan with further 5% equity injection
1994	C&S	PSI Certification (Quality) for automotive batteries
1996	M&A	Export of motorcycle batteries
1998	M&A	Export of automotive batteries
1998	C&S	PSI Certification (Quality) for motorcycle batteries
1999	E&I	2nd plant expansion with automatic assembly line
2000	C&S	ISO – 9002 Certification
2000	R&A	Best Presented Annual Report Awards – ICAP and ICMAP
2001	R&A	Best Presented Annual Report Awards – ICAP and ICMAP
2003	C&S	ISO – 9001 – 2000 E
2006	C&S	World Quality Commitment – Paris 2006 Gold
2008	R&A	Awarded Brand of the Year Award by the Prime Minister of Pakistan for being No. 1 in Consumer Preference
2009	M&A	Crossed the one million production milestone in automotive batteries segment
2011	R&A	Won the Karachi Stock Exchange (KSE) Top 25 Companies Award (2007-08 and 2008-09)
2012	R&A	Won the Karachi Stock Exchange (KSE) Top 25 Companies Award (2009-10) for the third year consecutively
2012	R&A	Awarded the “Corporate Excellence Certificate” by the Management Association of Pakistan (MAP)
2013	R&A	Won the Karachi Stock Exchange (KSE) Top 25 Companies Award (2010-11) for the fourth year consecutively
2013	R&A	Awarded the “Corporate Excellence Certificate” by the Management Association of Pakistan (MAP)
2013	M&A	First battery manufacturer to launch company branded distilled water
2014	R&A	Won the Karachi Stock Exchange (KSE) Top 25 Companies Award (2011-12) for the fifth year consecutively
2015	C&S	ISO – 9001:2008 certification on quality management system
2015	R&A	Won the Karachi Stock Exchange (KSE) Top 25 Companies Award (2012-13) for the sixth year consecutively
2015	M&A	First battery manufacturer to launch "Hybrid" battery under the brand name “Atlas”
2016	R&A	Awarded the “Corporate Excellence Certificate” by the Management Association of Pakistan (MAP)
2016	M&A	Most popular brand in Pakistan declared by PakWheels.com
2017	M&A	Company announced six months free warranty for conventional automotive batteries and one year for hybrid batteries
2017	R&A	Won the Pakistan Stock Exchange (PSX) Top 25 Companies Award (2013-14 and 2014-15) for the seventh and eighth year consecutively

























2017	R&A	Awarded the "Corporate Excellence Certificate" by the Management Association of Pakistan (MAP)
2017	R&A	Best Corporate Report Awards (2015) – ICAP and ICMAP
2017	C&S	ISO – 9001:2015 Certification on Quality Management System
2018	R&A	Joint 1st Position – Best Corporate Report Awards (2016) – ICAP and ICMAP
2018	R&A	Won the Pakistan Stock Exchange (PSX) Top 25 Companies Award (2015-16) for the ninth year consecutively
2018	R&A	Awarded the "Corporate Excellence Certificate" by the Management Association of Pakistan (MAP)
2018	C&S	ISO 14001:2015 Certification on Environment Management System
2018	C&S	OHSAS 18001:2007 Certification on Occupational Health & Safety Management System
2018	R&A	Best Corporate Report Awards (2017) – ICAP and ICMAP
2019	R&A	Won the Pakistan Stock Exchange (PSX) Top 25 Companies Award (2016-17) for the tenth year consecutively
2019	R&A	Awarded the "Corporate Excellence Certificate" by the Management Association of Pakistan (MAP)
2020	C&S	ISO 50001:2011 Certification on Energy Management System
2020	R&A	Awarded the "Corporate Excellence Certificate" by the Management Association of Pakistan (MAP)
2020	R&A	Best Corporate Report Awards – Certificate of Merit (2019) – ICAP and ICMAP
2021	R&A	17th Annual Environment Excellence Award 2020 – NFEH (National Forum for Environment and Health)
2021	R&A	15th Employers' Federation of Pakistan Best Practices Award on Occupational, Safety and Health
2021	R&A	8th Employer of the Year Award 2020 – Medium National Companies Emerald Category by Employers' Federation of Pakistan
2021	R&A	Best Corporate Report Awards (2020) – ICAP and ICMAP
2022	R&A	Best Corporate Report Awards (2021) – ICAP and ICMAP
2022	R&A	16th Employers' Federation of Pakistan Best Practices Award on Occupational, Safety and Health
2023	R&A	9th Employer of the Year Award 2021 – Medium National Companies Emerald Category by Employers' Federation of Pakistan
2023	R&A	Best Corporate Report Awards (2022) – ICAP and ICMAP
2024	R&A	17th Employers' Federation of Pakistan Best Practices Award on Occupational, Safety and Health

Keys:

C&S: Certifications and Standards
E&I: Expansions and Innovations
I&ED: Incorporation and Early Developments
M&A: Milestones and Achievements
R&A: Recognition and Awards

Major Events during the Year

July 2023

- Annual Sales and Marketing Conference 2022-23 was held on July 05, 2023 at Lahore.



Annual Sales Conference

- Meeting of Board of Directors was held on August 28, 2023 to consider and approve the audited annual accounts for the year ended June 30, 2023 and final cash dividend at Rs.10.00 per share i.e. 100% and making the total cash dividend to 325% for the year ended June 30, 2023.
- Group President Visited the ABL Plant.


Group President Visit at Plant

August 2023

- Meeting of Board of Directors was held on August 28, 2023 to consider and approve the audited annual accounts for the year ended June 30, 2023 and final cash dividend at Rs.10.00 per share i.e. 100% and making the total cash dividend to 325% for the year ended June 30, 2023.

September 2023

- Annual General Meeting was held on September 30, 2023 where audited annual financial statements, final cash dividend at Rs.10.00 per share i.e. 100% (in addition to first interim cash dividend at Rs.22.50/- per share i.e. 225%) were approved by the shareholders.
- Received 17th EFP Best Practices Award.


17th EFP Best Practices Award Ceremony

October 2023

- Corporate Briefing Session was held on October 19, 2023 to brief the investors / analyst about the Company's financial performance for the year ended June 30, 2023.


Corporate Briefing Session

- Meeting of Board of Directors was held on October 27, 2023 to consider and approve the quarterly accounts for the quarter ended September 30, 2023.
- To Commemorate the fourth death anniversary of the admirable founder of Atlas Group Mr. Yusuf H. Shirazi.


Fourth Death Anniversary of Mr. Yusuf H. Shirazi

November 2023

- Honda HRAP and GO-ADC members visited the Company from November 15 to 17, 2023 along with GS technical team to conduct QAV for LN2 battery.

January 2024

- Half yearly sales conference 2023-24 was held on January 15, 2024 in Islamabad.



Half Yearly Sales Conference

- Company produced #BattiBanao Campaign's landmark TVC, creating a paradigm shift and positioning the brand as the Ultimate Energy Solution provider in Pakistan.

February 2024

- Meeting of Board of Directors was held on February 26, 2024 to consider and approve the half yearly accounts for the half year ended December 31, 2023.

March 2024

- The Company officials visited GYIN Japan from March 06 to 08, 2024 to discuss business scenario and new product development.

April 2024

- Meeting of Board of Directors was held on April 29, 2024 to consider and approve the quarterly accounts for the period ended March 31, 2024.

June 2024

- Meeting of Board of Directors was held on June 20, 2024 to consider and approve the Annual Budget for financial year 2024-25.

Media Gallery

Road Show 2023

- Extensive roadshow conducted across 42 cities in Pakistan.



Road Show 2023

Participated in Events

- FAKT Solar Expo - Karachi Expo Center, Karachi from September 07 to 09, 2023
- Installment Expo – Karachi Expo Centre, Karachi from November 04 to 05, 2023.
- FAKT Solar Expo - Pak China Friendship Center, Islamabad from May 09 to 11, 2024
- Future Fest 2024 – Lahore Expo Center, Lahore



FAKT Solar Expo - Karachi



Future Fest 2024 - Lahore



FAKT Solar Expo - Islamabad

Branding Sponsorship – Islamabad National Junior Tennis Championship 2023



Junior Tennis Championship 2023

- The Company sponsored the National Junior Tennis Championship 2023 in Islamabad from October 23 to 28, 2023. This sponsorship underscored the Company's commitment to promoting sports and nurturing young.

Batti Banao TVC – March to June 2024

- In March 2024, the Company launched the "Batti Banao Moment" mega campaign, featuring a series of TV commercials (TVCs) broadcasted across various channels. From March to June 2024, 2,071 TV spots were aired, significantly increasing the campaign's visibility and engagement with viewers.

AGS Jingle on Radio – July 2023 to June 2024

- 
Shooting of Batti Banao TVC

The Company extensively promoted the AGS jingle by airing it on FM-91, 107, 105, 100, 103, 106.2, 89, 89.4, 95, 107.4, 99 and 98.6 radio channels, with a remarkable 15,580 spots. This extensive radio presence aimed to boost brand awareness and reinforce the AGS message across a wide audience.

Print Media - July 2023 to June 2024

- Ear Panels in Dawn, Tribune, Business Recorder, Express.

  Print ADD every week 'Jang' and 'The News' in sports section.



ADVANCING HEAVY VEHICLE BATTERIES

Our robust and efficient heavy batteries are designed to power heavy vehicles, ensuring reliable performance across diverse terrains and weather conditions. These batteries are a testament to our dedication to quality and sustainability.





KEY FINANCIAL & NON-FINANCIAL PERFORMANCE MEASURES

Financial Capital



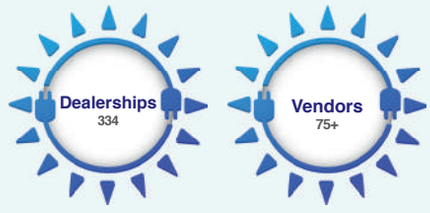
Manufactured Capital



Intellectual Capital



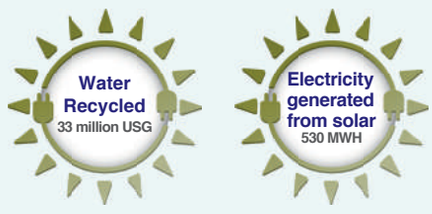
Social and Relationship Capital



Human Capital



Sustainability Measures



Methods & Assumptions Used in Compiling the Indicators

Key performance indicators demonstrate, how effectively a Company is achieving its business objectives. The management regularly analyses its market positioning, competitors and general market conditions while compiling its indicators. The management analyses its financial and non-financial performance based on these indicators.

Changes in the Indicators

There were no significant changes in the financial and non-financial indicators as compared to previous years except for the addition of sustainability measures.

Explanation of Changes in Performance over the Period

Changes in performance against prior years; including the analysis of financial statements and the vertical and horizontal analysis of statement of financial position, statement of profit or loss and statement of cash flows have been appropriately explained in the relevant sections of this report.

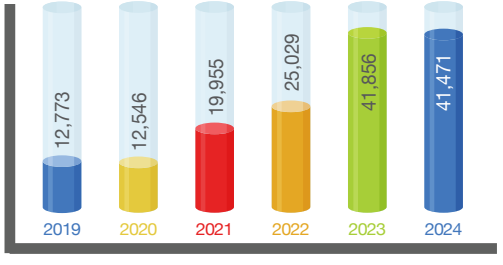
Financial Highlights

	---- Rupees in Million ----			
	2024	2023	%	+ / -
Sales	41,471	41,856	-0.9%	-
Gross Profit	5,935	6,452	-8.0%	-
Operating Profit	3,790	4,250	-10.8%	-
Profit Before Tax	2,170	3,698	-41.3%	-
Profit After Tax	1,344	2,201	-39.0%	-
Earnings Per Share - Basic & Diluted (Rupees)	38.37	62.86	-39.0%	-
Shareholders' Equity	8,519	7,252	17.5%	+
Book Value Per Share (Rupees)	243	207	17.5%	+
Property, Plant & Equipment	5,118	4,592	11.5%	+

Business Growth

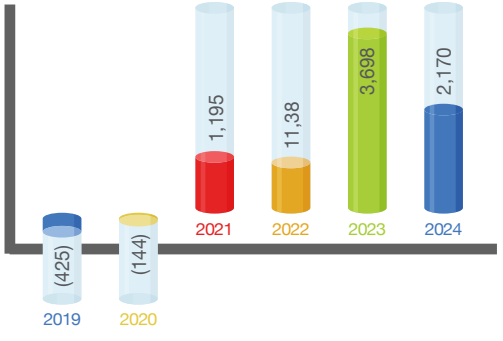
Sales Revenue
(Rs. in Million)

CAGR 26.6%



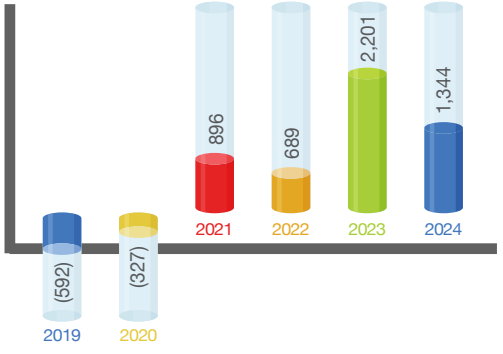
Profit Before Tax
(Rs. in Million)

*CAGR 22.0%



Profit After Tax
(Rs. in Million)

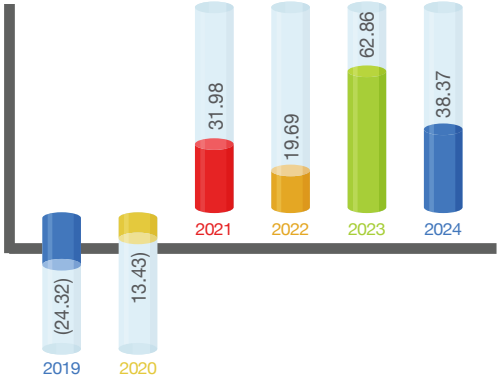
*CAGR 14.5%



Shareholder Value Accretion

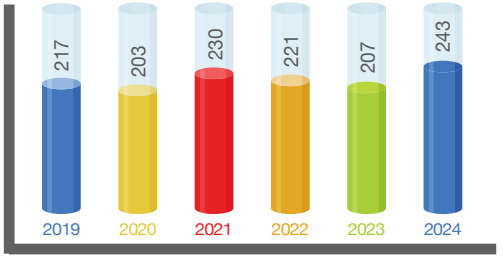
Earnings Per Share
(Rupees)

*CAGR 6.3%



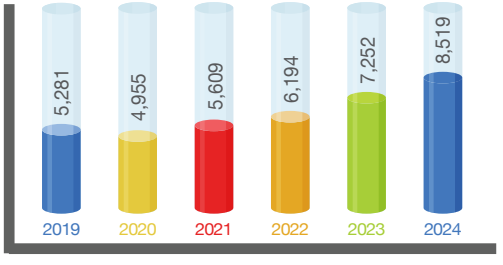
Book Value Per Share
(Rupees))

CAGR 2.3%



Shareholders' Equity
(Rs. in Million)

CAGR 10.0%



*CAGR calculated from the year 2021

Analysis of Financial Statements
Statement of Financial Position

(Rupees in '000)

Particulars	2024	2023	2022	2021	2020	2019
Assets						
Non Current Assets						
Property, plant and equipment	5,117,878	4,591,636	4,349,246	3,952,397	4,139,386	3,924,958
Intangible assets	2,057	2,742	5,670	3,929	-	160
Investments	-	-	-	-	-	-
Long term loans	3,763	3,269	2,636	1,897	2,049	1,289
Long term deposits	29,838	29,338	23,338	20,388	18,683	20,281
Total non current assets	5,153,536	4,626,985	4,380,890	3,978,611	4,160,118	3,946,688
Current Assets						
Stores, spares and loose tools	568,491	322,968	307,914	259,332	215,326	225,331
Stock-in-trade	11,909,129	10,324,114	4,621,550	3,912,393	1,999,313	1,760,092
Trade debts	3,076,060	2,391,345	850,036	1,092,145	692,998	1,096,449
Loans and advances	22,446	37,501	17,895	19,970	8,647	4,887
Deposits and prepayments	38,547	648,299	58,834	39,779	9,861	24,400
Investments	390,023	266,654	207,150	146,364	138,268	127,055
Accrued mark-up	-	-	-	302	-	-
Other receivables	2,317	2,721	2,460	2,983	2,446	8,399
Sales tax receivable - net	131,070	192,141	-	29,674	-	-
Taxation - net	835,063	277,805	128,810	209,017	567,622	594,968
Cash and bank balances	1,191,592	819,782	222,325	189,113	45,507	423,649
Total current assets	18,164,738	15,283,330	6,416,974	5,901,072	3,679,988	4,265,230
Total Assets	23,318,274	19,910,315	10,797,864	9,879,683	7,840,106	8,211,918
Equity and Liabilities						
Share Capital and Reserves						
Share capital	350,170	350,170	280,136	243,597	243,597	243,597
General reserve	5,037,500	5,037,500	5,037,500	5,037,500	5,037,500	5,037,500
Accumulated profit / (loss)	2,281,911	1,275,481	287,061	(261,198)	(915,479)	(589,274)
	7,669,581	6,663,151	5,604,697	5,019,899	4,365,618	4,691,823
Surplus on revaluation of leasehold land	849,586	589,186	589,186	589,186	589,186	589,186
Total equity	8,519,167	7,252,337	6,193,883	5,609,085	4,954,804	5,281,009
Non Current Liabilities						
Lease liabilities	600,934	407,468	343,275	319,547	358,677	-
Long term borrowings	645,507	893,275	224,516	411,652	551,405	-
Deferred income - government grant	17,623	23,273	29,482	11,724	6,181	-
Staff retirement benefits	131,497	108,587	91,625	83,047	69,515	69,345
Deferred taxation	147,605	201,430	193,687	215,492	237,131	246,580
	1,543,166	1,634,033	882,585	1,041,462	1,222,909	315,925
Current Liabilities						
Trade and other payables	3,357,937	5,959,674	2,652,728	1,692,228	1,195,743	1,037,880
Sales tax payable - net	-	-	74,423	-	175,968	87,717
Accrued mark-up	352,775	168,668	59,654	16,119	34,891	43,385
Current portion of lease liabilities	55,025	67,022	50,530	39,130	30,151	-
Current maturity of long term borrowings	253,977	171,725	216,633	308,252	106,506	-
Current portion of deferred income - government grant	5,650	6,209	7,151	13,623	11,931	-
Short term borrowings	9,168,203	4,371,424	568,366	1,083,666	71,297	1,408,152
Dividend payable	-	221,862	51,155	36,539	-	-
Unclaimed dividend	62,374	57,361	40,756	39,579	35,906	37,850
Total current liabilities	13,255,941	11,023,945	3,721,396	3,229,136	1,662,393	2,614,984
Total Equity and Liabilities	23,318,274	19,910,315	10,797,864	9,879,683	7,840,106	8,211,918

Analysis of Financial Statements
Statement of Financial Position

Particulars	Vertical Analysis						Horizontal Analysis				
	2024	2023	2022	2021	2020	2019	**2024 / 2023**	2023 / 2022	2022 / 2021	2021 / 2020	2020 / 2019
	----------Percentage----------						----------Percentage----------				
Assets											
Non Current Assets											
Property, plant and equipment	21.9	23.1	40.3	40.0	52.8	47.8	11.5	5.6	10.0	(4.5)	5.5
Intangible assets	-	-	0.1	-	-	-	(12.1)	(51.6)	44.3	100.0	(100.0)
Investments	-	-	-	-	-	-	-	-	-	-	-
Long term loans	-	-	-	-	-	-	18.7	24.0	39.0	(7.4)	59.0
Long term deposits	0.1	0.1	0.2	0.2	0.2	0.2	2.1	25.7	14.5	9.1	(7.9)
Total non current assets	22.0	23.2	40.6	40.2	53.0	48.0	12.0	5.6	10.1	(4.4)	5.4
Current Assets											
Stores, spares and loose tools	2.4	1.6	2.9	2.6	2.7	2.7	79.7	4.9	18.7	20.4	(4.4)
Stock-in-trade	51.1	51.9	42.8	39.6	25.5	21.4	34.3	123.4	18.1	95.7	13.6
Trade debts	13.2	12.0	7.9	11.1	8.8	13.4	80.6	181.3	(22.2)	57.6	(36.8)
Loans and advances	0.1	0.2	0.2	0.2	0.1	0.1	(84.1)	109.6	(10.4)	130.9	76.9
Deposits and prepayments	0.2	3.3	0.5	0.4	0.1	0.3	(1,036.4)	1,001.9	47.9	303.4	(59.6)
Investments	1.7	1.3	1.9	1.5	1.8	1.5	59.6	28.7	41.5	5.9	8.8
Accrued mark-up	-	-	-	-	-	-	-	-	(100.0)	100.0	-
Other receivables	-	-	-	-	-	0.1	(16.4)	10.6	(17.5)	22.0	(70.9)
Sales tax receivable - net	0.6	1.0	-	0.3	-	-	100.0	100.0	(100.0)	100.0	-
Taxation - net	3.6	1.4	1.2	2.1	7.2	7.2	432.6	115.7	(38.4)	(63.2)	(4.6)
Cash and bank balances	5.1	4.1	2.0	2.0	0.8	5.3	167.2	268.7	17.6	315.6	(89.3)
Total current assets	78.0	76.8	59.4	59.8	47.0	52.0	44.9	138.2	8.7	60.4	(13.7)
Total Assets	100.0	100.0	100.0	100.0	100.0	100.0	31.6	84.4	9.3	26.0	(4.5)
Equity and Liabilities											
Share Capital and Reserves											
Share capital	1.5	1.8	2.6	2.5	3.1	3.0	-	25.0	15.0	-	-
General reserve	21.6	25.3	46.7	51.0	64.3	61.3	-	-	-	-	-
Accumulated profit / (loss)	9.8	6.4	2.7	(2.6)	(11.7)	(7.2)	350.6	344.3	209.9	71.5	(55.4)
	32.9	33.5	52.0	50.9	55.7	57.1	18.0	18.9	11.6	15.0	(7.0)
Surplus on revaluation of leasehold land	3.6	3.0	5.5	6.0	7.5	7.2	44.2	-	-	-	-
Total equity	36.5	36.5	57.5	56.9	63.2	64.3	20.5	17.1	10.4	13.2	(6.2)
Non Current Liabilities											
Lease liabilities	2.6	2.0	3.2	3.2	4.6	-	56.4	18.7	7.4	(10.9)	100.0
Long term borrowings	2.8	4.5	2.1	4.2	7.0	-	(110.4)	297.9	(45.5)	(25.3)	100.0
Deferred income - government grant	0.1	0.1	0.3	0.1	0.1	-	(19.2)	(21.1)	151.5	89.7	100.0
Staff retirement benefits	0.6	0.5	0.8	0.8	0.9	0.8	25.0	18.5	10.3	19.5	0.2
Deferred taxation	0.6	1.0	1.8	2.2	3.0	3.0	(27.8)	4.0	(10.1)	(9.1)	(3.8)
	6.7	8.1	8.2	10.5	15.6	3.8	(10.3)	85.1	(15.3)	(14.8)	287.1
Current Liabilities											
Trade and other payables	14.4	30.0	24.2	17.0	15.2	12.7	(98.1)	124.7	56.8	41.5	15.2
Sales tax payable - net	-	-	0.7	-	2.2	1.1	-	(100.0)	100.0	(100.0)	100.6
Accrued mark-up	1.5	0.8	0.6	0.2	0.4	0.5	308.6	182.7	270.1	(53.8)	(19.6)
Current portion of lease liabilities	0.2	0.3	0.5	0.4	0.4	-	(23.7)	32.6	29.1	29.8	100.0
Current maturity of long term borrowings	1.1	0.9	2.0	3.1	1.4	-	38.0	(20.7)	(29.7)	189.4	100.0
Current portion of deferred income - government grant	-	-	0.1	0.1	0.2	-	(7.8)	(13.2)	(47.5)	14.2	100.0
Short term borrowings	39.3	22.0	5.3	11.0	0.9	17.1	844.0	669.1	(47.6)	1,419.9	(94.9)
Dividend payable	-	1.1	0.5	0.4	-	-	(433.7)	333.7	40.0	100.0	-
Unclaimed dividend	0.3	0.3	0.4	0.4	0.5	0.5	12.3	40.7	3.0	10.2	(5.1)
Total current liabilities	56.8	55.4	34.3	32.6	21.2	31.9	60.0	196.2	15.2	94.2	(36.4)
Total Equity and Liabilities	100.0	100.0	100.0	100.0	100.0	100.0	31.6	84.4	9.3	26.0	(4.5)

Comments on Six Years' Statement of Financial Position

Property, Plant and Equipment

Property, plant and equipment have witnessed an increase over prior year mainly due to revised revaluation of land and investment in production facilities and infrastructure to support growing demand of the batteries. Major capital expenditure incurred during the year was for enhancement of productivity and improvement of plant efficiency.

Stock-in-trade

The increasing trend in stock-in-trade is in line with the last year due to escalation in sale prices. The higher inventory levels were maintained to accommodate expected sales growth.

Investments

Considering the capital market conditions, the investments are not made except to the extent where required.

Taxation

The trend in net taxation balance shows the Company's recovery from earlier losses, which had led to turnover tax obligations until 2020. In the subsequent years, as profitability improved, the taxation charge shifted to reflect normal taxable business income.

Long term loans

Long term loan (Diminishing Musharka) of Rs.1,063 million was obtained during 2022-23 to meet financial obligations for capital expenditures and balance sheet reprofiling. The Company availed Temporary Economic Refinance Facility (TERF) from State Bank of Pakistan amounting to Rs.74 million. During the year, principal repayments were made amounting to Rs.172 million.

Trade and other payables

The decrease in trade and other payables over last year mainly reflects a normalization of trade creditors and accrued liabilities, which are part of the Company's regular business operations.

Short term borrowings

Short term borrowings during last 6 years are in line with working capital requirement. This year, the short term borrowings increased significantly due to the higher inventory levels and enhanced trade debts.

Analysis of Financial Statements
Statement of Profit and Loss

(Rupees in '000)

Particulars	2024	2023	2022	2021	2020	2019
Sales	41,470,592	41,855,868	25,029,244	19,955,087	12,546,152	12,773,113
Cost of sales	(35,535,871)	(35,403,444)	(22,308,266)	(17,673,951)	(11,667,365)	(12,506,602)
Gross profit	5,934,721	6,452,424	2,720,978	2,281,136	878,787	266,511
Distribution cost	(1,402,929)	(1,396,427)	(806,068)	(651,508)	(487,020)	(598,645)
Administrative expenses	(654,827)	(498,565)	(303,686)	(256,665)	(181,626)	(221,352)
Other income	99,883	72,346	34,747	50,722	32,601	385,464
Other expenses	(187,127)	(379,596)	(118,870)	(90,225)	(38,261)	(43,546)
Profit / (loss) from operations	3,789,721	4,250,182	1,527,101	1,333,460	204,481	(211,568)
Finance cost	(1,619,351)	(552,066)	(389,439)	(138,416)	(348,496)	(213,222)
Profit / (loss) before tax	2,170,370	3,698,116	1,137,662	1,195,044	(144,015)	(424,790)
Taxation	(826,721)	(1,496,874)	(448,225)	(299,070)	(183,084)	(167,673)
Profit / (loss) after tax	1,343,649	2,201,242	689,437	895,974	(327,099)	(592,463)

	Vertical Analysis						Horizontal Analysis				
Particulars	2024	2023	2022	2021	2020	2019	2024 / 2023	2023 / 2022	2022 / 2021	2021 / 2020	2020 / 2019
	----------Percentage----------						----------Percentage----------				
Sales	100.0	100.0	100.0	100.0	100.0	100.0	(0.9)	67.2	25.4	59.1	(1.8)
Cost of sales	(85.7)	(84.6)	(89.1)	(88.6)	(93.0)	(97.9)	0.4	58.7	26.2	51.5	(6.7)
Gross profit	14.3	15.4	10.9	11.4	7.0	2.1	(8.0)	137.1	19.3	159.6	229.7
Distribution cost	(3.4)	(3.3)	(3.2)	(3.3)	(3.9)	(4.7)	0.5	73.2	23.7	33.8	(18.6)
Administrative expenses	(1.6)	(1.2)	(1.2)	(1.3)	(1.4)	(1.7)	31.3	64.2	18.3	41.3	(17.9)
Other income	0.2	0.2	0.1	0.3	0.3	3.0	38.1	108.2	(31.5)	55.6	(91.5)
Other expenses	(0.5)	(0.9)	(0.5)	(0.5)	(0.3)	(0.3)	(50.7)	219.3	31.7	135.8	(12.1)
Profit / (loss) from operations	9.0	10.2	6.1	6.6	1.7	(1.6)	(10.8)	178.3	14.5	552.1	196.7
Finance cost	(3.9)	(1.3)	(1.6)	(0.7)	(2.8)	(1.7)	193.3	41.8	181.4	(60.3)	63.4
Profit / (loss) before tax	5.1	8.9	4.5	5.9	(1.1)	(3.3)	(41.3)	225.1	(4.8)	929.8	66.1
Taxation	(2.0)	(3.6)	(1.8)	(1.5)	(1.5)	(1.3)	(44.8)	234.0	49.9	63.4	9.2
Profit / (loss) after tax	3.1	5.3	2.7	4.4	(2.6)	(4.6)	(39.0)	219.3	(23.1)	373.9	44.8

Comments on Six Years' Statement of Profit and Loss

Sales

Sales have witnessed a cumulative average increase of 26% + in the last 6 years as the demand for heavy and medium sized batteries for UPS, solar and generators got momentum after a decline witnessed during 2018-19 and 2019-20.

Cost of Sales

Cost of sales remained almost consistent except for 2018-19 and 2019-20. The fluctuation in commodity prices results in variation of slight increase and decrease in cost of sales specially during pandemic. However, in current financial year, cost pressures in raw material prices were observed.

Gross Profit

Current year's gross profit margin slightly decreased to 14.3% as against last year's 15.4% mainly due to slight increase in cost of sales ratio.

Distribution Cost and Administrative Expenses

Distribution cost and administrative expenses remained under control and have been consistent with the proportion to the sales during last six years.

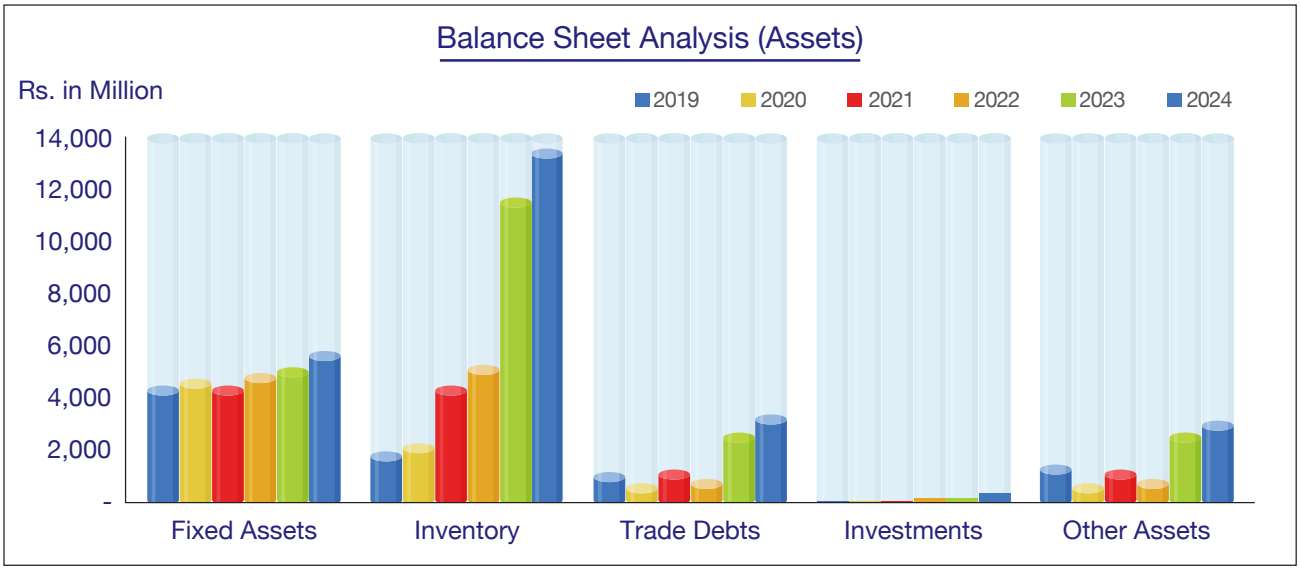
Finance Cost

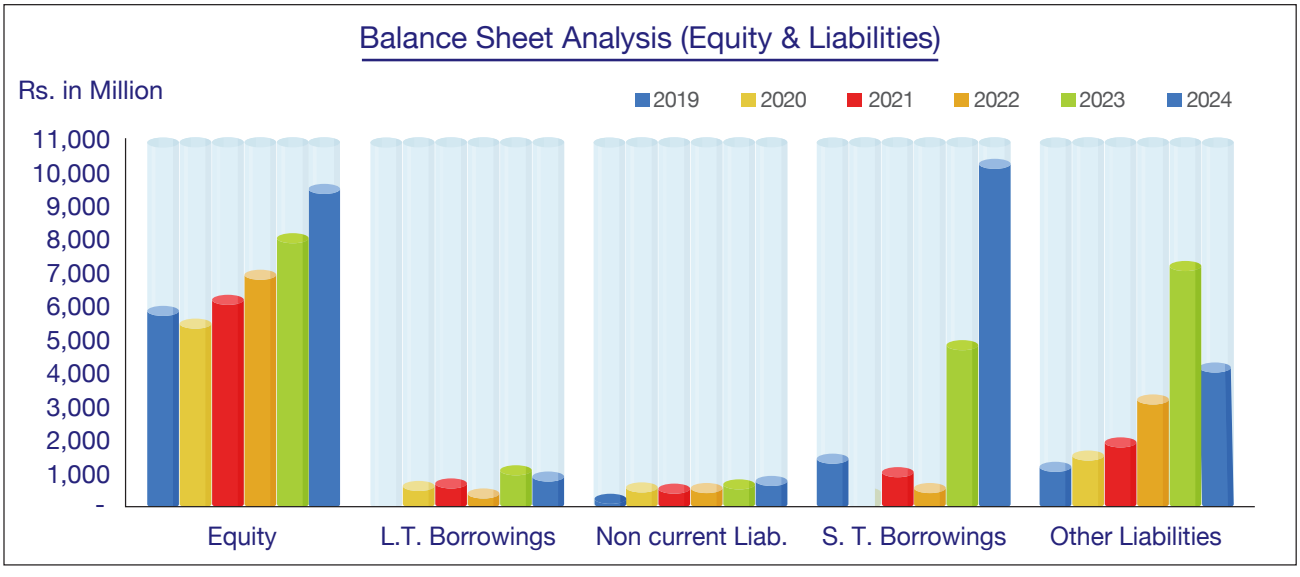
Finance cost is directly correlated to borrowings. During the current year, increase in mark-up rates besides higher financing requirements has led to significant increase in finance costs.

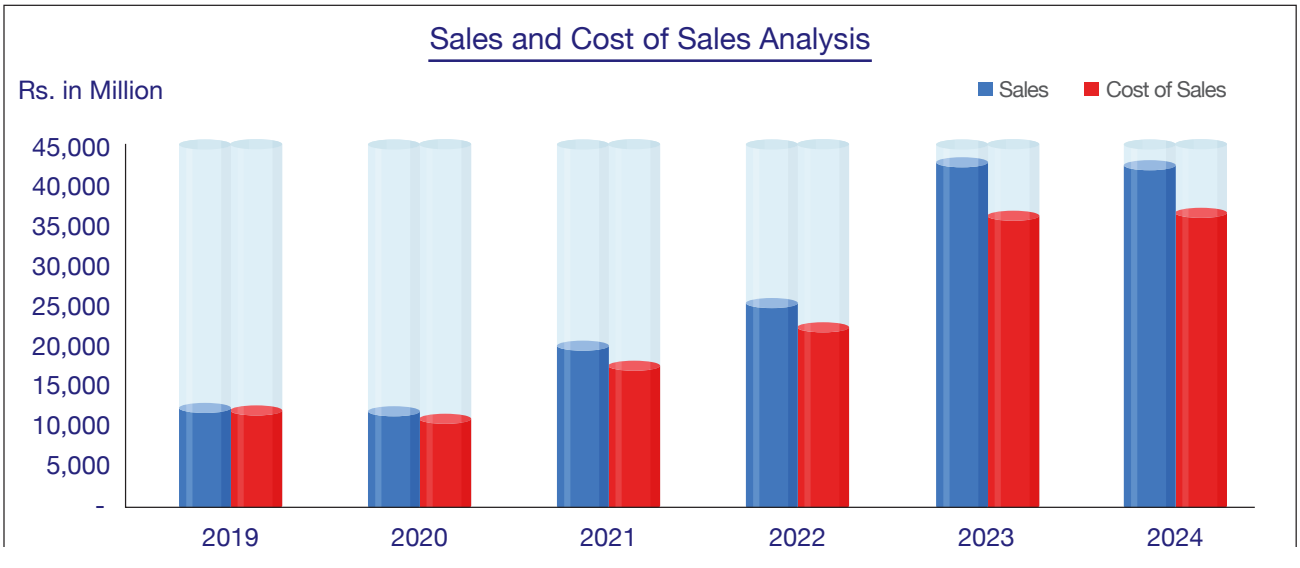
Profit After Taxation

The increased finance costs and surge in input costs declined the profit after tax as compared to last year.

Analysis of Financial Statements







Analysis of Financial Statements
Statement of Cash Flows

(Rupees in '000)

Particulars	2024	2023	2022	2021	2020	2019
Cash flow from:						
- operating activities	(2,856,774)	(2,159,674)	1,777,558	(452,660)	519,380	437,193
- investing activities	(665,285)	(600,561)	(781,537)	(200,192)	(159,104)	827,681
- financing activities	3,893,869	3,357,692	(962,809)	796,458	(738,418)	(1,222,405)
Increase / (decrease) in cash & cash equivalents	371,810	597,457	33,212	143,606	(378,142)	42,469

	Vertical Analysis						Horizontal Analysis				
Particulars	2024	2023	2022	2021	2020	2019	2024 / 2023	2023 / 2022	2022 / 2021	2021 / 2020	2020 / 2019
	----------Percentage----------						----------Percentage----------				
Cash flow from:											
- operating activities	(768.4)	(361.5)	5,352.2	(315.2)	(137.4)	1,029.4	(32.3)	(221.5)	492.7	(187.2)	18.8
- investing activities	(178.9)	(100.5)	(2,353.2)	(139.4)	42.1	1,948.9	(10.8)	23.2	(290.4)	(25.8)	(119.2)
- financing activities	1,047.3	562.0	(2,899.0)	554.6	195.3	(2,878.3)	16.0	448.7	(220.9)	207.9	39.6
Increase / (decrease) in cash & cash equivalents	100.0	100.0	100.0	100.0	100.0	100.0	(37.8)	1,698.9	(76.9)	138.0	(990.4)

Free Cash Flows

(Rupees in '000)

Particulars	2024	2023	2022	2021	2020	2019
Profit / (loss) before tax	2,170,370	3,698,116	1,137,662	1,195,044	(144,015)	(424,790)
Adjustment for non-cash items	2,249,255	1,012,272	797,649	527,270	732,754	202,363
Working capital changes	(7,276,399)	(6,870,062)	(157,753)	(2,174,974)	(69,359)	659,620
	(2,856,774)	(2,159,674)	1,777,558	(452,660)	519,380	437,193
Less: Capital expenditure	(639,037)	(618,713)	(754,887)	(233,438)	(207,885)	(636,972)
Free cash flows	(3,495,811)	(2,778,387)	1,022,671	(686,098)	311,495	(199,779)

Direct Cash Flow Statement

Particulars	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	49,342,129	48,176,303
Less: Cash paid to:		
Suppliers / service providers and employees	(40,834,863)	(39,664,052)
Workers funds	(84,232)	(278,719)
Sales tax paid	(8,510,956)	(8,353,971)
Finance cost paid	(1,295,686)	(384,767)
Income taxes paid (including tax deducted at source)	(1,446,084)	(1,635,099)
Retirement benefits	(26,090)	(19,854)
Loans, deposits and other income - net	(992)	485
	(52,198,903)	(50,335,977)
Net cash used in operating activities	(2,856,774)	(2,159,674)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditures	(639,037)	(618,713)
Proceeds from sale of operating fixed assets	36,461	39,528
Additions in intangible assets	(1,835)	(889)
Proceeds from sale of intangible assets	-	-
Payment for investments	(121,718)	(460,799)
Proceeds from sale of investments	-	403,833
Dividend received	60,844	36,479
Net cash used in investing activities	(665,285)	(600,561)
Net cash used before financing activities	(3,522,060)	(2,760,236)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(164,166)	(111,325)
Long term borrowings obtained	-	1,062,500
Long term borrowings paid	(171,725)	(445,800)
Government grant - net	-	-
Short term borrowings - net	4,796,779	3,803,058
Dividend paid	(567,019)	(950,741)
Net cash generated from financing activities	3,893,869	3,357,692
Net increase / (decrease) in cash and cash equivalents	371,810	597,457
Cash and cash equivalents - at beginning of the period	819,782	222,325
Cash and cash equivalents - at end of the period	1,191,592	819,782

Liquidity Management and Cash Flow Strategy

Liquidity and Cash Flow Analysis

An increase of Rs.372 million was witnessed in cash generated from various activities of the Company as compared to net increase of Rs.597 million during last year. Brief analysis of cash flows for the year is presented below:

Operating Activities

The net cash flow used in operations stood at Rs.2,857 million as against Rs.2,160 million used last year. This increase in outflow was mainly due to working capital changes, particularly the increase in stock-in-trade & trade debts, partially off-set by increase in trade & other payables.

Investing Activities

The cash flows used in investing activities was Rs.665 million as compared to Rs.601 million during last year. This is mainly attributable to the capital expenditure incurred during the year.

Financing Activities

During the year, the Company generated Rs.3,894 million from financing activities compared to Rs.3,358 million in the previous year. This inflow is largely due to increased borrowings to support the Company's working capital needs.

Liquidity Management and Financing Arrangements

The day to day treasury function is dealt with skilled and experienced staff managing Company's needs of financing, working capital adequacy and investments portfolio. The brief objectives of the team are:

- Manage all aspects of in-house investment portfolios including recommending investment policies.
- Identify strategies to drive additional value from surplus cash.
- Assist in identifying measures to evaluate credit quality, impact on finance costs and collateral requirements.
- Evaluate opportunities to manage or generate value from collections and analyze Company expenditure and spending patterns.
- Identify alternative funding sources.
- Forecast daily cash requirements and execute daily financing decisions.
- Prepare and monitor Company's various cash flow forecasts and perform financial modeling.
- Utilize low cost financing line primarily and save finance cost, as much as possible.

Working capital and long term funding requirements are met through borrowings from reputable banks.

Short term running finance stood at Rs.9.2 billion at year end as compared to previous year's Rs.4.4 billion. Letters of credit lines up to Rs.4.8 billion are available against lien on shipping documents. Long term loans stood at Rs.923 million at year end as compared to Rs.1,094 million during previous year.

Strategy to Overcome Liquidity Problem

The Company has short term running finance arrangements up to Rs.10.7 billion in case of liquidity needs. While no new long term loan was obtained during the year, the Company continues to focus on maintaining a balanced borrowing mix. To manage liquidity effectively, various strategies are employed, including optimizing inventory turnover, enhancing debtors' turnover and improving creditors turnover, etc.

Debt Payments

The Company has currently short term running finance of Rs.9,168 million and long term loan of Rs.923 million. The short term running finance is hypothecated against stocks and receivables and these are settled through daily routine operations. The long term loan is hypothecated against plant and machinery. The interest is paid as and when due.

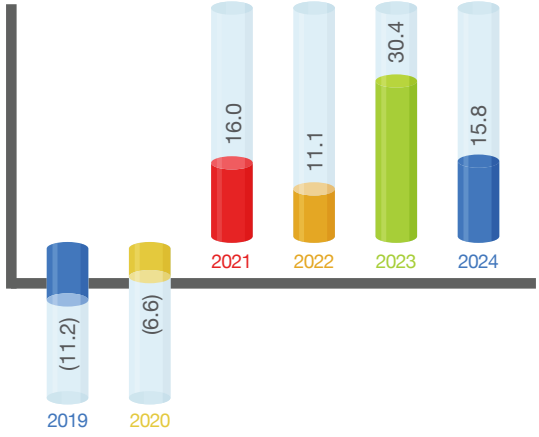
There was no default in payment of debts during the year

Financial Ratios

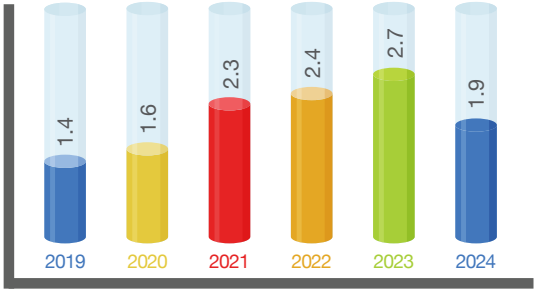
Particulars		2024	2023	2022	2021	2020	2019
Profitability Ratios							
Gross profit	(%)	14.3	15.4	10.9	11.4	7.0	2.1
Profit before tax	(%)	5.1	8.9	4.5	5.9	(1.1)	(3.3)
Profit after tax	(%)	3.1	5.3	2.7	4.4	(2.6)	(4.6)
Return on capital employed	(%)	37.7	47.8	21.6	20.1	3.3	(3.8)
Earnings before interest, tax, depreciation & amortization (EBITDA)	(Rs. in million)	4,335	4,728	1,944	1,733	572	106
EBITDA Margin	(%)	10.5	11.3	7.8	8.7	4.6	0.8
Operating leverage	(%)	1,177.0	265.2	57.1	934.9	11,067.3	403.2
Shareholders' funds	(%)	36.5	36.4	57.4	56.8	63.2	64.3
Return on shareholders' funds	(%)	15.8	30.4	11.1	16.0	(6.6)	(11.2)
Return to Shareholders							
Return on equity - before tax	(%)	25.5	51.0	18.4	21.3	(2.9)	(8.0)
Return on equity - after tax	(%)	15.8	30.4	11.1	16.0	(6.6)	(11.2)
Return on assets	(%)	5.8	11.1	6.4	9.1	(4.2)	(7.2)
Earnings per share (basic)	(Rs.)	38.37	62.86	24.61	36.78	(13.43)	(24.32)
Earnings per share (diluted)	(Rs.)	38.37	62.86	19.69	31.98	(13.43)	(24.32)
Price earning ratio	(Times)	7.7	3.3	7.0	8.6	(12.5)	(3.9)
Price to book ratio	(Times)	1.2	1.0	0.8	1.4	0.8	0.4
Market price - at year end	(Rs.)	295.9	204.4	171.9	315.9	168.1	96.1
Market price - highest during the year	(Rs.)	324.0	236.0	422.0	320.0	194.8	495.0
Market price - lowest during the year	(Rs.)	210.5	140.0	150.1	168.5	68.4	61.9
Break-up value per share / Net assets per share:							
- without surplus on revaluation	(Rs.)	219.0	190.3	200.1	206.1	179.2	192.6
- with surplus on revaluation	(Rs.)	243.3	207.1	221.1	230.3	203.4	216.8
Dividend							
Cash dividend	(%)	200	325.0	125.0	140.0	-	-
Stock dividend	(%)	-	-	25.0	15.0	-	-
Cash & stock dividend	(%)	200	325.0	150.0	155.0	-	-
Dividend yield	(%)	6.8	15.9	8.7	4.9	-	-
Dividend cover	(Times)	1.9	1.9	1.6	2.4	-	-
Dividend pay out	(%)	52.1	51.7	60.9	42.1	-	-
Plough back ratio	(%)	47.9	48.3	39.1	57.9	-	-
Dividend yield (cash)	(%)	6.8	15.9	7.3	4.4	-	-
Dividend cover (cash)	(Times)	1.9	1.9	2.0	2.6	-	-
Dividend pay out (cash)	(%)	52.1	51.7	50.8	38.1	-	-
Plough back ratio (cash)	(%)	47.9	48.3	49.2	61.9	-	-
Asset Utilization							
Total assets turnover	(Times)	1.9	2.7	2.4	2.3	1.6	1.4
Fixed assets turnover	(Times)	8.5	9.4	6.0	4.9	3.1	3.4
Inventory turnover	(Times)	3.1	4.5	4.9	5.5	5.6	5.1
Trade debts turnover	(Times)	15.2	25.8	25.8	22.4	14.0	9.0
Trade creditors turnover	(Times)	7.6	8.2	10.3	12.2	10.4	9.3
Capital employed turnover	(Times)	4.4	5.2	3.6	3.1	2.1	2.2
Operating Cycle							
Inventory holding period	(No. of Days)	119	80	74	66	66	71
Trade debts collection period	(No. of Days)	24	14	14	16	26	41
Trade creditors payment period	(No. of Days)	(48)	(44)	(36)	(30)	(35)	(39)
Operating cycle	(No. of Days)	95	50	52	52	57	73
Liquidity / Leverage							
Current ratio	(Times)	1.4	1.4	1.7	1.8	2.2	1.6
Quick ratio	(Times)	0.4	0.4	0.4	0.5	0.9	0.9
Cash to current liabilities	(Times)	0.1	0.1	0.1	0.1	0.0	0.2
Cash flow from operations to sales	(%)	(6.9)	(5.2)	7.1	(2.3)	4.1	3.4
Cash flow to capital expenditures	(Times)	(4.5)	(3.5)	2.4	(1.9)	2.5	0.7
Cash flow coverage ratio	(Times)	(0.3)	(0.4)	1.7	(0.2)	0.7	0.3
Weighted average cost of debt (pre-tax)	(%)	21.2	21.7	7.0	6.1	5.9	-
Financial leverage ratio	(Times)	1.2	0.8	0.2	0.3	0.2	0.3
Long term debt to equity (book value)	(Times)	0.1	0.2	0.1	0.1	0.1	-
Long term debt to equity (market value)	(Times)	0.1	0.2	0.1	0.1	0.2	-
Total liabilities to equity	(Times)	1.7	1.7	0.7	0.8	0.6	0.6
Interest coverage ratio	(Times)	2.3	7.7	3.9	9.6	0.6	(1.0)
Others							
Spare inventory as % of assets cost	(%)	1.0	0.7	1.4	1.4	1.4	1.5
Maintenance cost as % of operating expenses	(%)	0.6	0.5	0.4	1.9	0.5	0.8

Six Years Analysis of Financial Ratios

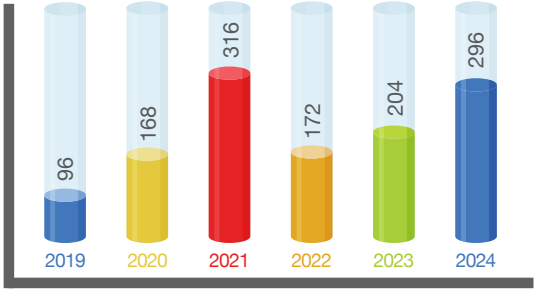
Return on equity (after tax)
(Percentage)



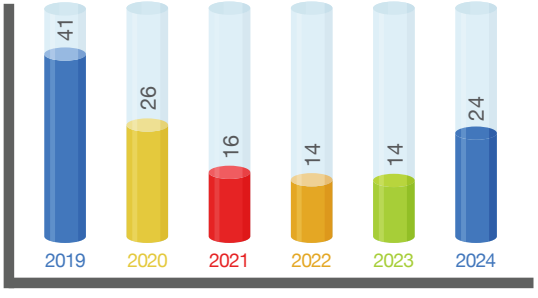
Total assets turnover
(Times)



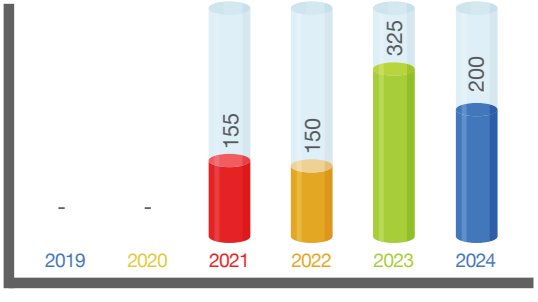
Market Price (at year end)
(Rupees)



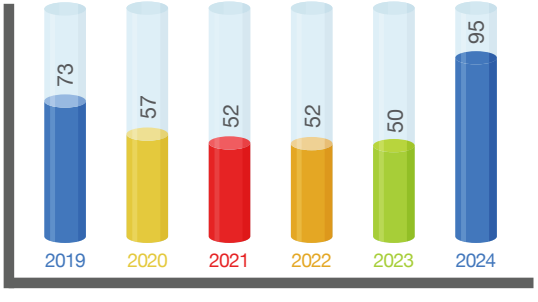
Trade debtors period
(No. of Days)



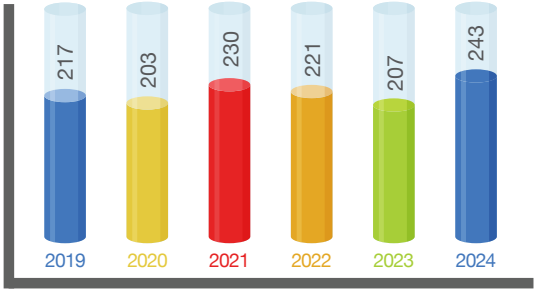
Cash & stock dividends
(Percentage)



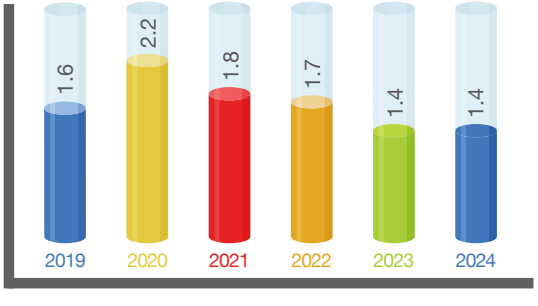
Operating cycle
(No. of Days)



Break-up value per share
(with surplus) (Rupees)



Current ratio
(Times)



Comments on Financial Ratios

Profitability

Gross profit as a percentage of revenue stands at 14.3% as compared to 15.4% last year. Decrease in gross profit margin was mainly due to increase in cost of sales. Company earned profit after tax of Rs.1,344 million as compared to Rs.2,201 million last year, reduced due to lower profitability from operations and higher finance cost.

Return to Shareholders and Dividend

The earnings per share stood at Rs.38.37 per share as compared to Rs.62.86 per share last year. Likewise, Company's break-up value per share stood at Rs.243 at year end as compared to Rs.207 of last year.

Operating cycle

Operating cycle is on higher side due to inventory holding and trade debts extended period from last year.

Liquidity / Leverage

Liquidity ratios are largely at par with the last year. There is no significant change in prospects and performance measures over prior period.

Forward Looking Statement

Analysis on Last Fiscal Year's Forward Looking Disclosures / Status of the Projects

The battery industry has faced significant challenges over the past year, particularly due to the downturn in the automotive sector, rising inflation and escalating energy tariffs, which have collectively impacted consumer purchasing power. However, there has been a modest increase in demand for tall batteries, driven by the growing installation of solar panels.

In motorcycle batteries segment, we have successfully launched 7 AH and 2.5 AH batteries, expanding our product range and meeting market needs despite overall market challenges.

Future Prospects

The reduction in the policy rate by the State Bank of Pakistan, alongside easing inflationary pressures and the anticipated new IMF program, provides a more favorable economic environment for FY-25. However, import constraints and the rising costs of inputs, particularly lead prices, will continue to pose challenges. The increase in energy tariffs and taxation will erode household incomes, impacting their purchasing power and sustaining demand for batteries.

Despite these challenges, your Company is well aligned to take advantage of the situation and is hopeful of maintaining market share along with ensuring reasonable margins. Smart capex allocated for HSE, production process, information technology, and engineering & development will continue to enhance business efficiency.

Capitalizing on unmatched quality and after-sales service, your Company will continue to 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. The improvement in human resource capabilities through regular trainings and skills enhancement programs are planned for next year. The Company will continue to focus on productivity and efficiency while meeting customers' demand for superior quality by following the principles of "The Atlas Way".

Business Rationale of Major Capital Expenditures during the year and for those planned for next year

Major capital expenditure and projects during the year included development of oxygen generation plant and BMR activities focused on HSE, increase in productivity, safety & environment improvement. These initiatives align with Company's strategic objectives of upgrading HSE to international standards, fostering product innovation and enhancing productivity. The Company recognizes the importance of continuous investment and innovation for delivering sustainable value to its shareholders. The Company will continue to invest in productivity improvements, HSE and utility savings maximization.

The Board of Directors of the Company continuously evaluate and analyze new business opportunities and projects and pursue them aggressively. Capital expenditures are authorized in line with the Company's business requirements.

Source of Information and Assumptions Used for Projections / Forecasts

The annual budget, projections and forecasts are derived from a comprehensive analysis of historical trends, current conditions, expected future developments and other pertinent factors that are considered relevant and suitable for the given conditions.

Furthermore, macroeconomic indicators are meticulously considered to incorporate external factors beyond the Company's control. Additionally, sensitivity analysis is conducted to evaluate the potential impact of changes in assumptions on the Company's financial performance.

Significant Plans and Decisions

The prime focus is to de-commoditize the commodity by strategically introducing / marketing the right product at the right time with highest quality. We are continuously exploring new technologies and product categories to expand our offerings and strengthen our market position. Ongoing efforts will emphasize maintaining product excellence, optimizing operational efficiency and ensuring the timely delivery of customer-centric solutions.

There is no significant change in prospects and performance measures compared to the prior period.

Segmental Review of Business

Market Segment

The Company serves various segments including Original Equipment Manufacturers (OEMs), domestic appliances, industrial equipment and replacement market through a wide range of dealers' network. The list of our major OEM customers is placed at the end of this report.

Battery industry in Pakistan is divided into two major segments; organized and un-organized sectors. The organized sector is meeting about 90% of the market demand; rest is being met by the un-organized sector and imports.

Operating Segment

On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment.

Seasonality of Business

The Company's principal business is to sell batteries to urban and rural markets. Apart from electricity shortage, demand from rural market is based upon various crop seasons while demand from urban markets is non-seasonal. The seasonality is managed through credit sales, inventory management and supply chain planning keeping our products available according to the customers' demand. A seasonal slowdown in demand is usually observed in the winter as demand of heavy batteries slows down. Production levels are accordingly managed as per the seasonal demand.

Share Price Sensitivity Analysis

The share price is positively correlated with Company's financial performance. The factors that influence the Company's performance can also be reasonably expected to impact its share price. Following are the few factors prevailing in current business environment that management considers to be sensitive to the Company's performance and which may affect its share price.

Demand for Automobiles



Agriculture is the backbone of our country's economy. Almost 62% of the country's population is based in rural areas and is linked with agriculture for their livelihood. A large customer base of motorcycle and heavy vehicles is available in rural areas. Therefore, the Company's performance is strongly linked with the performance of agriculture sector.

All the industrial sector serves Pakistan's economy with a sizeable base. In turn, the demand of heavy machineries and vehicles increases the demand of batteries.

Demand for Alternative Energy



Power shortages are directly linked with usage of alternatives such as generators and UPS. Further, use of renewable sources i.e. solar power panels etc. may lead to increase usage of batteries.

Political Stability



Unstable political climate coupled with the law and order situation disrupts business processes, transportation facilities and supply chain of the Company.

Plant Operations



Stable plant operations allow for higher production and lower per unit cost and wastage. Disruptions in production, including by way of Act of God, may negatively impact financial performance and share prices.

Economic Trends



The events surrounding a specific industry or company make investors watch various economic indicators and general trends that signal changes in the economy. International oil prices put significant impacts on commodities market, thus prices of raw materials are correlated therewith.

Interest Rates

Change in interest rates by SBP directly affects investor's decisions correlatively share price.

Exchange Rate Fluctuations

The Company is involved in imports of plant, machinery and raw materials and is exposed to foreign currencies exchange rate fluctuations. The depreciation in Pak Rupee affects the performance of Company which is partially countered by cost controls measures taken by the Company and partially by increase product pricing in the market.

Material Prices

Lead, polypropylene, polymion paper etc. are the major raw materials which forms major proportion of the total cost incurred by the Company every year. Therefore, variation in the material prices directly affects the gross profit of the Company which in turn may affect the share price.

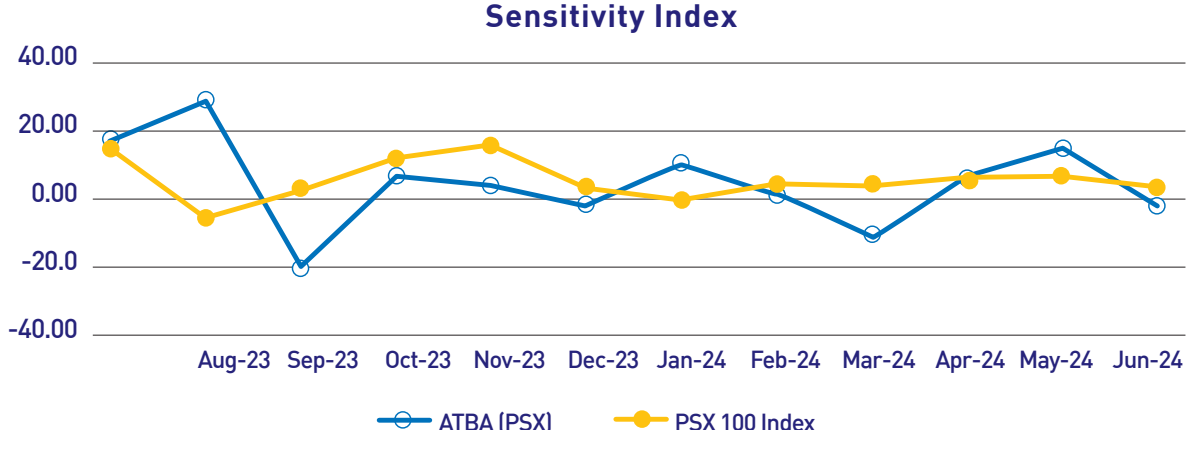
Investor Sentiment

Investor sentiment or confidence can cause the market to go up or down, which can cause stock prices to rise or fall. The general direction which may be bullish or bearish may affect the value of a stock.

Sensitivity Analysis of Change in Market Capitalization

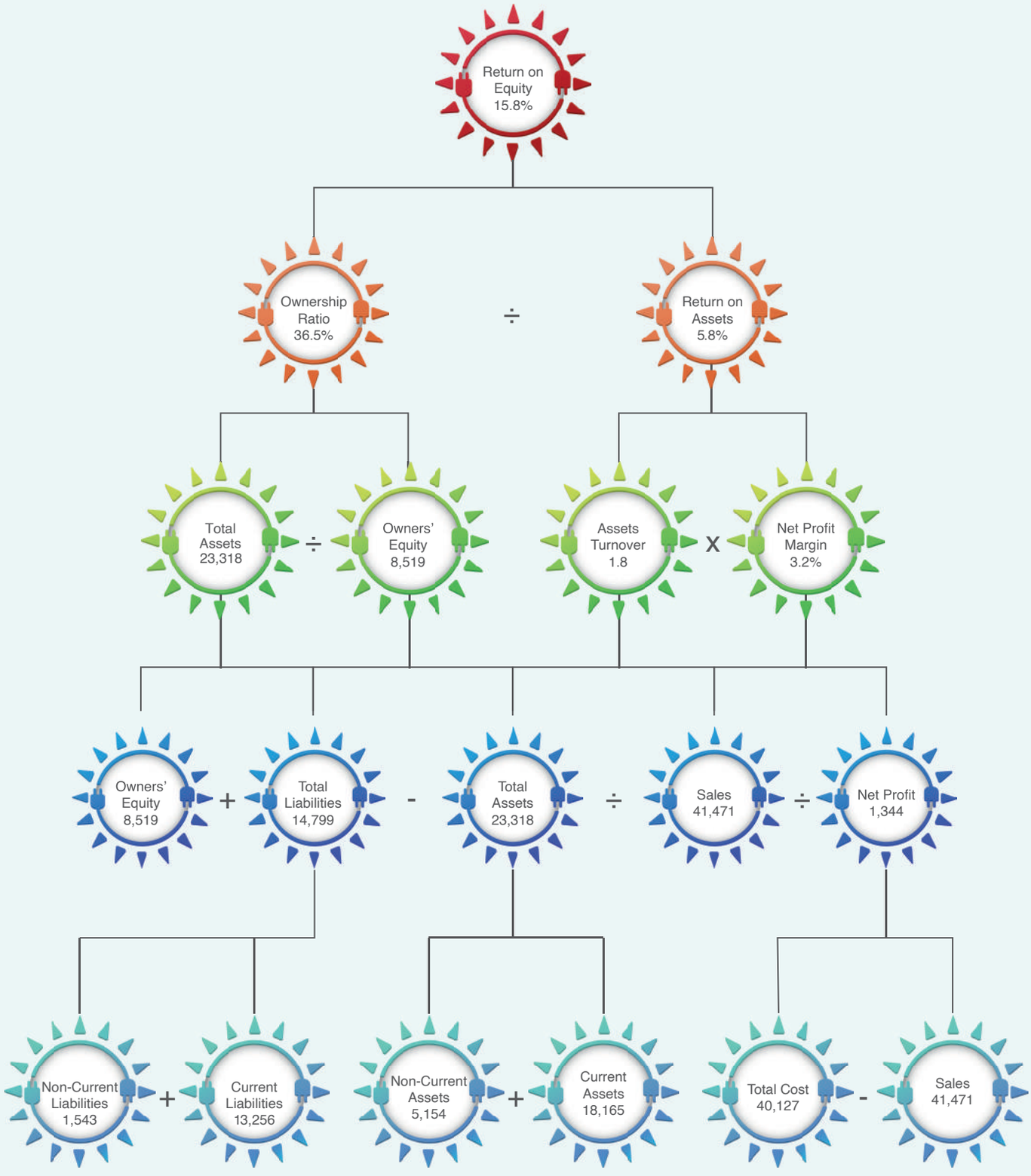
As of June 30, 2024 the shares price of the Company was Rs.296 and market capitalization based on highest price for each month of 2023-24 was Rs.11.35 billion.

10% + / - change in share price would lead to change in market capitalization by Rs.1.14 billion up / down, respectively.



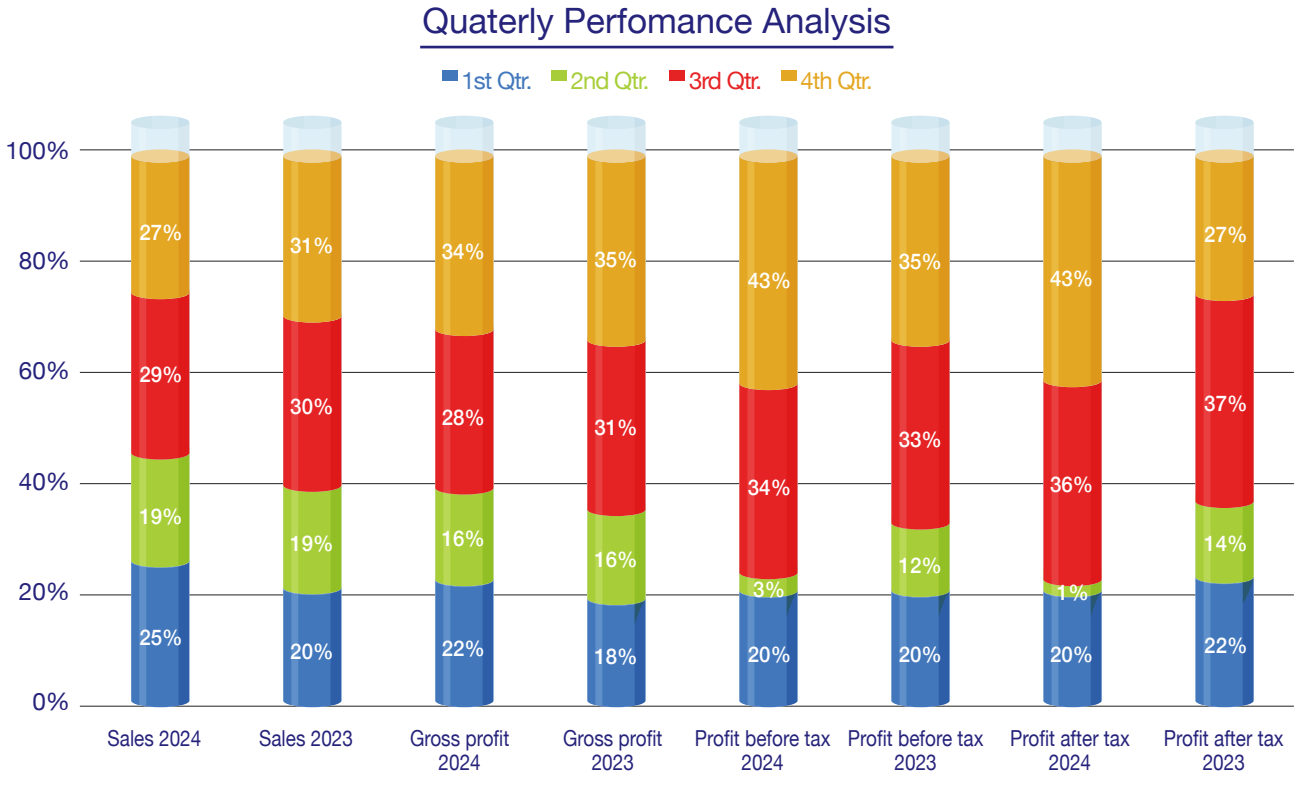
DUPONT ANALYSIS

Rupees in Million



Quarterly Performance Analysis

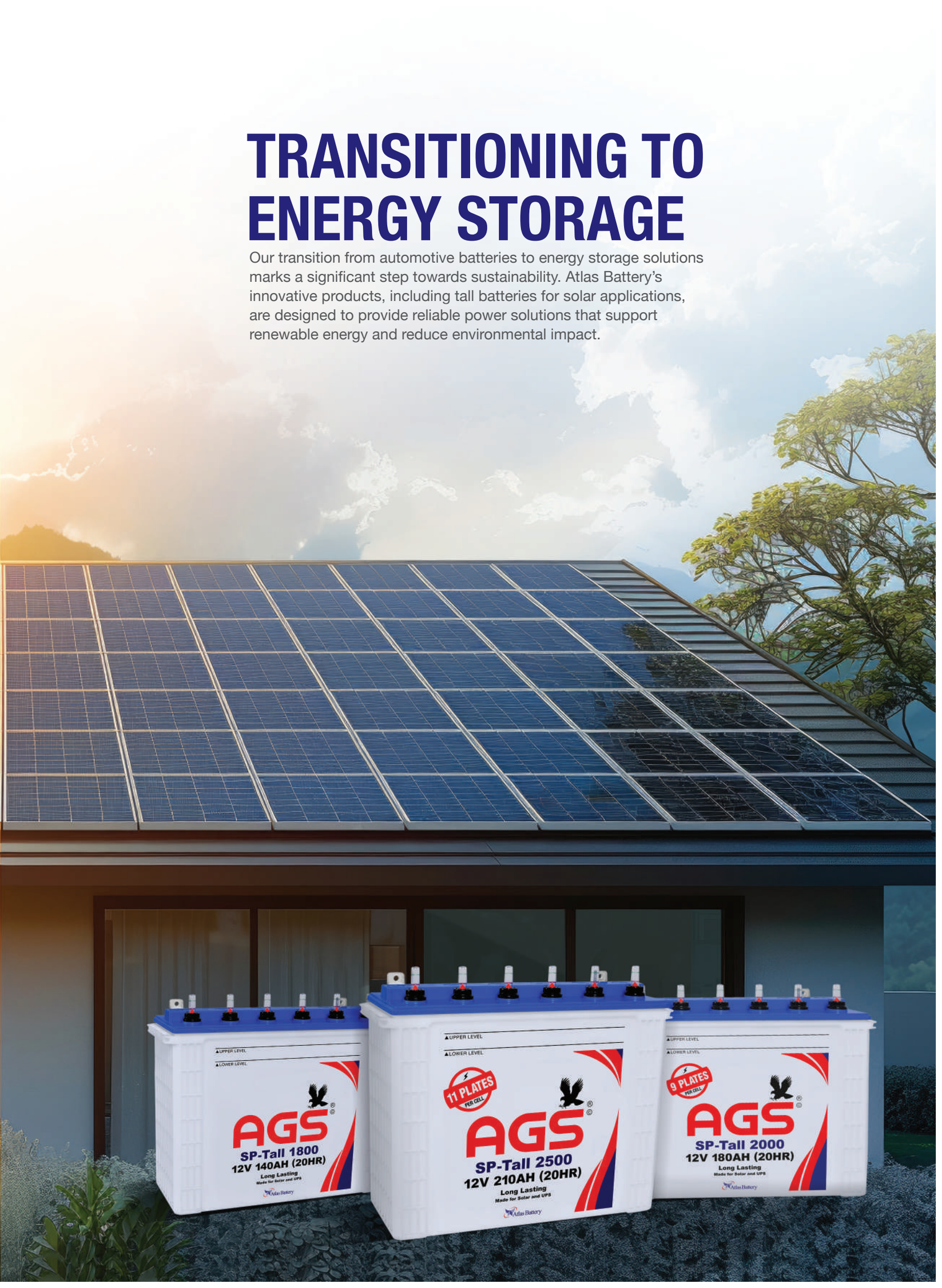
Particulars	2024 1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total	2024 / 2023 1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total
	----------Rupees in '000----------					----------(Percentage %)----------				
Sales	10,174,092	7,952,889	11,844,274	11,499,337	41,470,592	21.2	(0.4)	(6.0)	(10.7)	(0.9)
Cost of sales	(8,848,955)	(7,026,429)	(10,167,560)	(9,492,927)	(35,535,871)	22.6	0.9	(4.3)	(10.4)	0.4
Gross profit	1,325,137	926,460	1,676,714	2,006,410	5,934,721	12.3	(9.2)	(15.0)	(12.0)	(8.0)
Distribution cost	(353,451)	(287,864)	(371,470)	(390,144)	(1,402,929)	40.2	(3.3)	11.9	(24.2)	0.5
Administrative expenses	(137,658)	(142,301)	(149,790)	(225,078)	(654,827)	48.0	33.6	23.0	27.0	31.3
Other income	21,151	21,177	30,301	27,254	99,883	16.5	15.1	120.7	23.5	38.1
Other expenses	(45,047)	(18,274)	(53,976)	(69,830)	(187,127)	(27.6)	(43.2)	(71.3)	(28.0)	(50.7)
Profit from operations	810,132	499,198	1,131,779	1,348,612	3,789,721	2.5	(17.0)	(15.8)	(10.9)	(10.8)
Finance cost	(382,358)	(424,120)	(401,578)	(411,295)	(1,619,351)	565.0	175.7	232.9	86.9	193.3
Profit before tax	427,774	75,078	730,201	937,317	2,170,370	(41.7)	(83.2)	(40.3)	(27.5)	(41.3)
Taxation	(164,890)	(64,536)	(249,495)	(347,800)	(826,721)	(32.3)	(56.0)	(38.2)	(50.5)	(44.8)
Profit after tax	262,884	10,542	480,706	589,517	1,343,649	(46.3)	(96.5)	(41.4)	(0.1)	(39.0)
Basic earnings per share - (Rupees)	7.51	0.30	13.73	16.83	38.37					
Profitability Ratios (%)										
Gross profit	13.0	11.6	14.2	17.4	14.3					
Profit before tax	4.2	0.9	6.2	8.2	5.1					
Profit after tax	2.6	0.1	4.1	5.1	3.1					





TRANSITIONING TO ENERGY STORAGE

Our transition from automotive batteries to energy storage solutions marks a significant step towards sustainability. Atlas Battery's innovative products, including tall batteries for solar applications, are designed to provide reliable power solutions that support renewable energy and reduce environmental impact.



Chairman's Review

I am pleased to present the 58th Annual Report of your Company for the year ended June 30, 2024 together with the Auditors' Report.

The Economy

Despite ongoing political uncertainty coupled with weak consumer demand due to reduced purchasing power, Pakistan's economy is showing some signs of macro-economic stability. The government's policy management and administrative measures have restored some confidence, leading to an uptick in economic activity. As a result, GDP growth accelerated to 2.4% in FY-24, compared to 0.3% in the previous year. The growth was primarily driven by strong agricultural performance, an improved current account balance, and reduced inflationary pressures. However, high debt servicing costs and external repayments still remains a challenge. To address these financing needs and continued stabilization of economic indicators, the government has initiated discussions with the IMF for a new three-year program, with an anticipated amount of USD 7 billion under consideration.

On the external front, policy tightening and enforcement strategies have yielded encouraging outcomes. The current account deficit significantly narrowed to USD 0.7 billion in FY-24 from USD 3.3 billion in FY-23. This improvement was mainly driven by an increase in exports of 11.5% from USD 27.9 billion to USD 31.1 billion. The worker remittances have also witnessed a notable increase of 10.7%, surpassing USD 30.3 billion in FY-24. Support from bilateral and multilateral partners, together with USD 2 billion raised through Naya Pakistan Certificates helped foreign reserves to reach USD 14.0 billion, up from USD 9.2 billion last year. The improved reserves with positive sentiments stabilized the rupee-dollar parity at PKR 278.80. Additionally, better demand-supply balances, and a high base effect contributed towards easing inflationary pressures, which decreased to 12.6%. In response, the State Bank of Pakistan reduced the policy rate by 150 basis points to 20.5% in June 2024, and further reduced by 100 basis points to 19.5% in July 2024. On the fiscal front, the FBR surpassed its revenue targets reaching PKR 9.3 trillion, driven by higher income tax and import duty collections. To address fiscal deficit concerns, the government enacted the Finance Act 2024, and imposed additional as well as increased taxes on targeted segments together with discontinuation of specific tax credits and exemptions. Post-election political stability, reduced inflationary pressures and improved balance of payments propelled the PSX 100 index to historic heights, surpassing 80,000 points.

The agriculture sector has shown promising performance as it grew by 6.3% driven by favourable weather conditions, increased crop yields, and government initiatives aimed at boosting agricultural productivity including the availability of agricultural credit to farmers. Wheat production rose by 11.6% to reach 31.4 million tons, while cotton production experienced a significant rebound after last year's flood damages, increasing by 108.2% to 10.2 million bales. Additionally, rice production also witnessed a substantial increase of 34.8% to 9.9 million tons.

Large-scale manufacturing (LSM), on a path to recovery, experienced an increase of 1% during Jul-May FY-24, compared to a significant contraction of 9.6% during the same period last year. LSM growth was driven by strong performance in food, apparel, leather, coke & petroleum products, chemicals, pharmaceuticals, and machinery & equipment. The automobile sector struggled due to high interest rates and import restrictions, resulting a decrease in car production and sales. However, recent developments with the IMF are expected to facilitate unrestricted imports and boost foreign reserves, which will in turn support the industrial sector.

Review of Automobile Industry

During the year, the automobile industry faced reduced production owing to low demand, high borrowing cost and import restrictions. Higher inflation and persisting higher policy rates have suppressed the bank leasing of local automobiles. Consequently, the sale of locally manufactured cars witnessed a decline of 15.7% in FY-24 to 81,577 units as against 96,811 units sold in FY-23. Similarly, the sales of trucks and buses decreased by 30.6% over last year. However, due to the outcome of Kissan Package, the tractors segment witnessed an increase of 47.0% to 45,494 units as against 30,942 units last year. Sales of motorcycles and three wheelers (of assemblers, who are registered with PAMA) during FY-24 decreased by 3.1% with sales of 1,150,112 units as against 1,186,969 units during same period last year.

Battery Industry

The demand for batteries is intrinsically linked to the automotive and power sectors. However, downturn in the automotive sector, rising inflation and escalating energy tariffs, have adversely affected consumer purchasing power, leading to an overall decline in the battery industry. Notably, there has been a modest increase in the demand for tall batteries, driven by growing installation of solar panels.

Battery industry in Pakistan is divided into two major segments, organized and un-organized sectors. The organized sector is meeting about 90% of the market demand, rest is being met by the un- organized sector and imports. Your

Company has a significant market share and is determined to increase it further by maintaining quality, introducing innovative products and providing meaningful after sales service.

Operating Results

During FY-24, your Company achieved sales of Rs.41.5 billion as compared to Rs.41.9 billion in FY-23, down by 0.9%. This decrease was mainly due to decline in demand of batteries in the replacement market and inflationary effects on household's income. Cost of sales was registered at Rs.35.5 billion as compared to Rs.35.4 billion, up 0.4%, primarily due to higher input cost. This resulted in gross profit of Rs.5,935 million as compared to Rs.6,452 million during last year, down by 8.0%.

Operating expenses stood at Rs.2,058 million as compared to Rs.1,895 million, up 8.6%. The operating profit decreased to Rs.3,790 million as compared to Rs.4,250 million of last year, down by 10.8%. Finance cost increased substantially to Rs.1,619 million from Rs.552 million owing to higher mark-up rates and working capital requirement.

Profit before tax stood at Rs.2,170 million as compared to Rs.3,698 million last year, down by 41.3%. After providing Rs.827 million for taxation, the profit after tax stood at Rs.1,344 million as compared to Rs.2,201 million of last year, down by 39.0%. Earnings per share stood at Rs.38.37 as compared to Rs.62.86 of last year.

Contribution to National Exchequer

Your Company contributed Rs.9.7 billion towards the National Exchequer on account of various government levies, taxes and import duties during the year under review. Payment of these taxes amounts to 23.3% of net sales value of the Company. The Atlas Group, of which the Company is a constituent member, contributed 2% towards the national exchequer. This makes Atlas Group one of the highest taxpayers in the Country.

Future Prospects

The reduction in the policy rate by the State Bank of Pakistan, alongside easing inflationary pressures and anticipated new IMF program will provide a reasonable economic environment for FY-25. However, import constraints and the rising costs of inputs, particularly lead prices, will continue to pose challenges. The increase in energy tariffs and taxation will erode household incomes, impacting their purchasing power and sustaining demand for batteries.

Despite these challenges, your Company is well aligned to take advantage of the situation and is hopeful of maintaining market share along with ensuring reasonable margins. Smart capex allocated for HSE, production process, information technology and engineering & development will continue to enhance business efficiency.

Capitalizing on unmatched quality and after sales service, your Company will continue to 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 continue to remain the guiding principles of your Company's business philosophy.

ع نیا زمانہ نئے صُبح و شام پیدا کر

(Let us be innovative)

Acknowledgements

I take this opportunity to acknowledge and appreciate the devoted and sincere services of all associates and management staff of all cadres of the Company.

I would also 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: August 29, 2024

Directors' Report

The Directors of the Company take pleasure in presenting the Directors' Report together with the Company's audited annual financial statements for the year ended June 30, 2024. The Directors' Report, prepared under Section 227 of the Companies Act, 2017 ("the Act") will be put forward to the members at the 58th Annual General Meeting of the Company to be held on September 27, 2024.

Principal Activities of the Company

The Company is engaged in the manufacturing and sale of automotive, motorcycle and energy storage batteries and their allied products.

Operating Results

The operating results of the Company are summarized as follows:

	2024	2023
	---Rupees in '000'---	
Profit before tax	2,170,370	3,698,116
Less: Provision for taxation:		
Current year	903,449	1,486,165
Prior year	(14,623)	(61)
Deferred	(62,105)	10,770
	826,721	1,469,874
Profit after taxation	1,343,649	2,201,242

Dividends and Appropriations

The directors have recommended a cash dividend of Rs.20.00 per share (2023: Rs.32.50 per share). Accordingly, the following appropriations have been made:

	2024	2023
	---Rupees in '000'---	
Appropriations		
Interim Cash Dividend @ Nil% (2023: 225%)	-	787,883
Final Cash Dividend @ 200% (2023: 100%)	700,341	350,170
Total	700,341	1,138,053

Earnings Per Share

The basic and diluted earnings per share after tax is Rs.38.37 (2023: Rs.62.86 per share).

Holding Company

Shirazi Investments (Private) Limited, incorporated in Pakistan, is the holding company of Atlas Battery Limited owning 58.86% shares of the Company.

Chairman's Review

The Chairman's review included in the Annual Report deals inter alia with the performance and effectiveness of the Board, performance of the Company for the year ended June 30, 2024, government policies, its impact on Company's business and future prospects. The Directors endorse the contents of the Chairman's review.

Board of Directors and its Committees

Board of Directors

The total number of directors are 7 as per the following:

(a)	Male	6
(b)	Female	1

The Board comprises of one executive, four non-executive directors and two independent directors (including one female director).

Audit Committee

Audit Committee assists the Board of Directors in discharging their responsibilities in accordance with the Corporate Governance and Financial Reporting framework.

The Committee consists of three members, all of whom are non-executive directors. The Chairman of the Committee is an independent director.

As required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Code 2019"), Audit Committee also met with external auditors and Head of Internal Audit in the absence of management. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) attended all the four meetings held during the year, by invitation.

Human Resource and Remuneration Committee

Human Resource and Remuneration Committee also assists the Board of Directors in discharging their responsibilities with regard to devising and periodic reviews of human resource policies and practices within the Company. It also assists the Board in selection, evaluation, compensation and succession planning of key management personnel.

The Committee consists of three members, of whom one is executive and two are non-executive directors. The Chairman of the Committee is an independent female director.

Meeting of the Board and its Committees

During the year, five meetings of Board of Directors (BOD), four meetings of Audit Committee (AC) and one meeting of Human Resource and Remuneration Committee (HRRC) were held. The attendance of the Directors and the number of their directorship in listed companies, including Atlas Battery Limited, is as follows:

Sr. No.	Name of Directors	DLS *	Status	ED *	ID *	Committee Members		Attendance		
						AC	HRRC	BOD	AC	HRRC
1.	Mr. Aamir H. Shirazi	4	Re-elected w.e.f. May 21, 2023	No	No	-	-	4/5	-	-
2.	Mr. Bashir Makki	1	Re-elected w.e.f. May 21, 2023	No	No	√	√	5/5	4/4	1/1
3.	Mr. Fahd K. Chinoy	3	Re-elected w.e.f. May 21, 2023	No	No	√	-	5/5	4/4	-
4.	Ms. Mehreen Amin	1	Re-elected w.e.f. May 21, 2023	No	Yes	-	√	5/5	-	1/1
5.	Mr. Sanaullah Qureshi	1	Elected on May 21, 2023	No	Yes	√	-	4/5	3/4	-
6.	Mr. Toru Furuya	1	Re-elected w.e.f. May 21, 2023	No	No	-	-	3/5	-	-
7.	Mr. Ali H. Shirazi	5	Re-elected w.e.f. May 21, 2023	Yes	No	-	√	5/5	-	1/1

* DLS (Directorship in Listed Companies); ED (Executive Directors); ID (Independent Directors)

Directors' Training Program

Five directors are certified Directors whereas two directors meet the criteria of exemption under clause 20(2) of the Code 2019 and are accordingly exempted from directors' training program. Details are as follows:

Sr. No.	Name of Directors	Institution	Year
1.	Mr. Aamir H. Shirazi	Exempt	Not Applicable
2.	Mr. Bashir Makki	Pakistan Institute of Corporate Governance	2014-15
3.	Mr. Fahd K. Chinoy	Pakistan Institute of Corporate Governance	2017-18
4.	Ms. Mehreen Amin	Pakistan Institute of Corporate Governance	2020-21
5.	Mr. Sanaullah Qureshi	Exempt	Not Applicable
6.	Mr. Toru Furuya	University of Lahore	2015-16
7.	Mr. Ali H. Shirazi	Pakistan Institute of Corporate Governance	2013-14

Board's Performance Review

The evaluation of Board's role of oversight and its effectiveness is a continual process which is appraised by the Board itself. A detailed Board Evaluation Questionnaire has been formulated which is circulated amongst directors for their

feedback every year and compiled results are presented in the Board meeting for review and appropriate action, thereon. The key areas of evaluation are as under:

(a) Composition of the Board and its effectiveness;

(b) Structuring of Board's committees and their role;

(c) Vision / Mission planning and establishing a corporate environment;

(d) Access to the information and risk monitoring;

(e) Performance of duties and responsibilities;

(f) Relationship with the management;

(g) Role of the Chairman and assessment of own performance.

Annual evaluation questionnaire developed in conformity with the Code 2019 and global best practices is circulated to the Directors for performance evaluation.

Strict level of confidentiality is exercised by the Company Secretary upon receipt of completed questionnaires. These are then evaluated to identify areas that require improvement and highlight differences of opinion, if any.

Statement of Directors' Responsibilities

The Directors confirm compliance with the Corporate and Financial Reporting framework of the Securities and Exchange Commission of Pakistan (SECP) and the Code 2019 for the following matters:

(a) The financial statements, prepared by the management of the Company, present its state of affairs including the results of its operations, cash flows and changes in equity, fairly.

(b) Proper books of accounts have been maintained by the Company.

(c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

(d) International Financial Reporting Standards, as applicable in Pakistan and the requirements of the Act have been duly followed in preparation of the financial statements. Any departure thereof has been adequately disclosed and explained.

(e) The system of internal control is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls continues as an ongoing process with the objective to further strengthen the controls and bring improvements in the system.

(f) There are no significant doubts upon the Company's ability to continue as going concern.

(g) There has been no material departure from the best practices of Corporate Governance, as detailed in the Code 2019 and listing regulations of the Pakistan Stock Exchange.

The Corporate Governance Practices

The Board of Directors of the Company is committed to the principles of good Corporate Governance. This is promoted across the Company through senior management. The stakeholders expect that the Company is managed and supervised responsibly and proper internal controls and risk management policy and procedures are in place for efficient and effective operations of the Company, safeguarding of assets, compliance with laws and regulations and proper financial reporting in accordance with International Financial Reporting Standards.

Donation

The Company has a policy to donate 1% of its prior year's profit before tax to a charitable institution. During the year, Company has donated Rs.61.98 million to Atlas Foundation including Rs.25 million for educational purpose.

Contribution to National Exchequer

The Company contributed Rs.9.7 billion towards the National Exchequer on account of various government levies, taxes and import duties in the year under review. Payment of these taxes amounts to 23.3% of net sales value of the Company. Further, the Company's exports for the year amounted to Rs.600 million, playing a significant role in the overall exports of the country.

Code of Conduct

The Company's Code of Conduct promotes guidelines on various ethical standards including issues such as conflicts of interests, employee rights, fraud, etc. The Code encourages honesty, integrity and openness

in conduct of Company's operations. It contains guidelines for interactions with all stakeholders, including consumers, suppliers, shareholders and partners.

The Code is reviewed annually and any changes therein are approved by the Board. It is communicated to all associates and is available on the Company's website at www.abl.atlas.pk/code-of-conduct. The responsibility for day to day implementation and monitoring of Code is delegated to the senior management.

Management Committee

The Management Committee comprises of senior management headed by Chief Executive Officer (CEO), which ensures that a proper system is developed and implemented across the Company that enable swift and appropriate decision making. It acts in an advisory capacity to CEO at the operating level, providing recommendations relating to business and other corporate affairs. It is responsible for reviewing and forwarding long-term plans, capital and expense budget development and stewardship of business plans. The Committee is organized on a functional basis and meets monthly to review the performance of each function against set targets. CEO also ensures that all decisions and directions given by the Board are properly communicated and implemented.

Significant Features of Directors' Remuneration

The Board of Directors has approved a formal policy for remuneration of executive and non-executive directors depending upon their responsibility in affairs of the Company. The remuneration is commensurate with their level of responsibility and expertise needed to govern the Company successfully and to encourage value addition from them.

Remuneration of executive and non-executive directors is approved by the Board, as recommended by the Human Resource and Remuneration Committee. The Company does not pay any remuneration to non-executive and independent directors except fees for attending the meetings of the Board and its committees. For information on remuneration of directors and CEO, please refer notes to the financial statements.

Employees' Retirement Benefits

The Company operates defined contribution plan for its permanent employees through either one of the following ways:

- a recognized provident fund; or
- voluntary pension schemes managed by Atlas Asset Management Limited, a related party, under the Voluntary Pension System Rules, 2005, viz. Atlas Pension Fund and Atlas Pension Islamic Fund.

All the newly appointed employees are offered voluntary pension scheme only. However, those employees who are provident fund trust members have the option to opt for either of two above mentioned defined contribution plans.

The Company also operates non-contributory gratuity fund scheme for its management employees.

The value of investment, based on their respective un-audited accounts as at June 30, 2024 is as follows:

	Rupees in Million
– Provident Fund	141.2
– Gratuity Fund	180.6

Operating & Financial Data

Operating and financial data and key ratios of the Company for the last six years are annexed.

Safeguarding of Records

The Company places due emphasis for storage and safe custody of its financial records. The Company is using Oracle ERP system for recording its financial information. Access to electronic documentation has been ensured through implementation of a comprehensive password protected authorization matrix. A record retention policy is also in place for proper documentation and their tracking.

Pattern of Shareholding

The pattern of shareholding as at June 30, 2024 is annexed.

The Directors, executives and their spouse and minor children have made no transactions of the Company's shares during the year, except those reported in pattern of shareholding.

Executives mean Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary and other executives (as defined by the Board).

Main trends and factors likely to affect the future development, performance and position of the Company business

While there has been no fundamental change in our battery technology, however, new applications and more demanding uses are emerging. For instance, batteries used with solar panels, such as tubular batteries, are becoming

increasingly important. To grow faster and remain competitive, the Company is adhered to adopt these relevant technologies, which will significantly impact the future performance and position of the Company's business.

Corporate Social Responsibility

The Company considers social, environmental and ethical matters in the context of the overall business environment. The Company is committed to work in the best interest of all the stakeholders, in particular the community in which we live and forms our customer base. A detailed discussion on corporate social responsibility can be found in the sustainability section of this annual report.

Health, Safety and Environment

We strongly believe in maintaining the highest standards in health, safety and environment (HSE) to ensure the well-being of the people who work with us as well as of the communities where we operate. The impact of the Company's business on the environment are presented in the sustainability section of this annual report.

Strategic Objectives on ESG

The Board is actively involved and strongly backs the Company's ESG initiatives. The Company's dedication lies in integrating ESG considerations seamlessly into its strategy. This supports long-term growth, mitigates risks, and cultivates a foundation of trust with stakeholders. The Company's strategic goals encompass eco-friendliness, societal obligations and proficient governance. We are resolute in diminishing carbon footprints, safeguarding resources, promoting usage of green energy and handling waste materials in an environment friendly manner. The Company's focal points include promoting diversity, ensuring employee welfare and actively participating in the community. The Company's decision-making is steered by ethical behavior, openness, transparency and prudent risk management. A detailed discussion on ESG can be found in the sustainability and corporate governance sections of this annual report.

Material Changes

There have been no material changes since June 30, 2024 to date of the report and the Company has not entered into any commitment during this period, which would have an adverse impact on the financial position of the Company.

Statement of Value Addition and Distribution

The "Statement of Value Addition" is annexed to this annual report.

Principal Risks and Uncertainties

The report on principal risks and uncertainties, is presented in the 'Risk and Opportunity Report' which is annexed to this annual report and the same is duly endorsed by Board of Directors.

Business Continuity Plan

As part of Business Continuity Plan, remote disaster recovery sites have been adequately set up for maintaining backup server and data in case our primary server encounters any issues.

Statutory Auditor of the Company

The present Auditors, M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment. The Audit Committee has recommended their re-appointment as Auditors of the Company and their remuneration for the year ending June 30, 2025. Subsequently, Board of Directors has recommended re-appointment as Auditors of the Company and their remuneration for the year ending June 30, 2025.

Communication

Annual, half yearly and quarterly reports are distributed amongst shareholders within the time specified in the Act. The Company also has a web site, www.abl.atlas.pk containing up to date information on Company's activities, financial reports and notices / announcements.

For and on behalf of the
BOARD OF DIRECTORS

Sanaullah Qureshi
Director

For and on behalf of the
BOARD OF DIRECTORS

Ali H. Shirazi
President / Chief Executive

Karachi: August 29, 2024

شیئر ہولڈنگ کا پیٹرن

30 جون 2024 کے مطابق شیئر ہولڈنگ کا پیٹرن اس رپورٹ کے ساتھ منسلک ہے۔

اس سال کے دوران ڈائریکٹرز، ایگزیکٹواوران کے رفیق حیات اور نابالغ بچوں نے کمپنی کے حصص میں کوئی لین دین نہیں کیا ہے۔سوائے اس کے جو حصص داران کے پیٹرن میں درج ہیں۔

ایگزیکٹو سے مراد چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانشل آفیسر، ہیڈ آف انٹرنل آڈٹ، کمپنی سیکریٹری اور دیگر ایگزیکٹوز شامل ہیں (بورڈ کی وضاحت کے مطابق)۔

مستقبل کی ترقی، کارکردگی اور کمپنی کی کاروباری صورتحال کے لئے اہم رجحانات اور عوامل

اگرچہ ہماری بیٹری کی ٹیکنالوجی میں کوئی بنیادی تبدیلی نہیں آئی ہے تاہم، نئی ایپلی کیشنز اور زیادہ مطلوبہ استعمال دیکھنے میں آرہے ہیں۔مثلاً، شمسی پینل کے ساتھ استعمال ہونے والی بیٹریاں جیسے ٹیوبلر بیٹریوں کی بڑھتی ہوئی اہمیت دیکھی جارہی ہے۔تیزی سے ترقی کرنے اور مسابقتی رہنے کے لئے، کمپنی ان متعلقہ ٹیکنالوجیز کو اپنانے پر عمل پیرا ہے جو کمپنی کے کاروبار کی مستقبل کی کارکردگی اور پوزیشن کو نمایاں کرے گی۔

کارپوریٹ سماجی ذمہ داری

کمپنی مجموعی کاروباری ماحول کے تناظر میں سماجی، ماحولیاتی اور اخلاقی معاملات پر اپنی توجہ مرکوز رکھتی ہے۔کمپنی تمام اسٹیک ہولڈرز، بالخصوص، اس کمیونٹی کے بہترین مفاد میں کام کرنے کے لیے پرعزم ہے جس میں ہم رہتے ہیں اور اپنا کسٹمر بیس تشکیل دیتے ہیں۔کارپوریٹ سماجی ذمہ داری پر تفصیل اس سالانہ رپورٹ کے پائیداری کے حصے میں مل سکتی ہے۔

صحت، حفاظت اور ماحولیات

ہم صحت، حفاظت اور ماحولیات (HSE) میں اعلیٰ ترین معیارات کو برقرار رکھنے پر پختہ یقین رکھتے ہیں تاکہ ہمارے ساتھ کام کرنے والے لوگوں کے ہمراہ ان کمیونٹیز کی فلاح و بہبود کو یقینی بنایا جائے جہاں ہم کام کرتے ہیں۔ ماحولیات پر کمپنی کے کاروبار کے اثرات اس سالانہ رپورٹ کے پائیداری کے حصے میں پیش کیے گئے ہیں۔

ESG پر حکمت عملی کے مقاصد

بورڈ فعال طور پر کمپنی کے ESG اقدامات کی بھرپور حمایت کرتا ہے۔کمپنی کی لگن ESG کے تحفظات کو بغیر کسی رکاوٹ کے اپنی حکمت عملی میں شامل کرنے میں ہے۔یہ طویل مدتی ترقی کی حمایت کرتا ہے، خطرات کو کم کرتا ہے، اور اسٹیک ہولڈرز کے ساتھ اعتماد کی بنیاد کو فروغ دیتا ہے۔کمپنی کی حکمت عملی کے اہداف ماحول دوستی، سماجی ذمہ داریوں اور ماہر حکمرانی پر محیط ہیں۔ہم کاربن فوٹ پرنٹس کو کم کرنے، وسائل کی حفاظت، سبز توانائی کے استعمال کو فروغ دینے اور فضلہ مواد کو ماحول دوست طریقے سے استعمال کرنے کے لئے پرعزم ہیں۔کمپنی کے بنیادی مقاصد میں تنوع کو فروغ دینا، ملازمین کی فلاح و بہبود کو یقینی بنانا اور کمیونٹی میں فعال طور پر حصہ لینا شامل ہے۔کمپنی کی فیصلہ سازی اخلاقی رویے، شفافیت اور محتاط خطرے کے انتظام سے عمل میں آتی ہے۔ESG پر تفصیلی بحث اس سالانہ رپورٹ کے پائیداری اور کارپوریٹ گورننس کے حصے میں مل سکتی ہے۔

قابل ذکر اہم تبدیلیاں

30 جون 2024 سے اس رپورٹ کی تیاری تک کسی قسم کی قابل ذکر تبدیلی نہیں کی گئی ہے اور اس مدت کے دوران کمپنی نے کوئی معاہدہ نہیں کیا ہے۔جس سے کمپنی کی مالی حالت پر منفی اثرات مرتب ہو سکتے ہیں۔

اسٹیٹمنٹ برائے ویلیو ایڈیشن اور ڈسٹری بیوشن

اس رپورٹ کے ساتھ 'اسٹیٹمنٹ برائے ویلیو ایڈیشن منسلک ہے۔

بنیادی خطرات اور غیر یقینی صورتحال

بنیادی خطرات اور غیر یقینی صورتحال سے متعلق رپورٹ کو 'رسک اینڈ اپورچونٹی رپورٹ' میں پیش کیا گیا ہے جو اس سالانہ رپورٹ کے ساتھ منسلک ہے اور بورڈ آف ڈائریکٹرز کی طرف سے اس کی باقاعدہ توثیق کی گئی ہے۔

کاروباری تسلسل کا منصوبہ

کاروباری تسلسل کے منصوبے کے حصے کے طور پر، ہمارے بنیادی سرور کو کسی بھی مسئلے کا سامنا ہونے کی صورت میں بیک اپ سرور اور ڈیٹا کو برقرار رکھنے کے لیے ریموٹ ڈیزاسٹر ریکوری سائٹس کو مناسب طریقے سے ترتیب دیا گیا ہے۔

کمپنی کے قانونی آڈیٹرز

موجودہ آڈیٹرز، میسرز شائن ونگ حمید چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس اپنے عہدے کی میعاد پوری کر چکے ہیں اور اہلیت کی بنیاد پر خود کو تقرری کے لیے دوبارہ پیش کر رہے ہیں۔کمپنی کی آڈٹ کمیٹی نے ان کی 30 جون 2025 کو مکمل ہونے والے سال کے لیے بطور کمپنی آڈیٹرز دوبارہ تقرری اور ان کے معاوضے کی تجویز دی ہے، بعد میں بورڈ آف ڈائریکٹرز نے ان کی 30 جون 2025 کو مکمل ہونے والے سال کے لیے بطور کمپنی کے آڈیٹرز دوبارہ تقرری اور ان کے معاوضے کی تجویز دی ہے۔

مواصلات

کمپنیز ایکٹ 2017 میں واضح کردہ وقت کے مطابق حصص داران کو سالانہ، ششماہی اور سہ ماہی رپورٹس ارسال کی گئی ہیں۔کمپنی کی ویب سائٹ www.abl.atlas.pk ہے۔جہاں کمپنی کی تمام سرگرمیاں، مالیاتی گوشوارے اور نوٹس/اعلانات وغیرہ موجود ہیں۔

بورڈ آف ڈائریکٹرز کے لیے اور جانب سے

ثناءاللہ قریشی
ڈائریکٹر
کراچی: 29 اگست 2024

بورڈ آف ڈائریکٹرز کے لیے اور جانب سے

علی ایچ شیرازی
پریذیڈنٹ/چیف ایگزیکٹو

انتظامی کمیٹی

انتظامی کمیٹی سینئر منتظمین پر مشتمل ہے جس کے سربراہ چیف ایگزیکٹو ہیں جو اس بات کو یقینی بناتے ہیں کہ بہترین اور ہموار فیصلہ سازی کو ممکن بنانے کے لیے کمپنی میں باقاعدہ نظام بنایا جائے اور اسے لاگو کیا جائے۔ یہ آپریٹنگ سطح پر چیف ایگزیکٹو کے لیے مشاورت کا کام انجام دیتے ہوئے کاروباری امور اور دیگر کارپوریٹ افیئرز میں سفارشات مہیا کرتی ہے۔ یہ طویل المدت منصوبہ بندی کا جائزہ لینے، کیپٹل اور اخراجات کی بجٹ سازی اور کاروباری امور کی قیادت سنبھالتی ہے۔ یہ کمیٹی انجام دیئے جانے والے امور کی مناسبت سے تشکیل دی جاتی ہیں اور ہر ماہ منعقدہ اجلاس میں مقرر کردہ اہداف سے کارکردگی کا جائزہ لیتی ہے۔ چیف ایگزیکٹو بھی اس بات کو یقینی بناتے ہیں کہ بورڈ کی جانب سے دیئے جانے والے تمام فیصلے اور ہدایات مناسب طریقے سے مطلع کیے جائیں اور ان پر عملدرآمد ہو۔

ڈائریکٹرز کے معاوضے کی اہم خصوصیات

بورڈ آف ڈائریکٹرز نے کمپنی کے معاملات میں ان کی ذمہ داری کے لحاظ سے ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے معاوضے کے لیے ایک پالیسی کی منظوری دی ہے۔ یہ معاوضہ ان کی ذمہ داریوں اور مہارت کے مطابق ہے جو کامیابی کے ساتھ کمپنی کی قیادت اور ان سے کمپنی کی قدر میں اضافے کی حوصلہ افزائی کے لیے درکار ہے۔

ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے معاوضے کی منظوری انسانی وسائل اور معاوضہ کمیٹی کی تجویز پر بورڈ کے ذریعے دی جاتی ہے۔ کمپنی بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کی فیس کے علاوہ نان ایگزیکٹو اور خودمختار ڈائریکٹرز کو کوئی معاوضہ ادا نہیں کرتی، جیسا کہ انسانی وسائل اور معاوضہ کمیٹی نے تجویز کی ہے۔ ڈائریکٹرز اور سی ای او کے معاوضے کی معلومات کے لیے براہِ کرم مالیاتی گوشواروں کے نوٹس کا جائزہ لیں۔

ملازمین کو سبکدوشی پر ملنے والے فوائد

کمپنی اپنے ملازمین کے لیے مندرجہ ذیل میں سے کسی ایک طریقے کے مطابق واضح کردہ شراکت داری کا پلان پیش کرتی ہے۔

- تسلیم شدہ پروویڈنٹ فنڈ؛ یا
- رضا کارانہ پنشن سسٹم قواعد 2005 کے تحت رضا کارانہ پنشن اسکیمیں، اٹلس پنشن فنڈ اور اٹلس پنشن اسلامک فنڈ جو کہ اٹلس ایسیٹ مینجمنٹ لمیٹڈ (متعلقہ پارٹی) کے زیر انتظام ہیں۔

تمام نئے آنے والے ملازمین کو صرف رضا کارانہ پنشن اسکیم کی پیش کش کی جاتی ہے۔ تاہم ایسے ملازمین جو پروویڈنٹ فنڈ ٹرسٹ کے ممبر ہیں انہیں اختیار حاصل ہے کہ وہ مندرجہ بالا بیان کردہ کسی بھی اسکیم کا حصہ بن سکتے ہیں۔ کمپنی اپنے مینجمنٹ ملازمین کے لیے نان کنٹریبیوٹری گریجویٹی فنڈ اسکیم بھی پیش کرتی ہے۔ انویسٹمنٹ کی مالیت غیر پڑتال شدہ اکاؤنٹس کی بنیاد پر مورخہ 30 جون 2024 تک مندرجہ ذیل ہے۔

تفصیلات	روپے ملین میں
پروویڈنڈ فنڈ	141.2
گریجویٹی فنڈ	180.6

آپریٹنگ اور مالیاتی ڈیٹا

گزشتہ چھ سالوں کا آپریٹنگ اور مالیاتی ڈیٹا اور کمپنی کے کلیدی تناسب اس رپورٹ کے ساتھ منسلک ہیں۔

کمپنی ریکارڈز کی حفاظت

کمپنی اپنے مالیاتی ریکارڈز کی اسٹوریج اور محفوظ بنانے پر بہت توجہ مرکوز رکھتی ہے۔ کمپنی مالیاتی معلومات کو محفوظ رکھنے کے لیے اوریکل ای آر پی سسٹم استعمال کر رہی ہے۔ الیکٹرونک دستاویزات تک رسائی کے لیے جامع نظام تشکیل دیا گیا ہے جس تک رسائی کے لیے خفیہ ہندسے درکار ہیں۔ ریکارڈ کو برقرار رکھنے کے لیے پالیسی تشکیل دی گئی ہے تاکہ دستاویزات کی حفاظت اور دوبارہ رسائی کو یقینی بنایا جا سکے۔

شیئر ہولڈنگ کا پیٹرن

30 جون 2023 کے مطابق شیئر ہولڈنگ کا پیٹرن اس رپورٹ کے ساتھ منسلک ہے۔

اس سال کے دوران ڈائریکٹرز، ایگزیکٹو اور ان کے رفیق حیات اور نابالغ بچوں نے کمپنی کے حصص میں کوئی لین دین نہیں کیا ہے۔ سوائے اس کے جو حصص داران کے پیٹرن میں درج ہیں۔

ایگزیکٹو سے مراد چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانشل آفیسر، ہیڈ آف انٹرنل آڈٹ، کمپنی سیکریٹری اور دیگر ایگزیکٹوز شامل ہیں (بورڈ کی وضاحت کے مطابق)۔

مواد میں تبدیلی

30 جون 2023 سے اس رپورٹ کی تیاری تک مواد میں کسی قسم کی قابل ذکر تبدیلی نہیں کی گئی ہے اور اس مدت کے دوران کمپنی نے کوئی معاہدہ نہیں کیا ہے۔ جس سے کمپنی کی مالی حالت پر منفی اثرات مرتب ہو سکتے ہیں۔

آپریٹنگ اور مالیاتی ڈیٹا

گزشتہ چھ سالوں کا آپریٹنگ اور مالیاتی ڈیٹا اور کمپنی کے کلیدی تناسب اس رپورٹ کے ساتھ منسلک ہیں۔

ریکارڈز کی حفاظت

کمپنی اپنے مالیاتی ریکارڈز کی اسٹوریج اور محفوظ بنانے پر بہت توجہ مرکوز رکھتی ہے۔ کمپنی مالیاتی معلومات کو محفوظ رکھنے کے لیے اوریکل ای آر پی سسٹم استعمال کر رہی ہے۔ الیکٹرونک دستاویزات تک رسائی کے لیے جامع نظام تشکیل دیا گیا ہے جس تک رسائی کے لیے خفیہ ہندسے درکار ہیں۔ ریکارڈ کو برقرار رکھنے کے لیے پالیسی موجود ہے تاکہ دستاویزات کی حفاظت اور دوبارہ رسائی کو یقینی بنایا جا سکے۔

بورڈ کی کارکردگی کا جائزہ

بورڈ کے کردار کی نگرانی اور اس کی موثریت کا اندازہ ایک مستقل عمل ہے، جس کی تشخیص خود بورڈ کی جانب سے کی جاتی ہے۔ بورڈ کی جانچ پڑتال کے بارے میں ایک تفصیلی سوالنامہ مرتب کیا گیا ہے جو ہر سال ان کے تاثرات کے لیے ڈائریکٹرز کے درمیان گردش کیا جاتا ہے اور بعد ازاں مرتب شدہ نتائج بورڈ کے اجلاس میں، اس پر نظر ثانی اور مناسب کارروائی کے لیے پیش کیے جاتے ہیں۔ جانچ پڑتال کے اہم شعبے مندرجہ ذیل ہیں:

الف) بورڈ کی تشکیل اور اس کی موثریت
ب) بورڈ کمیٹیوں کی خدوخال سازی اور ان کے کردار
ج) وژن/مشن کی منصوبہ بندی اور کارپوریٹ ماحول کی تشکیل
د) معلومات تک رسائی اور خطرے کا جائزہ
ہ) فرائض اور ذمہ داریوں کی کارکردگی
ی) کمپنی کی انتظامیہ سے تعلقات
ے) چیئرمین کا کردار اور خود اپنی کارکردگی کا جائزہ

کوڈ 2019 اور عالمی بہترین طریقوں کے مطابق تیار کردہ سالانہ تشخیص کا سوالنامہ کارکردگی کے جائزے کے لئے ڈائریکٹرز کو ارسال کیا جاتا ہے۔
پُر شدہ سوالنامے کی وصولی پر کمپنی سیکریٹری کی جانب سے سخت رازداری سے کام لیا جاتا ہے، اس کے بعد ان شعبوں کی نشاندہی کرنے کے لئے ان کا جائزہ لیا جاتا ہے جن میں بہتری کی ضرورت ہو اور اختلاف رائے کو نمایاں کیا جاتا ہے، اگر کوئی ہے۔

ڈائریکٹرز کی ذمہ داریوں کا بیان

ڈائریکٹرز سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے دیئے گئے کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک اور کوڈ 2019 کی مندرجہ ذیل معاملات میں تعمیل کی تصدیق کرتے ہیں:

الف) کمپنی کی جانب سے تیار کردہ مالیاتی گوشوارے، اس کے معاملات کی حالت، آپریٹنگ نتائج، پیسے کے بہاؤ اور ایکیویٹی میں تبدیلی کی نشاندہی منصفانہ طور پر کر رہے ہیں۔
ب) کمپنی کی جانب سے اکاؤنٹس کی کتب باقاعدہ درست انداز میں مرتب کی گئی ہے۔
ج) مالیاتی گوشوارے کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا متواتر استعمال اور اکاؤنٹنگ کا تخمینہ معقول اور دانشمندانہ فیصلے کے مطابق کیا گیا ہے۔
د) مالیاتی گوشوارے کی تیاری میں ایسے بین الاقوامی فنانشل رپورٹنگ اسٹینڈرز اور ایکٹ کے تقاضوں پر عمل کو یقینی بنایا گیا ہے، جو پاکستان میں لاگو ہیں اور ان میں کسی بھی انحراف کو مناسب طور پر ظاہر اور واضح کیا گیا ہے۔
ہ) اندرونی کنٹرول اور رسک مینجمنٹ کا نظام بہترین اور موثر انداز میں مرتب اور لاگو کرتے ہوئے اس کی مانیٹرنگ کی جاتی ہے۔ یہ ایک ایسا مستقل عمل ہے جس کا مقصد کنٹرولز کو مزید مضبوط کرنا اور نظام میں بہتری لانا ہے۔
ی) کمپنی کی اہلیت بطور ایک جاری وساری ادارے کے ہر قسم کے شکوک وشبہات سے بالاتر ہے۔
ے) کارپوریٹ گورننس کی اعلیٰ اقدار جیسا کہ کوڈ 2019 اور پاکستان اسٹاک ایکسچینج کے لسٹنگ قوانین میں تفصیل سے بیان کی گئی ہیں، سے کوئی اہم انحراف نہیں ہوا ہے۔

کارپوریٹ گورننس کے طریقے

کمپنی کے بورڈ آف ڈائریکٹرز بہترین کارپوریٹ گورننس کے اصولوں پر عمل پیرا ہونے کے لیے پرعزم ہیں۔ اس کے فروغ کے لیے کمپنی کے سینئر منتظمین سرگرم عمل ہیں۔ اسٹیک ہولڈرز اس بات کی توقع رکھتے ہیں کہ کمپنی کو مناسب نگرانی میں کامیابی کے ساتھ آگے بڑھایا جائے، اس سلسلے میں کمپنی کے امور کو چلانے کے لیے مستعد اور موثر اندرونی کنٹرول اور رسک مینجمنٹ پالیسیاں موجود ہیں، اثاثہ جات کی حفاظت کی جائے، قوانین اور ریگولیشنز کی تعمیل کی جائے اور بین الاقوامی مالیاتی رپورٹنگ کے معیار کے مطابق درست مالیاتی گوشوارے پیش کیے گئے ہیں۔

عطیات

کمپنی کی پالیسی ہے کہ وہ اپنے گزشتہ سال کے قبل از ٹیکس منافع کا ایک فیصد حصہ خیراتی اداروں کو دیتی ہے۔ رواں سال کمپنی نے اٹلس فاؤنڈیشن کو 61.98 ملین روپے عطیہ کئے ہیں جس میں تعلیمی مقاصد کے لیے 25 ملین روپے شامل ہیں۔

قومی خزانے میں ادائیگی

کمپنی نے زیر جائزہ سال کے دوران حکومتی خزانے میں بطور محصولات اور دیگر درآمدی ڈیوٹیوں کی مد میں 9.7 بلین روپے ادا کیے۔ یہ ٹیکس ادائیگی کمپنی کی خالص فروخت کا 23.3 فیصد ہے۔ مزید برآں رواں سال کمپنی کی برآمدات 600 ملین روپے تک پہنچ گئیں، جس نے ملک کی مجموعی برآمدات میں اہم کردار ادا کیا۔

ضابطہ اخلاق

کمپنی کا ضابطہ اخلاق متعدد اخلاقی اقدار سے متعلق راہنما اصول واضح کرتا ہے جس میں مفادات کا تصادم، ملازمین کے حقوق اور دھوکہ دہی وغیرہ شامل ہیں۔ یہ ضابطہ کمپنی کے امور کی ادائیگی کے لیے دیانت داری، سالمیت اور کشادگی کی حوصلہ افزائی کرتا ہے۔ یہ ضابطہ اخلاق اسٹیک ہولڈرز بشمول صارفین، سپلائرز، حصص داران اور شراکت داروں کے ساتھ تعلقات کے لیے راہنما اصول بھی واضح کرتا ہے۔

اس ضابطہ کا جائزہ ہر سال لیا جاتا ہے اور بورڈ کی منظوری سے ممکنہ تبدیلیاں کی جاتی ہیں۔ اس ضابطہ کے بارے میں تمام ایسوسی ایٹس کو آگاہ کیا جاتا ہے اور یہ کمپنی کی ویب سائٹ www.abl.atlas.pk/code-of-conduct. پر بھی دستیاب ہے۔ اس ضابطے کے روزمرہ بنیادوں پر عمل درآمد اور نگرانی کا عمل سنیئر مینجمنٹ کے سپرد ہے۔

آڈٹ کمیٹی

آڈٹ کمیٹی کارپوریٹ گورننس اور فنانشل رپورٹنگ فریم ورک کے مطابق اپنی ذمہ داریاں نبھاتے ہوئے بورڈ آف ڈائریکٹرز کو معاونت فراہم کرتی ہے۔

یہ کمیٹی تین ممبران پر مشتمل ہے، جو کہ سب نان ایگزیکٹو ڈائریکٹرز ہیں۔ کمیٹی کا چیئرمین ایک خودمختار ڈائریکٹر ہے۔

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 (''دی کوڈ 2019'') کی درکار ضروریات کے مطابق آڈٹ کمیٹی نے مینجمنٹ کی غیر حاضری میں بیرونی آڈیٹرز اور ہیڈ آف انٹرنل آڈٹ سے ملاقات کی۔ چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے سال کے دوران منعقد چاروں اجلاسوں میں، مدعو کیے جانے پر شرکت کی۔

انسانی وسائل اور معاوضہ کمیٹی

انسانی وسائل اور معاوضے کی کمیٹی کمپنی میں انسانی وسائل سے متعلق پالیسیوں اور طریقہ کار کے متواتر جائزے اور اطلاق کے لیے اپنی ذمہ داریاں نبھاتے ہوئے بورڈ آف ڈائریکٹرز کی معاونت کرتی ہے۔ یہ کمیٹی کمپنی کے لیے سالانہ اہم انسانی وسائل کے انتخاب، جانچ، معاوضے اور اہم انتظامی منتظمین کی جانشینی کے لیے بورڈ کو معاونت فراہم کرتی ہے۔

کمیٹی تین ممبران پر مشتمل ہے جن میں سے ایک ایگزیکٹو ڈائریکٹر اور دو نان ایگزیکٹو ڈائریکٹرز ہیں جبکہ چیئرمین ایک خودمختار خاتون ڈائریکٹر ہے۔

بورڈ اور اس کی کمیٹیوں کا اجلاس

اس سال کے دوران بورڈ آف ڈائریکٹرز (BOD) کے پانچ اجلاس، آڈٹ کمیٹی (AC) کے چار اجلاس اور انسانی وسائل اور معاوضہ کمیٹی (HRRC) کا ایک اجلاس منعقد ہوا۔ ڈائریکٹرز کی حاضری اور تمام لسٹڈ کمپنیوں میں ان کی ڈائریکٹرشپس کی تعداد بشمول اٹلس بیٹری لمیٹڈ مندرجہ ذیل ہے:

نمبر شمار	ڈائریکٹرز کے نام	ڈائریکٹرشپ لسٹڈ کمپنیوں میں	ایگزیکٹو ڈائریکٹر اسٹیٹس	ایگزیکٹو ڈائریکٹر	خود مختار ڈائریکٹر	کمیٹی کی رکنیت		حاضری		
						AC	HRRC	BOD	AC	HRRC
1	جناب عامر ایچ شیرازی	4	دوبارہ منتخب اطلاق 21 مئی 2023	نہیں	نہیں	-	-	4/5	-	-
2	جناب بشیر مکی	1	دوبارہ منتخب اطلاق 21 مئی 2023	نہیں	نہیں	√	√	5/5	4/4	1/1
3	جناب فہد کے چنائے	3	دوبارہ منتخب، اطلاق 21 مئی 2023	نہیں	نہیں	√	-	5/5	4/4	-
4	محترمہ مہرین امین	1	دوبارہ منتخب، اطلاق 10 مارچ 2023	نہیں	ہاں	-	√	5/5	-	1/1
5	جناب ثناءاللہ قریشی	1	منتخب 21 مئی 2023	نہیں	ہاں	√	-	4/5	3/4	-
6	جناب تورو فورویا	1	دوبارہ منتخب، اطلاق 21 مئی 2023	نہیں	نہیں	-	-	3/5	-	-
7	جناب علی ایچ شیرازی	5	دوبارہ منتخب، اطلاق 21 مئی 2023	ہاں	نہیں	-	√	5/5	-	1/1

ڈائریکٹرز کا تربیتی پروگرام

پانچ ڈائریکٹرز پہلے ہی سند یافتہ ڈائریکٹرز ہیں جبکہ دو ڈائریکٹرز کو 2019 کی شق (2)20 کے تحت استثنیٰ کے معیار پر پورا اترتے ہیں اور اس کے مطابق ڈائریکٹرز کے تربیتی پروگرام سے مستثنیٰ ہے۔ تفصلات درج ذیل ہیں:

نمبر شمار	ڈائریکٹرز کے نام	ادارہ	سال
1	جناب عامر ایچ شیرازی	مستثنیٰ	N/A
2	جناب بشیر مکی	پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس	2014-15
3	جناب فہد کے چنائے	پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس	2017-18
4	محترمہ مہرین امین	پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس	2020-21
5	جناب ثناءاللہ قریشی	مستثنیٰ	N/A
6	جناب تورو فورویا	یونیورسٹی آف لاہور	2015-16
7	جناب علی ایچ شیرازی	پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس	2013-14

ڈائریکٹرز کی رپورٹ

کمپنی کے ڈائریکٹرز نہایت مسرت کے ساتھ 30 جون 2024 کو ختم شدہ سال کے لیے ڈائریکٹرز رپورٹ، کمپنی کے پڑتال شدہ سالانہ اسٹیٹمنٹ کے ہمراہ پیش کر رہے ہیں۔ ڈائریکٹرز کی رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 کے مطابق تیار کی گئی ہے جو کہ 27 ستمبر 2024 کو کمپنی کی 58 ویں سالانہ عام اجلاس میں اراکین کو پیش کی جائے گی۔

کمپنی کی مرکزی سرگرمیاں

کمپنی آٹو موٹو، موٹر سائیکل اور انرجی اسٹوریج بیٹریوں اور ان سے منسلک مصنوعات کی تیاری اور فروخت میں مصروف عمل ہے۔

آپریٹنگ نتائج

کمپنی کے آپریٹنگ نتائج کی مختصر تفصیل مندرجہ ذیل ہے:

	2024	2023
	(روپے '000' میں)	
قبل از ٹیکس منافع	2,170,370	3,698,116
محصولات کے لیے فراہمی:		
• موجودہ سال	903,449	1,486,165
• پچھلے سال	(14,623)	(61)
• موخر	(62,105)	(10,770)
	826,721	1469,874
بعد از ٹیکس منافع	1,343,649	2,201,242

ڈیویڈنڈز اور تصرفات

ڈائریکٹرز نے فی شیئر 20.00 روپے فائنل کیش ڈیویڈنڈ (32.50:2023 روپے فی شیئر) کیش ڈیویڈنڈ کی تجویز دی ہے۔ اسی طرح مندرجہ ذیل تصرفات بھی کی گئی ہیں۔

	2024	2023
	(روپے '000' میں)	
تصرفات		
عبوری کیش ڈیویڈنڈ بحساب Nil% (225%:2023)	-	787,883
فائنل کیش ڈیویڈنڈ بحساب 200% (100%: 2023)	700,341	350,170
ٹوٹل	700,341	1,138,053

فی حصص آمدنی

بعد از ٹیکس بنیادی اور ڈائیلوٹڈ آمدنی فی حصص 38.37 روپے (سال 2023 : 62.86 روپے) فی حصص رہی۔

ہولڈنگ کمپنی

شیرازی انویسٹمنٹس (پرائیویٹ) لمیٹڈ جو پاکستان میں موجود ہے، اٹلس بیٹری لمیٹڈ کی ہولڈنگ کمپنی ہے جس کے پاس کمپنی کے 58.86 فیصد حصص ہیں۔

چیئرمین کا جائزہ

چیئرمین کا جائزہ سالانہ رپورٹ میں شامل ہے جو کہ 30 جون 2024 کو ختم شدہ سال میں کمپنی کی کارکردگی، حکومتی پالیسیاں اور مستقبل کے امکانات کا احاطہ کرتا ہے۔ ڈائریکٹرز اس جائزے کی مندرجات کی توثیق کرتے ہیں۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیز

بورڈ آف ڈائریکٹرز

مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد سات ہے

(a) مرد 6

(b) خاتون 1

بورڈ میں ایک ایگزیکٹو ڈائریکٹر، چار نان ایگزیکٹو ڈائریکٹرز اور دو خود مختار ڈائریکٹرز شامل ہیں (بشمول ایک خاتون ڈائریکٹر کے)۔

آپریٹنگ نتائج

مالی سال 2024 کے دوران، آپ کی کمپنی نے مالی سال 2024 کے 41.9 بلین روپے کے مقابلے میں 41.5 بلین روپے کی فروخت حاصل کی، جو کہ 0.9 فیصد کم ہے۔ یہ کمی بنیادی طور پر متبادل مارکیٹ میں بیٹریوں کی مانگ میں کمی اور گھریلو آمدنی پر مہنگائی کے اثرات کی وجہ سے ہوئی۔ فروخت کی لاگت 35.4 بلین روپے کے مقابلے میں 35.5 بلین روپے درج کی گئی جو کہ بنیادی طور پر زیادہ لاگت کی وجہ سے 0.4 فیصد اضافی رہی۔ اس کے نتیجے میں 5,935 ملین روپے کا مجموعی منافع ہوا جو کہ گزشتہ سال کے دوران 6,452 ملین روپے کے مقابلے میں 8.0 فیصد کم ہے۔

آپریٹنگ اخراجات 8.6 فیصد اضافے کے ساتھ 1,895 ملین روپے کے مقابلے میں 2,058 ملین روپے رہے۔ آپریٹنگ منافع گزشتہ سال کے 4,250 ملین روپے کے مقابلے میں 10.8 فیصد کم ہو کر 3,790 ملین روپے ہو گیا۔ مالیاتی لاگت شرح سود اور ورکنگ کیپٹل کی ضرورت میں اضافے کی وجہ سے 552 ملین روپے سے بڑھ کر 1,619 ملین روپے ہو گئی۔

قبل از ٹیکس منافع 2,170 ملین روپے رہا جو گزشتہ سال 3,698 ملین روپے تھا، جو کہ 41.3 فیصد کم ہے۔ ٹیکسیشن کے لیے 827 ملین روپے فراہم کرنے کے بعد، بعد از ٹیکس منافع 39.0 فیصد کم ہو کر گزشتہ سال کے 2,201 ملین روپے کے مقابلے میں 1,344 ملین روپے رہا۔ فی حصص آمدنی گزشتہ سال کے 62.86 روپے کے مقابلے میں 38.37 روپے رہی۔

قومی خزانے میں حصہ

آپ کی کمپنی نے زیر جائزہ سال کے دوران مختلف سرکاری محصولات، ٹیکسوں اور درآمدی محصولات کی مد میں قومی خزانے میں 9.7 بلین روپے کا حصہ ڈالا۔ ان ٹیکسوں کی ادائیگی کمپنی کی خالص فروخت کا 23.3 فیصد ہے۔ اٹلس گروپ، جس کی کمپنی ایک جزوی رکن ہے، نے قومی خزانے میں 2 فیصد حصہ ڈالا۔ یہ اٹلس گروپ کو ملک کے سب سے زیادہ ٹیکس دہندگان میں سے ایک بنا دیتا ہے۔

مستقبل کے خدوخال

اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ میں کمی، افراط زر کے دباؤ میں کمی اور نئے آئی ایم ایف پروگرام کی توقعات کے ساتھ، مالی سال 2025 ایک مناسب اقتصادی ماحول فراہم کرتا ہے۔ تاہم، درآمدی رکاوٹیں اور خام مال کی بڑھتی ہوئی لاگت، خاص طور پر لیڈ کی قیمتیں، چیلنجز کا باعث بنیں گی۔ توانائی کے نرخوں اور ٹیکسوں میں اضافہ گھریلو آمدنی میں کمی کرے گا جس سے ان کی قوت خرید اور بیٹریوں کی طلب برقرار رکھنے پر اثر پڑے گا۔

ان چیلنجز کے باوجود، آپ کی کمپنی صورتحال سے فائدہ اٹھانے کے لیے اچھی طرح سے آراستہ ہے اور مناسب مارجن کو یقینی بنانے کے ساتھ ساتھ مارکیٹ شیئر کو برقرار رکھنے کے لیے پرامید ہے۔ HSE، پیداواری عمل، انفارمیشن ٹیکنالوجی اور انجینئرنگ اینڈ ڈیولپمنٹ کے لیے مختص دانشمندانہ انویسٹمنٹ کاروبار کی کارکردگی کو بڑھاتا رہے گا۔

اعلیٰ معیار اور بعد از فروخت سروس 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 معیاری مصنوعات کو برقرار رکھنا آپ کی کمپنی کی توجہ کا مرکز رہے گا۔ ان مقاصد کو حاصل کرنے کے لیے، "اٹلس وے" آپ کی کمپنی کے کاروباری فلسفے کے رہنما اصول بنے رہیں گے۔

ع نیا زمانہ نئے صُبح و شام پیدا کر

(Let us be innovative)

اظہار تشکر

میں آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی ایماء پر تمام ایسوسی ایٹس اور ہر سطح کے مینجمنٹ اسٹاف کا شکریہ ادا کرنا چاہوں گا، جنہوں نے مستقل مزاجی، انتھک محنت اور لگن کے ساتھ اپنی ذمہ داریاں نبھائیں۔

میں اس موقع پر اپنے جوائنٹ وینچر پارٹنر GS Yuasa انٹرنیشنل لمیٹڈ جاپان، بورڈ آف ڈائریکٹرز، حصص یافتگان، بینکار، فروخت کار (وینڈرز) اور صارفین کو ان کی مسلسل حمایت اور رہنمائی پر تہہ 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 بھی دلجمعی اور محنت کے ساتھ کام کرنے پر شکریہ ادا کرتا ہوں۔



عامر ایچ شیرازی
چیئرمین
کراچی: 29 اگست 2024

چیئرمین کا جائزہ

میں نہایت مسرت کے ساتھ 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے آپ کی کمپنی کی 58 ویں سالانہ رپورٹ مع آڈیٹرز رپورٹ پیش کر رہا ہوں۔

معیشت

قوت خرید میں کمی کی وجہ سے صارفین کی کمزور طلب کے ساتھ جاری سیاسی غیر یقینی صورتحال کے باوجود پاکستان کی معیشت میکرو اکنامک استحکام کے کچھ آثار دکھا رہی ہے۔ حکومت کی پالیسی کے انتظامی اقدامات نے کچھ اعتماد بحال کیا ہے جس کی وجہ سے اقتصادی سرگرمیوں میں اضافہ ہوا ہے۔ نتیجتاً، مالی سال 2024 میں جی ڈی پی کی شرح نمو 2.4 فیصد تک پہنچ گئی جو گزشتہ سال کے دوران 0.3 فیصد تھی۔ یہ ترقی بنیادی طور پر بہتر زرعی کارکردگی، بہتر کرنٹ اکاؤنٹ بیلنس اور افراط زر کے دباؤ میں کمی کی وجہ سے دیکھنے میں آئی۔ تاہم، قرضوں کی واپسی اور بیرونی ادائیگیاں اب بھی ایک چیلنج بنی ہوئی ہیں۔ فنانسنگ کی ان ضروریات کو پورا کرنے اور اقتصادی اشاریوں کے مسلسل استحکام کے لئے، حکومت نے IMF کے ساتھ ایک نئے تین سالہ پروگرام کے لیے بات چیت کا آغاز کیا ہے جس میں 7 بلین امریکی ڈالر کی متوقع رقم زیر غور ہے۔

بیرونی محاذ پر، پالیسی کے سخت اقدامات اور استحکام کی حکمت عملیوں کو اپنانے سے مثبت نتائج برآمد ہوئے ہیں۔ مالی سال 2023 کے دوران کرنٹ اکاؤنٹ خسارہ 3.3 بلین امریکی ڈالر سے مالی سال 2024 میں نمایاں طور پر کمی کے ساتھ 0.7 بلین امریکی ڈالر رہ گیا۔ کرنٹ اکاؤنٹ خسارہ میں بہتری بنیادی طور پر برآمدات میں 27.9 بلین امریکی ڈالر سے 31.1 بلین امریکی ڈالر تک 11.5 فیصد اضافے کی وجہ سے دیکھنے میں آئی۔ ملازمین کی ترسیلات زر میں بھی 10.7 فیصد کا قابل ذکر اضافہ دیکھا گیا ہے جو مالی سال 2024 میں 30.3 بلین امریکی ڈالر سے تجاوز کر گیا ہے۔ نیا پاکستان سرٹیفکیٹ کے ذریعے 2 بلین امریکی ڈالر اکٹھے کیے جانے کے ساتھ ساتھ دوطرفہ کثیر جہتی شراکت داروں کی معاونت سے غیر ملکی ذخائر کو 14.0 بلین امریکی ڈالر تک پہنچنے میں مدد ملی جو گزشتہ سال 9.2 بلین امریکی ڈالر کے مقابلے میں زیادہ تھے۔ ان مثبت اشاریوں کے ساتھ ذخائر میں اضافے کے باعث ڈالر کے مقابلے میں پاکستانی روپیہ 278.80 روپے پر مستحکم رہا۔ مزید برآں، بہتر ڈیمانڈ سپلائی بیلنس اور اس کے بنیادی اثر نے افراط زر کے دباؤ کو کم کرنے میں کردار ادا کیا جو کمی کے بعد 12.6 فیصد ہو گیا۔ نتیجتاً، مرکزی بینک نے جون 2024 کے دوران پالیسی ریٹ 150 بیسس پوائنٹس کی کمی کے ساتھ 20.5 فیصد کر دیا اور جولائی 2024 میں مزید 100 بیسس پوائنٹس کی کمی کے ساتھ 19.5 فیصد کر دیا۔ مالیاتی محاذ پر، ایف بی آر نے انکم ٹیکس اور امپورٹ ڈیوٹی کی زیادہ وصولیوں کی وجہ سے اپنے ریونیو کے اہداف کو 9.3 ٹریلین روپے تک پہنچا دیا۔ مالیاتی خسارے کے خدشات کو دور کرنے کے لئے، حکومت نے فنانس ایکٹ 2024 کا نفاذ یقینی بنایا جس میں مخصوص ٹیکس کریڈٹس اور رعایات کو ختم کرنے کے ساتھ ساتھ ٹارگیٹڈ سیگمنٹس پر اضافی ٹیکسز کے ساتھ ساتھ ٹیکس کی شرح میں مزید اضافہ کیا۔ انتخابات کے بعد سیاسی استحکام، افراط زر کے دباؤ میں کمی اور ادائیگیوں کے بہتر توازن کے ساتھ PSX-100 انڈیکس تاریخ میں پہلی بار 80,000 پوائنٹس کو عبور کر گیا۔

زرعی شعبے کی کارکردگی امید افزاء رہی کیونکہ اس میں 6.3 فیصد اضافہ دیکھنے میں آیا جس کی وجہ سازگار موسمی حالات، فصلوں کی پیداوار میں اضافہ اور کاشتکاروں کو زرعی قرضے کی دستیابی سمیت زرعی پیداواری صلاحیت کو بڑھانے کے لئے دیگر حکومتی اقدامات شامل ہیں۔ گندم کی پیداوار 11.6 فیصد بڑھ کر 31.4 ملین ٹن تک پہنچ گئی جبکہ کپاس کی پیداوار میں گزشتہ سال کے سیلاب کے نقصانات کے بعد نمایاں بہتری دیکھنے میں آئی جو 108.2 فیصد اضافے سے 10.2 ملین بیلز تک پہنچ گئی۔ مزید برآں، چاول کی پیداوار میں بھی 34.8 فیصد اضافے کے ساتھ 9.9 ملین ٹن تک اضافہ دیکھنے میں آیا۔

بحالی کی راہ پر گامزن، بڑے پیمانے پر مینوفیکچرنگ (LSM) میں مالی سال 2024 جولائی تا مئی کے دوران 1 فیصد کا اضافہ دیکھا گیا جو گزشتہ سال کی اسی مدت کے دوران 9.6 فیصد کی نمایاں کمی کے مقابلے میں ہے۔ خوراک، ٹیکسٹائل، ملبوسات، دواسازی، پیٹرولیم اور کیمیائی مصنوعات کے ساتھ ساتھ مشینری اور آلات میں LSM کی نمو مضبوط کارکردگی کی وجہ سے ہوئی۔ آٹو موبائل سیکٹر نے بلند شرح سود اور درآمدی پابندیوں کی وجہ سے مشکلات کا سامنا کیا جس کے نتیجے میں کاروں کی پیداوار اور فروخت میں کمی واقع ہوئی۔ تاہم، آئی ایم ایف کے ساتھ حالیہ پیش رفتوں سے غیر محدود درآمدات میں سہولت اور غیر ملکی ذخائر کو فروغ دینے میں مدد ملے گی جس سے صنعتی شعبے کو بھی فائدہ پہنچے گا۔

آٹو موبائل انڈسٹری کا جائزہ

سال کے دوران، آٹو موبائل انڈسٹری کو کم مانگ، زیادہ قرض کی لاگت اور درآمدی پابندیوں کی وجہ سے پیداوار میں کمی کا سامنا کرنا پڑا۔ بلند افراط زر اور مسلسل پالیسی کی بلند شرحوں نے مقامی آٹو موبائلز کی بینک لیزنگ کو دباؤ میں رکھا۔ نتیجتاً، مقامی طور پر تیار کی جانے والی کاروں کی فروخت مالی سال 2024 میں 15.7 فیصد کی کمی سے 81,577 یونٹس پر آ گئی جب کہ مالی سال 2023 میں فروخت ہونے والی 96,811 یونٹس تھیں۔ اسی طرح ٹرکوں اور بسوں کی فروخت میں گزشتہ سال کے مقابلے میں 30.6 فیصد کمی واقع ہوئی۔ تاہم، کسان پیکج کے نتائج کی بدولت ٹریکٹرز کی فروخت میں 47.0 فیصد اضافہ ہوا جو گزشتہ سال 30,942 یونٹس کے مقابلے میں 45,494 یونٹس تک پہنچ گیا۔ مالی سال 2024 کے دوران موٹر سائیکلوں اور تین پہیوں کی فروخت (اسمبلرز جو PAMA کے ساتھ رجسٹرڈ ہیں) کی فروخت میں 3.1 فیصد کمی واقع ہوئی جس میں 1,150,112 یونٹس کی فروخت ہوئی جو کہ گزشتہ سال کی اسی مدت کے دوران 1,186,969 یونٹس تھی۔

بیٹری کی صنعت

بیٹریوں کی مانگ کا تعلق آٹو موٹو اور پاور سیکٹر سے ہے۔ تاہم، آٹو موٹو سیکٹر میں مندی، بڑھتی ہوئی مہنگائی اور توانائی کے نرخوں میں اضافے نے صارفین کی قوت خرید کو بری طرح متاثر کیا ہے، جس کے نتیجے میں بیٹری کی صنعت میں مجموعی طور پر کمی واقع ہوئی ہے۔ قابل ذکر بات یہ ہے کہ ٹال بیٹریوں کی مانگ میں معمولی اضافہ ہوا ہے، جس کی وجہ سولر پینلز کی بڑھتی ہوئی تنصیب ہے۔

پاکستان میں بیٹری کی صنعت کو دو بڑے حصوں، منظم اور غیر منظم شعبوں میں تقسیم کیا گیا ہے۔ منظم شعبہ مارکیٹ کی طلب کا تقریباً 90 فیصد پورا کر رہا ہے، باقی غیر منظم شعبہ اور درآمدات سے پورا ہو رہا ہے۔ آپ کی کمپنی مارکیٹ میں نمایاں حصہ رکھتی ہے اور معیار کو برقرار رکھنے، جدید مصنوعات متعارف کروانے اور بعد از فروخت سروس فراہم کر کے اس میں مزید بہتری کا عزم رکھتی ہے۔

Code of Conduct

Standard of Conduct

Atlas Battery Limited conducts its operations with honesty, integrity and openness, and with respect for human rights and interests of the employees. It respects the legitimate interests of all those with whom it has relationships.

Complying with the Laws

Atlas Battery Limited is committed to comply with the laws and regulations of Pakistan.

Human Capital

Atlas Battery Limited is committed to create the working environment where there is mutual trust and respect and where everyone feels responsible for the performance and reputation of the Company.

It recruits, employs and promotes employees on the sole basis of the qualifications and abilities needed for the work to be performed.

It is committed to safe and healthy working conditions for all employees. We will not use any form of forced, compulsory or child labor.

It is committed to working with employees to develop and enhance each individual's skills and capabilities.

It respects the dignity of the individual and the right of employees to freedom of association.

It will maintain good communications with employees through company based information and consultation procedures.

Discrimination and Harassment

Atlas Battery Limited prohibits discrimination of employees and ensures equal opportunity for employment, compensation, development and advancement for all individuals. It prohibits harassment based on categories of race, color, religion, sex, national origin, age or disability.

It does not tolerate workplace violence including threats, threatening behaviour, harassment, intimidation, assaults or similar conduct.

It has a zero tolerance policy with respect to personal and / or sexual harassment. Personal / sexual harassment in any form is strictly prohibited and may become ground for immediate dismissal without notice or pay in lieu of notice.

Weapons and Drugs

Atlas Battery Limited does not allow any employee to carry firearms or other weapons, unless obtaining prior permission.

The employees must not distribute, possess or use illegal or unauthorized drugs or alcohol on any premises of Atlas Battery Limited or in connection with its business.

Consumers

Atlas Battery Limited is committed to providing branded products and services, which consistently offer value in terms of price and quality. Products and services will be accurately and properly labeled, advertised and communicated.

Shareholders

Atlas Battery Limited will conduct its operations in accordance with principles of good corporate governance. It will provide timely, regular and reliable information on its activities, structure, financial situation and performance to all the shareholders.

Trading in Own Shares

Atlas Battery Limited discourages employees and their families from trading in shares of the Company or advice others in trading of its shares. However, if any employee or his / her family intends to sell or buy or take any position in the shares of the Company, then he / she should notify in writing to the Company Secretary.

Business Partners

Atlas Battery Limited is committed to establishing mutually beneficial relations with its suppliers, customers and business partners.

In its business dealings, it expects its partners to adhere to business principles consistent with its own.

Community Involvement

Atlas Battery Limited strives to be a trusted corporate citizen and, as an integral part of society, to fulfill its responsibilities to the societies and communities in which it operates.

Public Activities

Atlas Battery Limited is encouraged to promote and defend its legitimate business interests.

It will co-operate with government and other organizations, both directly and through bodies such as trade associations, in the development of proposed legislation and other regulations, which may affect legitimate business interests.

It neither supports political parties nor contributes to the funds of groups whose activities are to promote party interests.

The Environment

Atlas Battery Limited is committed to making continuous improvements in the management of environmental impact and to the longer-term goal of developing a sustainable business. It will work in partnership with others to promote environmental care, increase understanding of environmental issues and disseminate good practice.

Health, Safety and Environment

Atlas Battery Limited strives to provide a safe, healthy and clean working environment. It also strives to prevent any wasteful use of natural resources (including water) and is committed to help in improving the environment. It tries to reduce, replace, recycle or regenerate articles consumed in its operations.

Innovation

Atlas Battery Limited makes innovations to meet consumer needs. It respects the concerns of consumers and of society. It works on the basis of sound research, applying high quality standards.

Competition

Atlas Battery Limited believes in fair competition and supports development of appropriate competition laws. Atlas Battery Limited and employees will conduct their operations in accordance with the principles of fair competition and all applicable regulations.

Business Integrity

Atlas Battery Limited does not give or receive, whether directly or indirectly, bribes or other improper advantages for business or financial gain. No employee may offer, give or receive any gift or payment, which is, or may be construed as being, a bribe. Any demand for, or offer of, a bribe must be rejected immediately and reported to management.

Its accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions. No undisclosed or unrecorded account, fund or asset will be established or maintained.

Conflicts of Interests

All Atlas Battery Limited employees are expected to avoid personal activities and financial interests, which could conflict with their responsibilities to the Company. They must not seek gain for themselves or others through misuse of their positions.

Company Resources

All the assets of Atlas Battery Limited (both tangible and intangible) shall be deployed for the purpose of conducting the business for which they are duly authorized for. None of these should be misused or diverted for any personal use or benefit.

Fraud, Theft or Illegal Activities

Atlas Battery Limited employees shall be alert and vigilant with respect to frauds, thefts or illegal activity committed within the office. If any such activity comes to their attention, they must immediately report the same to the Head of Human Resource or Head of Internal Audit.

It has set its priority not to become implicated, in any way, with individuals or firms involved in criminal and other associated activities and employees are expected to exercise maximum caution in this regard.

Books and Records

Atlas Battery Limited employees must act in good faith, not to misrepresent material facts in books and records or in any internal or external correspondence, memoranda or communication of any type, including telephone or electronic communications.

Its records should be maintained in such a way that they are in full compliance with all rules, laws and regulations. Adequate precautions should be taken to protect them from falling into wrong hands, which could harm its business interests. Access to electronic documentation has been ensured through implementation of a comprehensive password protected authorization matrix.

Confidentiality

Atlas Battery Limited employees come across a number of confidential information which may take many forms. They must take proper care of such information and ensure that it is not misused in any way which is detrimental to its business or used for own commercial benefit. Employees must exercise care to avoid disclosing non-public, internal, secret or proprietary information to unauthorized persons, either within or outside the Company during employment or afterwards.

Compliance – Monitoring – Reporting

Compliance with business principles is an essential element in business success. The Board of Directors of Atlas Battery Limited is responsible for ensuring that these principles are communicated to, and understood and observed by, all employees.

Day-to-day responsibility is delegated to the senior management. They are responsible for implementing these principles, if necessary, through more detailed guidance tailored to local needs.

Assurance of compliance is given and monitored each year. Compliance with the Code is subject to review by the Board supported by Audit Committee of the Board.

Any breach of the Code must be reported in accordance with the procedures specified by the management.

The Board of Atlas Battery Limited expects employees to bring to their attention, or to that of senior management, any breach or suspected breach of these principles.

Provision has been made for employees to be able to report in confidence and no employee will suffer as a consequence of doing so.

CEO's Message on Sustainability

I am pleased to present the 11th Sustainability Report of Atlas Battery Limited ("the Company"), reflecting our resolute commitment to Environmental, Social and Governance (ESG) initiatives. This report exemplifies our dedication to serving our country, community and society at large through sustainable practices.

Amidst a constantly evolving economic and business environment, the Company actively promotes technology and sustainability-based innovations. We firmly believe that energy storage holds substantial potential to mitigate green-house gas emissions by efficiently storing electricity generated from both conventional and renewable energy sources.

Minimizing our environmental impact and conserving resources remains paramount. Through the adoption of water recycling plant, we have reduced our water usage and carbon footprint and 33 million US gallons of water has been saved. Additionally, our 510 KW solar power installation is a testament to our commitment, generating eco-friendly renewable energy. The Company diligently implements an Energy Management System to ensure optimal energy usage.

During the year, the national economy remained under pressure with soaring energy prices and escalating inflation. Amidst these challenges, the Company remained dedicated to redefining sustainability, ensuring our enduring success and contributing positively to the global community.

Our core values of integrity, excellence and respect will continue to steer us towards driving positive change. In our commitment to continuous improvement, we have reassessed our ESG priorities and are actively working to integrate them more comprehensively into our broader sustainability strategy.

Finally, we would like to acknowledge our joint venture partner GS Yuasa Japan, employees, stakeholders, business partners and associates for their continued support in making 2023-24 a year of accomplishment.

Thank you for taking the time to review this report. We are pleased to share and welcome your feedback and involvement.



Ali H. Shirazi
President / Chief Executive

Karachi: August 29, 2024

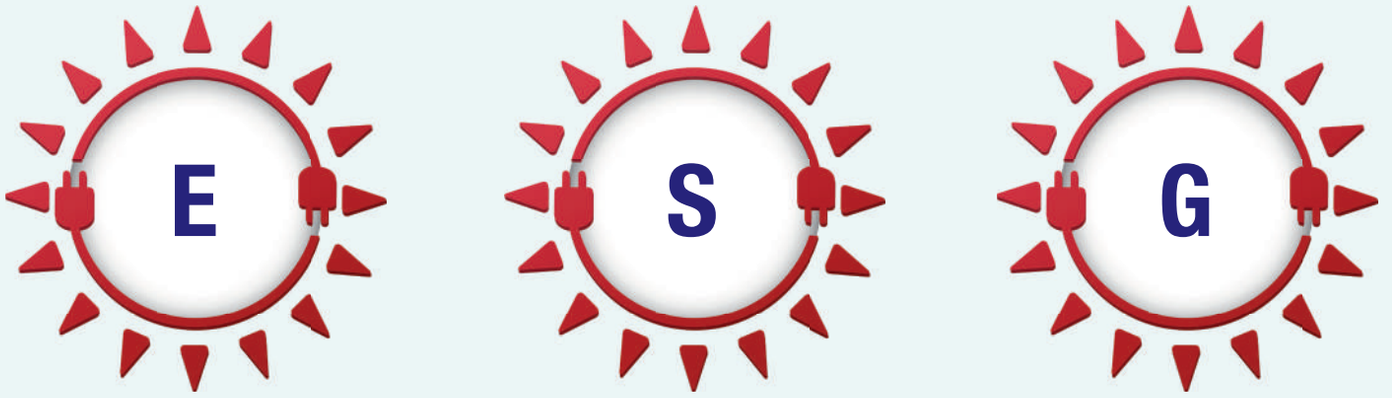
SUSTAINABILITY

Sustainability Development Goals

At the United Nations General Assembly in September 2015, the Sustainable Development Goals (SDGs) were adopted for the purpose of establishing a sustainable society across the world through community development, environmental protection and inclusive economic growth. The timeline for these UN SDGs runs from 2016 until 2030. As a responsible corporate citizen, we aim to take account the relevant SDGs in how we run our business by prioritizing actions on the goals where our business activities can have the biggest impact.



Goals	Description	Page No
03 Good health and well-being	GOAL 3: Good Health and Well-being	88
04 Quality education	GOAL 4: Quality Education	84, 93
06 Clean water and sanitation	GOAL 6: Clean Water and Sanitation	82
07 Affordable and clean energy	GOAL 7: Affordable and Clean Energy	82
09 Industry, innovation and infrastructure	GOAL 9: Industry, Innovation and Infrastructure	89, 90
11 Sustainable cities and communities	GOAL 11: Sustainable Cities and Communities	83, 93
12 Responsible consumption and production	GOAL 12: Responsible Consumption and Production	81
13 Climate action	GOAL 13: Climate Action	82
15 Life on Land	GOAL 15: Life on Land	83
17 Partnership for the Goals	GOAL 17: Partnership for the Goals	83



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

"E" in ESG refers to the environmental aspects of a Company's operations and practices. It involves evaluating how a company interacts with and impacts the natural world. Sustainability revolves around the environment, which has been integrated into corporate values. Atlas Battery Limited ("the Company") duly complies with the environmental laws and is continuously working to improve the environmental management system.

"S" in ESG stands for the social aspects of a Company's actions. This involves how the Company treats its employees, communities and other stakeholders. The Company aims to prioritize the health, wellness and education of people, and promotes a healthy work-life balance for its associates. The Company's social responsibility is fulfilled by following relevant laws and guidelines and by managing its social, economic and environmental impacts effectively.

"G" in ESG relates to the governance structure, policies, and practices that guide a Company's decision-making processes. At Atlas Battery, effective governance ensures accountability, transparency, and ethical behavior throughout the organization. Our Board of Directors oversees strategic direction and management, ensuring decisions benefit all stakeholders. We uphold high standards of integrity through robust internal controls, risk management and regulatory compliance. Our comprehensive policies prevent conflicts of interest, promote diversity and inclusion and ensure fair treatment. By maintaining open and honest communication with shareholders, we build trust and achieve sustainable long-term growth.

ESG DISCLOUSRES

As we continue to advance on our sustainability journey, we recognize the critical importance of ESG factors in shaping the future of our business. The Company is committed to ESG principles not only underscores our dedication to responsible corporate citizenship but also positions us to create long-term value for all our stakeholders.

ESG reporting provides us with a competitive advantage by attracting and retaining investors, customers, and employees who are increasingly interested in engaging with companies that prioritize sustainability. By fostering a culture of transparency, we build trust with our stakeholders and empower investors to make informed decisions about their engagement with our company.

Our ESG initiatives help us identify new opportunities for innovation and growth, enabling us to develop products and services that meet the evolving needs of a sustainable market. Through these efforts, we aim to further enhance operational efficiency, reduce costs, and minimize our environmental footprint.

We have voluntarily adopted the SDGs. This section outlines our key ESG performance indicators reported during the period from July 2023 to June 2024, reflecting our ongoing commitment to voluntary guidelines set by the Securities and Exchange Commission of Pakistan (SECP). Together, we strive to achieve a positive impact on society and the environment while driving sustainable growth for the Company.

Environmental, Social And Governance (ESG)

Category	Metric	Measurement Annual
Environmental	GHG Emissions	• Carbon 25,236 metric ton • Scope 1 CO2 equivalents 12,811 metric ton • Scope 2 CO2 equivalents 12,426 metric ton
	Energy Usage	• Total amount of energy directly consumed: 1,835 GWH • Total amount of energy indirectly consumed is as follows: - Natural Gas 49,932 MMBtu - LPG 2,977,955 Liters - Diesel 80,000 Liters
	Water Usage	• Total amount of water consumed: 107 Million USG • Total amount of water recycled: 33 Million USG
	Environmental Operations	• The Company follows a formal Environmental Policy. • The Company uses a recognized Energy Management System (i.e. ISO 50001)
Category	**Metric**	**Measurement Annual**
Social	Gender Pay Ratio	• Ref. page no. 177
	Employee Turnover	• Year-over-year change for full-time employees is 4%.
	Gender Diversity	• Total Female Director: 1 • Total Male Directors: 6
	Non-Discrimination	• The Company has a sexual harassment and / or non-discrimination, diversity, inclusion policy. • There is a confidential grievance, resolution, reporting and non-retaliation mechanism and procedure to address and respond to incidence of harassment and violence. • The Company has 05 personnel being differently-abled in the workforce
	Global Health & Safety	• The Company follows an occupational health and / or global health & safety policy.
	Child & Forced Labor	• The Company follows a child and / or forced labor policy and such policy also cover suppliers and vendors.
	Corporate Social Responsibility	• Please refer page no. 93
	Employee Training and Succession Planning	• Number of training sessions held and employees trained are as follows: - Skill Upgradation (Sessions:33; Employees Trained: 76) - Soft Skills (Sessions: 29; Employees Trained: 435) - Health and Safety Measures (Sessions: 34; Employees Trained: 474)
	Working Conditions	• During the year, there is no complaint made by employees regarding working conditions.
	Injury Rate	• Incidents are being calculated as Total Recordable Injury Rate (TRIR) • TRIR during the year is 0.05. • 100% of our employees / workers are covered with Health and Safety Insurance.
Category	**Metric**	**Measurement Annual**
Governance	Board Diversity	• Board seats occupied by men: 85.7% • Board seats occupied by women:14.3% • Committee chairs occupied by men: 50% • Committee chairs occupied by women: 50%
	Board Independence	• CEO and Chairman are different persons. • Total Board seats occupied by independent directors: 28.6%
	Supplier Code of Conduct	• Our vendors and suppliers are required to follow a Code of Conduct.
	Ethics & Anti-Corruption	• The Company's Code of Conduct deals with ethics and anti-corruption policy. 100% of our employees are compliant with the Company's Code of Conduct.
	Data Privacy	• Please refer page no. 102
	Sustainability Reporting	• Sustainability related information is reported in this annual report.
	Disclosure Practices	• The Company focuses on specific UN Sustainable Development Goals (SDGs) mentioned on Sustainability Section of this report.

APPROACH TO SUSTAINABILITY

The Company's framework is a product of the Atlas Group's fundamental business doctrine, the 'ATLAS WAY'. It comprises of the principles of 'ATLAS CULTURE' and 'ATLAS SYSTEMS'. These are a set of rules and procedures which have sustained the test of time and proved to be at the heart of the Company's success.

The principles of the 'ATLAS WAY' cover all departments, operations, activities and aspects of our business and provide ideal guidelines for their progressive development. It teaches us to pursue operational and financial results while maintaining environmental quality, workplace safety and social responsibility.

ATLAS CULTURE	ATLAS SYSTEMS
• Corporate Governance • Respect, Recognition and Reward (3Rs) • Value of time • Recruitment and career advancement based on integrity, merit, experience and skills • Education and training of staff and descendants • Self-reliance • Leading by example • Humility and excellence • Living with one's means, saving for the future and donating for good cause • To be happy and healthy	• Management by Objectives (MBO) to align activities towards agreed Company goals • Implementing 7S vision (Strategy, Structure, System, Style, Staff, Skills and Shared Values) for the Company • Inducting and retaining competent and skilled staff – right man for the right job • Using BCG model for strategic direction • Creating value through implementation of internal controls (SOPs and policy manuals) • Management development to produce performers, organization builders and strategists • Active participation in management meetings for continuous performance improvement • Ensuring accuracy and control performance improvement • Ensuring accuracy and control of information / data through efficient MIS • Judicious sharing of profitability between employee bonuses, dividend payout and profit retention

Environmental

Certifications acquired and international standards adopted

The Company has consistently invested in improving its operations to minimize the environmental impact of its business activities. These efforts include reducing energy and fuel consumption, producing less waste and recycling water. As a result, the Company has successfully obtained certifications from Bureau Veritas for ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 45001 (Occupational Health & Safety Management System), and ISO 50001 (Energy Management System).

Material

Procurement of raw materials, development of new formulae and applications with the aim of low impact on environment is done with intense research by Quality department and Supply Chain with the assistance of GS Yuasa, Japan.


Quality Lab

Over the years, the Company has launched deep cycle battery with long back up time, ideally suitable for solar panels and UPS. The Company has launched open top and sealed maintenance free battery which has been made with calcium plates and PE envelop protection giving battery long life and protection. The Company has also launched SP Tall battery to cater heavy battery market. The Company also has Battery Tonic distilled battery water, with specific battery grade TDS to increase life of battery.

Energy saving measures and energy conservation

The Company strongly believes in environmental conservation and has therefore undertaken 510 KW solar panels which will reduce our carbon footprint and improve energy efficiency to reduce reliance on conventional electrical energy and result in cost savings. Total energy generated from solar is 530 MWH. Dedicated electricity lines for uninterrupted supply of electricity have been installed which resulted in significant reduction of associated greenhouse gas emissions from generators. This have also contributed to improvement in environment.


Solar Panels

The Company has installed LED lights at shop floors which have contributed in energy conservation. Extensive training and its related training materials are disseminated to associates encouraging them to conserve energy by switching off extra electrical appliances when not used and / or during breaks. The signboards around the factory premises have also been placed to emphasize associates energy conservation.

Water

The Company acknowledges the fact that water is an increasingly scarce and critical global resource. In turn, the associates are educated through periodic on job training and materials emphasizing to reduce water usage. The Company has installed a state of art, the GS Yuasa designed, Waste Water Treatment Plant (WWTP) in the factory premise.


Waste Water Treatment Plant

The Company has also installed Water Recycling Plant (WRP) which comprises of Ultra Filtration Unit and Reverse Osmosis Unit. The Company uses WRP to convert output water of WWTP to process and recover waste water into usable water. During the year, the Company recycled 33 million USG water.

Air

The Company has taken various measures over the years for the reduction in air pollution and control air emissions which includes;

- Minimize use of gensets and alternate energy resources, thus reducing gas emissions to a sizeable portion.
- Plantation of trees outside the factory premises creating a green belt.
- Dust collectors.
- Spot cooling system.
- Dust scrubbers.
- Fresh air ventilation and circulation system.


Dust Collector

Biodiversity

The factory is located in SITE industrial area, with high biodiversity value and has significant impact on nature. The Company makes continuous efforts to minimize the harmful impact of discharges and ensures safe disposal of emissions. Efforts for conservation of biodiversity are undertaken and initiatives are carried out. A green belt of approximately 35,570 square feet opposite the factory premises was developed and is being maintained by the Company.

Society

The Company plays an active role in contributing to the society by conducting different CSR activities with the aim to serve the society. During the year the Company has undertaken following CSR activities:

- Green belt restoration
- Road median plantation
- Road rehabilitation
- Nullah cleaning
- Road curbstone painting



Tree Plantation

The enhancement and landscaping of the road median extending from the factory to Ghani Chowrangi have involved beautification initiatives and the extensive planting of Neem trees, with a total of 74 saplings planted.



Wastages

The Company ensures that factory waste is disposed of responsibly by partnering with waste contractors approved by the Sindh Environmental Protection Agency (SEPA). These vendors are fully compliant with all relevant environmental regulations, further demonstrating the Company's commitment to sustainable practices and environmental stewardship.

Transport

The Company prioritizes Health, Safety, and Environmental (HSE) considerations in its transportation management. This includes implementing rigorous safety protocols for transporting materials, reducing emissions through efficient logistics planning, and ensuring that all transportation activities comply with environmental regulations. These measures help to minimize the Company's carbon footprint and enhance overall safety for employees and the community.

Compliance of Environmental Legislation

The Company is committed to comply with environmental legislations applicable to all of its Company's products and operations. It maintains a system which identifies prevailing and new applicable environmental legislation and includes them to the audit checklists of respective departments as a guideline and for periodic review.

The Company has obtained compliance certification of ISO 9001, ISO 14001, ISO 45001and ISO 50001. This will enable the Company to stay ahead of its competitors in environmental compliance.

Financial Health

Our main concentration is to bring the best quality batteries with high level of sustainability, effective manufacturing process and high operating efficiency. As we gain financial strength, we invest in future products, our people, our communities and society.

Social

People and Industrial Relations

Human Capital

The "Atlas Culture" is the guiding principle for talent acquisition and its management at ABL, which emphasizes on integrity, merit, experience and skill-set as core competencies. We continuously invest in our associates, strengthen their technical capabilities, leadership skills and behavioral aspects to make our human capital a competitive advantage. Our optimum goal is to Recruit, Retain and Retire.

We show respect to our associates and treat them fairly by positively influencing their lives. We teach and encourage them to serve their Country, Company and Community in the most ethical ways and become socially responsible citizens. We strongly believe that our associates are our competitive advantage and their motivation and development is the backbone of a sustainable and progressive Company.

The Company is actively engaged in acquiring talent by using different channels like social media, recruitment consultants and liaison with a prestigious academic institution of the country to reach out to talented individuals and dedicated professionals and bring quality human resources on board.

Succession Planning

The Company realizes the importance of succession planning and believes in development of potential talent to acquire future leadership roles. For this purpose, the Company develops successors for all key positions across the organization as part of succession planning. Individual Development Plans (IDPs) are prepared to indicate existing and required competencies, learning and development plans, performance expectation and career progression of each individual. This also contributes towards the retention of potential employees within the Company.

Based on the importance of succession planning activity, the Company reviews the whole process annually to keep it aligned with the ongoing changes in the business scenario.

Career & Organization Development

The Company acknowledges its high performers and in compliance of Atlas Group's motto 'Organizational Development through Self Development' provides opportunities for personal and career growth. Identification of high performers is made through the Performance Review Process that is designed on the concept of Management By Objectives (MBOs). The process not only evaluate associates' performance and leads to achievement of their pre-defined career paths, but also assures alignment of individual objectives with the overall objectives of the organization. It also fosters a corporate culture that encourages creativity and innovation among our associates.

IT Integration with Human Resources

The Company has invested in an ERP system to move towards integration and digital transformation of various human resource functions to revolutionize with the digital world's best practices, implementation of Oracle HCM Cloud is a part of this process.

Trainings



Education and training of staff is the hallmark of the 'Atlas Culture'. The development of associates' competencies is achieved through various means such as on-the-job trainings, coaching and mentoring, in-house, external, and international trainings, and education programs. Financial support is also provided for higher education.

Trainings comprise both technical and soft skills. During the reporting year, trainings on various topics were conducted including Leadership, Management Skills, Self-Management, Data Analytics, Information Security Management, Industrial Energy Management, Occupational Health and Safety, Supply Chain & Logistics, Labor Laws & Industrial Relations and 'The Atlas Way'. Apart from this, the Company is part of a comprehensive program of Atlas Group with Lahore University of Management Sciences (LUMS), where participants attend a diploma program in management excellence, with the objective to prepare young and potential leaders for the changing business environment and associated challenges.

Regarding technical trainings, the Company associates participated in trainings related to areas of production, engineering, quality control, and in addition, various specialized departmental trainings including supply chain management, treasury, corporate affairs, taxation, etc. were also organized. Moreover, 7 associates have attended training programs organized by AOTS Japan during the year. Altogether 871 personnel benefited from in-house trainings, while 114 personnel enhanced their skills set through external training programs.

Keeping in view the importance of continuous training and development of our associates, the Company has established a purpose-built in-house training center. Trainings are conducted by a pool of trained internal trainers, which include both classroom and practical training sessions at the shop floor. Human Resources division plays a vital role in the skills enhancement program of associates and promoting a learning culture.

Special emphasis is placed on frequent trainings and awareness sessions to develop and strengthen HSE culture at workplace, develop skills set of associates, well-being of associates by providing a safe and healthy work environment.



AOTS Training Japan



Atlas - LUMS Program



Leadership Grid Seminar



Financial Wisdom for Non- Finance Managers



Sindh Labour Laws Training

Employer Branding

In view of promoting employer branding, besides engineering students, the Company has a formal internship program for business management students who are placed in different divisions of the Company. Interns are required to work on real-life projects, hence contributing to their professional experience and exposure.

The Company also invites students from various institutions on industrial visits to the plant that provide them practical insights into the real working environment of the industry. A liaison has been maintained with the prestigious institutions so that they continue to develop professionals / talent who are not only competent but are also familiar with our organization's practices, systems and structure.

Employee Engagement

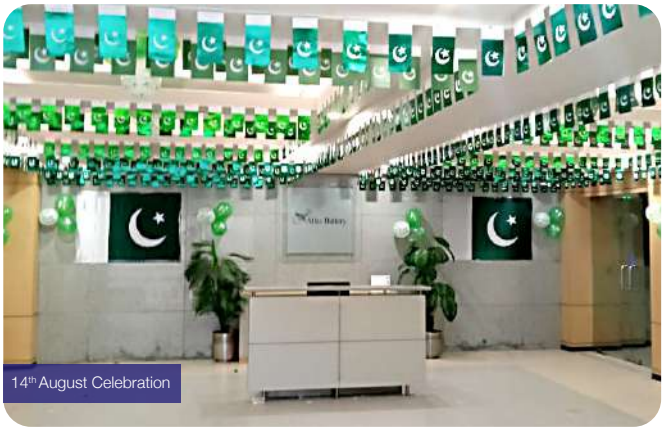
The Company's commitment to its core values of Respect, Recognition, and Reward is exemplified through the distribution of Long Service Awards to associates. Additionally, throughout the year, employee engagement activities like birthday celebrations at department level, cricket tournament, team's motivational dinners, marriage and childbirth gifts and farewell to retiring associates are frequently held.

Associates are also encouraged to engage and contribute to achieving operational excellence and adopting best practices in the areas of HSE, 5S, and general discipline. To acknowledge their contributions a prestigious "Quarterly Award Ceremony" is held on the first day of each quarter. This ceremony serves as a platform to honor and appreciate the individuals and collective efforts that drive our organization's success.

The Company believes in keeping its associates well-informed. For this purpose, a comprehensive quarterly HR e-Newsletter is in place. This publication serves as a valuable resource of internal communication, providing updates and insights into the Company's overall activities, ensuring that all associates remain informed and connected.

The Company strongly believes that such activities not only contribute to the overall health and well-being of our associates, but they also foster team building, motivation, and engagement throughout the organization.

The Company actively encourages a healthy work-life balance and places a strict emphasis on adhering to designated working hours while discouraging late sittings. This approach has proven to be highly beneficial for the associates as it enables them to avoid unnecessary stress, allocate their attention appropriately, and safeguard their overall well-being.



14th August Celebration



Long Service Award



Cricket Mania 2024 Celebrating Moments



Quarterly Awards

Human Rights

Human rights of fellow workers and communities where we operate are respected and part of our business culture as stated in Atlas Culture; 'Humility and Excellence'. We focus on four areas across our activities where respect for human rights is particularly critical to the way we operate: labor conditions, communities, supply chains and security.

Workforce

The Company intends to remain an attractive employer of a diverse group of associates who feel sufficiently challenged to pursue their personal development. By creating job opportunities, sourcing from local suppliers and paying taxes, etc. it helps in building local economies. The Company plans to be a part of the community for decades to come with long term plan and vision.

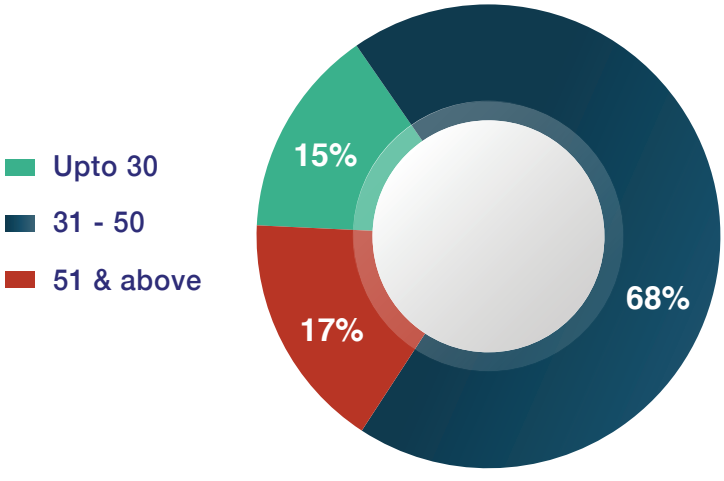
The Company encourages its associates to strive for education and where possible assists associates to pursue education at all levels. The Company provides competitive remuneration packages and a conducive work environment, to increase the quality of work and job satisfaction resulting in long-term employability and synergy affecting the Company's performance. Following is service matrix, which indicates employee retention for longer service:

5 to 10 Years	11 to 20 Years	20 Years & Above
124 (48%)	46 (15%)	32 (10%)

Supporting Diversity and Equal Opportunities

Gender Diversity Policy at the Company is aimed to cultivate an environment of gender diversity and inclusion within the Company by fostering merit, unbiased, just, and nondiscriminatory practices, working with fairness and dignity, and providing equal access to opportunities irrespective of gender, physical ability, race, religion, sect and ethnic background. A good mix of experienced and youthful associates is very essential to good human resources and ultimately Company's growth. The Company believes that workplace diversity fosters mutual respect amongst associates while working as teams that comprise co-workers with varied work styles. Colleagues who represent different gender, religions, ethnic backgrounds, cultures and generations, a synergistic work environment becomes the norm. For Company, diversity and equal opportunities are more than just following the rules.

Age-wise Diversity
As at June 30, 2024



Further, it has been a big challenge for the entire industry to attract women in numbers. The Atlas Group has a long-term ambition to increase the number of women in executive teams, while considering all other important diversity parameters.

Communication with Labor

The Company is committed to cultivating a work environment that upholds the principles of fairness and respect, where associates can perform their duties without fear of intimidation, reprisal, or harassment. We place great importance on safeguarding the rights of our associates to freely join unions and participate in collective bargaining, in accordance with the laws and regulations of the country.

Hajj Facility

Every year, the Company sends one of its associates for Hajj through ballot and bears all expenses pertaining to this religious offering.

HSE Policy and Workplace Safety

The Company firmly believes that safety is of paramount importance and that all injuries are preventable and can be avoided through careful precautions. With this in mind, “zero incidents” target is set and all associates diligently work towards achieving it. Thorough follow-ups and investigations of all incidents are conducted to assess and rectify root causes, which are reported to the organization’s senior management on a regular basis. Furthermore, associates are trained and encouraged to report ‘Near-Miss’ events, which enables the organization to identify the underlying causes and proactively implement corrective measures to drive continuous improvement.



ABL is fully committed to the following principles:

- Safeguarding and continuously enhancing the safety, health, and security of associates at all times.
- Equipping all associates and other interested parties with comprehensive information, training, and resources to enable them to effectively fulfill their HSE responsibilities.
- Diligently implementing all necessary measures to prevent and mitigate hazards to the well-being of associates and the integrity of property.
- Prioritizing environmental protection and pollution prevention through ongoing advancements in resource utilization and waste management strategies.
- Ensuring that all associates are well-versed with the Company’s HSE policy and practices.



Administration

To ensure that our associates stay healthy, positive and contribute well to the achievement of organization’s objectives, the Company has spacious canteen with all associated services. The dining hall of the canteen serves around 480 people at a time that includes serving breakfast, lunch, dinner and tea to all associates.

Centralized time management system and time machines are installed at factory, all regional and zonal offices.

We ensure statuary compliance as per applicable laws with HSE certifications.

First Aid Room

The Company has an in house First Aid Room to facilitate basic health care needs, and also for any emergency situation occurring at the factory premises. The in-house First Aid Room is operated by qualified paramedics, who are available for 24 hours, 7 days a week. An ambulance is also in service at factory premises to cater any emergency.

Improvement Activities

- At battery assembly line, packing station process efficiency and ergonomics have been improved through installation of jib crane for shifting of batteries from conveyor to pallet.

- Logistic function has been improved by transitioning from traditional to modern logistics that involves adopting advanced technologies and automating various aspects of transport management system. It has caused to improve response time, visibility and control on transporters.



Technology and Innovation

The Company is well equipped with state-of-the-art information technology infrastructure and is committed to staying up-to-date in technological advancements. The Company fully utilized its technological advancement enabling associates to work from home, where necessary. Most of the meetings were held virtually by getting assistance from video link facility.

State of the Art Information Technology Infrastructure

The Company is equipped with a state-of-the-art information technology infrastructure that caters to the expanding requirements of the business. This includes incorporating innovative technologies and making continual improvements to enhance operations in core business processes (manufacturing and assembly lines) and non-core business

processes (supply chain, finance, human resources, etc.). We are also aligning business and IT to attain full advantage in a significant and persistent way for data management through ERP. Further, we are focused on B2C (Business to Customer), Business Continuity Plan (BCP), Business Process Reengineering (BPR), B2B (Business to Business) system, CMS (Claim Management System), WMS (Warehouse Management System), EnMS (Environment Management System), IT Security and Safety, HCM Cloud and superior communication environment.

The Company has successfully implemented material resource planning (MRP) module of Oracle EBS. Developing a comprehensive dashboard of management information system (MIS) comprising of operational and non-operational divisional reporting is in progress.

Entity Resource Planning (ERP)

Management and Integration of Core Business Processes

The Company uses Oracle for its centralized data management needs. This helps Company to perform better and manage core business processes including finance, human resources and supply chain by provision of easy and real time access to information in decision making.

Effective Implementation and Continuous Updation

The updation of ERP system is of key importance and Company timely upgrades its ERP system.

User Trainings

Regular trainings are provided to associates to ensure that they use ERP system in efficient and effective manner.

Risk Factors on ERP Projects

Regular system audits of ERP are being carried out. Appropriate testing is done before transporting any changes to live system which minimizes the chances of errors.



IT Training

System Security, Access to Sensitive Data

User rights are assigned on need basis. Whenever new rights are being assigned to a user, the need is being first assessed by the concerned Department Head. The request is then jointly reviewed by System Administrator. Finally, the request is approved by General Manager IT.

An authority matrix is being designed for monitoring the rights and access given to various users. The authority matrix is being reviewed by Internal Audit function as well as external third party on a regular basis.

Disaster Recovery Planning

The Company has a comprehensive Disaster Recovery Plan to cater any disaster emergency situation. The Company also engaged a professional firm for an independent review of its Disaster Recovery Planning & IT related Business Continuity Plan and identified the points of improvements.

Technology Transformation

The Company has invested time and resources to technology transformation through 3Ds: Digital, Data, Direct. This includes online sales, digital marketing through social media, dealers' stock management through dashboards, and warehouse management through barcode implementation.

With the fast change and advancement of technology, we understand the importance to keep ourselves aligned to advancements in technology. The focus is on process automation and paperless environment to not only increase synergies but also as part of global environment protection and reduced cost while maintaining high quality.

Quality Assurance /Product Development / Services

Quality Management System

The company is going to be established as pioneer in value added energy storage technology and committed to the manufacturing of high quality of batteries covering range of products in the category of:

- Lead acid batteries for vehicles
- Low maintenance hybrid batteries for vehicles
- Maintenance free batteries for vehicles
- Maintenance free batteries for motorcycles
- Deep cycle and Tall SP batteries for solar panels and UPS

The Quality Management System demonstrates Company's ability to provide quality products, meet customer needs, improvement of the processes and continuous monitoring on consistent basis.

Our Service team has preserved hard to develop standardized charging areas, be judicious in claims management, maintain customer satisfaction through online claims management system and customer support.

In-House Laboratory Testing and Quality Improvement

The Company has built a state-of-the-art, quality assurance lab, equipped with sophisticated measuring and testing appliances / machines to ensure performance of batteries through chemical and electrical testing procedures. In order to enhance battery electrical testing facility, the Company has recently acquired latest computerized machines. Our in-house laboratory performs timely, accurate and cost-effective testing that ensures every product, from raw materials to finished batteries, meet all quality requirements.

The Company is continuously investing in the infrastructure and equipment necessary to ensure manufacturing of quality products and its safe delivery as per customers' requirement and specifications.

Superior quality of our batteries has been validated by our prestige OEM customers. Low OEM claims ratio coupled with new batteries development has enhanced our reputation as the vendor of choice. Operationally, we look into process optimization through process automation and various improvements.

QCC Shaheen Circle

For continual improvement in the product, processes and culture of the organization, Company uses Japanese tools, like Quality Control Circle (QCC) and Kaizen. The Company has developed a structure of Shaheen Circle and organizes a convention annually based on the extensive exercise of competition held amongst cross functional teams of the Company's associates. QCC as the bottom up approach has caused to harness the skills and ingenuity of our associates.

The journey of Shaheen Circle has proved to be impressive for providing solutions of:


CEO Address


COO Address



Winning Team



Runner Up

- Cost saving
- Quality & productivity enhancement
- Process optimization / improvement
- Energy saving
- Safer environment and work place

Customer

Customer Satisfaction

The Company believes that true success is customer satisfaction. During the years, the Company has taken various initiatives in order to satisfy customers' needs, which included introducing a Service section to meet the growing needs of our customers, their tutorials of battery handling and preventive maintenance, mobile van, free battery checkup service, online ordering systems, etc.



Battery Check-up Activity

Prioritize Customer Needs

Our top priority is to meet customer needs, which in turn enables us to continuously improve our products and services. We strive to innovate new products that incorporate advanced technology, ensuring their utility and delivering maximum benefits to our customers.

Dissemination of Information and Advertisements

All activities related to advertising and sales promotion are adhered to comply with the applicable laws as well as business ethics and code of conduct which are monitored in-house. The marketing activities during the year are summarized in media section.

Consumer Protection Measures

The Company focuses on after sales service and building long term relationship with the consumers. To attain confidence of its consumers, the Company's representative including Chief Executive regularly visit to dealers' showroom. On the other hand dealers, retailers and OEMs technicians training on battery specs and handling method are part of our business practices.

We believe in giving transparency of what we offer, fair treatment and effective complaint system to consumers. We educate our consumers by giving them battery management tips, safety tips and tips to select type of battery, etc. We also meet our dealers regularly to enable two way communication to obtain their suggestions, to have feedback of market reputation of our products, to educate them with the use of technology which includes our B2C system, etc.

Battery Capacity

The Company displays capacity of batteries expressed in 'Ampere Hour(s)' (AH) and "Voltage' (V) on all products, their packaging, warranty cards, instructional manuals and other advertisement material to enable the customers in making better buying decision according to their need.

Battery Management and Safety Tips

Tips for battery management and safety are provided in each battery pack and also available on Company's website.

How to Select a Battery and FAQs

Tips regarding how to select a battery and FAQs are also placed on our website for consumer guidance.

Adherence to Laws, Standards and Voluntary Codes for Communication

The Company is committed to the generally agreed ethical codes for marketing its products. When preparing marketing communication and advertising material, the legislative and regulatory compliance of the content is always checked and confirmed before publication. The Company ensures that advertisements must be clear and concise, portray business ethics and in simple language which is used at large by general public.

Fines and Sanctions

There have been no incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship.

Market Share

Battery industry in Pakistan is divided into two major segments; organized and un-organized sectors. The organized sector is meeting about 90% of the market demand; rest is being met by the un-organized sector and imports. Exact market share cannot be determined / ascertained as there is no official association of battery industry through which data is compiled and published publicly.

Dealers' Network

We continuously focus on expanding our dealer network and improve efficiency of existing dealers by conducting auto electrician workshops, providing incentive schemes for improving their trade and B2C networking, etc.

In this context, following activities were conducted during the year:

- Brand activation and free check-up activity conducted during road shows all across the country.
- Dealers' meetings were held and retailers get together were arranged.
- Battery care and maintenance awareness training sessions conducted for technicians across Pakistan including OEM's, dealers and sub-dealers staff.
- Foreign trip of dealers to Thailand and Dubai during the month of September, 2023.
- Foreign trip of dealers to Russia during the month of November 2023.


Training Session for OEM



Dealers' Foreign Trip


Training Session for Dealers


Dealers' Meeting


Dealers' Meeting


Dealers' Meeting


Dealers' Foreign Trip


Dealers' Foreign Trip

Sustainable Competitive Advantage

The following are the key resources and capabilities of the Company which provide sustainable competitive advantage:

Key Resources / Capabilities	Value Created by Business	Stakeholders
Powerful Brand	Increases brand recognition	Consumers
Quality	Improves customer loyalty to the brand	Consumers
Exclusive Dealers Network	Higher advertising effectiveness on customers	Consumers
Renewable Energy	Lowering carbon footprint	Local community and neighborhood
Waste Water Recycling	Reduce demands and stress on water supply	Local community and neighborhood
Corporate Governance / Awards	Good reputation and recognition	Shareholders
ISO Certifications	Gives business a competitive advantage	Shareholders
Highly Skilled Labour	Improved innovation and creativity	Consumer
People Asset	Gives business a competitive advantage	Company
Strategy Asset	Optimizing asset lifecycle	Consumer

Corporate Affiliations

The Company is affiliated with:

- Karachi Chamber of Commerce & Industry (KCCI)
- Management Association of Pakistan (MAP)
- Pakistan Institute of Management (PIM)
- Employees Federation of Pakistan (EFP)
- SITE Association
- Pakistan Association of Automotive Parts & Accessories Manufacturers (PAAPAM)

Supply Chain Management

The Company has a separate division for supply chain function with suitable and skilled resources which integrates with other business units for effective management of Company's operations. It encompasses multiple functions including production planning, material procurement, logistics, warehousing, and management of store supplies. It also involves overseeing vendors and suppliers, ensuring that they adhere to the company's code of conduct and business ethics.

Composition of local versus imported materials

The Company procures its raw materials form local as well as foreign sources. The composition of local and imported material for the year ended June 30, 2024 is as follows:

Raw materials procured	% of total raw materials
Locally	78%
Imported	22%

As indicated above the imported material is 22% of total raw materials requirement, therefore, it does not have any significant impact on profitability due to foreign exchange fluctuations.

Contribution to National Exchequer



During the year under review, the Company contributed over Rs.9.7 billion to the national exchequer on account of various government levies, taxes and import duties. The Company's positive attitude towards development of economy and fulfilling its responsibility as a good corporate citizen is clearly reflected from the above statistics. The Atlas Group of which the Company is a constituent member, contributed 2% towards the national exchequer. This makes Atlas Group one of the highest taxpayers in the country.

Statement of Charity Account



The Company has adopted Atlas Group policy to donate 1% of its prior year's profit before tax to a charitable institution. During the year, the Company has donated Rs.61.98 million to Atlas Foundation including Rs.25 million for educational purpose.

Corporate Governance

The term 'Corporate Governance' refers to a system of Company's management that focuses on responsibility, transparency and sustainable value creation. It encompasses the management and monitoring system of the Company, including its organization, business principles and guidelines, as well as internal and external control and monitoring mechanisms.

The Board of Directors is ultimately responsible for organizing and monitoring of the Company's operations. The duties of the Board are partly exercised through Audit Committee and Human Resource and Remuneration Committee.

In addition, the Board is responsible to appoint the Chief Executive Officer ("CEO") of the Company. The CEO is in-charge of the daily management of the Company in accordance with guidelines and instructions provided by the Board.

Division of responsibilities and duties between the shareholders, the Board and the CEO are regulated inter alia by the Companies Act, 2017, the Company's Articles of Association and the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Code 2019").

1. Shareholders and General Meetings

Shareholders

As on June 30, 2024, the Company had 2,687 shareholders according to the share register. The Company's share registrar is Hameed Majeed Associates (Private) Limited.

Investors' Grievances / Feedbacks

The Company believes in protecting the interest of its investors. It acknowledges its responsibility to inform shareholders, analysts and investors timely and fully about material developments that are relevant to the Company, its management, operations and financial situation as well as its future prospects. The policy is devised to establish guidelines for communicating with shareholders, analysts, investors and other stakeholders for their understanding of entity's business, governance, financial performance and prospects. A well-defined structure for governance and management which provides specific authority and responsibility for policy implementation is in line with the policy. Further, policy ensures that grievances notified by the shareholders are handled and resolved efficiently; and record is maintained along with respective actions taken for resolution.

Company Secretary has been designated as the person responsible for handling investor grievances and feedbacks. The mechanism is summarized below:

- A designated email address has been created namely investor.relations@abl.atlas.pk to facilitate investors in submitting their queries, grievances and feedbacks.
- In addition to the aforementioned email address, complaints and suggestions can also be received in writing, duly addressed to the Company Secretary.
- All queries, grievances and feedbacks are resolved and communicated to the investors on timely basis after due verification procedures.
- During the year, the Company did not receive any investor complaints. As a result, there were no issues to address or resolve, reflecting a period of smooth operations and satisfaction among investors.

Stakeholders' Engagement Policy, Process and Identification

The stakeholders' expectations are carefully understood by the Company and responded to as a responsible manufacturer, marketer, employer and corporate citizen. The engagement serves the purpose to actively engage with stakeholders, know their expectations, build a relationship with them and respond appropriately with the aim to win their loyalty with the Company. By engaging stakeholders effectively, Company can build trust, manage risks, enhance their reputation, and foster long-term sustainable relationships. This, in turn, can lead to better decision-making, improved performance, and the creation of shared value for both the Company and its stakeholders.

The engagement process starts with the identification of stakeholders. The Company defines stakeholders as those who are potentially affected by the Company's operations or who have an interest in or influence on the Company's business. Stakeholders are identified and then prioritized on the basis of nature of relationship, influence, responsibility, dependency proximity and willingness & ability to engage. Consultation is then carried out with the identified stakeholders to gain input on topics which are of interest to stakeholders or which can significantly affect us.

Stakeholders	Interests, Needs and Expectations	Engagement Methods	How We Respond
Government and regulatory bodies	• Generate economic growth through revenues, taxes and fees. • Provide fair and transparent competitive trading conditions.	• Regulatory reporting • Conferences • Dialogues	• Tax payments • Trade policy • Pollution control • Energy saving measures • Employment • Social and economic development
Dealers and consumers	• Provide innovative partnerships for sustainable growth • Provide quality products at good value • Prompt after sales service • Competitive prices	• Site visits • Questionnaires • Dealers related events • Sales conferences • Service and warranty centers • Website • B2B • Customer satisfaction survey	• Product quality and safety • Business ethics • Human rights • Renewable technology • Service at doorstep • Research
Associates	• Backbone of our success • A safe and best possible working environment • Active engagement with associates improves level of dedication and hard work.	• Meetings • Employee survey • Appraisal interviews • Training programs • Employee union • Employee newsletter • Key Result Areas (KRA)	• Worker health and safety • Job security • Working conditions • Career development • Remuneration and rewards
Suppliers, vendors and service providers	• Secure delivery of goods; and quality products and services • Meet responsible sourcing requirements • Provide fair access to business opportunities and appropriate payment conditions	• Dialogue • Regular engagement with local management on-site	• Operational excellence • Ethical business practices • Compliance of tax laws • On time payments
Shareholders / Investors / Analysts	• Generate sustainable growth and shareholders' return • Improve shareholders' capital • Improve financial performance • Support of shareholders is critical in achieving the Company objectives	• Statutory reporting • Meetings • Website • Corporate Briefing Sessions	• Corporate governance • Business performance • Corporate responsibility • Timely reporting
Local community and neighborhood	• Provide support for local economic development • Build trust with local communities	• Workshops • CSR • Internships and management trainee programs	• Community engagement processes • Environment pollution control • Job security • Social investment
Banks	• Negotiations of rates • Smooth trade facilities	• Meetings • Interim and annual reports • Financial analysis • Forecast and projections	• Better relationship • Minimal fees • Higher deposits • Higher number of operations / transactions • Suitable trade facilities
Media	• Raise awareness of products • Raise awareness of safety tips and operational use of products • Interaction with media improves the Company's brand image.	• Press releases • Website • Social media • TVC • Radio	• Industry challenges and developments • Healthy, safety and environmental issues
Industry partners	• Improve business practices • Build capacity within organization and drive peer approaches	• Active involvement in organizations and associations e.g. PSX, ICAP, MAP, etc.	• Long term industry challenges • Human rights • Health and safety

General Meeting of Shareholders

An Extraordinary General Meeting (EOGM) of shareholders elects the Members of the Board and the Board of Directors convenes the EOGM if they consider any matter requiring the approval of Company's shareholders in general meeting, or if the shareholders who control one tenth shareholding demand in writing for the consideration of a certain issue.

The Annual General Meeting (AGM) decides on, among other things, the adoption of the financial statements contained therein and the distribution of profits. In addition, the AGM decides the appointment of external auditors and their remuneration. The AGM, furthermore, may decide on, amendments to the Articles of Association, share issues, etc. as required by laws and regulations prevailing in the country.

Atlas Battery Limited's Annual General Meeting was held on September 30, 2023 in Karachi. The shareholders adopted inter alia the following resolutions:

Ordinary Business

- That the Minutes of Extraordinary General Meeting held on May 19, 2023 be and are hereby confirmed.
- That the Audited Annual Financial Statements for the year ended June 30, 2023 together with the Chairman's Review, Directors' and Auditors' Reports thereon be and are hereby adopted.
- That final cash dividend at the rate of 100% (Rs.10.00 per share) for the year ended June 30, 2023 be and is hereby approved for payment to those shareholders of the Company, whose names shall appear in the register of the members at the close of business on September 14, 2023. This is in addition to 225% (Rs.22.50 per share) interim cash dividend already paid.
- That the retiring Auditors M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants being eligible, be and are hereby re-appointed as Company's Auditors for the year ending June 30, 2024 as recommended by the Audit Committee and Board of Directors for an audit fee of Rs.1,950,000/-.

Special Business

- That the authorized capital of the Company be and is hereby increased from Rs.500,000,000/- (Rupees five hundred million only) to Rs.1,500,000,000/- (Rupees one billion five hundred million only) by creation of 100,000,000 (one hundred million) new ordinary shares of Rs.10/- each.
- That the Memorandum and Articles of Association of the Company be and are hereby altered by substituting the figures and words of Rs.500,000,000/- (Rupees five hundred million only) divided into 50,000,000 (fifty million) ordinary shares of Rs.10/- each appearing in Clause 5 of the Memorandum of Association and Article 8 of the Articles of Association with the words and figures of Rs.1,500,000,000/- (Rupees one billion five hundred million only) divided into 150,000,000 (one hundred fifty million) ordinary shares of Rs.10/- each.
- That the ordinary shares when issued shall carry equal voting rights and rank pari passu with the existing ordinary shares of the Company in all respect / matters in conformity with the provisions of the Companies Act, 2017.
- That the Article 132 of the Articles of Association of the Company be amended to read as under:

  132. When in their opinion the profits of the Company permit, the Directors may declare interim dividend as well as fully paid bonus shares.

  In lieu of;

  132. When in their opinion the profits of the Company permit, the Directors may declare interim dividend.
- That pursuant to compliance of S.R.O. 389(I)/2023 dated March 21, 2023, the Company may circulate the annual balance sheet, profit and loss account, auditors' report and directors' report etc. ("audited annual financial statements") to its members through QR enabled code and weblink instead of transmitting the same through CD / DVD / USB.

Issues Discussed in Last AGM

The overall performance of the Company including Company's growth, industry growth, capital expenditure incurred during the year, financial costs, future prospects, etc. were discussed by the shareholders.

Encouraging Minority Shareholders to Attend General Meetings

The Company values all shareholders equally and consider them an integral part of the Company. The Company sends the notice of general meetings to all shareholders in addition to the notice being published in Urdu and English newspapers. Further, to make attending general meetings more accessible, the Company offers the option of attending in person or remotely through virtual meeting platforms. This allows minority shareholders who are unable to attend physically to participate and contribute their views and opinions. The Company ensures that there is dedicated timeslot for questions and answers session in its general meetings so that the minority shareholders, in particular, can engage with the Board of Directors, and raise any queries that they may have with regards to the Company's performance. This encourages a healthy attendance from the minority shareholders in the Company's meetings.

Corporate Briefing Session

In compliance with PSX requirements, the Company conducted Corporate Briefing Session on October 19, 2023. The briefing was well attended by analysts, shareholders and potential investors. The Chief Financial Officer (CFO) of the Company presented financial results, analysis, future prospects and challenges. CFO and Company Secretary also discussed all the queries raised by participants at a great length.

For more details on corporate briefing session, please refer the presentation delivered during the meeting, placed on our website link: https://abl.atlas.pk/wp-content/uploads/2023/10/Atlas-Battery-CBS-19-10-2023.pdf

Corporate Benefits to Shareholders

Current year, shareholders benefited from significant value appreciation, with Company's stock price showing strong gains. Company also provided a robust dividend payout. These efforts demonstrate dedication to enhancing shareholder value and maintaining investor confidence.

2. Board of Directors

The Board's Responsibilities

The Board of Directors is responsible for the appropriate arrangement of the Company's administration and operations. The Board consists of minimum of seven members elected by a General Meeting of shareholders. The Board elects a Chairman among its members. The Board's tasks and responsibilities are determined primarily by the Companies Act, 2017, the Company's Articles of Association, the Code 2019 and other legislation and regulations applicable to the Company. It is the responsibility of the Board of Directors to act in the interests of the Company and all of its stakeholders.

The Board responsibilities include but are not limited to:

- devise overall corporate and business strategies and gives direction to the Company's management;
- oversee the performance of the management periodically;
- ensure that professional standards and corporate values are put in place in the form of Code of Conduct;
- define and review vision and mission of the Company and evaluate performance there against;
- ensure the system of corporate governance exist;
- review the internal controls and risk management policies and approve its governance structure and code of conduct;
- recommend the matters to be dealt with by a General Meeting and to ensure that the decisions made by a General Meeting are appropriately implemented;
- approve policies, large business agreements, investments decision and declaration of dividend, etc.;
- direct and supervise the Company's executive management;
- appoint and dismiss the CEO, decide CEO's remuneration and other benefits;
- monitor the financial reporting process and the efficiency and strength of the Company's internal control, internal auditing and risk management and compliance systems; and
- responsible for succession planning, ensuring a smooth transition of leadership within the Company. It identifies and develops potential successors for key positions, including CEO and other executive roles.

The Board discharges its responsibilities through their meetings including quarterly meetings which include approval of budgetary planning and business strategy. The Board has constituted various committees for the performance of their functions.

Decisions and matters taken by the Board and delegated to management for execution

The Board of Directors holds the ultimate authority within the Company and carries out its duties and responsibilities in line with relevant laws. The Directors' main role is to ensure that key management is working towards the Company's goals in a way that benefits both the Company and its shareholders.

The implementation of Board's approved strategies falls primarily to management. This responsibility encompasses routine business activities, including short-term investments, contractual agreements for sales and purchases, policy enforcement, treasury management, taxation matters, litigation, and stock management. Management must perform these tasks effectively and ethically, adhering to the strategic objectives and goals set by the Board, while also identifying and managing key risks and opportunities that may affect the Company.

Management is also tasked with keeping the Board informed about any changes in the business environment. Moreover, under the supervision of the Board and its Audit Committee, management is responsible for preparing financial statements that accurately reflect the Company's financial status in compliance with relevant accounting standards and legal requirements.

Composition of the Board of Directors

The General Meeting confirmed that the Board of Directors shall have seven members.

The profile of Members of the Board is presented in shareholder information part of this report.

Directors' Qualification

The Board members have diversified experience and are qualified professional. They are well conversant of the laws and business practices in Pakistan. They have ample experience from various sectors and brought in their expertise and knowledge to the Company. They are also well aware of the importance of mandatory trainings and evaluation as per the Code 2019.

Roles and Responsibilities of Chairman

The Chairman's role is primarily to guide long term strategic planning for the Company including:

- Presiding over the Board and ensuring that all relevant information has been made available to the Board;
- Defining the Company's philosophy and objectives;
- Safeguarding shareholders' interest in the Company;
- Responsible for building the Company's image nationally and globally;
- Ensuring the appropriate recording and circulation of the minutes of the meeting to the Directors and officers entitled to attend Board meetings;
- Major spokesman of the Company, responsible for liaison with the senior most levels of Federal and Provincial Governments;
- Overseeing the Company's macro approaches and public relations in the broad sense, including its relations with public organization and other companies; and
- Commitments and de-commitment of strategic investments.

Significant Commitments of the Chairman

Mr. Aamir H. Shirazi, Chairman Atlas Battery Limited is also Chairman of Honda Atlas Cars, Atlas Honda, Atlas Engineering and Atlas Autos. He also serves on the Boards of Shirazi Investments (Group Holding Company), Shirazi Trading and Murree Brewery. He is also member of the Board of Governors of Lahore University of Management Science and member Syndicate, University of Engineering & Technology, Lahore.

He has been serving the Honorary Consul General of Japan in Lahore and is the Patron-in-Chief of Pakistan Japan Cultural Association, Lahore.

Conflicts of Interest

Directors have a duty to avoid a situation in which they have or can have a direct or indirect interest which conflicts, with the interests of the Company. In this regard, the directors have undertaken that they will comply with the related provisions of the Companies Act, 2017, the Code 2019, and rules and regulations of SECP and stock exchange and Company's Code of Conduct.

Board's Performance Review

The evaluation of Board's role of oversight and its effectiveness is a continual process which is appraised by the Board itself. A detailed Board Evaluation Questionnaire has been formulated which is circulated amongst directors for their feedback every year and compiled results are presented in the Board meeting for review and appropriate action, thereon.

External Evaluation of the Board's Performance

The Company relies solely on its internal mechanisms to evaluate the Board's performance, choosing not to involve external experts.

Remuneration of the Board of Directors

The Board has an approved formal policy for remuneration of executive and non-executive directors. The remuneration is commensurate with their level of responsibility and expertise needed to govern the Company successfully and to encourage value addition by them.

The Company does not pay any remuneration to independent directors except fees for attending the meetings of the Board and its committees. Remuneration of executive and non-executive directors is approved by the Board, as recommended by the Human Resource and Remuneration Committee.

The remuneration of the Board members is approved by the Board itself. However, in accordance with the Code 2019, it is ensured that directors do not take part in deciding their own remuneration.

For information on remuneration of directors and CEO in 2023-24, please refer to the financial statements.

Retention of Board Meeting fees

Board meeting fees earned by the executive directors against their services as non executive directors in other companies are retained by them.

Formal Orientation at Directors' Induction

Every director upon joining is provided with an orientation presentation. CEO briefs new directors about the Company operation, industry dynamics, organization structure and other significant matters.

Security Clearance of Foreign Director

Every foreign Director who is on the Board of the Company is required to submit documents which are then submitted to Ministry of Interior for security clearance.

Board Meetings

There were five Board meetings held during the year. All of them were held inside Pakistan.

Independent Directors

Mr. Sanaullah Qureshi and Ms. Mehreen Amin are serving as independent Directors. They meet the criteria of independence as notified under Companies Act, 2017 and the Code 2019.

Representation of Female Director on the Board

The Company is fully compliant to the requirement of the Code 2019 to have at least one female member on Board.

Information related to Executive Director serving as Non-Executive Director in other Companies

In addition to being the Chief Executive of Atlas Battery Limited, Mr. Ali H. Shirazi holds Non-Executive Directorship on the Board of the twenty companies.

3. Chief Executive Officer (CEO)

The CEO handles the operational management of the Company in accordance with direction set by the Board. He is responsible to the Board of Directors for fulfilling the targets, plans and goals that the Board sets. The CEO is responsible for ensuring that the Company's accounting is in compliance with the law and that financial management has been arranged in a reliable manner. The CEO forms the Functional Committees and Management Teams and delegates to its members the necessary powers for carrying out their responsibilities.

The management team consists of the following functional heads:

- Marketing
- Plant
- Supply Chain
- Quality Assurance
- Engineering and Development
- Service and Business Development
- Human Resource
- Information Technology
- Finance

Roles and Responsibilities of CEO

The CEO is responsible for reporting the Company's performance to the Board of Directors. He is also responsible for all matters pertaining to the operations of the Company under direction of the Board of Directors. His responsibilities include:

- To plan, formulate and implement strategic policies;
- To build and maintain amicable relations with governmental departments, trade associations and regulatory bodies;
- To ensure the achievement of productivity and profitability targets and that the Company operates efficiently;
- To ensure that the chain of command in the Company is clear to facilitate the maintenance of discipline, the roles and duties of all managers clearly define their functions to ensure accountability;
- To ensure that necessary coordination exists between various divisions of the Company to achieve smooth and effective operations;
- To maintain a regular review of duties and functions of the staff to ensure that there is no duplication of efforts in office methods and procedures and that all operations are carried out efficiently and economically;
- To ensure that the Company's interest and assets are properly protected and maintained, and all the required government obligations are compiled with in a timely manner;
- To chalk out human resource policies for achieving high professional standards, overall progress / betterment of the Company as a whole;
- To ensure that proper succession planning for all level of hierarchy exist in the Company and is constantly updated;
- To pay all government dues, on or before due date and obtain all refunds due form the government;
- To prepare and present personally to the Board of Directors following reports / details:
  - annual business plan, cash flow projections, forecasts and strategic plan;
  - budgets including capital, manpower and overhead budgets, along with variance analyses;
  - quarterly operating results of the Company as a whole and in terms of its operating divisions or business segments;
  - promulgation or amendment to a law, rule or regulation, enforcement of an accounting standard and such other matters as may affect the company;
  - Reviewing performance against budgets / targets, revenue and capital expenditure, profits, administration, commercial, personnel and other matters of importance to the Company;
- To ensure that open and progressive atmosphere is created among associates giving them a sense of participation and providing them with an opportunity to give their best;
- To ensure that every associate is treated equally as an individual regardless of his designation; career development is on merit basis and each associate is helped to develop his performance through continuous study and training so as to form a team in which all levels of associates work together with common goals to strengthen the position of the Company;
- To ensure welfare and training of the staff in accordance with the Company's policy and government regulations which are applicable from time to time;
- To maintain close liaison with the government, customers, suppliers and sales offices;
- To ensure proper functioning of the Management Committee of the Company of which he is the Chairman;
- To be responsible for publicity of the Company's products consistent with the Company's image and with a view to maximizing sales; and
- To ensure that the Company operates with minimum staffing and paperwork.

CEO Performance Review

The performance of the CEO is formally appraised through the evaluation system which is based on achieving quantitative and qualitative targets, set at beginning of the year. It includes performance of the business, accomplishment of objectives with reference to profits, organization building, succession planning and corporate success. The Human Resource and Remuneration Committee appraise the performance of CEO along with the determination of remuneration which is then recommended to Board for their approval, on annual basis.

4. Committees of the Board

To ensure objective control, the Board has established Audit Committee and, Human Resource and Remuneration Committee to oversee relevant areas of the Company's operations.

Audit Committee

This Committee reviews the financial and internal reporting process, the system of internal controls, management of risks and the internal and external audit processes. An independent internal audit function reports to the Committee regarding risks and internal controls across the organization. The Audit Committee receives reports from external auditors on any accounting matter that might be regarded as critical. The Committee consists of three members. All members of the Committee are non-executive directors. The Chairman of the Committee is an independent director.

The detailed Charter of the Audit Committee is developed in accordance with the Code 2019 as contained in the listing regulations of the stock exchange which is summarize below:

(a) determination of appropriate measures to safeguard the Company's assets;
(b) review of quarterly, half yearly and annual financial statements of the Company, prior to their approval by the Board of Directors;
(c) review of preliminary announcements of results prior to publication;
(d) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
(e) review of management letter issued by external auditors and management's response thereto;
(f) ensuring coordination between the internal and external auditors of the Company;
(g) review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
(h) consideration of major findings of internal investigations and management's response thereto;
(i) ascertaining that the internal control systems including financial and operational controls, accounting systems and the reporting structure are adequate and effective;
(j) review of the Company's statement on internal control systems prior to endorsement by the Board of Directors;
(k) instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;
(l) determination of compliance with relevant statutory requirements;
(m) monitoring compliance with the best practices of corporate governance and identification of significant violations thereof;
(n) oversight of risk management; and
(o) consideration of any other issue or matter as may be assigned by the Board of Directors..

The Audit Committee has reviewed the quarterly, half yearly and annual financial statements, besides the internal audit plan, material audit findings and recommendations of the internal auditor.

Report of the Audit Committee is annexed with this report.

Human Resource and Remuneration Committee

Human Resource and Remuneration Committee was established by the Board to assist the Directors in discharging their responsibilities with regard to selection, evaluation, compensation and succession planning of key management personnel. It is also involved in recommending improvements in Company's human resource policies and procedures and their periodic review. The Committee consists of three members, of whom one is executive and two are non-executive directors. The Chairman of the Committee is an independent director.

The Committee is responsible for:

- carry out annual evaluation of the Board of Directors performance;
- recommending human resource management and remuneration policies to the Board;
- recommending to the Board the selection, evaluation, compensation and succession planning of the CEO;
- recommending to the Board the selection, evaluation, compensation of COO, CFO, Company Secretary and Head of Internal Audit; and
- consideration and approval on recommendations of CEO on such matters for key management positions, who report directly to CEO.

5. Auditors

The Company's auditor is an auditing firm which fulfills general competency requirements and also complies with relevant legal independence requirements guaranteeing the execution of an independent and reliable audit. They are also compliant with the Code 2019 and other applicable laws and regulations. The performance, cost and independence of the external auditor is reviewed by the Audit Committee and recommended to the Board. The auditor is elected in Annual General Meeting to audit the accounts for the financial year and the auditor's duties ceases at the close of the subsequent Annual General Meeting. The auditor's duty is to audit financial statements and give reasonable assurance that the financial statements give a true and fair view of the Company's operations and result as well as its financial position. The Company's auditor presents the audit report required by law to the Company's shareholders in connection with the annual financial statements and reports regularly to the Board of Directors.

6. Compliance and Integrity Management

All directors and associates are required to comply with all applicable laws and regulations.

Governance of Risk and Internal Controls

The Company has various policies pertaining to governance of risk and internal controls, approved by the Board of directors / group. These include but not limited to related party transactions, gender diversity, whistle blowing, credit policy to dealers, IT governance policy and cyber security, etc. Such policies are implemented rigorously to ensure smooth business operations at all levels.

Code of Conduct

The Code emphasizes on honesty, integrity and openness in conduct of Company's operations. It strictly abides all stakeholders to follow the laws and regulations. It also promotes guidelines on various ethical standards including issues such as conflicts of interests, employee rights and grievance, fraud, etc. The Code guides interactions with all stakeholders, including consumers, employees, suppliers, shareholders and partners.

The Code is disseminated to all associates and is placed on Company's website. It is reviewed annually and any changes therein are approved by the Board.

The Company investigates all alleged breaches of Code and applies appropriate measures when complaints turn out to be substantiated. An open dialogue is promoted on integrity with a formal "Whistle Blowing Policy". The associates of the Company are encouraged to report their views on bad processes and unethical practices through such policy. These mechanisms are part of the complaints procedure and are described in our Code of Conduct. During the year, no alleged breaches of the Code of Conduct were reported.

IT Governance Policy and Cybersecurity

- Board Responsibility Statement on the Evaluation and Enforcement of Legal and Regulatory Implications of Cyber Risks

Information Technology (IT) governance is an integral part of corporate governance framework to ensure the alignment of IT strategy with business strategy, optimization of IT resources, IT value delivery and performance measurement to achieve business objectives and effective IT risk management implementation.

The Board of Directors acknowledges its responsibility to evaluate and enforce the legal and regulatory implications of cyber risks. It actively monitors and deals with any changes in laws and regulations related to cyber security including Copyright Ordinance, 1962 and Prevention of Electronic Crimes Act, 2016.

In the event of any breaches or significant risks, the Board assumes the responsibility of ensuring appropriate actions are taken, in line with legal and regulatory requirements, to address and manage the situation effectively. During the year, there were no cyber security breaches.

- IT Governance and Cybersecurity Programs

The Company maintains robust IT governance and cybersecurity programs, policies, and procedures which are approved by the Group, to safeguard its information assets and mitigate cyber threats. These programs are designed to align with industry-specific cybersecurity requirements and best practices. The Company regularly evaluates and updates these programs to address emerging risks and technological advancements. Our cybersecurity strategy encompasses proactive measures to anticipate, withstand, detect, and respond to cyber attacks, adhering to international standards and industry best practices.

- Oversight of IT Governance and Cybersecurity Matters by a Board-Level Committee

The Board of Directors through the Audit Committee oversees the level of acceptable IT risks and relevant controls which management exercises to put risks below the specified thresholds. An IT Steering Committee has been formulated from management with members from different functions of the Company. The Committee meets quarterly and provides advice and assistance to management in implementing IT strategy of the Company which includes Cyber Security Management. The Committee reports its findings to Audit Committee on regular intervals.

- Early Warning System for Cybersecurity Risks and Incidents

The Company has implemented a robust early warning system that enables the identification, assessment, and timely communication of cybersecurity risks and incidents to the Board. This system facilitates preemptive monitoring and detection of potential threats, enabling prompt responses and appropriate disclosures. It includes mechanisms for continuous monitoring of IT infrastructure, regular security assessments, threat intelligence sharing, and incident reporting protocols

- Independent Comprehensive Security Assessment and Third-Party Risks

The Company has a policy in place that mandates independent comprehensive security assessments of its technology environment, including evaluating third-party risks. These assessments are conducted periodically by external experts to evaluate the effectiveness of the Company's security controls, identify vulnerabilities, and recommend improvements.

- Resilient Contingency and Disaster Recovery Plan

The Company has developed and maintains a resilient contingency and disaster recovery plan to effectively respond to potential IT failures or cyber breaches. This plan outlines the strategies, processes, and resources required to mitigate the impact of disruptions and quickly restore critical systems and operations.

- Advancement in Digital Transformation

The Company has embraced digital transformation such as Cloud Computing (HCM), to enhance transparency, reporting, and governance. These technologies have been strategically implemented to optimize operational efficiency, streamline processes, enhance data security, and enable data-driven decision-making. They have contributed to improve agility, scalability and innovation across various aspects of the organization.

- Education and Training Efforts to Mitigate Cybersecurity Risks

The Company recognizes the critical role of education and training in mitigating cybersecurity risks. It implements comprehensive programs to educate employees about cyber threats, promote cybersecurity awareness, and provide guidance on safe computing practices. Regular training sessions, workshops and awareness emails are conducted / disseminated to equip employees with the necessary knowledge and skills to identify and respond to cybersecurity risks. These efforts inculcate significance of cybersecurity throughout the organization.

- IT related Business Continuity Planning

In view of critical risks such as suspension of critical operations due to natural disasters, cyber attacks and other contingencies, the Company realizes the need to have an effective Business Continuity Plan (BCP) in place. BCP is a comprehensive framework that defines how the Company needs to respond to and recover from business disruptions in case of a disaster, enabling the Company to continue to support constituents and stakeholders alike.

- Disaster Recovery Plan

This includes scenario analysis to identify and address various types of contingency scenarios, which may be caused by system faults, hardware malfunction, operating errors or security incidents and total incapacitation of the primary data center. It also includes implementation of replication, rapid backup and recovery capabilities at the individual system or application level. The Company has deployed both on-site and off-site backup facilities to enable the restoration of critical systems and resumption of business operations in case of disruption at the primary site.

- Trainings

Timely and adequate trainings are provided to IT staff and other staff of IT Governance, cyber security threats and precautions.

Records Retention and Safety Policy

The Company is striving to become paperless in coming years through digitalization of records. The Company has an efficient Record Management System to safeguard records of the Company from the time such records are conceived through to their eventual disposal.

A team known as Record Management Committee is made specifically for the purpose of implementation of record management policy.

The policy covers several aspects which include:

- Having Centralized Record Room with proper shelves, fire resistant lockers, etc.;
- Full time dedicated record keeper who is responsible to maintain Centralized Record Room in proper manner;
- Centralized electronics record facility;
- Retention of electronic mail policy;
- Compliance on Records Retention Policy;
- Records retention period;
- Mode of retention; and
- Records disposal.

Whistle Blowing Policy

The Company values an open dialog on integrity and responsibility with its associates. The Company is committed to provide a fair environment to its employees. The Company investigates all alleged breaches of Code of Conduct and applies appropriate measures when complaints turn out to be substantiated. The associates of the Company are encouraged to report their views on processes and practices to their manager. These reporting mechanisms are part of the complaints procedure and are described in our Code of Conduct.

This policy applies to recruitment and selection, terms and conditions of employment including pay and benefits, communications, training, promotion, transfer and every other aspect of employment.

Violations reported through the whistle blower procedure are investigated by internal audit function. Information regarding any incident is reported to the Audit Committee. Reports include measures taken, details of the responsible Company function and the status of any investigation. During the year, no alleged breaches of the Code of Conduct were reported.

Business Ethics and Anti-Corruption Measures

Our Code of Conduct states our principles for good business ethics with underlying values to conduct business operations with honesty, integrity and openness, and with respect for human rights and interest of the associates. The Company's Code of Conduct promotes guidelines on various ethical standards including issues such as conflicts of interests, employee rights, fraud, etc.

All forms of corruption whether directly or indirectly are discouraged that include but not limited to bribery, kickbacks, payoff, etc. Stern action is taken against personnel found in these mal-practices. It is the responsibility of all associates to ensure that they are not engaged in practices which infringe legal or regulatory requirements. Any associate engaging in business practices which infringe legal or regulatory requirements are subjected to disciplinary action which may lead to dismissal and personal criminal or civil liability.
The associates are encouraged to report any infringement or suspected infringement of legal or regulatory requirements involving associates of the Company.

Related Parties

Related parties comprise of the Holding Company, Associated Companies, directors of the Company, companies in which directors are interested, key management personnel, post employment benefit plans and close members of the families of the directors and key management personnel.

The Company has an updated list of related parties and complete record as required by Companies Act, 2017 and directives issued by SECP from time to time.

Transactions with the related parties are conducted on the basis approved by the Board of Directors. Any related party transaction where majority of the directors are interested, shall be referred to the shareholders in a general meeting for ratification / approval. If a related party transaction takes place other than on an arm's length basis, such transaction shall be approved by the Board on the recommendation of the Audit Committee, subject to the reasons to be properly recorded in minutes.

Dividend Policy

The Company distributes dividend in accordance with the provisions of Companies Act, 2017, Companies (Distribution of Dividend) Regulations, 2017 and other instructions issued by the SECP and PSX from time to time.

The Company distributes final cash dividend within ten working days from the date of declaration in AGM. However, interim cash dividend duly approved by the board is paid within ten working days from the date of start of book closure.

Cash dividends are paid through electronic mode directly into the bank account designated by the entitled shareholders whose names appear in the register of shareholder at the date of book closure.

Details of dividend distributed during the year and last year is mentioned in the Director's Report.

Disclosure of Directors Interest in Significant Contracts and Arrangements

Directors are required to disclose, at the time of appointment and on an annual basis, the directorships or memberships they hold in other corporate bodies. This is in pursuance with Section 205 of the Companies Act, 2017, which also requires Directors to disclose all material interests. We use this information to help us maintain an updated list of

related parties. Any conflict of interest relating to members of Board of Directors is managed as per provisions of the Companies Act, 2017 and rules and regulations of SECP and Pakistan Stock Exchange.

All the directors are bound by applicable laws and regulations to disclose their interest in significant contracts and arrangements with the Company.

Governance Practices Exceeding Legal Requirements

The Company is dedicated to implement best practices towards governance exceeding legal requirements which includes following:

- Best reporting practices recommended by ICAP / ICMAP;
- Adaptation of Pakistan Stock Exchange Top 25 Companies Criteria; and
- Implementation of strict HSE practices to attain international certifications such as ISO, OHSAS, EME, etc.

Unreserved Compliance of IFRS issued by IASB

Company's financial statement s have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standard comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

External Specialist

During the year, the Company's ISO audit was successfully conducted by external consultant.

Board commitment to establish high level of ethics and compliance in the Company

Board is committed to upholding the highest standards of ethics and compliance across all levels of the Company. It prioritizes integrity, transparency, and accountability in our operations, ensuring that ethical practices are embedded in our corporate culture and decision-making processes.

Factors Affecting External Environment (Risk and Oppurtinity Report)

As required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Code 2019) the Board has implemented and reviewed business risks to ensure that the management maintains a sound system of risk identification, risk management and related systemic and internal controls to safeguard assets, resources, reputation and interest of the Company and shareholders.

Risk Management Framework

At Atlas Battery Limited (the Company), our Risk Management Framework is a cornerstone of our strategic operations, designed to identify, assess, prioritize, and mitigate risks and uncertainties that could impact our objectives, operations, or financial performance. The key components of our comprehensive Risk Management Framework include:

1. Identifying and Evaluating Risks

- Recognizing the fundamental risks and uncertainties confronting the Company, including strategic, operational, financial, regulatory, technological, and other relevant risks.
- Compiling an exhaustive inventory of potential risks, organizing them by their characteristics and consequences.

2. Risk Methodology

- Assessing the probability and potential consequences of identified risks to rank them according to their importance.
- Examining potential upcoming scenarios that encompass different risk outcomes to enhance comprehension of the spectrum of potential effects.

3. Risk Appetite and Tolerance

- Establishing the extent of risk, the Company is prepared to undertake in pursuit of its goals, often articulated through financial limits, strategic aspirations, or relevant benchmarks.
- Clearly outlining the permissible deviation from the Company's risk tolerance to guide decision-making when choices are influenced by risk.

4. Risk Mitigation and Response

- Formulating robust strategies to handle and alleviate recognized risks, including evading, transferring, mitigating, or accepting risks.
- Executing controls, methods and protocols to decrease the probability or repercussions of risks and consistently assessing and enhancing these measures.

5. Monitoring and Reporting

- Track key risk indicators and communicate risk status and mitigation efforts to stakeholders.
- Creating a process to elevate high-impact or unforeseen risks to senior management or the Board for prompt intervention.

6. Continuous Improvement

- Continuously improving the risk management framework in light of international best practices and regulatory guidelines.
- Regularly reviewing all policies and procedures that form part of the Company's risk management framework, followed by steps for improvement to align with changing market dynamics, regulatory environment, and international standards.
- Ensuring an effective risk management framework along with a robust risk governance structure, policies, and procedures to proactively identify, assess, and manage risks in alignment with the company's objectives and risk appetite

Efforts by the Board for Risk Tolerance

The Company's Board is responsible for providing strategic oversight and is also responsible for ensuring that sound risk management and internal control system is in place. The Company has enough expertise to ensure that an appropriate control environment is established and maintained covering the Company's operations, strategy, finances, reporting and compliance activities. Internal and external auditors also play their roles with respect to risk management. These risks include strategic, operational and financial failures, market disruptions, environmental disasters and regulatory violations.

Risk Categories	Risk Description
Strategic Risks	These risks are related to the business environment including the industry and are beyond Company's control.
Commercial Risks	These risks emanate from commercial substance of the organization and involve decisions which may affect Company's position in the market.
Operational Risks	These risks are related to Company's internal operations, administrative procedures and daily affairs.
Financial Risks	These risks are related with financial matters including profitability, financing, liquidity and credit.

Key Sources of Uncertainty

- Increasing commodities prices may impact raw materials and other input costs.
- Extending credit to the customers.
- Widening gap of trade balance and increase current account deficit.
- Inflation prevailing in the country and budgeted for the upcoming years.
- Pak Rupee parity against foreign currencies.
- Interest rate fluctuations.
- Stock market fluctuations.
- Political uncertainty, and law and order situation may affect business volume.
- Energy supply in country.

Specific Steps to Mitigate or Manage Key Risks

We provide a concise yet comprehensive overview of the specific steps the Company is undertaking to effectively mitigate key risks and capitalize on key opportunities. This includes detailed attention to associated components and strategic initiatives tailored to our industry's unique challenges.

Together, we navigate the complexities of risk, ensuring our continued resilience and success in an ever-evolving landscape.

The following report covers Company's risk assessment; identified risks; adopted mitigating factors and actions in place, duly endorsed by the Board of Directors.

High		Risks that are highly likely to occur and could materially impact Company's ability to reach its business objectives
Medium		Risks that remain at tolerable levels but could impact the business unless monitored and managed
Low		Risks that unlikely to materialize and unlikely to materiality impact Company's business

EXTERNAL SOURCES:

Objectives	Major Business Risks	S.NO	Risk Category	Form of Capital	Sens-tivity	Mitigating Factors / Actions in Place	Opportunities
Market To be market leader in battery industry	Continued inflation reducing customer purchasing power.	1	Strategic	Intellectual Capital and Financial Capital		The Company mitigates the risk through continu-ous cost down activities.	Cost controls with efficient produc-tion to make available right price products.
	Variation in raw materials and other input costs led by oil prices causing uncertainty.	2	Commercial			The Company mitigates the risk through multiple resourcing and advance booking options.	Exploration of hedging and forward booking options.
Catastrophic To minimize catastrophic risk and loss of assets	The financial loss to the Company if a natural disaster causes disruption of operations	3	Financial	Financial Capital		The Company has a IT related Business Continuity Plan and Disaster Recovery Plan in place to ensure that minimum disrup-tions occur due to unforeseen disasters.	It enables the organization to have strong risk management policies in place.
Credit Risk To minimize credit risk	The financial loss to the Company if a customer fails to meet its contrac-tual obligation arising from trade receivables.	4	Financial	Financial Capital		In certain situations, the Company extends credit after due consideration of factors which includes market sentiments, seasonal effects, etc. A comprehen-sive credit policy is already in place.	Identification of high risk clients and take preemptive actions.
Socio-Political Situation To operate in a stable market with least volatility and low occurrence of unforeseen variables	Evolving regulatory landscape and compliance with new laws and regulations is a challenge.	5	Commercial	Financial Capital, Human Capital and Intellectual Capital		A team of qualified and experienced professional in the management team ensures compliance with all laws, rules and regulations.	It enables smooth operations and operate in a stable market with least volatility.
	Political uncertainty may affect business volume.	6	Commercial	Financial Capital, Human Capital and Intellectual Capital		The Company continues to closely monitor political and macroeconomic conditions. Further, in order to avoid, risk of disruptions, we have a strong supplier base and multiple avenues for selling our products.	It enables the organization to have strong risk management policies in place.
Technology To evolve technologically in order to manufac-ture products of high quality	Technology shift may render production process obsolete and cost inefficient.	7	Operational	Intellectual Capital and Human Capital		Constant process of balancing, modernization and up gradation of production facilities.	Identification of obsolete technology for timely investment to bring in new products.

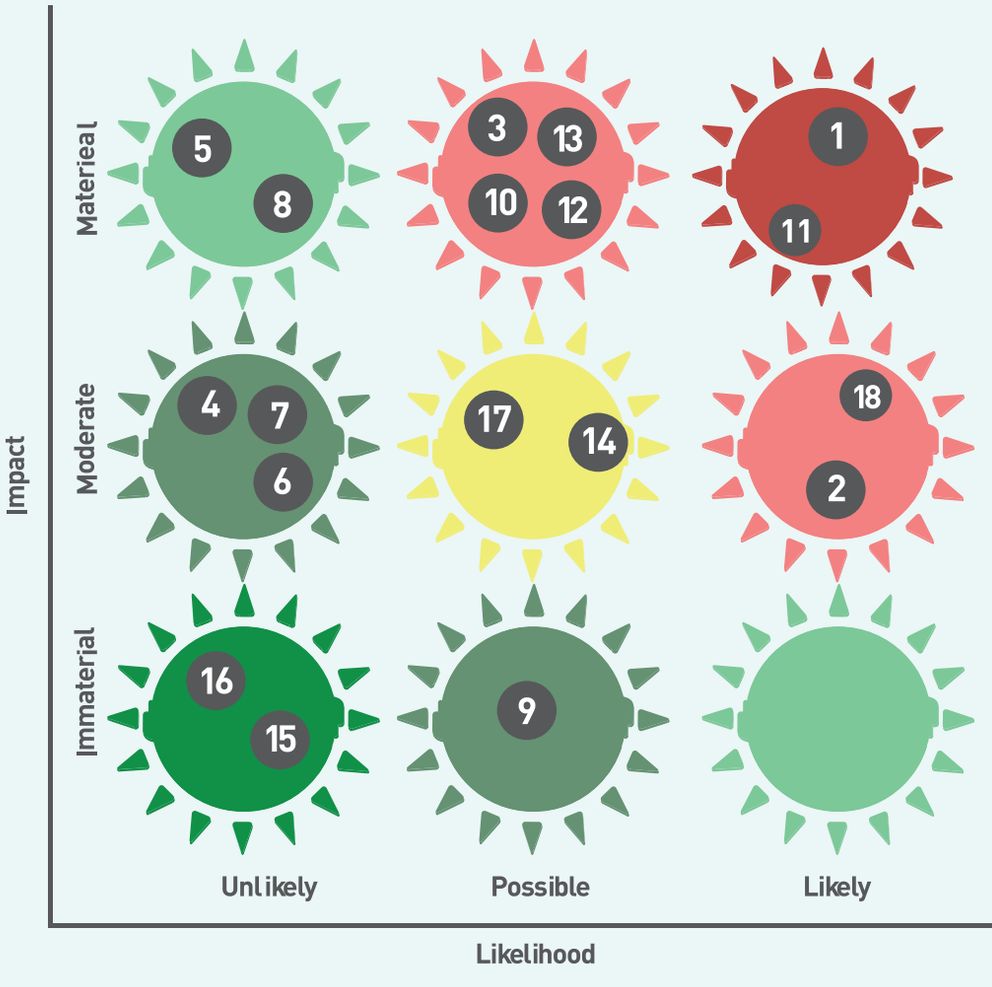
Objectives	Major Business Risks	S.NO	Risk Category	Form of Capital	Sens-tivity	Mitigating Factors / Actions in Place	Opportunities
Operations To ensure continuity of operations without disruptions in production and minimize idle time	The on-going energy crisis may affect operational targets Machinery breakdown / stoppages adversely affect the profitability of the entity as it hinders production and delays operations	8	Operational	Social Capital and Financial Capital		The Company has developed alternate source of energy to cater any production loss. To avoid such stoppages, a maintenance department has been established which runs a number of operational checks to ensure smooth operations and avoid breakdowns.	Development of alternate source helps to bring down cost of overheads and carbon footprint.
	Vendors' operational / financial constraints and their deteriorating quality standards.	9	Operational	Social Capital and Intellectual Capital		The Company continuously monitors operational, quality and operational capabilities.	It enables the organization to have strong risk management policies in place.
	Disruptions due to data loss from operational failures or natural disasters.	10	Operational	Intellectual Capital		An IT related business continuity plan is in place for ensuring efficient recovery of information systems for successful resumption of business functions.	It enables the Company to have an evolving Business Continuity Plan.
Finance To be financially strong and perform up to the expectations of all stakeholders	Devaluation of Pak Rupee against foreign currencies and rising interest rates may adversely affect Company's financial performance.	11	Financial	Financial Capital		Foreign currency exposure and financing facilities are monitored through a dedicated team of professionals who continuously explore ways and means to reduce the exposure.	It ensures that the organization has appropriate hedging measures in place.
	Increase production capacity leading to high material and supplies' orders and costs making liquidity and cash flows stressed.	12	Financial	Financial Capital		Liquidity is monitored by the Treasury department in coordination with Supply Chain division. To support working capital needs, sufficient borrowing lines are in place.	It enables the organization to effectively manage its cash flows.
Legislative and Legal Environment To operate in a stable market being compliant with all relevant laws of the country and international regulations	Continuous changes in the regulatory framework and statutory obligations may result in non-compliance.	13	Strategic	Financial Capital		Management proactively follows the changes, occurring in the regulatory framework relating to the battery sector.	Demonstrating strong compliance measures can differentiate a business from its competitors. It can enhance reputation, build trust with stakeholders, and attract customers who prioritize ethical and compliant business practices.

INTERNAL SOURCES:

Objectives	Major Business Risks	S.NO	Risk Category	Form of Capital	Sens-tivity	Mitigating Factors / Actions in Place	Opportunities
Internal Controls To have strong internal controls leading to sound and stable Company	The Company may be exposed to financial irregularities resulting in qualitative and quantitative losses in the absence of effective internal controls.	14	Operational	Financial Capital		Internal controls covering areas of governance, management, policies and procedures, compliance with laws and regulations, etc. are in place. There is an Internal Audit department which continuously monitors the compliance of internal controls.	An effective Internal Audit enables us to identify current and future risks in advance.
Human Resource Recruitment and career advance-ment based on integrity, merit, experience and skills	Qualified and competent staff may not be available in sufficient numbers.	15	Operational	Human Capital		Well-structured procedures for recruitment, training, compen-sation, periodic appraisals and succession planning have been implemented to ensure staff retention and continued operation.	Hiring competent staff helps us to generate ideas and strategies which become our critical success factors.
To have an adequate reserve of trained professionals excelling in their respective domains	Loss of the qualified and competent associates.	16	Operational	Human Capital		Succession planning and capacity building of existing resources are one of the primary focus of the Company	Developing the human resources is engraved in the Company's mission statement and long term objectives. By conducting extensive trainings and through its development program, the human resources add value to the Company with their professional ability, caliber & integrity.

Objectives	Major Business Risks	S.NO	Risk Category	Form of Capital	Sens-tivity	Mitigating Factors / Actions in Place	Opportunities
Sustainability / HSE To ensure health and safety of associates at workplace	Injuries due to workplace accidents.	17	Operational	Human Capital		Safety is top priority and an effective working environment is enforced. Medical and health insurance policies are in place for all associates. Adequate trainings are provided to associates along with drills conducted.	Creating a safe and healthy working environ-ment increases motivation and productivity of workforce.
To ensure compliance with regulatory requirements	Increased regulatory pressure and compliance costs related to environmental and social sustainability	18	Operational	Natural Capital and Social Capital		The Company has established a dedicated HSE section to ensure compliance. The Company implements rigorous environmental and social impact assessments and mitigation strategies to minimize adverse effects.	Proactive sustainability practices can lead to enhanced brand reputation and new market opportunities.

The Potential Impact and Likelihood of Our Key Risks



For KPIs against objectives, please refer Strategic Objective section of this annual report.

Risk of supply chain disruption due to an environmental, social or governance incident and company's strategy for monitoring and mitigating these risks

The Company acknowledges the potential risk of supply chain disruption stemming from environmental, social, or governance (ESG) incidents. We recognize that such incidents can adversely impact our operations and disrupt the flow of goods and services critical to our business. To address these risks, we have adopted a comprehensive strategy for monitoring and mitigating these potential disruptions.

Environmental Risk

We diligently scrutinize our suppliers' environmental practices and sustainability initiatives. This entails verifying their compliance with pertinent environmental regulations, where applicable. By engaging with environmentally conscientious suppliers, we strive to mitigate the risk of disruptions stemming from environmental incidents.

Social Risk:

We prioritize suppliers who uphold fair labor practices and human rights standards. We conduct regular assessments to ensure compliance with ethical labor practices, health and safety regulations. This strategy enables us to mitigate the risk of supply chain disruptions caused by social issues.

Governance Risk:

Beyond internal evaluations, Company also scrutinize their suppliers' governance structures. This involves assessing suppliers' corporate governance practices, including their transparency, integrity, and adherence to ethical standards. Suppliers with strong governance frameworks are prioritized to minimize the risk of disruptions caused by governance related issues.

Mitigation Strategy

Our mitigation strategy is grounded in diversification and proactive management. We reduce our reliance on any single supplier by broadening our supplier base, thereby minimizing the impact of disruptions from any one source. In addition, we maintain robust contingency plans that outline the precise steps to address potential supply chain disruptions. These plans are regularly reviewed and updated to address emerging risks and align with evolving challenges.

Continuous improvement is central to our strategy. We diligently review and refine our supply chain monitoring and mitigation practices based on emerging risks, industry best practices, and stakeholder feedback. By addressing environmental, social, and governance risks, we are committed to sustaining a resilient supply chain that supports our long-term success and operational excellence.

ENVIRONMENTAL ANALYSIS - PESTEL

Political

- Unstable political conditions
- Relationships with neighboring countries is deteriorating

Economical

- Low economic growth
- Contraction in automobile sector
- Foreign exchange rates' volatility
- High interest rates
- Inflationary pressures
- Stabilizing trade deficit at the cost of economic activities
- FBR aggressively targets documented economy only

Social

- Large consumer base of products
- Surge in demand for automobiles and alternate energy sources
- Improved law and order situation

Technological

- Technological obsolescence and its advancements. Maintenance free batteries for vehicles, motorcycles and deep cycle / tubular batteries for solar panels / system and UPS will take over in due course
- European Union's standardized battery dimensions adopted by OEMs

Environmental

- Utilities and lead emissions management through HSE infrastructure

Legal

- Government measures for documentation of economy will bode well for complaint tax payers

Organization's Response

While coping with the negative macroeconomic indicators, the Company is striving to achieve sustainable and scalable growth through increased market penetration and expansion in untapped markets. Further, the Company will continue to explore new avenues f or exports. In order to mitigate the impact of rising costs due to inflation and surging interest and exchange rates, curbing costs while maintaining high quality of product will remain the focus of the Company.

SWOT ANALYSIS



Strengths

- Visionary Board of Directors
- Support of Atlas Group
- Technical Collaboration (TC) and Joint Venture (JV) with GYIN (associated company of GS Yuasa)
- Quality leader in domestic market
- Market leader in AMB and MCB OEMs



Weaknesses

- Wastage and claims are higher than International Standards
- High product price
- 5 S need more focus
- Benefit from market leadership in motorcycle OEM segment not fully capitalized in replacement market



Strategies

- De-commoditize the commodity
- Product Innovation: Product line for energy storage
- Utilize GYIN for process improvement and automation
- Reduce wastage and claims as per international standards
- Efficient procurement resourcing
- Decisive cost cutting measures to reduce the break-even point
- Market leader through focusing volumes and nation-wide exclusive network
- Create barrier to entry through environmentally compliant plants
- Retain skilled workforce



Opportunities

- Power crises / solarization equals, demand for energy storage batteries will prevail
- Need of MF battery is emerging; focus will be on its capitalization
- Strong financial performance
- Study new technologies for products and processes
- Oracle EBS provide platform for introducing industry best practices
- Technology support from GYIN to be fully capitalized
- OEM now demanding MF
- 3Ds: Digital, Data, Direct
- Export avenues



Threats

- Significant devaluation and inflation adding to cost pressures
- Increased competition due to surplus industry capacity
- Volatile lead prices
- Influx of cheap imported batteries through Afghan Transit Trade
- Reduction in present import duty (50%) on finished batteries
- Suspension of business operation of lead smelters due to non compliance of environmental laws
- Withdrawal of SROs on import of raw materials at zero rate

COMPETITIVE LANDSCAPE AND MARKET POSITIONING



Threat of New Entrants

- Chinese manufacturers may consider manufacturing in Pakistan as part of CPEC / sanctions.



Bargaining Power of Customers

- Wide array of products with perceived quality at par.
- Surplus industry capacity.



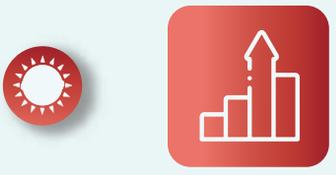
Threat of Substitute Products & Services

- Substitutes available at lower prices e.g. re-plated batteries.
- Alternative energy storage technologies or lithium-ion batteries can potentially replace traditional batteries.



Bargaining Power of Suppliers

- Possible disruption of industry through technological changes in battery storage.
- Volatile lead prices.
- Limited suppliers of lead.
- Limited availability or controlled supply of materials can impact prices and profitability.



Competitive Intensity of Competitive Rivalry

- Large number of competitors in the market with diverse range of products at competitive pricing.
- Credit terms offered by all market participants.

Report of the Audit Committee

The Audit Committee comprises of 3 non-executive directors and Chairman of the Committee is an independent director. The Audit Committee consists of financially literate personnel as required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Code 2019"). The Audit Committee reports the following after an annual review of the Company's operations:

- Four meetings of the Audit Committee were held during the year 2023-24 and Chairman Audit Committee presided three meetings while one meeting was presided by member of the Audit Committee, attendance of which is as follows:

Sr. No.	Name of Directors	Independent Director	Executive Director	Attendance
1.	Mr. Sanaullah Qureshi	Yes	No	3/4
2.	Mr. Bashir Makki	No	No	4/4
3.	Mr. Fahd K. Chinoy	No	No	4/4

As required by the Code 2019, Audit Committee also separately met with external auditors without the representation of management. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) attended all the meetings held during the year, by invitation.

- The Audit Committee appointed a secretary of the Committee who is Head of Internal Audit. The secretary circulated the minutes of meetings of the Audit Committee to all members, directors, CEO and CFO prior to the next meeting of the Board.
- The Audit Committee reviewed quarterly, half yearly and annual financial statements of the Company and recommended to the Board for approval.
- The Audit Committee reviewed preliminary announcements of results prior to publication.
- The Audit Committee reviewed the internal audit reports.
- The Company's Code of Conduct has been disseminated and placed on Company's website.
- Appropriate accounting policies have been consistently applied. All core and other applicable International Accounting Standards were followed in preparation of financial statements of the Company on a going concern basis, for the financial year ended June 30, 2024 which present fairly the state of affairs, results of operations, changes in equity and cash flows of the Company.
- The CEO and the CFO have endorsed the financial statements of the Company before presented to the Audit Committee and Board of Directors. They acknowledge their responsibility for true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and design and effectiveness of internal control system of the Company.
- Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholders' needs.
- The Audit Committee has reviewed the related party transactions and recommended to the Board for approval.
- The Company's system of internal controls is designed to mitigate and eliminate the risk of not achieving business objectives, and can provide reasonable assurance against material misstatement or loss.
- Closed periods were duly determined and announced by the Company, precluding the Directors, the CEO and Executives of the Company from dealing in Company's shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.
- Ascertained that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective.
- The appraisal of Head of Internal Audit was jointly done by the Chairman of the Audit Committee and CEO.

- None of the staff and management has reported to the Committee concerns during the year about impropriety in financial and other matters.
- The Annual Report is fair, balance and understandable and provides Company's performance and strategy to shareholders.
- Evaluation of the Board performance which also included members of the Audit Committee was carried out separately.
- The Committee has discharged its duties according to its terms of reference.

Internal Audit

- The Board has effectively implemented the internal control framework through an in-house Internal Audit function, which is suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
- Internal Audit facilitate a risk assessment process in each key business area and support function to review the significant risks facing its operations and to record the relevant controls and any actions in place to mitigate the risks and safeguarding the assets of the Company. The materiality of the risk is measured based on financial and non-financial criteria, and the probability of the risk arising is also mapped. The detailed assessments are then consolidated to provide input into the Company's risk assessment. This process also enables Internal Audit to engage with senior management throughout the business on risk monitoring and management.
- Audit Committee has reviewed the findings of internal audit and management's response thereto. Further, it approved the internal audit plan for 2024-25.
- Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.
- Audit Committee met with Head of Internal Audit along with his team, without CFO and external Auditors being present.
- Head of Internal Audit has direct access to the Audit Committee.

External Audit

- The statutory auditors of the Company, M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants, have completed the audit of financial statements of the Company for the year ended June 30, 2024 and review of the "Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019" for the year ended June 30, 2024.
- The Auditors have been allowed direct access to the Audit Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured.
- The Audit Committee has reviewed and discussed points of improvements highlighted by the external auditors.
- The Audit Committee has reviewed the Management Letter of 2022-23 which was issued within 30 days of the date of the Auditors' Report on financial statements as required under the listing regulations and discussed with the external auditors and management.
- The Audit Committee reviewed performance, cost and independence of the external auditors, M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants and has recommended to the Board their reappointment for the year ending June 30, 2025.

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of the Company: Atlas Battery Limited
Year Ended: June 30, 2024

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are 7 as per the following:

(a)	Male	6
(b)	Female	1

2. The composition of Board is as follows:

(a)	Independent Directors	2
(b)	Non-Executive Directors	4
(c)	Executive Director	1

Sr. No.	Name of Directors	Category		
		Independent (2)	Non-Executive (4)	Executive (1)
1.	Mr. Aamir H. Shirazi		√	
2.	Mr. Bashir Makki		√	
3.	Mr. Fahd K. Chinoy		√	
4.	Ms. Mehreen Amin	√		
5.	Mr. Sanaullah Qureshi	√		
6.	Mr. Toru Furuya		√	
7.	Mr. Ali H. Shirazi			√

Fraction (0.33) related to the requirement for number of independent directors is less than 0.5 and therefore, has not rounded up as one.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;

4. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures. Further certain significant policies as required under non-mandatory regulation no. 35 "Disclosure of significant policies on website" are published in annual report which is available on Company's website;

5. The Board has developed a Vision and Mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations;

7. The meetings of the Board were presided over by the Chairman and in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;

8. The Board has a formal policy and transparent procedure for remuneration of directors in accordance with the Act and the Regulations;

9. Five directors are Certified Director and two directors meet the criteria of exemption and are accordingly exempted from directors' training program. Further, the Company will take adequate measures for the Directors' Training Program (DTP) for the female executive and head of department;

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed Committees comprising of members given below:

•	Mr. Sanaullah Qureshi	Chairman
•	Mr. Bashir Makki	Member
•	Mr. Fahd K. Chinoy	Member

(b) Human Resource and Remuneration Committee

•	Ms. Mehreen Amin	Chairperson
•	Mr. Ali H. Shirazi	Member
•	Mr. Bashir Makki	Member

Separate Nomination and Risk Management Committee, as required under non-mandatory regulation no. 29 and 30, are not constituted as the functions of Nomination Committee are being dealt by Human Resource and Remuneration Committee and the functions of Risk Management Committee are being dealt by Management Committee which is headed by CEO who appraises the Board accordingly. We will consider in future to make compliance with the requirements of non-mandatory regulation no.10A;

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committee for compliance;

14. The frequency of meetings of the Committee were as per following:

(a)	Audit Committee	quarterly
(b)	Human Resource and Remuneration Committee	on required basis

15. The Board has set-up an effective internal audit function who are considered suitably qualified and experienced for the purpose, and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act and the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all other requirement of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 have been complied with; and

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirements) are mentioned in note no. 4, 9 and 12 above.

For and on behalf of the
BOARD OF DIRECTORS



Aamir H. Shirazi
Chairman

Karachi: August 29, 2024

SW PAKISTAN

SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS

Independent Auditor's Review Report to the Members of Atlas Battery Limited

Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Atlas Battery Limited (the Company) for the year ended June 30, 2024, in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

Shinewing Hameed Chaudhri & Co.

SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS
KARACHI; 29 AUGUST 2024.

UDIN: CR202410104ZHyxoiYIk


HONDA

RELIABLE POWER FOR TWO-WHEELERS

Atlas Battery's new Power Plus 7 (7AH) and Power Plus 2.5 (2.5AH) batteries for motorcycles provide unparalleled reliability and exceptional durability. These batteries instill unshakable confidence in riders as they embark on their journeys, no matter where their adventures lead them.



Independent Auditor's Report to the Members of Atlas Battery Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Atlas Battery Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters:

S.No.	Key Audit Matters	How the matter was addressed in our audit
1.	**Stock-in-trade** Refer notes 4.7 and 12 to the financial statements, the Company has stock-in-trade aggregating Rs.11,909,129 thousand comprising raw materials, finished goods, work in process and stock in transit. We identified this area as a key audit matter because as at June 30, 2024, stock-in-trade constitutes 51.07% of the total assets of the Company and determining an appropriate valuation as a result of net realizable value (NRV) involves management judgement and estimation.	We performed following audit procedures in respect of this area: Observed / attended physical inventory count procedures and compared physical count results with valuations sheets on a sample basis; Compared, on a sample basis, specific purchases and directly attributable cost with underlying supporting documents; On a sample basis, obtained supporting documents relating to stock in transit for assessing its valuation; Compared the NRV, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to value stocks in accordance with applicable accounting and reporting standards; and We also considered the adequacy of the related disclosures and assessed these are in accordance with the applicable financial reporting standards and the Companies Act, 2017 (XIX of 2017).
2.	**Revenue recognition** Refer notes 4.15 and note 30 to the financial statements. The Company is engaged in manufacturing and sale of automotive, motorcycle and energy storage batteries and their allied products. The Company recognized revenue from the sale aggregating to Rs. 41,470,592 thousand for the year ended June 30, 2024 as compared to Rs.41,855,868 thousand for the year ended June 30, 2023. We identified recognition of revenue as a key audit matter as it includes large number of revenue transactions involving a large number of customers spread in various geographical locations. Further, revenue is one of the key performance indicator of the Company.	We performed following audit procedures in respect of this area: Obtained an understanding of the Company's processes and related internal controls for revenue recognition and on a sample basis, tested the operating effectiveness of those controls; Assessed the appropriateness of the Company's revenue accounting policies and their compliance with applicable financial reporting standard; Compared a sample of revenue transactions recorded during the year with sales orders, applicable sale value, sales invoices, receipt vouchers, delivery orders and other relevant underlying documents; Performed cut-off procedures on near year end sales to ensure revenue has been recorded in the correct period; Verified, on a test basis, discounts with supporting documentation; and We also considered the adequacy of the related disclosures and assessed these are in accordance with the applicable financial reporting standards and the Companies Act, 2017 (XIX of 2017).

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Company's Annual Report for 2024, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Osman Hameed Chaudhri.

Shinewing Hameed Chaudhri & Co.

SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS
KARACHI; 29 AUGUST 2024.

UDIN: AR202410104JgY2L0A6b

Statement of Financial Position
AS AT JUNE 30, 2024

	Note	2024	2023
		----- Rupees in '000 -----	
ASSETS			
Non-current assets			
Property, plant and equipment	6	5,117,878	4,591,636
Intangible assets	7	2,057	2,742
Investments	8	-	-
Long term loans	9	3,763	3,269
Long term deposits	10	29,838	29,338
		5,153,536	4,626,985
Current assets			
Stores, spares and loose tools	11	568,491	322,968
Stock-in-trade	12	11,909,129	10,324,114
Trade debts	13	3,076,060	2,391,345
Loans and advances	14	22,446	37,501
Deposits and prepayments	15	38,547	648,299
Investments	16	390,023	266,654
Other receivables	17	2,317	2,721
Sales tax receivable - net		131,070	192,141
Taxation - net		835,063	277,805
Bank balances	18	1,191,592	819,782
		18,164,738	15,283,330
Total assets		23,318,274	19,910,315

Aamir H. Shirazi
Chairman

Ali H. Shirazi
President / Chief Executive

Rizwan Ahmed
Chief Financial Officer

Statement of Financial Position
AS AT JUNE 30, 2024

	Note	2024	2023
		----- Rupees in '000 -----	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital 150,000,000 (2023: 50,000,000) ordinary shares of Rs.10 each		1,500,000	500,000
Issued, subscribed and paid-up capital	19	350,170	350,170
Revenue reserves			
General reserve		5,037,500	5,037,500
Un-appropriated profits		2,281,911	1,275,481
		7,319,411	6,312,981
Capital reserve			
Surplus on revaluation of leasehold land	20	849,586	589,186
Total equity		8,519,167	7,252,337
Liabilities			
Non current liabilities			
Lease liabilities	21	600,934	407,468
Long term borrowings	22	645,507	893,275
Deferred income - government grant	23	17,623	23,273
Staff retirement benefits	24	131,497	108,587
Deferred taxation	25	147,605	201,430
		1,543,166	1,634,033
Current liabilities			
Trade and other payables	26	3,357,937	5,959,674
Accrued mark-up	27	352,775	168,668
Current portion of lease liabilities	21	55,025	67,022
Current maturity of long term borrowings	22	253,977	171,725
Current portion of deferred income - government grant	23	5,650	6,209
Short term borrowings	28	9,168,203	4,371,424
Dividend payable		-	221,862
Unclaimed dividend		62,374	57,361
		13,255,941	11,023,945
Total liabilities		14,799,107	12,657,978
Contingencies and commitments	29		
Total equity and liabilities		23,318,274	19,910,315

The annexed notes 1 to 49 form an integral part of these financial statements.

Aamir H. Shirazi
Chairman

Ali H. Shirazi
President / Chief Executive

Rizwan Ahmed
Chief Financial Officer

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		---- Rupees in '000 ----	
Sales	30	41,470,592	41,855,868
Cost of sales	31	(35,535,871)	(35,403,444)
Gross profit		5,934,721	6,452,424
Distribution cost	32	(1,402,929)	(1,396,427)
Administrative expenses	33	(654,827)	(498,565)
Other income	34	99,883	72,346
Other expenses	35	(187,127)	(379,596)
Profit from operations		3,789,721	4,250,182
Finance cost	36	(1,619,351)	(552,066)
Profit before income and final taxes		2,170,370	3,698,116
Final taxes	37.1	(15,129)	(10,297)
Profit before income tax		2,155,241	3,687,819
Income tax			
Current tax - for the year including super tax		(888,320)	(1,475,868)
- for the prior years		14,623	61
Deferred tax	37.2	62,105	(10,770)
	37.4	(811,592)	(1,486,577)
Profit for the year		1,343,649	2,201,242
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Surplus on revaluation of land	20	260,400	-
Re-measurement of staff retirement benefit obligation		21,231	(7,762)
Impact of deferred tax		(8,280)	3,027
Other comprehensive income / (loss) for the year - net of tax		273,351	(4,735)
Total comprehensive income for the year		1,617,000	2,196,507
		-------- Rupees --------	
Earnings per share - basic and diluted	38	38.37	62.86

The annexed notes 1 to 49 form an integral part of these financial statements.

Aamir H. Shirazi
Chairman

Ali H. Shirazi
President / Chief Executive

Rizwan Ahmed
Chief Financial Officer

Statement of Changes in Equity
FOR THE YEAR ENDED JUNE 30, 2024

	Issued, subscribed and paid-up capital	Revenue reserves		Capital reserve	Total
		General reserve	un-appropriated profit	Surplus on revaluation of leasehold land	
	---------- Rupees in '000 ----------				
Balance as at July 1, 2022	280,136	5,037,500	287,061	589,186	6,193,883
Transaction with owners, recognised 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 ratio of 1 share for every 4 shares held	70,034	-	(70,034)	-	-
Interim dividend for the period ended March 31, 2023 at the rate of Rs.22.50 per share	-	-	(787,883)	-	(787,883)
Total comprehensive income for the year ended June 30, 2023					
Profit for the year	-	-	2,201,242	-	2,201,242
Other comprehensive loss	-	-	(4,735)	-	(4,735)
	-	-	2,196,507	-	2,196,507
Balance as at June 30, 2023	350,170	5,037,500	1,275,481	589,186	7,252,337
Transaction with owners, recognised directly in equity					
Final cash dividend for the year ended June 30, 2023 at the rate of Rs.10 per share	-	-	(350,170)	-	(350,170)
Total comprehensive income for the year ended June 30, 2024					
Profit for the year	-	-	1,343,649	-	1,343,649
Other comprehensive income	-	-	12,951	260,400	273,351
	-	-	1,356,600	260,400	1,617,000
Balance as at June 30, 2024	350,170	5,037,500	2,281,911	849,586	8,519,167

The annexed notes 1 to 49 form an integral part of these financial statements.

Aamir H. Shirazi
Chairman

Ali H. Shirazi
President / Chief Executive

Rizwan Ahmed
Chief Financial Officer

Statement of Cash Flows

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	---- Rupees in '000 ----	
Cash flows from operating activities		
Profit before income and final taxes	2,170,370	3,698,116
Adjustments for non-cash charges and other items:		
Depreciation	542,602	474,183
Amortisation	2,520	3,817
Provision for gratuity	97,599	11,241
Provision for compensated leave absences	30,075	18,268
Gain on sale of investments at fair value through profit or loss	-	(2,346)
Dividend income	(60,844)	(36,479)
Mark-up income	(2)	(7,118)
Fair value gain on investments at fair value through profit or loss	(1,652)	(192)
Loss / (gain) on disposal of operating fixed assets	209	(3,663)
Provision for doubtful debts	19,397	2,495
Finance cost	1,619,351	552,066
	4,419,625	4,710,388
Changes in working capital:		
(Increase) / decrease in current assets		
- Stores, spares and loose tools	(245,523)	(15,054)
- Stock-in-trade	(1,585,015)	(5,702,564)
- Trade debts	(704,112)	(1,543,804)
- Loans and advances	15,055	(19,606)
- Deposits and prepayments	609,752	(589,465)
- Other receivables	404	(261)
- Sales tax receivable - net	61,071	(266,564)
	(1,848,368)	(8,137,318)
(Decrease) / increase in trade and other payables	(2,659,179)	3,306,491
	(4,507,547)	(4,830,827)
Cash used in operations	(87,922)	(120,439)
Finance cost paid	(1,295,686)	(384,767)
Mark-up received	2	7,118
Income and final taxes paid (including tax deducted at source)	(1,446,084)	(1,635,099)
Gratuity paid	(18,974)	(18,255)
Compensated leave absences paid	(7,116)	(1,599)
Long term loans - net	(494)	(633)
Long term deposits - net	(500)	(6,000)
Net cash used in operating activities - carried forward	(2,856,774)	(2,159,674)

Statement of Cash Flows
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	---- Rupees in '000 ----	
Net cash used in operating activities - brought forward	(2,856,774)	(2,159,674)
Cash flows from investing activities		
Payments for property, plant and equipment	(639,037)	(618,713)
Proceeds from sale of property, plant and equipment	36,461	39,528
Payments for intangible assets	(1,835)	(889)
Payments for investments	(121,718)	(460,799)
Proceeds from sale of investments	-	403,833
Dividend received	60,844	36,479
Net cash used in investing activities	(665,285)	(600,561)
Cash flows from financing activities		
Lease rentals paid	(164,166)	(111,325)
Long term borrowings obtained	-	1,062,500
Long term borrowings repaid	(171,725)	(445,800)
Short term borrowings - net	4,796,779	3,803,058
Dividend paid	(567,019)	(950,741)
Net cash generated from financing activities	3,893,869	3,357,692
Net increase in cash and cash equivalents	371,810	597,457
Cash and cash equivalents at beginning of year	819,782	222,325
Cash and cash equivalents at end of year	1,191,592	819,782

The annexed notes 1 to 49 form an integral part of these financial statements.

Aamir H. Shirazi
Chairman

Ali H. Shirazi
President / Chief Executive

Rizwan Ahmed
Chief Financial Officer

Notes to the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2024

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 and energy storage batteries, & their 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 June 30, 2024.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provision of and directives issued under the Companies Act, 2017.

Where provision of and directives issued under the Companies Act, 2017 differ from the IFRS, the provision of and directives issued under the Companies Act, 2017 have been followed.

2.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is the functional currency of the Company and figures are rounded off to the nearest thousand of rupees unless otherwise specified.

2.3 New and amended standards and interpretations

2.3.1 Standards, amendments to approved accounting standards effective in the current year

New and amended standards mandatory for the first time for the financial year beginning July 1, 2023:

(a) Amendments to IAS 1, 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2023. The amendments includes requiring companies to disclose their material accounting policies rather than their significant accounting policies, clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed and also clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

(b) Amendments to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' will be applicable on accounting periods beginning on or after January 1, 2023. The International Accounting Standards Board (the Board) has issued amendments to end diversity in treatment of accounting estimates and clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. Developing an accounting estimate includes both selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and – choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The effects of changes in such inputs or measurement techniques are changes in accounting estimates.

The other new standards, amendments to published accounting and reporting standards and interpretations that are mandatory in Pakistan for the financial year beginning on July 1, 2023 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

2.3.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2023 and have not been early adopted by the Company:

(a) Amendments to IAS 1, 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2024. Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. At October 31, 2022, after reconsidering certain aspects of the amendments, the IASB reconfirmed that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liabilty's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

(b) Amendments to IFRS 16, 'Sale and leaseback transaction' is applicable on accounting periods beginning on or after January 1, 2024. Amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered.

(c) Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' will be applicable on accounting periods beginning on or after January 1, 2024. The amendments are in response to investors' calls for more transparency of Supplier Finance Arrangements' (SFA) impacts on the financial statements and include additional disclosure requirements for companies that enter into these arrangements. The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following:

- The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented.
- The carrying amount of the financial liabilities for which suppliers have already received payment from the finance providers.
- The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- Non-cash changes in the carrying amounts of financial liabilities.
- Access to SFA facilities and concentration of liquidity risk with finance providers.

The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application.

(d) Amendments to IAS 21 ' The effects of Changes in Foreign Exchange Rates' is applicable on accounting periods beginning on or after January 1, 2025. The amendments address situations where a currency may lack exchangeability, often due to government-imposed controls. In such cases, companies must estimate a spot exchange rate reflecting orderly transactions at the measurement date. The amendments provide flexibility, allowing the use of observable rates without adjustment or other estimation techniques, provided they meet the estimation objective. The assessment considers factors like the availability of multiple rates, purpose, nature, and update frequency. The amendments requires new disclosures, including the nature and financial impact of non-exchangeability, the spot exchange rate used, the estimation process, and associated risks.

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures. There are a number of other standards, amendments and interpretations to the published standards that are not yet effective and are also not relevant to the Company and, therefore, have not been presented here.

3. BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under the historical cost convention except for leasehold land which is stated at the revalued amount, investments which are carried at fair value and certain employee retirement benefits which are measured at present value of defined benefit obligation less fair value of plan assets.

3.2 The preparation of financial statements in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

(i) Estimate of useful lives and residual values of property, plant & equipment and intangible assets [note 4.1 and 4.2]

(ii) Lease term and discount rate for calculation of lease liabilities [notes 4.1(b)]

(iii) Provision for doubtful debts [note 4.8]

(iv) Estimate of payables and receivables in respect of employees' retirement benefits [note 4.10]

(v) Estimation of current and deferred tax [note 4.12]

(vi) Estimate of provisions and warranty [note 4.13 and 4.14]

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

4.1 Property, plant and equipment

a) Owned assets

Operating fixed assets except for leasehold land are stated at cost less accumulated depreciation and impairment loss, if any. Leasehold land is stated at revalued amount. Capital work-in-progress is stated at cost. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Normal repairs and maintenance are charged to expenses as and when incurred.

Depreciation

Depreciation is charged to statement of profit or loss on the reducing balance basis except for computers and accessories. Depreciation on computers and accessories is charged to statement of profit or loss on a straight-line basis. Depreciation is charged at the rates stated in note 6.1. Depreciation on additions is charged from the month the assets are available for use while no depreciation is charged in the month in which asset is disposed off.

The depreciation method and useful lives of items of operating fixed assets are reviewed periodically and altered if circumstances or expectations have changed significantly. Any change is accounted for as a change in accounting estimate by changing depreciation charge for the current and future periods.

Disposal

Gains or losses on disposal or retirement of operating fixed assets are determined as the difference between the sale proceeds and the carrying amount of assets and are included in the statement of profit or loss.

Revaluation of assets

Revaluation is carried out with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value. Any surplus on revaluation of operating fixed assets is recognised in other comprehensive income and presented as a separate component of equity as “Surplus on revaluation of leasehold land”, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of operating fixed assets is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on operating fixed assets relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company’s shareholders.

Impairment

The Company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is taken to profit and loss account except for impairment loss on revalued assets, which is adjusted against related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset.

b) Right of use assets and related liabilities

The Company generally leases regional offices, warehouses and related properties. At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. At initial recognition, liabilities are discounted using the Company's incremental borrowing rate. Lease payment includes fixed payments with annual increments. The lease liabilities are subsequently measured at amortised cost using the effective interest rate.

Right of use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right of use assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right of use asset is reduced by impairment losses, if any. At transition, the Company recognised right of use assets equal to the present value of lease payments.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less.

4.2 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any, and represent the cost of software licenses and ERP implementation cost.

The costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Company and will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include staff cost, costs of the software development team and an appropriate portion of relevant overheads.

Subsequent expenditure

Expenditure which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software.

Amortisation

Intangible assets are amortised using the straight-line method over a period of two years.

The assets' useful lives are reviewed, at each reporting date, and adjusted if the impact on amortisation is significant.

4.3 Financial assets

4.3.1 Classification

The Company has classified its financial assets into following categories: financial assets at amortised cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The financial assets are classified at initial recognition based on the business model used for managing the financial assets and contractual terms of the cash flows.

(a) Financial assets at amortised cost

A financial asset shall be classified as financial asset at amortised cost if both of the following conditions are met:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through profit or loss

A debt instrument can be classified as a financial asset at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

All equity instruments are to be classified as financial assets at fair value through profit or loss, except for those equity instruments for which the Company has elected to present value changes in other comprehensive income.

(c) Financial assets at fair value through other comprehensive income

The fair value through other comprehensive income classification is mandatory for certain debt instrument assets unless the option to classify as fair value through profit or loss is taken.

If an equity investment is not held for trading, an entity can make an irrevocable election at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in profit or loss.

4.3.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

After initial recognition, an entity shall measure a financial asset at fair value or amortised cost.

Gains or losses arising from changes in fair value of the 'financial assets at fair value through profit or loss' category are presented in the profit and loss account within 'Other income / other expenses' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit and loss account as part of 'Other income' when the Company's right to receive payments is established.

Gains or losses arising from changes in fair value of the 'financial assets at fair value through other comprehensive income' category are recognised in other comprehensive income with only dividend income recognised in profit or loss.

4.4 Financial liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value less directly attributable transactions costs, if any, and subsequently measured at amortised cost using effective interest method unless financial liabilities are held for trading, in which case it is required to be measured at fair value through profit or loss or where entity elects to measure at financial liability, under fair value option.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of original liability and recognition of a new liability and the difference in respective carrying amounts is recognised in the statement of profit and loss.

4.5 Off-setting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

4.6 Stores, spares and loose tools

Stores, spares and loose tools are stated at the lower of cost and net realizable value. The cost of inventory is based on weighted average cost less provision for obsolescence, if any. Items in transit are stated at cost comprising of invoice value plus other charges thereon accumulated upto the reporting date.

4.7 Stock-in-trade

These are valued at lower of cost and net realizable value.

The cost in relation to raw materials in hand, packing materials and components has been calculated on a weighted average basis and represents invoice values plus other charges paid thereon.

The cost in relation to work-in-process and finished goods represents direct cost of materials, wages and appropriate manufacturing overheads.

Raw materials held in custom bonded warehouse and stock-in-transit are valued at cost comprising of invoice value plus other charges accumulated upto the reporting date.

Net realizable value is the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make the sale.

4.8 Trade debts and other receivables and related impairment

Trade debts and other receivables are classified as financial assets at amortised cost according to IFRS 9.

Trade debts are initially recognised at original invoice amount which is the fair value of the consideration to be received in future and subsequently measured at cost less provision for doubtful debts. The payment terms for customers varies for different class of customers and normally ranges from advance payments to credit period mutually agreed. The Company uses simplified approach for measuring the expected credit losses for all trade and other receivables including contract assets based on lifetime expected credit losses. The Company has estimated the credit losses using a provision matrix where trade receivables are grouped based on different customer attributes along with historical, current and forward looking assumptions. Debts considered irrecoverable are written off.

4.9 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purpose of cash flow statement, cash and cash equivalents comprise of balances with banks and cheques in hand.

4.10 Retirement and other service benefits obligations

The Company has following plans for its employees:

4.10.1 Defined contribution plans

A defined contribution plan is a post-employment benefit under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The obligation for contribution to a defined contribution plan is recognised as an employee service benefit expense in the profit and loss account when it is due.

The Company operates defined contribution plans for its permanent employees through either one of the following ways:

- a recognised provident fund (the Fund); or
- voluntary pension schemes managed by Atlas Asset Management Limited, a related party, under the Voluntary Pension System Rules, 2005, viz, Atlas Pension Fund and Atlas Pension Islamic Fund.

All the newly appointed employees are offered voluntary pension scheme only. However, those employees who are provident fund trust members, have the option to opt for either of two above mentioned defined contribution plans.

Equal monthly contributions at the rate of 11% of the basic salary are made to the Fund / scheme, both by the Company and the employees. The Fund is a separate legal entity and its assets are being held separately under the control of its trustees.

4.10.2 Defined benefit plans

Defined benefit plan is a post-employment benefit plan other than the defined contribution plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in current and prior periods, and that benefit is discounted to determine its present value.

The Company operates an approved funded gratuity scheme for its management staff and an unfunded gratuity scheme for its non-management staff. The liability recognised in the statement of financial position in respect of defined benefit plans is the present value of defined benefit obligation at the end of reporting period less fair value of plan assets. Contributions under the schemes are made on the basis of actuarial valuation. The valuations of both schemes are carried out annually by an independent expert, using the "Projected Unit Credit Method" with the latest valuation being carried out as on June 30, 2024.

The amount arising as a result of re-measurements are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur. Past service cost, if any, are recognised immediately in profit and loss account.

4.10.3 Employees compensated leave absences

Employees' entitlements to annual leaves are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees upto the reporting date.

4.11 Trade and other payables

Liabilities for trade and other payables are carried at their amortised cost, which approximates fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

4.12 Taxation

The tax expense for the year comprises of current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Company designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37.

Current

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in the previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is recognised using the balance sheet method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

4.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.14 Warranty

The Company recognises the estimated liability to repair or replace products still under warranty at the reporting date. Provision for warranty is calculated based on past experience / history of the level of repairs and replacements.

4.15 Revenue recognition

The Company recognises revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. The Company recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when the entity satisfies a performance obligation

The Company manufactures and sells automotive, motorcycle and energy storage batteries and their allied products. Revenue from sale of goods is recognized when the Company satisfies a performance obligation (at a point of time) by transferring promised goods to customer being when the goods are dispatched to customers.

5. SUMMARY OF OTHER ACCOUNTING POLICIES

5.1 Share capital

Ordinary shares are classified as equity and recognised at their face value.

5.2 Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all conditions of the grant. The benefit of a government loan at a below-market rate of interest is treated as a government grant. Government grants relating to costs are deferred and recognised in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

5.3 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalised as part of the cost of that asset.

5.4 Foreign currency transactions and translation

The foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. The closing balance of non-monetary items is included at the exchange rate prevailing on the date of the transaction and monetary items are translated using the exchange rate prevailing on the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss account with other income / other expenses.

5.5 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

5.6 Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker, who is responsible for allocating resources and assessing the performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment.

5.7 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved.

6. PROPERTY, PLANT AND EQUIPMENT

	Note	2024	2023
		--- Rupees in '000 ---	
Operating fixed assets	6.1	4,611,459	4,172,942
Capital work-in-progress	6.8	23,880	40,877
Right of use assets	6.9	482,539	377,817
		5,117,878	4,591,636

6.1 Operating fixed assets

	Lease-hold land (note 20)	Buildings on leasehold land	Plant and machinery	Office equipment	Computers and accessories	Furniture and fixtures	Air conditioners	Vehicles	Total
	---------- Rupees in '000 ----------								
At July 1, 2022									
Revaluation / cost	589,600	2,037,456	3,461,758	21,874	80,441	83,154	31,433	243,182	6,548,898
Accumulated depreciation	-	627,081	1,731,806	8,912	68,635	32,669	13,355	90,002	2,572,460
Net book value	589,600	1,410,375	1,729,952	12,962	11,806	50,485	18,078	153,180	3,976,438
Year ended June 30, 2023									
Opening net book value	589,600	1,410,375	1,729,952	12,962	11,806	50,485	18,078	153,180	3,976,438
Additions	-	46,401	397,634	2,172	19,178	15,486	1,086	154,053	636,010
Disposals									
- cost	-	-	6,277	-	20,827	-	84	64,837	92,025
- accumulated depreciation	-	-	(3,328)	-	(20,628)	-	(45)	(32,159)	(56,160)
	-	-	2,949	-	199	-	39	32,678	35,865
Depreciation charge	-	141,657	197,574	1,408	8,829	5,801	1,891	46,481	403,641
Closing net book value	589,600	1,315,119	1,927,063	13,726	21,956	60,170	17,234	228,074	4,172,942
At June 30, 2023									
Revaluation / cost	589,600	2,083,857	3,853,115	24,046	78,792	98,640	32,435	332,398	7,092,883
Accumulated depreciation	-	768,738	1,926,052	10,320	56,836	38,470	15,201	104,324	2,919,941
Net book value	589,600	1,315,119	1,927,063	13,726	21,956	60,170	17,234	228,074	4,172,942
Year ended June 30, 2024									
Opening net book value	589,600	1,315,119	1,927,063	13,726	21,956	60,170	17,234	228,074	4,172,942
Revaluation / additions	260,400	51,743	425,394	4,069	13,587	3,624	1,444	156,173	916,434
Disposals									
- cost	-	-	9,107	50	733	60	280	55,135	65,365
- accumulated depreciation	-	-	(6,117)	(28)	(681)	(30)	(194)	(21,645)	(28,695)
	-	-	2,990	22	52	30	86	33,490	36,670
Depreciation charge	-	134,330	219,134	1,675	13,627	6,267	1,787	64,427	441,247
Closing net book value	850,000	1,232,532	2,130,333	16,098	21,864	57,497	16,805	286,330	4,611,459
At June 30, 2024									
Revaluation / cost	850,000	2,135,600	4,269,402	28,065	91,646	102,204	33,599	433,436	7,943,952
Accumulated depreciation	-	903,068	2,139,069	11,967	69,782	44,707	16,794	147,106	3,332,493
Net book value	850,000	1,232,532	2,130,333	16,098	21,864	57,497	16,805	286,330	4,611,459
Depreciation rate (% per annum)		10	10 - 20	10	30 - 33	10	10	20	

6.2 Leasehold land of the Company is located at D-181, Central Avenue, S.I.T.E., Karachi with an area of 2.68 acres.

6.3 Had the leasehold land been recognised under the cost model, the carrying amount of leasehold land would have been Rs.414 thousand (2023: Rs.414 thousand).

6.4 Operating fixed assets as at June 30, 2024 include items having an aggregate cost of Rs.48,632 thousand (2023: Rs.20,827 thousand) that have been fully depreciated and still in use of the Company.

6.5 Depreciation charge has been allocated as follows:

	Note	**2024**	2023
		--- Rupees in '000 ---	
Cost of goods manufactured	31.1	380,236	360,153
Distribution cost	32	20,814	19,473
Administrative expenses	33	40,197	24,015
		441,247	403,641

6.6 Plant and machinery includes certain dies and moulds having cost aggregating Rs.281,699 thousand (2023: Rs.226,205 thousand) and net book value of Rs.173,647 thousand (2023: Rs.135,167 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. Detail of vendors are as follows:

Vendor Name	2024 --- Rupees in '000 --- Cost	Net Book Value	2023 --- Rupees in '000 --- Cost	Net Book Value
A.R Enterprises	2,064	841	2,064	934
Al Huda Plastics	3,406	962	3,406	1,069
Diwan Plastic Industries	14,175	4,604	18,859	6,395
Industrial Technical Services	5,067	2,382	5,067	2,647
Malta Auto Industries (Private) Limited	7,299	4,413	7,299	4,903
Precision Polymers (Private) Limited	78,230	36,026	69,774	34,978
Polymer Engineering Products	26,829	10,407	29,220	12,593
N H Enterprises	691	155	691	173
Nobel Enterprises	140	42	140	47
Atlas Autos (Private) Limited - a related party	143,798	113,815	89,685	71,428
	281,699	173,647	226,205	135,167

6.7 The details of operating fixed assets disposed during the year are as follows:

Particular of assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain	Mode of disposal	Particulars of buyers
	---------- Rupees in '000 ----------						
Assets having net book value exceeding Rs.500,000 each							
Plant and machinery	5,615	3,614	2,001	29	(1,972)	Negotiation	Mr. Sher Khan, S.I.T.E. Karachi.
Vehicles							
	2,422	609	1,813	3,625	1,812	Negotiation	M/s. Naseer Autos, S.I.T.E. Karachi.
	3,749	1,924	1,825	1,825	-	Company Policy	Mr. Rizwan Ahmed, Key Management Personnel
	3,749	1,957	1,792	1,792	-	Company Policy	Mr. Ahmar Waheed, Key Management Personnel
	3,749	2,047	1,702	1,702	-	Company Policy	Mr. Mansoor Jamil khan, Key Management Personnel
	4,930	822	4,108	4,108	-	Company Policy	Mr. Sajid Mehmood Khan, Ex-Employee
	4,930	959	3,971	3,971	-	Company Policy	Mr. Muhammad Irfan, Employee
	2,250	600	1,650	1,650	-	Company Policy	Mr. Waqas Ahmed, Employee
	1,780	753	1,027	1,027	-	Company Policy	Mr. Faizan Raza Nayani, Employee
	1,335	425	910	910	-	Company Policy	Ms. Ayesha Iqbal, Employee
	1,745	861	884	884	-	Company Policy	Mr. Muhammad Jasim, Employee
	1,745	926	819	819	-	Company Policy	Mr. Syed Asim Alam, Employee
	1,745	994	751	751	-	Company Policy	Mr. Rasool Baksh, Employee
	1,398	694	704	704	-	Company Policy	Mr. Sheikh Muhammad Rafay, Employee
	1,398	753	645	645	-	Company Policy	Mr. Ghulam Murtaza, Employee
	3,024	442	2,582	2,582	-	Company Policy	Mr. Mubashir Iqbal, Ex-employee
	1,849	385	1,464	1,464	-	Company Policy	Mr. Muniem Aman, Ex-employee
	1,745	814	931	931	-	Company Policy	Mr. Farman ur Rehman, Ex-employee
	1,745	941	804	804	-	Company Policy	Mr. Mubasher Rehman, Ex-employee
	45,288	16,906	28,382	30,194	1,812		
Various assets having net book value upto Rs.500,000 each	14,462	8,175	6,287	6,238	(49)		
2024	65,365	28,695	36,670	36,461	(209)		
2023	92,025	56,160	35,865	39,528	3,663		

6.8 Capital work-in-progress

	Note	2024 --- Rupees in '000 ---	2023
Plant and machinery		16,516	25,570
Computers and accessories		-	1,480
Furniture and fixtures		4,176	-
Air conditioners		410	-
Vehicles		2,169	11,917
Intangible asset		609	1,910
	6.8.1	23,880	40,877

6.8.1 Movement in capital work-in-progress	Note	2024	2023
		--- Rupees in '000 ---	
Balance at beginning of the year		40,877	58,174
Addition during the year		48,900	118,155
Transferred to operating fixed assets		(65,897)	(135,452)
Balance at end of the year	6.8.2	23,880	40,877

6.8.2 Includes advance payments to related parties amounting to Rs.2,169 thousand (2023: Rs.900 thousand) to Atlas Honda Limited, Rs.Nil (2023: Rs.11,017 thousand) to Honda Atlas Cars (Pakistan) Limited for purchase of vehicles, Rs.Nil (2023: Rs.150 thousand) to Integration Xperts (Private) Limited for development of software and Rs.10,502 thousand (2023: Rs.Nil) to Atlas Global FZE for purchase of plant and machinery.

6.9 Right of use assets	Note	2024	2023
		--- Rupees in '000 ---	
Balance at beginning of the year		377,817	314,634
Addition during the year		55,168	-
Adjustment due to lease modification	21.1	150,909	133,725
Depreciation charged during the year	6.9.1	(101,355)	(70,542)
Net book value at end of the year		482,539	377,817

6.9.1 Depreciation expense relating to right of use asset of Rs.66,602 thousand has been charged in 'Cost of sales', Rs.18,302 thousand in 'Distribution cost' and Rs.16,451 thousand in 'Administrative expenses'.

7. INTANGIBLE ASSETS	Software licenses	ERP implementation cost	Total
	---------- Rupees in '000 ----------		
At July 1, 2022			
Cost	31,616	7,400	39,016
Accumulated amortisation	(25,946)	(7,400)	(33,346)
Net book value	5,670	-	5,670
Year ended June 30, 2023			
Opening net book value	5,670	-	5,670
Additions	889	-	889
Amortisation charge	(3,817)	-	(3,817)
Closing net book value	2,742	-	2,742
At June 30, 2023			
Cost	32,505	7,400	39,905
Accumulated amortisation	(29,763)	(7,400)	(37,163)
Net book value	2,742	-	2,742
Year ended June 30, 2024			
Opening net book value	2,742	-	2,742
Additions	1,835	-	1,835
Amortisation charge	(2,520)	-	(2,520)
Closing net book value	2,057	-	2,057
At June 30, 2024			
Cost	34,340	7,400	41,740
Accumulated amortisation	(32,283)	(7,400)	(39,683)
Net book value	2,057	-	2,057
Amortisation rate (% per annum)	50	50	

7.1 Intangible assets as at June 30, 2024 include items having an aggregate cost of Rs.39,014 thousand (2023: Rs.34,889 thousand) that have been fully amortised and still in use of the Company.

7.2 Amortisation charge has been allocated as follows:	Note	2024	2023
		--- Rupees in '000 ---	
Cost of sales	31	60	1,134
Distribution cost	32	-	583
Administrative expenses	33	2,460	2,100
		2,520	3,817

8. INVESTMENTS

	Note	2024	2023
		---- Rupees in '000 ----	
Available for sale - Unquoted			
Arabian Sea Country Club Limited			
100,000 ordinary shares of Rs.10 each - cost		1,000	1,000
Less: impairment in the value of investment		1,000	1,000
		-	-

9. LONG TERM LOANS

	Note	2024	2023
		---- Rupees in '000 ----	
Considered good - secured			
Related parties - key management personnel		4,019	1,438
Loans to employees - others		5,824	5,514
		9,843	6,952
Recoverable within one year -			
Key management personnel		(2,638)	(750)
Others		(3,442)	(2,933)
	14	(6,080)	(3,683)
		3,763	3,269

9.1 These represent interest-free loans to executives and other employees as per terms of employment. These loans are provided for the purchase of motorcycle and other specified reasons. Loans aggregating Rs.2,133 thousand (2023: Rs.3,026 thousand) are provided for the purchase of motorcycles and are repayable in monthly instalments over a period of forty-eight months for management staff and fifty-four months for non-management staff. Other loans are recoverable over a period of twelve to twenty four months. These loans are secured by the registration of motorcycles in the name of the Company and employees' vested retirement benefits.

9.2 The maximum amount outstanding at the end of any month during the year ended June 30, 2024 from key management personnel (related party) aggregated to Rs.4,469 thousand (2023: Rs.1,500 thousand).

9.3 The carrying values of these loans are neither past due nor impaired. The credit quality of these financial assets can be assessed with reference to no default in recent history.

10. LONG TERM DEPOSITS

	2024	2023
	---- Rupees in '000 ----	
Considered good - unsecured and interest-free		
Security deposits for:		
- utilities	4,019	4,019
- rent agreements	11,807	11,307
- others	14,012	14,012
	29,838	29,338

11. STORES, SPARES AND LOOSE TOOLS

	2024	2023
	---- Rupees in '000 ----	
Maintenance spares		
- in hand	208,882	130,542
- in transit	16,955	9,978
Consumables stores	341,409	181,570
Loose tools	1,245	878
	568,491	322,968

12. STOCK-IN-TRADE

	Note	2024	2023
Raw materials and components:		---- Rupees in '000 ----	
- in hand		6,868,703	5,964,375
- with third parties	12.1	102,080	60,273
		6,970,783	6,024,648
Work-in-process		2,400,998	2,147,337
Finished goods		2,453,246	2,066,889
Items in transit	12.2	84,102	85,240
		11,909,129	10,324,114

12.1 Includes raw materials amounting to Rs.473 thousand (2023: Rs.402 thousand) and work-in-process amounting to Rs.3,913 thousand (2023: Rs.3,379) held with Atlas Autos (Private) Limited - a related party.

12.2 Includes Rs.52,854 thousand (2023: Rs.Nil) pertaining to Atlas Global FZE - a related party.

12.3 Stock-in-trade and trade debts upto a maximum amount of Rs.14,336,354 thousand (2023: Rs.9,734,694 thousand) are under hypothecation of commercial banks as security for short term borrowings (note 28).

13. TRADE DEBTS - Unsecured

	Note	2024	2023
		---- Rupees in '000 ----	
Consider good			
Related parties:			
Atlas Honda Limited		-	81,727
Honda Atlas Cars (Pakistan) Limited		14,127	3,865
Others		3,061,933	2,305,753
		3,076,060	2,391,345
Consider doubtful			
Others		50,692	31,295
		3,126,752	2,422,640
Provision for expected credit loss	13.1	(50,692)	(31,295)
		3,076,060	2,391,345

13.1 Provision for expected credit loss

Balance at beginning of the year	31,295	28,800
Provision for expected credit loss	19,397	2,495
Balance at end of the year	50,692	31,295

13.2 The ageing of trade debts at June 30, is as follows:

	Related parties		Others	
	2024	2023	2024	2023
	---------- Rupees in '000 ----------			
Less than 30 days	8,417	56,653	2,460,529	2,194,536
31 - 180 days	5,710	28,939	599,639	121,955
181 days to 365 days	-	-	29,323	2,369
Over one year	-	-	23,134	18,188
	14,127	85,592	3,112,625	2,337,048
Provision for expected credit loss	-	-	(50,692)	(31,295)
	14,127	85,592	3,061,933	2,305,753

13.3 Trade debts which are past due beyond one year have been impaired and fully provided for.

13.4 The maximum aggregate amount of trade receivable from related parties at the end of any month during the year was Rs.211,292 thousand (2023: Rs.167,662 thousand).

14. LOANS AND ADVANCES

	Note	2024	2023
		---- Rupees in '000 ----	
Considered good and interest-free			
Secured			
Current portion of long term loans to employees	9	6,080	3,683
Unsecured			
Loans to staff other than executives	14.1	243	63
Advances to staff for expenses		2,839	-
Advances to suppliers, contractors and others	14.2	13,284	33,755
		22,446	37,501

14.1 These represent interest-free welfare loans and salary advance provided to employees in accordance with the Company's policy and have maturities upto ten months.

14.2 Includes advances to suppliers, contractors and others amounting Rs.160 (2023: Rs.nil thousand) paid to Atlas Honda Limited - a related party against purchase of motorcycle for employee.

15. DEPOSITS AND PREPAYMENTS

	Note	2024	2023
		---- Rupees in '000 ----	
Considered good and unsecured			
Deposits - interest-free		20,279	19,679
Margin against letter of credit		3,748	612,110
Prepayments	15.1	14,520	16,510
		38,547	648,299

15.1 Includes Rs.7,413 thousand (2023: Rs.7,660 thousand) prepayment to Integration Xperts, a related party.

16. INVESTMENTS - at fair value through profit or loss

2024	2023		2024	2023
-- Number of units --			---- Rupees in '000 ----	
3,776,807	2,593,190	HBL Money Market Fund	390,023	266,654

16.1 These units are under lien of a commercial bank against guarantees aggregating Rs.336,549 thousand (2023: Rs.239,360 thousand) issued in favour of Sui Southern Gas Co. Ltd. and Excise & Taxation Department, Government of Sindh on behalf of the Company.

17. OTHER RECEIVABLES

	Note	2024	2023
		---- Rupees in '000 ----	
Considered good and unsecured			
Insurance claim receivable	17.1	-	404
Sales tax paid under protest		2,317	2,317
		2,317	2,721

17.1 Represents receivable from Atlas Insurance Limited, a related party.

18. BANK BALANCES

	Note	2024	2023
		---- Rupees in '000 ----	
Balances with banks on:			
current accounts {including US$ 196,096 (2023: US$ 94,811)}		106,949	73,952
saving accounts		3	3
Cheques-in-hand	18.2	1,084,640	745,827
		1,191,592	819,782

18.1 Saving deposit accounts carry mark-up upto 19.51% per annum.

18.2 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.

19. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2024	2023		Note	2024	2023
---Number of shares---				---- Rupees in '000 ----	
1,300,000	1,300,000	Ordinary shares of Rs.10 each fully paid in cash		13,000	13,000
33,717,033	33,717,033	Ordinary shares of Rs.10 each issued as fully paid bonus shares	19.1	337,170	337,170
35,017,033	35,017,033			350,170	350,170

19.1 Movement in issued, subscribed and paid-up capital

2024	2023		2024	2023
---Number of shares---			---- Rupees in '000 ----	
35,017,033	28,013,627	Balance at beginning of the year	350,170	280,136
-	7,003,406	Ordinary shares of Rs.10 each issued as fully paid bonus shares	-	70,034
35,017,033	35,017,033	Balance at end of the year	350,170	350,170

19.2 Ordinary shares of the Company held by associated companies as at June 30,

	2024	2023
	-- Number of shares --	
Shirazi Investments (Private) Limited	20,611,466	20,611,466
GS Yuasa International Limited - Japan	5,252,516	5,252,516
Atlas Foundation	643,742	643,742
Atlas Insurance Limited	610,632	610,632
	27,118,356	27,118,356

19.3 The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to Company's residual assets.

20. SURPLUS ON REVALUATION OF LEASEHOLD LAND

An independent revaluation of the Company's leasehold land at D-181, Central Avenue, S.I.T.E., Karachi was performed by M/s. Surval on June 30, 2008, resulting in an appraisal surplus of Rs.173,786 thousand over the book value of Rs.414 thousand. This leasehold land was subsequently revalued on July 16, 2014, and June 21, 2019, by MYK Associates (Private) Limited and Pee Dee & Associates, respectively, based on the present market value for similar plots in the vicinity (level 2 of fair value hierarchy). The latest revaluation exercise was conducted by Pee Dee & Associates on May 14, 2024. The most significance input into this valuation approach is price per acre of land. The different levels of fair value have been defined in IFRS 13 and are mentioned in note 41.2.

The latest revaluation exercise resulted in surplus of Rs.260,400 thousand over the book value of Rs.589,600 thousand. At the time of latest revaluation, forced sale value of the land was ranging from Rs.637,500 thousand to Rs.680,000 thousand.

21. LEASE LIABILITIES

	Note	2024	2023
		---- Rupees in '000 ----	
Balance at beginning of the year		474,490	393,805
Additions during the year		55,168	-
Adjustment due to lease modification	21.1	150,909	133,725
Interest accrued		139,558	58,285
Repaid / adjusted during the year		(164,166)	(111,325)
	21.2	655,959	474,490
Current portion grouped under current liabilities		(55,025)	(67,022)
Balance at end of the year		600,934	407,468

21.1 The Company during the year modified the agreement which resulted in increase of lease liability and corresponding right of use asset (Refer note.6.9).

21.2 These represents lease contracts for regional sales offices and factory and have estimated lease terms between 5 to 17 years. These are discounted using incremental borrowing rate of the Company. These includes Rs.477,340 thousand (2023: Rs.333,860 thousand) due to Shirazi Investments (Private) Limited, the Holding Company.

The future minimum lease payments to which the Company is committed under the agreements will be due as follows:

Particulars	Upto one year	From one to five years	Over five years	Total
	---------- Rupees in '000 ----------			
Minimum lease payments	187,167	733,470	250,319	1,170,956
Finance cost allocated to future periods	(132,142)	(313,370)	(69,485)	(514,997)
Present value of minimum lease payments	55,025	420,100	180,834	655,959

22. LONG TERM BORROWINGS

	Note	2024	2023
		---- Rupees in '000 ----	
Musharakah I	22.1	541,666	708,333
Musharakah II	22.2	312,500	312,500
Temporary economic refinance facility (TERF)	22.3	45,318	44,167
		899,484	1,065,000
Current maturity		(253,977)	(171,725)
		645,507	893,275

22.1 Musharakah I

	2024	2023
	---- Rupees in '000 ----	
Opening balance	708,333	-
Loan obtained during the year	-	750,000
Loan re-paid during the year	(166,667)	(41,667)
	541,666	708,333

22.1.1 The Company obtained loan amounting to Rs.750,000 thousand under diminishing musharakah arrangement from Askari Bank Limited for the purpose of financing BMR. The loan carries mark-up at the rate of 3 months KIBOR plus 0.5% and is secured against first pari passu hypothecation charge on plant & machinery with 25% margin. This loan is for five years from the date of disbursement (August 26, 2022) and is repayable in 18 equal quarterly installments with a grace period of 6 months.

22.2 The Company obtained loan amounting Rs.312,500 thousand under diminishing musharakah arrangement from National Bank of Pakistan for the purpose of balance sheet re-profiling. The loan carries mark-up at the rate of 3 months KIBOR plus 0.3% and is secured against first pari passu hypothecation charge on plant & machinery with 25% margin. This loan is for five years from the date of disbursement (December 28,2022) and is repayable in 8 equal bi-annual instalments with a grace period of 18 months.

22.3 Temporary economic refinance facility (TERF)	**Note**	**2024**	2023
		---- Rupees in '000 ----	
Loan amount received from bank	22.3.1	68,592	73,650
Adjustment pertaining to fair value of loan at below market interest rate	22.3.2	(23,274)	(29,483)
		45,318	44,167

22.3.1 Loan amount received from bank	**2024**	2023
	---- Rupees in '000 ----	
Balance at beginning the year	73,650	73,650
Loan repaid during the year	(5,058)	-
Balance at end of the year	68,592	73,650

This represents loan received from Allied Bank Limited under Temporary Economic Refinance Facility (TERF) introduced by State Bank of Pakistan for the purpose to finance CAPEX requirements. The facility is secured against first pari passu hypothecation charge over all present and future plant, machinery and equipment with 25% margin. Mark-up is chargeable at SBP rate (1%) plus 0.80% per annum. The loan is re-payable in ten years with a grace period of two years and is repayable in sixteen semi-annual instalments.

22.3.2 Adjustment pertaining to fair value of loan at below market interest rate	**2024**	2023
	---- Rupees in '000 ----	
Balance at beginning of the year	29,483	35,807
Amortisation of loan	(6,209)	(6,324)
	23,274	29,483

23. DEFERRED INCOME - GOVERNMENT GRANT	**2024**	2023
	---- Rupees in '000 ----	
Balance at beginning of the year	29,482	36,633
Less: released to statement of profit or loss	6,209	7,151
	23,273	29,482
Less: current portion	5,650	6,209
	17,623	23,273

24. STAFF RETIREMENT BENEFITS	**Note**	**2024**	2023
		---- Rupees in '000 ----	
Provision for gratuity	24.1	2,212	2,261
Compensated leave absences	24.2	129,285	106,326
		131,497	108,587

24.1 Provision for gratuity

24.1.1 As stated in note 4.10.2, the Company operates an approved funded gratuity scheme for its management staff and an unfunded gratuity scheme for its non-management staff.

24.1.2 Plan assets held in trust are governed by local regulations which mainly includes Trust Act, 1882, Sindh Trust Act, 2020 as amended vide Sindh Trust (Amendment) Act, 2021, Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust Deed of the Plan. Responsibility for governance of the Plan, including investment decisions and contributions schedules lies with the Board of Trustees. The Company appoints the trustees.

24.1.3 The latest actuarial valuations of the Schemes as at June 30, 2024 were carried out by an independent expert, using the 'Projected Unit Credit Method'. Details of the Schemes as per the actuarial valuations are as follows:

	Management		Non-management		Total	
	2024	2023	**2024**	2023	**2024**	2023
24.1.4 Balance sheet reconciliation	---------- Rupees in '000 ----------					
Present value of defined benefit obligation at June 30 - note 24.1.5	258,350	144,544	2,212	2,261	260,562	146,805
Fair value of plan assets at June 30 - note 24.1.6	(180,553)	(124,489)	-	-	(180,553)	(124,489)
Receivable from related parties in respect of transferees	(1,782)	(1,483)	-	-	(1,782)	(1,483)
Liability at end of the year	76,015	18,572	2,212	2,261	78,227	20,833
Payable within next twelve months	(76,015)	(18,572)	-	-	(76,015)	(18,572)
	-	-	2,212	2,261	2,212	2,261
24.1.5 Movement in the present value of defined benefit obligation						
Balance at beginning of the year	144,544	118,764	2,261	1,968	146,805	120,732
Benefits paid	(10,947)	(2,800)	(403)	(140)	(11,350)	(2,940)
Current service cost	10,149	8,515	153	143	10,302	8,658
Past service cost - note 24.1.12	84,031	-	-	-	84,031	-
Interest cost	23,257	15,830	351	268	23,608	16,098
Re-measurements on obligation	6,607	3,879	(150)	22	6,457	3,901
Recognised in respect of transfers	709	356	-	-	709	356
Balance at end of the year	258,350	144,544	2,212	2,261	260,562	146,805
24.1.6 Movement in the fair value of plan assets						
Balance at beginning of the year	124,489	99,722	-	-	124,489	99,722
Contributions	18,571	18,115	-	-	18,571	18,115
Benefits paid	(10,947)	(2,800)	-	-	(10,947)	(2,800)
Interest income	20,342	13,515	-	-	20,342	13,515
Re-measurements	27,689	(3,862)	-	-	27,689	(3,862)
Amount transferred from / (to) other group companies	409	(201)	-	-	409	(201)
Balance at end of the year	180,553	124,489	-	-	180,553	124,489
24.1.7 Expense recognised in statement of profit or loss						
Current service cost	10,149	8,515	153	143	10,302	8,658
Past service cost	84,031	-	-	-	84,031	-
Net interest cost	2,915	2,315	351	268	3,266	2,583
	97,095	10,830	504	411	97,599	11,241

24.1.8 Re-measurements recognised in other comprehensive income

	Management		Non-management		Total	
	2024	2023	**2024**	2023	**2024**	2023
	---------- Rupees in '000 ----------					
Loss arising from change in financial assumptions	3,086	1,875	27	27	3,113	1,902
Experience loss / (gain)	3,521	2,004	(177)	(6)	3,344	1,998
Gain / (loss) on re-measurement of plan assets	(27,688)	3,862	-	-	(27,688)	3,862
Net re-measurements	(21,081)	7,741	(150)	21	(21,231)	7,762

24.1.9 Net liability recognised

Balance at beginning of the year	18,572	18,116	2,261	1,969	20,833	20,085
Charge for the year	97,095	10,830	504	411	97,599	11,241
Contributions made during the year	(18,571)	(18,115)	(403)	(140)	(18,974)	(18,255)
Re-measurements recognised in other comprehensive income	(21,081)	7,741	(150)	21	(21,231)	7,762
Recognised liability as at June 30	76,015	18,572	2,212	2,261	78,227	20,833
Payable within next twelve months	(76,015)	(18,572)	-	-	(76,015)	(18,572)
	-	-	2,212	2,261	2,212	2,261

24.1.10 Plan assets comprise of:

Debt securities	11,411	18,959	-	-	11,411	18,959
Equity instrument - mutual funds units	169,044	105,434	-	-	169,044	105,434
Cash and cash equivalent	98	96	-	-	98	96
	180,553	124,489	-	-	180,553	124,489

24.1.11 Actuarial assumptions used

		Management		Non-management	
		2024	2023	**2024**	2023
		---------- % per annum ----------			
Discount rate at June 30		14.75%	16.25%	14.75%	16.25%
Expected rate of increase in future salaries	- first year	16.00%	15.00%	16.00%	15.00%
	- long term	13.75%	15.25%	13.75%	15.25%
Demographic assumptions					
- Mortality rates (for death in service)		SLIC (2001-05)-1	SLIC (2001-05)-1	SLIC (2001-05)-1	SLIC (2001-05)-1
- Rates of employee turnover		Moderate	Moderate	Light	Light

24.1.12 The Board of Trustess, passed the resolutions by circulation, on June 10, 2024, approved the revision of the existing gratuity payable criteria. The new criteria changes from 15 days' last drawn basic salary for each year of eligible service to a graduated scale of gratuity payable based on the length of eligible service, effective from June 1, 2024 resulting the past service cost.

24.1.13 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in principal assumptions is:

		Impact on defined benefit obligation	
	Change in assumptions	**Increase in assumption**	**Decrease in assumption**
		---- Rupees in '000 ----	
Discount rate	1.00%	(19,156)	21,664
Increase in future salaries	1.00%	20,432	(18,408)
Withdrawal rates : light / moderate		(1,872)	
Withdrawal rates : heavy		1,522	

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constants. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the gratuity liability recognised within the statement of financial position.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

24.1.14 The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the reporting date.

24.1.15 Based on actuary's advice, the expected contribution and expense for the year ending June 30, 2025 to management and non-management gratuity plans will be Rs.27,991 thousand and Rs.430 thousand respectively.

24.1.16 The weighted average duration of management and non management gratuity is 7.83 years and 4.52 years respectively. Expected maturity analysis of undiscounted retirement benefit plans:

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Between 5 - 20 years	Total
At June 30, 2024	---------- Rupees in '000 ----------				
Management staff	17,446	20,122	94,666	1,577,588	1,709,822
Non-management staff	612	25	1,644	10,280	12,561
Total	18,058	20,147	96,310	1,587,868	1,722,383

		2024	2023
24.2	**Compensated leave absences**	**---- Rupees in '000 ----**	
	Balance at beginning of the year	106,326	89,657
	Provision for the year	30,075	18,268
		136,401	107,925
	Encashed during the year	(7,116)	(1,599)
	Balance at end of the year	129,285	106,326

24.2.1 Includes liability in respect of key management personnel aggregating to Rs.32,825 thousand (2023: Rs.27,433 thousand).

		2024	2023
25.	**DEFERRED TAXATION** - Net	**---- Rupees in '000 ----**	
	The liability for deferred tax comprises temporary differences relating to:		
	Accelerated tax depreciation	470,100	443,570
	Tax amortisation	635	841
	Lease liabilities - net	(67,634)	(37,702)
	Provision for impairment of available-for-sale investments	(390)	(390)
	Net unrealized gain in fair value of investments	-	29
	Provision for doubtful debts	(19,770)	(12,205)
	Provision for gratuity	(30,508)	(8,124)
	Provision for compensated leave absences	(50,421)	(41,467)
	Provision for warranty	(154,407)	(143,122)
		147,605	201,430

			2024	2023
26.	**TRADE AND OTHER PAYABLES**	**Note**	**---- Rupees in '000 ----**	
	Trade creditors	26.1	442,142	2,892,958
	Accrued liabilities	26.1	1,426,624	1,590,230
	Royalty and technical fee	26.2	450,889	717,936
	Provision for warranty	26.3	395,917	366,980
	Contract liabilities - customers advances and credit balances	26.4	80,633	77,011
	Provision for gratuity	24.1	76,015	18,572
	Workers' profit participation fund (the Fund)	26.5	116,734	5,765
	Workers' welfare fund		47,538	78,427
	Sindh government infrastructure fee	26.6	294,282	197,830
	Withholding taxes		12,625	3,283
	Other liabilities	26.7	14,538	10,682
			3,357,937	5,959,674

26.1 Trade creditors and accrued liabilities include Rs.215,666 thousand (2023: Rs.435,037 thousand) pertaining to related parties.

26.2 Represents royalty and technical fee due to GS Yuasa International Limited, Japan - a related party.

26.3 Provision for warranty	**Note**	**2024**	2023
		---- Rupees in '000 ----	
Balance at beginning of the year		366,980	185,285
Provision for the year	31.1	1,703,083	1,568,918
		2,070,063	1,754,203
Payments made during the year		(1,674,146)	(1,387,223)
Balance at end of the year		395,917	366,980

26.4 This includes Rs.13 thousand (2023: Rs.13 thousand) pertaining to related parties. Revenue aggregating Rs.70,030 thousand (2023: Rs.291,340 thousand) has been recognised for preceding year contract liabilities - advance from customers and credit.

26.5 Workers' profit participation fund (the Fund)	**2024**	2023
	---- Rupees in '000 ----	
Balance at beginning of the year	5,765	61,190
Allocation for the year	116,734	198,765
Interest on fund utilized in the Company's business	112	629
	122,611	260,584
Paid to trustees of the Fund	(5,877)	(254,819)
Balance at end of the year	116,734	5,765

26.6 This represents provision against infrastructure fee levied by the Government of Sindh through Sindh Finance (Amendment) Ordinance, 2001. The levy of infrastructure fee is disputed and various companies have filed appeals before the High Court of Sindh (SHC). During the pendency of these appeals, an interim arrangement has been agreed whereby bank guarantees furnished for consignments cleared upto December 27, 2006 have been returned and bank guarantees have been furnished for 50% of the levy for consignment released subsequent to December 27, 2006 while payment is made against the balance amount.

The Company, during the year ended June 30, 2014, also filed an appeal in the SHC and became a party to subject controversy raised through various appeals. The SHC, through its interim order, dated April 3, 2014 has granted the above-mentioned interim relief to the Company and directed to take up the petition along with identical petitions. The SHC on June 4, 2021, has validated the levy of infrastructure fee and ordered encashment of bank guarantees after 90 days from the date of order. The Company has filed a review in the Supreme Court of Pakistan, which is pending adjudication.

As at June 30, 2024, the Company has provided bank guarantees amounting Rs.310,000 thousand (2023: Rs.220,000 thousand) in favour of The Director Excise and Taxation, Government of Sindh for releasing the consignments imported from time to time and for the purpose of carriage of such goods by road within the province of Sindh.

26.7 Other liabilities include vehicle deposits under Company's vehicle policy aggregating Rs.14,028 thousand (2023: Rs.9,766 thousand).

27. ACCRUED MARK-UP	**2024**	2023
	---- Rupees in '000 ----	
- on long term borrowings	29,007	33,060
- on short term borrowings	323,768	135,608
	352,775	168,668

28. SHORT TERM BORROWINGS - Secured

28.1 Running finance / musharakah facilities available from various banks under mark-up arrangements aggregated to Rs.10,750,000 thousand (2023: Rs.7,100,000 thousand). During the year, these finance facilities carried mark-up at the rates ranging from 21.66% to 24.53% (2023: 14.60% to 23.70%) per annum.

28.2 Demand finance / musawammah / murabaha / istisna / tijarah facilities aggregating Rs.9,750,0000 thousand (2023: Rs.6,600,000 thousand) are also available to the Company from various banks as sub-limits of the above mentioned running finance / musharakah facilities. These facilities carried mark-up at the rates ranging from 21.65% to 22.62% (2023: 15.67% to 16.65%) per annum.

28.3 FE-25 facilities aggregating Rs.1,500,000 thousand (2023: Rs.1,100,000 thousand) are available from various banks as sub-limits of above mentioned running finance / musharakah facilities. The Company has not utilised these facility during the year.

28.4 The above-mentioned finance facilities are secured against joint pari passu hypothecation charge on stock-in-trade and trade debts and are expiring on various dates upto February 28, 2025.

28.5 The facilities for opening letters of credit including cash margin and guarantees as at June 30, 2024 aggregated to Rs.5,200,000 thousand (2023: Rs.3,100,000 thousand) of which the amount remained unutilised at year end aggregated to Rs.3,869,831 thousand (2023: Rs.1,545,226 thousand). These facilities are secured against lien on import documents.

29. CONTINGENCIES AND COMMITMENTS

29.1 Contingencies

29.1.1 The Company received notice from the Directorate of Intelligence and Investigation, FBR, Lahore in which it had been alleged that the Company purchased goods from certain suppliers who were registered with Regional Tax Offices, but were fake and issued sales tax invoices to the Company on the basis of which the Company claimed input tax adjustment amounting to Rs.29.066 million which according to them was illegal / inadmissible. The name of the Company along with 135 other companies and individuals had therefore been included as an accused person in the First Information Report (FIR) No.04/2011 dated March 26, 2011 registered by the Additional Director, Intelligence and Investigation, FBR, Lahore. The Company has, therefore, filed a Constitutional Petition in the Honourable Lahore High Court (the Court) and prayed to quash the FIR against the Company and declare the notice illegal. The Court has granted stay order and advised the concerned authorities to restrain from further proceeding with the matter. Further, the Court has quashed the criminal proceedings initiated against the Company as being unconstitutional, violative of fundamental rights and ultra vires the Sales Tax Act, 1990 (the Act). The FBR against the orders of the Court has filed an appeal in Honourable Supreme Court of Pakistan, which is pending for hearing.

29.1.2 Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Office, Karachi, for the tax year 2013 passed an order dated September 30, 2014 under section 161 / 205 of the Income Tax Ordinance, 2001 (the Ordinance) on account of non-deduction of tax on freight & forwarding charges and discounts allowed to dealers. DCIR through this order created an aggregate demand of Rs.206.534 million including additional tax.

An appeal was filed before the Commissioner Inland Revenue (Appeals) [CIR(A)] on October 22, 2014 against the above order. The Company paid the demand of Rs.0.1 million which pertains to a tax deduction on freight charges and filed a stay application on October 27, 2014 before CIR(A) against the recovery of balance of the demand. The stay against recovery of demand was granted by the CIR(A) on October 27, 2014 subject to partial payment of Rs.50 million which was paid on October 29, 2014. Pursuant to above appeal, CIR(A), on March 31, 2015, passed an order under section 129 of the Ordinance and granted relief in respect of issue of non-deduction of tax amounting Rs.108.867 million on discounts allowed on invoices. However, CIR(A) remanded back the issue of non-deduction of tax aggregating Rs.59.509 million on additional trade discounts by directing the DCIR to re-examine the issue based on the nature of discount. The Commissioner Inland Revenue (CIR) has filed an appeal on April 18, 2015 against the abovementioned order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR). ATIR on January 25, 2021 has upheld the order of CIR(A) and remanded back the issue for fresh verification.

29.1.3 The Company received a show cause notice dated June 27, 2016 from Assistant Commissioner Enforcement-II, Punjab Revenue Authority (PRA), Government of Punjab for proceeding against the Company for alleged violation of various sections of Punjab Sales Tax on Services Act, 2012 (the Act) read with Punjab Sales Tax on Services (Specific Provisions) Rules, 2012 (the Rules) and demanded tax on account of Punjab sales tax on franchises services aggregating Rs.55.443 million. Further, penalties aggregating Rs.2.962 million has also been charged.

The Company against the above mentioned show cause notice filed a petition on July 15, 2016 before the High Court of Sindh (the Court) on the basis that PRA has no jurisdiction to issue such notice. The Company is engaged in manufacturing of automotive batteries and owing to its technical assistance agreement with technology supplier, it pays technical fees to them and in respect of such technical services, the Company is making regular payments of Sindh Sales Tax to the Sindh Revenue Board (SRB). Further, the Company's factory premises as well as all production and entire operations are in the province of Sindh, therefore, PRA has no jurisdiction to demand any sales tax on franchise fees on the basis of purported apportionment of the same. The Court, through its interim order dated July 15, 2016 issued notices to concerned persons / representatives and suspended the operations of abovementioned show cause notice.

The Court via its final order dated October 10, 2023, has dismissed the petition of the Company based on jurisdiction. The Company will pursue the available departmental remedies or relevant jurisdiction court, once the proceedings are finalized.

29.1.4 The Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi, for the tax year 2015 passed an order dated January 22, 2016 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 on February 11, 2016 against the aforesaid order pursuant to which the DCIR passed a rectified order dated February 22, 2016 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)] on March 10, 2016 against the rectified order and challenged the aggregate demand of Rs.81.991 million. Pursuant to this appeal, CIR(A) passed an order dated June 8, 2016 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 on August 5, 2016 against the above mentioned order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR).

ATIR on July 30, 2019 remanded back the issue of non-deduction of tax on trade discount allowed to dealers with the direction to the income tax authorities to examine the issue afresh. Accordingly, the DCIR conducted fresh monitoring of withholding income tax for the aforesaid year in lieu of the above ATIR directions and passed an order dated June 29, 2021 under section 161 / 205 of the Ordinance on the same issue of non-deduction of tax on discounts allowed to dealers and created a demand of Rs.121.735 million including default surcharge and penalty. The Company filed an appeal before CIR(A) on July 19, 2021. Pursuant to the appeal, CIR(A) passed an order on August 23, 2022 under section 129 of the Ordinance and upheld the decision of DCIR on the issue of non-deduction of tax on discounts allowed to dealers. The Company then filed an appeal on September 7, 2022 against the above mentioned order of CIR(A) before ATIR. ATIR on September 30, 2022 has deleted the demand and decided the case in favour of the Company. CIR has filed an appeal before Honourable High Court of Sindh on January 20, 2023, which is pending for hearing.

29.1.5 The Additional Commissioner Enforcement-III (Assessing Officer), Punjab Revenue Authority (PRA), Government of Punjab issued a show cause notice to the Company and alleged that the Company has failed to withhold and deposit the Punjab Sales Tax on advertisement services. The Company responded that some of the service providers do not have their registered office in the territorial jurisdiction of Punjab and in most of the cases, services were not completely consumed in Punjab only rather were electronically transmitted throughout Pakistan. Further, the Company had withheld sales tax from all the payments made against said services and has deposited either to Federal Board of Revenue (FBR) or Sindh Revenue Board (SRB), therefore, demand raised by PRA would tantamount to double jeopardy for the Company. However, the Assessing Officer did not consider the arguments of the Company and passed an order dated May 22, 2017 under section 14 & 19 of Punjab Sales Tax on Services Act, 2012 read with Punjab Sales Tax on Services (Withholding) Rules, 2012 & 2015 and created an impugned demand of Rs.4.327 million including penalty.

The Company filed an appeal before Commissioner (Appeal), PRA, Lahore on June 23, 2017 against the aforementioned demand who had also upheld the order of the Assessing Officer on October 3, 2017. The Company then filed an appeal before Appellate Tribunal, PRA, Lahore on November 23, 2017. The Appellate Tribunal, PRA, Lahore has also upheld the order of the Commissioner (Appeal), PRA, Lahore on November 23, 2020. However, contrary to the factual position, the Appellate Tribunal, PRA, Lahore made an inadvertent error that the Company had not provided any proof of payments of withholding tax on services made to FBR and / or SRB; whereas in actual the proofs of payments were duly submitted and acknowledged by Commissioner (Appeals), PRA, Lahore as also mentioned in his order dated October 3, 2017.

The Company has filed a rectification application before the Appellate Tribunal, PRA, Lahore on January 15, 2021 for said correction in its order which is pending for hearing. The Company has also filed a petition before Honourable Lahore High Court (the Court) on January 20, 2021 for grant of stay from coercive actions and to declare the order of Appellate Tribunal, PRA, Lahore illegal and unlawful, which is pending for hearing.

The PRA on December 19, 2023 has issued a recovery notice under section 70 of the Punjab Sales Tax on Services Act, 2012 for the impugned demand of Rs.4.327 million including penalty. The Company has again filed a petition before the Court on January 02, 2024 for grant of stay from coercive actions and to suspend the operation of the recovery order, which is pending for hearing.

29.1.6 Additional Commissioner Inland Revenue (ACIR), Large Taxpayers Unit, Karachi, for the tax year 2016 passed an order dated November 30, 2017 under section 161 / 205 of the Income Tax Ordinance, 2001 (the Ordinance) on account of non-deduction of tax on (i) trade discount allowed to dealers, (ii) rent paid to Atlas Foundation, (iii) cartage & octroi expenses, (iv) repair and maintenance expenses and (v) entertainment expenses. ACIR through the order created an aggregate demand of Rs.200.172 million including default surcharge and penalty. The Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on December 20, 2017 against (i) and (ii), whereas tax levied for (iii), (iv) and (v) were not contested in appeal. The Company paid the demand of Rs.1.5 million in light of directions given by [CIR(A)] on December 22, 2017 while granting stay from recovery proceedings which duly covers the balance tax demand of Rs.1.221 million in respect of issues not contested in appeals. Pursuant to the appeal, CIR(A), on January 22, 2018, passed an order under section 129 of the Ordinance and granted relief in respect of both issues contested i.e. (i) trade discount allowed to dealers and (ii) rent paid to Atlas Foundation. The department filed an appeal on April 23, 2018 against the abovementioned order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR). ATIR on July 30, 2019 remanded back the issue of non-deduction of tax on trade discount allowed to dealers with the direction to the income tax authorities to examine the issue afresh while no decision was given in respect of levy of tax payment of rent.

Accordingly, the DCIR conducted fresh monitoring of withholding income tax for the aforesaid year in lieu of the above ATIR directions and passed an order dated June 29, 2021 under section 161 / 205 of the Ordinance on the same issue of non-deduction of tax on discounts allowed to dealers and payment of rent, and created a demand of Rs.266.060 million including default surcharge and penalty. The Company filed an appeal before CIR(A) on July 19, 2021. Pursuant to the appeal, CIR(A) passed an order on August 23, 2022 under section 129 of the Ordinance and upheld the decision of DCIR on the issue of non-deduction of tax on discounts allowed to dealers. The Company then filed an appeal on September 7, 2022 against the above mentioned order of CIR(A) before ATIR. ATIR on September 30, 2022 has deleted the demand and decided the case in favour of the Company. Commissioner Inland Revenue (CIR) has filed an appeal before Honourable High Court of Sindh on January 20, 2023, which is pending for hearing.

29.1.7 Assistant / Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi, for the tax year 2017 passed an order dated October 24, 2018 under section 161 / 205 of the Income Tax Ordinance, 2001 (the Ordinance) on account of non-deduction of tax on (i) trade discount allowed to dealers, (ii) sales promotion, (iii) travelling, (iv) repair and maintenance expenses, (v) water charges, (vi) cartages and (vii) local purchase. DCIR through the order created an aggregate demand of Rs.266.079 million including default surcharge and penalty. The Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on November 13, 2018 against (i) and (ii), where as tax levied for (iii), (iv), (v), (vi) and (vii) were not contested in appeal. The Company paid the demand of Rs.1.441 million on November 19, 2018 in respect of issues not contested in appeals. Pursuant to the appeal, CIR(A), on December 20, 2018, passed an order under section 129 of the Ordinance and granted relief in respect of issue contested at (ii) sales promotion and upheld the decision of DCIR in respect of issue contested at (i) trade discount allowed to dealers. The Company filed an appeal on December 31, 2018 against the abovementioned order of CIR(A) in respect of issue at (i) trade discount allowed to dealers before the Appellate Tribunal Inland Revenue (ATIR). Moreover, the Company obtained stay from the Honourable High Court of Sindh (the Court) against the demand confirmed by CIR(A). ATIR on July 30, 2019 remanded back the issue of non-deduction of tax on trade discount allowed to dealers with the direction to the income tax authorities to examine the issue afresh.

Accordingly, the DCIR conducted fresh monitoring of withholding income tax for the aforesaid year in lieu of the above ATIR directions and passed an order dated June 29, 2021 under section 161 / 205 of the Ordinance on the same issue of non-deduction of tax on discounts allowed to dealers and created a demand of Rs.333.955 million including default surcharge and penalty. The Company filed an appeal before CIR(A) on July 19, 2021. Pursuant to the appeal, CIR(A) passed the order on August 23, 2022 under section 129 of the Ordinance and upheld the decision of DCIR on the issue of non-deduction of tax on discounts allowed to dealers. The Company then filed an appeal on September 7, 2022 against the above mentioned order of CIR(A) before ATIR. ATIR on September 30, 2022 has deleted the demand and decided the case in favour of the Company. Commissioner Inland Revenue (CIR) has filed an appeal before Court on January 20, 2023, which is pending for hearing.

29.1.8 The Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi conducted sales tax investigative audit for the period from July 2013 to June 2018 and passed an order dated November 14, 2019 with respect to (i) input tax claims against purchases from certain suppliers whose status was subsequently found as blacklisted / suspended on FBR web portal, (ii) input tax claims against purchases which were alleged to be inadmissible as per the Sales Tax Act, 1990 (the Act) and (iii) non-payment of extra tax on sales. DCIR, through abovementioned order raised an aggregate demand of Rs.49.041 million (including default surcharge and penalty of Rs.18.297 million).

The Company paid Rs.2.557 (including default surcharge and penalty of Rs.0.708 million) being amount not contested and filed an appeal on December 11, 2019 before Commissioner Inland Revenue (Appeals) [CIR(A)] under section 45(B) of the Act against the above order for remaining amount. Pursuant to the appeal, the CIR(A), through his order dated December 30, 2019, granted partial relief to the Company in respect of the above mentioned points by disallowing demand to the tune of Rs.11.154 million and remanded back the allegations involving sales tax to the tune of Rs.17.741 million (both without default surcharge and penalty). Further, CIR(A) also order the DCIR to re-work the amount of default surcharge and penalty after giving effect of appeal order. However, the Commissioner Inland Revenue (CIR) filed an appeal on February 20, 2020 against the abovementioned order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR), which is pending for hearing.

29.1.9 Additional Commissioner Inland Revenue (ACIR), Audit-II, Range-D, Large Taxpayers' Office, Karachi, for the tax year 2018 passed an order dated January 28, 2021 under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance) which inter alia included (i) additions pertaining to non-deduction of withholding tax on trade discount, (ii) disallowance of warranty expense and (iii) disallowance of certain tax credits. The ACIR through the order created an aggregate demand of Rs.658.995 million. The Company filed a rectification application for the apparent errors in the order and also filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] on February 19, 2021.

Pursuant to the appeal, CIR(A) on April 14, 2022, passed an order under section 129 of the Ordinance and granted partial relief to the Company by deleting the demand in respect of various expenditures, remanded back the issues on disallowances of tax credits and certain expenditures and upheld the demand related to additions pertaining to non-deduction of withholding tax on additional discounts. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on June 10, 2022 in respect of issues confirmed by CIR(A), which is pending for hearing.

29.1.10 Deputy Commissioner Inland Revenue (DCIR), Unit -4, Audit-1, Large Taxpayers' Office, Karachi conducted sales tax audit for the period from July 2018 to June 2019 and passed an order dated June 29, 2021 under section 11(2) of the Sales Tax Act, 1990 (the Act) and created an aggregate demand of Rs.1.649 billion including default surcharge and penalty. The significant issue alleged in this order is claiming of input tax adjustment on fake and flying sales tax invoices. The Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on July 27, 2021.

Pursuant to the appeal, CIR(A) on April 14, 2022, passed an order under section 45B of the Act and granted partial relief to the Company by deleting the demand on various issues, remanded back the allegations including input tax adjustment on fake and flying sales tax invoices and reduced the aforementioned demand to the extent of Rs.5.645 million pertaining to inadmissible input tax adjustments including default surcharge and penalty. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on June 7, 2022 in respect of issues confirmed by CIR(A). ATIR in its order dated January 1, 2023 remanded back the pending issues pertaining to inadmissible input tax adjustments to income tax authorities with the directions to re-examine the issue afresh.

Pursuant to ATIR order, DCIR had initiated the appeal effect proceedings on the issues remanded back by ATIR and passed the order dated May 20, 2024 confirming the demand of Rs.5.645 million including default surcharge and penalty. The Company has filed an appeal before CIR(A) on June 13, 2024, which is pending for hearing.

29.1.11 Deputy Commissioner Inland Revenue (DCIR), Unit -4, Audit-1, Large Taxpayers' Office, Karachi conducted sales tax audit for the period from July 2019 to June 2020 and passed an order dated June 30, 2021 under section 11(2) of the Sales Tax Act, 1990 (the Act) and created an aggregate demand of Rs.1.669 billion including default surcharge and penalty. The significant issue alleged in this order is claiming of input tax adjustment on fake and flying sales tax invoices. The Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on July 27, 2021.

Pursuant to the appeal, CIR(A) on April 14, 2022, passed an order under section 45B of the Act and granted partial relief to the Company by deleting the demand on various issues, remanded back the allegations including input tax adjustment on fake and flying sales tax invoices and reduced the aforementioned demand to the extent of Rs.4.382 million pertaining to inadmissible input tax adjustments including default surcharge and penalty. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on June 7, 2022 in respect of issues confirmed by CIR(A). ATIR in its order dated January 1, 2023 remanded back the pending issues pertaining to inadmissible input tax adjustments to income tax authorities with the directions to re-examine the issue afresh.

Pursuant to ATIR order, DCIR had initiated the appeal effect proceedings on the issues remanded back by ATIR and passed the order dated May 20, 2024 confirming the demand of Rs.4.382 million including default surcharge and penalty. The Company has filed an appeal before CIR(A) on June 13, 2024, which is pending for hearing.

29.1.12 Assistant / Deputy Commissioner Inland Revenue (DCIR), Unit-4, Audit-1, Large Taxpayers' Office, Karachi conducted income tax audits for the tax years 2016, 2018, 2019 & 2020 and accordingly, passed orders dated July 29, 2021 under section 122(1) of the Income Tax Ordinance, 2001 (the Ordinance) and created aggregate demand of Rs.2.597 billion, Rs.3.746 billion, Rs.2.693 billion and Rs.2.225 billion, respectively for the said tax years. The significant issues alleged in these orders were disallowance of purchases on account of alleged fake and flying sales tax invoices, difference in bank credit entries with audited accounts, add backs of additional discounts and disallowance of certain expenditures. The Company filed appeals before Commissioner Inland Revenue (Appeals) [CIR(A)] on August 23, 2021. Pursuant to the appeals, CIR(A) on April 14, 2022, passed an order under section 129 of the Ordinance and granted partial relief to the Company by remanded back various issues including disallowance of purchases on account of alleged fake and flying sales tax invoices, difference in bank credit entries with audited accounts and disallowance of certain expenditures for fresh verification and upheld the demands in respect of other issues which significantly involves the add backs on additional discounts. The Company filed appeals before the Appellate Tribunal Inland Revenue (ATIR) on June 10, 2022 in respect of the issues confirmed by the CIR(A), which is pending for hearing.

Pursuant to CIR(A) order, DCIR had initiated the appeal effect proceedings on the issues remanded back by CIR(A) and passed the order dated June 12, 2024 for the TY 2016 by reducing the demand to Rs.1.142 billion. The Company has filed an appeal on July 06, 2024 against the aforesaid order of DCIR in respect of issues at (i) disallowance of purchases on account of alleged fake and flying sales tax invoices, and (ii) difference in bank credit entries before the ATIR, which is pending for hearing.

Further, DCIR had also initiated the appeal effect proceedings on the issues remanded back by CIR(A) and passed the orders dated July 1, 2024 for TY 2018, 2019 and 2020 and reduced the demands to Rs.20.673 million, Rs.76.543 million and Rs.4.528 million, respectively. The Company has filed appeals on July 24, 2024 for TY 2018, and on July 26, 2024 for TY 2019 against the aforesaid mentioned orders of DCIR in respect of issues at (i) short credit of taxes (ii) various expenses before the Appellate Tribunal Inland Revenue (ATIR) which are pending for hearing. Furthermore, for TY 2020, the Company has filed an appeal on July 24, 2024 against the aforesaid order of DCIR in respect of issues at (i) short credit of taxes (ii) various expenses before the CIR(A), which is pending for hearing. Moreover, the Company has obtained stay from the Honourable High Court of Sindh against the demand confirmed by DCIR for the TY 2016, 2018 and 2019. The Company has also obtained stay from the CIR(A) by paying 10% of the demand for the TY 2020.

29.1.13 Outstanding bank guarantees

Guarantees aggregating Rs.336,549 thousand (2023: Rs.239,360 thousand) are issued by a commercial bank on behalf of the Company to Sui Southern Gas Co. Ltd., and Excise and Taxation Department, Government of Sindh.

		2024	2023
		---- Rupees in '000 ----	
29.2	**Commitments**		
29.2.1	Commitments in respect of letters of credit / contract relating to:		
	- raw materials, stores, spares and loose tools	938,210	1,065,982
	- capital expenditure	55,410	249,432
		993,620	1,315,414

29.2.2 Commitments outstanding for capital expenditure other than through letters of credit as at June 30, 2024 aggregated to Rs.6,405 thousand (2023: Rs.21,080 thousand).

30. SALES - Net

	Note	2024	2023
		---- Rupees in '000 ----	
Local sales			
- manufacturing activity		54,250,169	52,615,772
- trading activity		1,909,523	1,751,773
		56,159,692	54,367,545
Export sales		600,272	447,406
		56,759,964	54,814,951
Less:			
- sales tax		8,572,027	8,087,407
- discounts		6,717,345	4,871,676
		15,289,372	12,959,083
		41,470,592	41,855,868

31. COST OF SALES

		2024	2023
		---- Rupees in '000 ----	
Opening stock of finished goods		2,066,889	374,579
Cost of goods manufactured	31.1	34,458,079	35,911,571
Purchases during the year		1,464,149	1,184,183
		35,922,228	37,095,754
Closing stock of finished goods		(2,453,246)	(2,066,889)
		35,535,871	35,403,444

31.1 Cost of goods manufactured

Opening stock of work-in-process		2,147,337	1,205,366
Raw materials and components consumed	31.2	27,073,691	29,218,279
Salaries, wages and benefits	31.3	1,754,402	2,169,666
Stores consumed		715,344	667,740
Light, heat and water		2,157,070	2,004,138
Insurance		116,626	72,660
Rent, rates and taxes		25,664	24,823
Repair and maintenance		126,039	141,015
Royalty and technical fee	31.4	449,833	449,206
Cartage		21,685	21,760
Travelling and conveyance		90,750	71,968
Postage and telephone		6,638	6,820
Printing and stationery		9,194	7,793
Vehicle running		2,287	2,638
Depreciation related to operating fixed assets	6.5	380,236	360,153
Depreciation related to right of use assets	6.9.1	66,602	51,322
Amortization	7.2	60	1,134
Free replacement	26.3	1,703,083	1,568,918
Other expenses		12,536	13,509
		36,859,077	38,058,908
Closing stock of work-in-process		(2,400,998)	(2,147,337)
		34,458,079	35,911,571

31.2 Raw materials and components consumed

Opening stock	6,024,648	2,988,021
Purchases during the year	28,019,826	32,254,906
	34,044,474	35,242,927
Closing stock	(6,970,783)	(6,024,648)
	27,073,691	29,218,279

31.3 Salaries, wages and benefits include Rs.100,056 thousand (2023: Rs.5,737 thousand) and Rs.15,896 thousand (2023: Rs.14,144 thousand) in respect of staff retirement benefits gratuity and provident / pension funds respectively.

31.4 Royalty charged in these financial statement pertains to GS Yuasa International Limited having registered office at 1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto 601-8520 Japan.

32. DISTRIBUTION COST

	Note	2024	2023
		---- Rupees in '000 ----	
Salaries and benefits	32.1	119,666	104,335
Travelling, conveyance and entertainment		230,194	258,797
Vehicle running		4,767	4,331
Rent, rates and taxes		16,769	15,244
Advertisement and sales promotion		215,883	254,480
Repair and maintenance		6,377	4,899
Light, heat and water		17,400	12,730
Freight and forwarding		571,151	532,646
Printing and stationery		1,459	1,420
Postage and telephone		6,797	6,922
Depreciation related to operating fixed assets	6.5	20,814	19,473
Depreciation related to right of use assets	6.9.1	18,302	16,143
Amortisation	7.2	-	583
Insurance		172,620	163,880
Newspapers, magazines and subscription others		730	544
		1,402,929	1,396,427

32.1 Salaries and benefits include Rs.10,907 thousand (2023: Rs.1,729 thousand) and Rs.3,394 thousand (2023: Rs.2,924 thousand) in respect of staff retirement benefits gratuity and provident / pension funds respectively.

33. ADMINISTRATIVE EXPENSES

	Note	2024	2023
		---- Rupees in '000 ----	
Directors' meeting fee		4,800	4,000
Salaries and benefits	33.1	354,743	260,931
Travelling and conveyance		43,898	22,236
Repair and maintenance		6,720	3,968
Light, heat and water		6,523	2,406
Insurance		14,395	8,605
Legal and professional charges		11,462	18,464
Fee and subscription		64,951	58,962
Postage and telephone		3,956	3,328
Printing and stationery		11,320	6,327
Vehicle running		2,666	1,336
Training expense		8,304	7,433
Depreciation related to operating fixed assets	6.5	40,197	24,015
Depreciation related to right of use assets	6.9.1	16,451	3,077
Amortisation		2,460	2,100
Donation	33.2	61,981	71,377
		654,827	498,565

33.1 Salaries and benefits include Rs.39,478 thousand (2023: Rs.3,775 thousand) and Rs.12,625 thousand (2023: Rs.9,419 thousand) in respect of staff retirement benefits gratuity and provident / pension funds respectively.

33.2 Donation is paid to Atlas Foundation, 2nd Floor, Federation House, Shara-e-Firdousi, Clifton, Karachi.

34. OTHER INCOME

	Note	2024	2023
		---- Rupees in '000 ----	
Income from financial assets			
Dividend income		60,844	36,479
Fair value gain on investments at fair value through profit or loss - net		1,652	192
Mark-up / interest on savings deposit accounts, and term deposit receipts		2	7,118
Gain on sale of investments at fair value through profit or loss - net		-	2,346
Income from assets other than financial assets			
Scrap sales		23,713	22,548
Gain on disposal of operating fixed assets	6.7	-	3,663
Exchange gain - net		13,672	-
		99,883	72,346

35. OTHER EXPENSES

	Note	2024	2023
		---- Rupees in '000 ----	
Provision for expected credit loss	13.1	19,397	2,495
Workers' profit participation fund		116,734	198,765
Workers' welfare fund		47,578	78,421
Loss on disposal of operating fixed assets		209	-
Auditors' remuneration	35.1	3,209	2,866
Exchange loss - net	35.2	-	97,049
		187,127	379,596

35.1 Auditors' remuneration

	2024	2023
	---- Rupees in '000 ----	
Remuneration in respect of auditors' services for:		
- statutory audit	1,950	1,700
- half yearly review	225	200
- review of compliance with Code of Corporate Governance	125	102
- audits of retirement funds and workers' profit participation fund	195	177
- certifications for payment of royalty, dividend and others	612	595
- out of pocket expenses	102	92
	3,209	2,866

35.2 Represents exchange loss - net arising on revaluation of actual currency.

36. FINANCE COST

	2024	2023
	---- Rupees in '000 ----	
Mark-up / amortisation on:		
- lease liabilities	139,558	58,285
- long term borrowings	220,383	177,595
- running finances / musharakah	1,076,951	242,110
- demand finances	166,080	60,676
- workers' profit participation fund	112	629
Government grant	(6,209)	(7,151)
	1,596,875	532,144
Bank and other financial charges	22,476	19,922
	1,619,351	552,066

37. LEVIES AND INCOME TAXATION

37.1 This represents final taxes paid under sections 150 and 154 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

37.2 Deferred tax

	2024	2023
	---- Rupees in '000 ----	
Origination and reversal of temporary differences	(62,105)	(57,033)
Impact of change in tax rate	-	67,803
	(62,105)	10,770

37.3 Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

	2024	2023
	---- Rupees in '000 ----	
Current tax liability for the year as per applicable tax laws	903,449	1,486,165
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(888,320)	(1,475,868)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(15,129)	(10,297)
	-	-

37.4 Relationship between tax expense and accounting profit for the year is as follows:

	2024	2023
	---- Rupees in '000 ----	
Profit before income and final taxes	2,170,370	3,698,116
Tax at the applicable rate of 29%	629,407	1,072,454
Tax effect of:		
- expenses not deductible for tax purposes	1,062,969	966,999
- expenses deductible for tax purposes but not taken to profit and loss account	(992,901)	(904,232)
- income not subject to tax / income subject to final tax regime / tax credits	(49,602)	(47,122)
Adjustments in respect of prior years		
Super tax on high earning persons	(14,623)	(61)
Deferred taxation	238,447	387,769
	(62,105)	10,770
Tax charge	811,592	1,486,577

38. EARNINGS PER SHARE

	2024	2023
	---- Rupees in '000 ----	
38.1 Basic earnings per share		
Net profit for the year	1,343,649	2,201,242
	-- Number of shares --	
Weighted average ordinary shares in issue	35,017,033	35,017,033
	--------- Rupees ---------	
Earnings per share	38.37	62.86

38.2 Diluted earnings per share

No figures for diluted earnings per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

39. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the Holding Company, Associated Companies, directors of the Company, companies in which directors are interested, key management personnel, post employment benefit plans and close members of the families of the directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties at mutually agreed terms and conditions. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

39.1 Name and nature of relationship

a) The Holding Company

Shirazi Investments (Private) Limited - 58.86% shares held in the Company

b) Associated Company - significant influence

GS Yuasa International Limited, Japan - 15% shares held in the Company

c) Associated Companies - common directorship

Atlas Honda Limited

Honda Atlas Cars (Pakistan) Limited

Atlas Autos (Private) Limited

Shirazi Trading Company (Private) Limited

Atlas Insurance Limited

Atlas Asset Management Limited

Atlas Foundation

Atlas Global, FZE, Jebeal Ali, UAE

d) Associated companies - Group companies

Atlas Energy Limited

Integration Xperts (Private) Limited

Atlas Metals (Private) Limited

e) Directors

Mr. Aamir H. Shirazi	Mr. Ali H. Shirazi
Mr. Bashir Makki	Mr. Fahd K. Chinoy
Ms. Mehreen Amin	Mr. Sanaullah Qureshi
Mr. Toru Furuya	

f) Key Management Personnel

Mr. Mansoor Jamil Khan	Mr. Ahmar Waheed
Mr. Iftikhar ul Islam	Mr. Muhammad Asher Ahmad
Mr. Muhammad Rafi	Mr. Rizwan Ahmed
Mr. Sheikh Adeel-ur-Rehman	Mr. Tehseen Raza

39.2 Transactions with related parties

	2024	2023
	--- Rupees in '000 ---	
The Holding Company		
Lease rental paid	117,805	82,829
Service charges paid	30,505	26,052
Dividend paid	206,115	669,873
Bonus share issued	-	41,223
Purchase of operating fixed assets	943	6,389
Associated companies		
Sales of:		
- goods	2,009,628	1,250,329
- operating fixed assets	5,039	5,718
Purchases of:		
- goods	6,808,015	2,172,969
- operating fixed assets	394,974	106,046
- intangible asset	375	-
- consumables / services	111,075	25,837
Lease rental paid	2,752	2,502
Reimbursement of expenses	4,614	19,902
Expenses charged	918	101
Insurance premium	438,187	353,795
Insurance claims	47,762	20,421
Purchase of units in mutual funds	-	402,423
Sale of units in mutual funds	-	403,832
Dividend received	-	1,748
Dividend paid	286,931	40,767
Royalty and technical fee	449,833	449,206
Contribution to pension funds	25,356	20,521
Dividend payable	-	221,862
Bonus shares issued	-	13,014
Donation paid	61,981	71,377
Bonus fraction donated	-	107
Other related parties		
Contributions paid to:		
- gratuity funds	18,571	18,115
- provident fund	6,559	5,965
Salaries and other short term employment benefits to key management personnel	162,773	150,333
Sale of operating fixed asset under Company policy	5,318	3,601

The related party status of outstanding balances as at June 30, 2024 is included in 'Capital work-in-progress - note 6.8.2', 'Long term loans - note 9', 'Stock-in-trade - note 12.1 and 12.2', 'Trade debts - note 13', 'Loans and advances - note 14.2', 'Other receivables - note - 17.1', 'staff retirement benefits - note 24.2.1' and 'Trade and other payables - note 26.1, note 26.2 and note 26.4' respectively. These are settled in ordinary course of business.

40. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged during the year in respect of remuneration, including certain benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	Directors				Executives	
	Chief Executive		Others			
	2024	2023	**2024**	2023	**2024**	2023
	Rupees in '000					
Managerial remuneration	31,059	25,412	-	-	140,904	90,829
House rent and utilities	21,741	17,788	-	-	98,633	63,581
Bonus	15,400	18,000	-	-	71,024	64,338
Inflation assistance	-	3,600			-	12,868
Retirement benefits	3,416	2,795	-	-	14,317	9,870
Medical and others	1,348	724	-	-	8,030	3,335
	72,964	68,319	-	-	332,908	244,821
Number of persons	1	1	-	-	59	44

40.1 The Chief Executive is provided with free use of the Company maintained cars and telephones at residences. Certain executives are also provided with the Company's vehicles.

40.2 Remuneration to other directors

Aggregate amount charged in these financial statements for meeting fee to four (2023: five) non-executive directors was Rs.4,800 thousand (2023: Rs.4,000 thousand).

41. FINANCIAL RISK MANAGEMENT

41.1 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). The Company overall risk management program focuses on having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

(a) Credit risk

Credit risk represents the risk of accounting loss being caused if counterparty fails to perform as contracted or discharge an obligation. Credit risk arises from loans, trade deposits, trade debts, loans & advances, investments, other receivables and deposits with banks & financial institutions.

The carrying amounts of financial assets represent the maximum credit exposure. The financial assets exposed to credit risk as at June 30, 2024 aggregated to Rs.4,721,626 thousand (2023: Rs.4,146,327 thousand) and are as follows:

	2024	2023
	Rupees in '000	
Long term loans	3,763	3,269
Long term deposits	29,838	29,338
Trade debts	3,076,060	2,391,345
Loans and advances	6,323	3,746
Deposits and margins	24,027	631,789
Investments	390,023	266,654
Other receivables	-	404
Bank balances	1,191,592	819,782
	4,721,626	4,146,327

Out of the total financial assets, credit risk is concentrated in investments in mutual fund securities, trade debts, deposits and margins with banks as they constitute 99.15% (2023: 99.11%) of the total financial assets.

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other relevant factors. Where considered necessary, advance payments are obtained from certain parties.

All the trade debts at the reporting date represent domestic parties.

The maximum exposure to credit risk for trade debts at the reporting date by type of customer are as follows:

	2024		2023	
	%	Rupees in '000	%	Rupees in '000
Original Equipment Manufacturers and Institutions	2.05	62,927	2.09	49,941
Associated Companies	0.46	14,127	3.58	85,592
Dealers and others	97.50	2,999,006	94.33	2,255,812
	100	3,076,060	100	2,391,345

The credit quality of loans, advances, deposits and other receivables can be assessed with reference to their historical performance with no or negligible defaults in recent history and no losses incurred.

The credit quality of Company's bank balances and investments in mutual funds securities can be assessed with reference to the external credit ratings as follows:

		Rating		2024	2023
Name of bank	Agency	Short term	Long term	---- Rupees in '000 ----	
Askari Bank Limited	PACRA	A-1+	AA+	323	97
Habib Metropolitan Bank Limited	PACRA	A-1+	AA+	200	200
Habib Bank Limited	JCR-VIS	A-1+	AAA	31,841	33,269
Meezan Bank Limited	JCR-VIS	A-1+	AAA	27,127	21,971
Faysal Bank Limited	PACRA	A1+	AA	47,448	18,266
National Bank of Pakistan	PACRA	A1+	AAA	13	152
MCB Islamic Bank Pakistan	PACRA	A-1	A+	2	-
				106,952	73,955
Mutual funds		**Agency**	**Rating**		
HBL Money Market Fund		JCR-VIS	AA+(f)	390,023	266,654

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty, in meeting obligation associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2024, the Company had Rs.10,750,000 thousand available borrowings limits from banks / financial institutions and of bank balances Rs.106,952 thousand.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Carrying amount	Contrac-tual cash flows	Maturity upto one year	Maturity more than one year
	---------- Rupees in '000 ----------			
June 30, 2024				
Lease liabilities	655,959	1,170,956	187,167	983,789
Long term borrowings	899,484	1,265,161	417,632	847,529
Trade and other payables	2,907,007	2,907,007	2,907,007	-
Accrued mark-up	352,775	352,775	352,775	-
Short term borrowings	9,168,203	9,639,527	9,639,527	-
Unclaimed dividend	62,374	62,374	62,374	-
	14,045,802	15,397,800	13,566,482	1,831,318

	Carrying amount	Contractual cash flows	Maturity upto one year	Maturity more than one year
	---------- Rupees in '000 ----------			
June 30, 2023				
Lease liabilities	474,490	804,821	137,785	667,036
Long term borrowings	1,065,000	1,671,370	389,483	1,281,887
Trade and other payables	5,666,261	5,666,261	5,666,261	-
Accrued mark-up	168,668	168,668	168,668	-
Short term borrowings	4,371,424	4,875,265	4,875,265	-
Dividend payable	221,862	221,862	221,862	-
Unclaimed dividend	57,361	57,361	57,361	-
	12,025,066	13,465,608	11,516,685	1,948,923

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at June 30, 2024.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument shall fluctuate because of changes in foreign exchange rates.

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar (U.S. Dollar). Currently, the Company's foreign exchange risk is restricted to the amounts payable to foreign entities. The Company's exposure is as follows:

	2024		2023	
	Rupees in '000	**U.S. Dollars**	Rupees in '000	U.S. Dollars
Balance sheet exposure				
Trade and other payables	37,172	133,333	66,990	233,334

Exchange rate of Rs.278.79 (2023: 287.10) for US Dollar to Rupee has been applied.

At June 30, 2024, if the Rupee had weakened / strengthened by 5% against U.S. Dollars with all other variables held constant, the recalculated post-tax profit for the year would have been Rs.1,859 thousand (2023: Rs.3,350 thousand) higher / (lower), mainly as a result of foreign exchange gain / (loss) on translation of U.S. Dollar denominated financial liabilities.

Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates.

The Company's interest rate exposure arises from long term and short term borrowings. Borrowings issued at variable rates expose the Company to cash flow risk and borrowing issued at fixed rate expose the Company to fair value interest rate risk. At June 30, 2024, the Company's interest bearing borrowings aggregated to Rs.10,022,369 thousand (2023: Rs.5,392,257 thousand).

At June 30, 2024, if the interest rates on the Company's borrowings had been 1% higher / (lower) with all other variables held constant, the calculated post-tax profit for the year would have been Rs.100,224 thousand (2023: Rs.53,923 thousand) (lower) / higher mainly as a result of higher / (lower) interest expense on floating rate borrowings.

Price risk

Price risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from foreign exchange risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is exposed to price risk because of investments in mutual fund securities amounting to Rs.390,023 thousand (2023: Rs.266,654 thousand) and classified at fair value through profit or loss. The Company is not exposed to commodity risk.

At June 30, 2024, if fair value (Net Asset Value) had been 1% higher / lower with all other variables held constant, the post-tax loss for the year would have Rs.3,900 thousand (2023: Rs.2,667 thousand) (lower) / higher as a result of gain / (loss) on investments classified as at fair value through profit or loss.

41.2 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The carrying values of all financial assets and liabilities reflected in the 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:

- 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].

The Company's financial assets measured at fair value comprise only of level 1 financial assets amounting to Rs.390,023 thousand (2023: Rs.266,654 thousand).

There were no transfers amongst the levels during the current and preceding year. The Company's policy is to recognise transfer into and transfers out of fair value hierarchy levels as at the end of the reporting periods.

Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

41.3 Financial instruments by categories

	At June 30, 2024			At June 30, 2023		
	Amortised Cost	**At fair value through profit or loss**	**Total**	Amortised Cost	At fair value through profit or loss	Total
	---------- Rupees in '000 ----------			---------- Rupees in '000 ----------		
Financial assets as per statement of financial Position						
Long term loans	3,763	-	3,763	3,269	-	3,269
Long term deposits	29,838	-	29,838	29,338	-	29,338
Trade debts	3,076,060	-	3,076,060	2,391,345	-	2,391,345
Loans and advances	9,162	-	9,162	3,746	-	3,746
Deposits and prepayments	20,279	-	20,279	19,679	-	19,679
Investments	-	390,023	390,023	-	266,654	266,654
Bank balances	1,191,592	-	1,191,592	819,782	-	819,782
	4,330,694	390,023	4,720,717	3,267,159	266,654	3,533,813

	Financial liabilities at amortised cost	
	2024	2023
	----- Rupees in '000 ----	
Financial liabilities as per statement of financial Position		
Long term borrowings including current maturity	899,484	1,065,000
Trade and other payables	2,907,007	5,666,261
Accrued mark-up	352,775	168,668
Short term borrowings	9,168,203	4,371,424
Dividend payable	-	221,862
Unclaimed dividend	62,374	57,361
	13,389,843	11,550,576

41.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure by monitoring return on net assets and makes adjustments in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders and / or issue new shares. There was no change to the Company's approach to capital management during the year. The Company monitors capital on the basis of gearing ratio calculated as follows:

	2024	2023
	--- Rupees in '000 ---	
Total borrowings	10,723,646	5,910,914
Bank balances	(1,191,592)	(819,782)
Net debt	9,532,054	5,091,132
Total Equity	8,519,167	7,252,337
Total Capital	18,051,221	12,343,469
Gearing ratio	53%	41%

42. PLANT CAPACITY AND ACTUAL PRODUCTION

The production capacity of the plant cannot be determined as this depends upon the relative proportion of various types of automotive and motorcycle batteries produced.

43. ENTITY-WIDE INFORMATION

These financial statements have been prepared on the basis of the single reportable segment.

43.1 Information about products

Sales of battery and allied products represent 96.06% (2023: 96.42%) of the total revenue of the Company.

43.2 Information about geographical areas

All non-current assets of the Company as at June 30, 2024 are located in Pakistan.

All of the Company's sales relate to customers in Pakistan other than export sales amounting to Rs.600,272 thousand (2023: Rs.447,406 thousand) made to Afghanistan.

43.3 Information about customers

The Company's customer base is diverse with no single customer accounting for more than 10% of net revenue.

44. NUMBER OF EMPLOYEES

	Numbers	
	2024	2023
Total number of employees	346	352
Average number of employees	351	350

45. PROVIDENT FUND RELATED DISCLOSURES

45.1 The following information is based on unaudited financial statements of the Fund for the year ended June 30, 2024:

	2024	2023
	--- Rupees in '000 ---	
Size of the Fund - Total Assets	143,303	129,950
Cost of investments made	97,446	95,804
Percentage of investments made	98.57%	98.99%
Fair value of investments	141,249	128,637

45.2 The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and conditions specified thereunder.

46. SHAHRIAH SCREENING DISCLOSURE

	2024		2023	
	Conventional	**Shariah Compliant**	Conventional	Shariah Compliant
	Rupees in '000			
Short term investments	390,023	-	266,654	-
Bank balances	32,370	74,582	33,719	40,236
Accrued mark-up	212,870	139,905	87,519	81,149
Lease liabilities	655,959	-	474,490	-
Long term borrowings including current portion	45,317	854,167	752,500	312,500
Short term borrowings	6,066,853	3,101,350	2,581,694	1,789,730
Revenue	-	41,470,592	-	41,855,868
Other income				
a) Dividend income	60,844	-	36,479	-
b) Gain on sale of investments at fair value through profit or loss	-	-	2,346	-
c) Fair value gain on investments at fair value through profit or loss	1,652	-	192	-
d) Mark-up income	2	-	7,118	-
e) Others including exchange gain on actual currency	-	37,385	-	26,211
Mark-up on running finances / musharaka	621,122	455,829	137,608	104,502
Mark-up on demand finances	126,744	39,336	57,456	3,220
Mark-up on long term borrowings	149,696	70,687	146,157	31,438
Mark-up on lease liabilities	139,558	-	58,285	-

47. CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified, wherever considered necessary for the purposes of comparison and better presentation the effect of which is not material.

48. EVENT AFTER THE REPORTING PERIOD

The Board of Directors, in their meeting held on August 29, 2024, proposed a final cash dividend of Rs.20 per share amounting to Rs.700,341 thousand for approval of the members at the Annual General Meeting to be held on September 27, 2024.

These financial statements do not reflect the proposed appropriations, which will be accounted for in the statement of changes in equity as appropriations from unappropriated profit in the year ending June 30, 2025.

49. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorised for issue on August 29, 2024 by the Board of Directors of the Company.

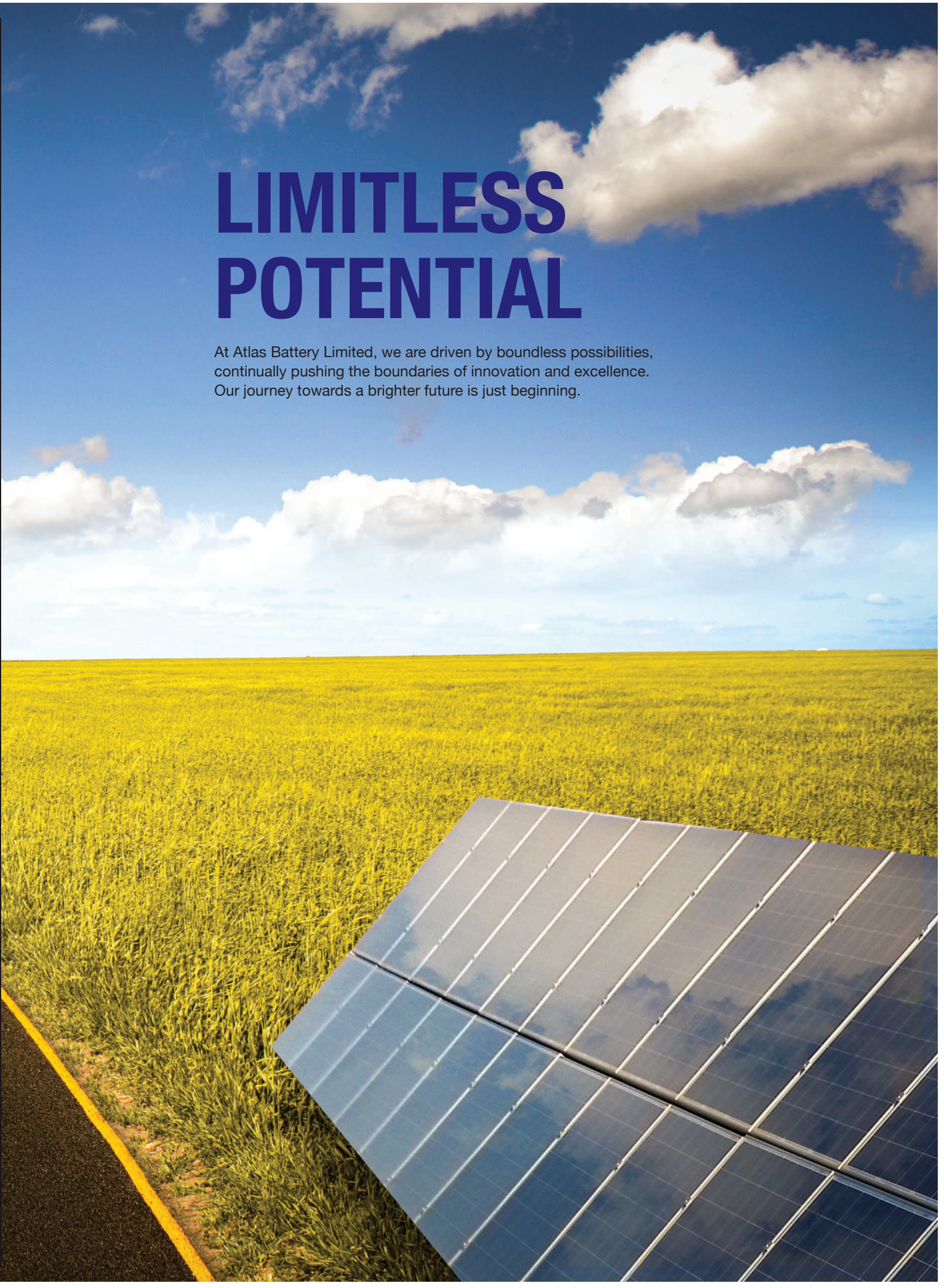
Aamir H. Shirazi
Chairman

Ali H. Shirazi
President / Chief Executive

Rizwan Ahmed
Chief Financial Officer

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LIMITLESS POTENTIAL

At Atlas Battery Limited, we are driven by boundless possibilities, continually pushing the boundaries of innovation and excellence. Our journey towards a brighter future is just beginning.

Glossary of Terms

AGS	Atlas Genzo Shimadzu
ATIR	Appellate Tribunal Inland Revenue
ATL	Active Taxpayer List
B2C	Business to Consumer
BCP	Business Continuity Plan
BPR	Business Process Re-engineering
CDC	Central Depository Company
CDS	Central Depository System
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operation Officer
CGLS	Corporate Governance Leadership Skills
CIR (A)	Commissioner Inland Revenue (Appeals)
CMS	Claim Management System
CNIC	Computerized National Identity Card
CSR	Corporate Social Responsibility
DCIR	Deputy Commissioner Inland Revenue
DFI	Development Financial Institution
DI&I	Directorate General – Intelligence and Investigation
DPS	Dividend Per Share
EBITDA	Earnings Before Interest, Tax, Depreciation & Amortization
ESG	Environmental, Social and Governance
ERP	Enterprise Resource Planning
FBR	Federal Board of Revenue
GDP	Gross Domestic Product
GIKEST	Ghulam Ishaq Khan Institute of Engineering Sciences and Technology
HR	Human Resource
IBA	Institute of Business Administration
ICP	Investment Corporation of Pakistan
IFAC	International Federation of Accounting
IFRS	International Financial Reporting Standards
IT	Information Technology
LUMS	Lahore University of Management Sciences
MAP	Management Association of Pakistan
MC	Management Committee
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NCCPL	National Clearing Company of Pakistan Limited
NGO	Non Governmental Organization
NIT	National Investment Trust
OEM	Original Equipment Manufacturer
PAMA	Pakistan Automotive Manufacturers Association
PAT	Profit After Taxation
PBT	Profit Before Taxation
PICG	Pakistan Institute of Corporate Governance
PKR	Pakistan Rupee
PRA	Punjab Revenue Authority
PSX	Pakistan Stock Exchange
PUC	Projected Unit Cost
SRB	Sindh Revenue Board
QCC	Quality Control Circle
UK	United Kingdom
UPS	Uninterruptible Power Supply
USA	United States of America
WMS	Warehouse Management System
WPPF	Workers' Profit Participation Fund
WWF	Workers' Welfare Fund

Atlas Group Companies

	*Year of Establishment / Acquisition**
Shirazi Investments	1962
Atlas Honda	1962
Atlas Battery	1966
Shirazi Trading	1975
Atlas Insurance	1980*
Atlas Engineering	1981*
Honda Atlas Cars	1992
Honda Atlas Power Product	1997
Atlas Asset Management	2002
Atlas Power	2007
Atlas World Wide	2007
Atlas Venture	2008
Atlas Autos	2011
Atlas Hitec	2012
Atlas Global FZE	2015
Atlas Energy	2016
Atlas DID	2019
Atlas GCI	2019
Atlas Solar	2020

Product Types and their Application

Product Type			20 HR Capacity (AH)	Application
Light Batteries (12 Volts)				
CGR 40	7PL	CGR30	24	CNG Rickshaw
GR 46	9PL	NS40SR	30	Suzuki Van / Pick-up, Subaru Van / Pick-up (old models) (600cc to 800cc)
GL 48	9PL	NS40ZL 9PL	35	Suzuki Mehran, Daihatsu Coure, Kia Classic, All CNG converted vehicles (800cc to 1000cc)
GL 50	11PL	NS40ZL 11PL	38	All types of vehicles (800cc to 1300cc)
CNG 60	11PL	N40	45	Datsun 120Y, Mazda, Mitsubishi Lancer, Toyota, Honda Civic (1000cc to 1800cc)
GR 65	13PL	NS60	45	
GL 65	13PL	NS60L	45	
GR 70	9PL	N50	50	
80D26R	11PL	N50Z	60	Honda Accord, Honda CRV, Toyota Mark II, Toyota Crown, Toyota Cressida, Mercedes Benz, Willys Jeeps, MF375 Tractors, Hyundai, Daewoo (2000cc to 6000cc)
GR 85	13PL	N70 EXTRA	70	
GL 85	13PL	N70 EXTRA L	70	
Medium Batteries (12 Volts)				
GR 87	11PL	NS70	60	Toyota Hi-Ace, Mercedes Benz, Isuzu Bus JCR 520zz, Massey Ferguson Tractors, MF-210 Cruiser, Toyota Hi-Lux, Nissan Diesel Pick-up, Ford 1910 Tractor (2000cc to 6000cc)
GR 95	13PL	N70Z	75	
GR 100	15PL	N85P	80	
GL 100	15PL	N85L	80	
6FT120	15PL	6FT15	85	
N125	17PL	N100S	100	Fiat Tractors 460 / 480, IMT 540 Tractors, Massey Ferguson Tractors 240 / 265, Ford Wagons, Land Rover, Toyota Land Cruiser (3000cc to 6000cc)
GX 132	17PL		100	Isuzu Trucks, Mercedes Benz, Hino Truck ZH - 100, Fiat Tractors 640, Isuzu JCR 460R (3000cc to 6000cc)
GX 135	19PL	N100	105	
Heavy Batteries (12 Volts)				
GX 165	21PL	N120S	120	Fiat Tractors 640, Hino Trucks and Busses, Hino Bowzer, Fiat Trucks, Ford Dumper, Isuzu Diesel Buses, Fiat Buses (3000cc to 12000cc)
GX 175	23PL	N140	140	Ford Tractor 3610 and 46
GL 190	23PL	GL190	150	Bedford Truck, Fiat Tractors 640, Mazda Coaster T-3000, Isuzu TD-72, Generator Sets, Road Rollers and Belarus Tractors
GX 200 F	27PL	N190Z	175	
GX 260 F	33PL	N200	220	
GX 260 F	33PL	N200	220	Heavy Generators and Ships
SP Batteries (12 Volts)				
SP 35 R	5PL		20	Generators
SP 50L	9PL		30	Suzuki Van / Pick-up, Subaru Van / Pick-up (old models) (600cc to 800cc)
SP 60 L	9PL		35	Suzuki Mehran, Daihatsu Coure, Kia Classic, All CNG converted vehicles (800cc to 1000cc)
SP 70 L	11PL		38	All types of vehicles (800cc to 1300cc)
SP 70 CNG	11 PL		45	
SP 75 L	13PL		45	Datsun 120Y, Mazda, Mitsubishi Lancer, Toyota, Honda Civic (1000cc to 1800cc)
SP 80	9PL		50	
SP 100 R	11PL		60	Toyota Hi-Ace, Mercedes Benz, Isuzu Bus JCR 520zz, Massey Ferguson Tractors, MF-210 Cruiser, Toyota Hi-Lux, Nissan Diesel Pick-up, Ford 1910 Tractor (2000cc to 6000cc)
SP 130	15PL		85	Toyota Hi-Ace, Mercedes Benz, Isuzu Bus JCR 520zz, Massey Ferguson Tractors, MF-210 Cruiser, Toyota Hi-Lux, Nissan Diesel Pick-up, Ford 1910 Tractor (2000cc to 6000cc)
SP 140	17PL		100	Fiat Tractors 460 / 480, IMT 540 Tractors, Massey Ferguson Tractors 240 / 265, Ford Wagons, Land Rover, Toyota Land Cruiser (3000cc to 6000cc)
SP 145	17PL		100	Isuzu Trucks, Mercedes Benz, Hino Truck ZH - 100, Fiat Tractors 640, Isuzu JCR 460R (3000cc to 6000cc)
SP 150	19PL		105	
SP 160	19PL		105	
SP 180	21PL		120	Fiat Tractors 640, Hino Trucks and Busses, Hino Bowzer, Fiat Trucks, Ford Dumper, Isuzu Diesel Buses, Fiat Buses (3000cc to 12000cc)
SP 195	23PL		140	Ford Tractor 3610 and 46
SP 200	21PL		135	
SP 210	23PL		150	Bedford Truck, Fiat Tractors 640, Mazda Coaster T-3000, Isuzu TD-72, Generator Sets, Road Rollers and Belarus Tractors
SP 250	27PL		175	
SP 275	31PL		200	

Product Type			20 HR Capacity (AH)	Application
Washi Batteries (12 Volts)				
WS 45 R	5PL		20	Generators
WS 50	7PL		24	CNG Rickshaw
WS 55 R	9PL		30	Suzuki Van / Pick-up, Subaru Van / Pick-up (old models) (600cc to 800cc)
WS 65 L	9PL		35	Suzuki Mehran, Daihatsu Coure, Kia Classic, All CNG con-verted vehicles (800cc to 1000cc)
WS 70	11PL		45	Datsun 120Y, Mazda, Mitsubishi Lancer, Toyota, Honda Civic (1000cc to 1800cc
WS 80 L	13PL		45	
WS 90	9PL		50	
WS 100	9PL		50	
WS 110	13PL		75	Toyota Hi-Ace, Mercedes Benz, Isuzu Bus JCR 520zz, Massey Ferguson Tractors, MF-210 Cruiser, Toyota Hi-Lux, Nissan Diesel Pick-up, Ford 1910 Tractor (2000cc to 6000cc)
WS 115	15PL		80	
WS 135	15PL		85	
WS 150	17PL		100	Fiat Tractors 460 / 480, IMT 540 Tractors, Massey Ferguson Tractors 240 / 265, Ford Wagons, Land Rover, Toyota Land Cruiser (3000cc to 6000cc)
WS 160	17PL		100	Isuzu Trucks, Mercedes Benz, Hino Truck ZH - 100, Fiat Tractors 640, Isuzu JCR 460R (3000cc to 6000cc)
WS 165	19PL		105	
WS 180	19PL		105	
WS 195	21PL		120	Fiat Tractors 640, Hino Trucks and Busses, Hino Bowzer, Fiat Trucks, Ford Dumper, Isuzu Diesel Buses, Fiat Buses (3000cc to 12000cc)
WS 220	23PL		140	Ford Tractor 3610 and 46
WS 230	23PL		150	Bedford Truck, Fiat Tractors 640, Mazda Coaster T-3000, Isuzu TD-72, Generator Sets, Road Rollers and Belarus Tractors
WS 260	27PL		175	
WS 270	33PL		220	Heavy Generators and Ships
Hybrid Batteries (12 Volts)				
HB 46 R	9PL	Hybrid	30	All types of vehicles (1000cc to 1800cc)
HB 46 L	9PL	Hybrid	30	
HB 50	11PL	Hybrid	38	
HB 65	13PL	Hybrid	45	
HB 65 (Thin Pole)	13PL	Hybrid	45	
HB 100 R	15PL	Hybrid	80	
HB 100 L	15PL	Hybrid	80	
Maintenance Free Batteries (12 Volts)				
MF 50 R	9PL	Maintenance Free	30	All types of vehicles (1000cc to 1800cc)
MF 50 L	9PL	Maintenance Free	30	
MF 60 L	11PL	Maintenance Free	38	
MF 65 L Thin Pole	12PL	Maintenance Free	45	
MF 70 L	13PL	Maintenance Free	45	
MF 100 L	15PL	Maintenance Free	80	
MF- DIN 65	14PL	Maintenance Free	60	
MF- DIN 60	10PL	Maintenance Free	45	
Deep Cycle Batteries (12 Volts)				
DC 50	9PL	Deep Cycle	30	Solar Panels and UPS
DC 110	11PL	Deep Cycle	75	
DC 175	15PL	Deep Cycle	100	
DC 220	23PL	Deep Cycle	165	
SP Tall 1200	5 PL	Deep Cycle	90	
SP Tall 1800	7 PL	Deep Cycle	140	
SP Tall 2000	9PL	Deep Cycle	180	
SP Tall 2500	11PL	Deep Cycle	210	
Motorcycle Battery (12 Volts)				
POWER PLUS 2.5		2.5 (10 HR)		Honda CD70, CG125, all Japanese and Chinese motorcycles
POWER PLUS 7		7 (10 HR)		
Ronin 2.5 MF		2.5 (10 HR)		
Battery Tonic				
Battery Tonic	1000 ML			Distilled water for all types of batteries

Our Valued OEM Customers

HONDA ATLAS CARS (PAKISTAN) LIMITED	HONDA
INDUS MOTOR COMPANY LIMITED	TOYOTA
PAK SUZUKI MOTOR COMPANY LIMITED	SUZUKI
MASTER MOTOR CORPORATION (PRIVATE) LIMITED	MASTER
SIGMA MOTORS LIMITED	LAND ROVER ABOVE & BEYOND
ATLAS HONDA LIMITED	HONDA

Gender Pay Gap Statement

Atlas Battery Limited

Gender Pay Gap Statement under Securities and Exchange Commission of Pakistan (SECP) Circular 10 of 2024

Following is gender pay gap calculated for the year ended June 30, 2024:

(i) Mean Gender Pay Gap: 4.68%

(ii) Median Gender Pay Gap: (0.78)%

(iii) Any other data / details as deemed relevant: The above ratios reflect the overall employee gender pay gap across the organization. The Company ensures equitable compensation for female members in their respective roles, based on experience, qualifications and performance.

For and on behalf of the
Board of Directors



Ali H. Shirazi
President / Chief Executive

Karachi: August 29, 2024

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September 06, 2024

To: All Shareholders of the Company

Dividend Mandate Form

As per Section 242 of the Companies Act, 2017 (the Act) it is mandatory for the public listed companies to pay cash dividend to their shareholders ONLY through electronic mode, directly into bank account designated by the entitled shareholders. Therefore, all shareholders are requested to provide their valid bank account details at the earliest (if it is already not provided) in the "Dividend Mandate Form" as given below. Shareholders maintaining shareholding under Central Depository System (CDS) are advised to submit their bank mandate information directly to the relevant participant / CDC Investor Account Service.

Further, as per provisions of Sub-Section 2 of Section 244 of the Act any dividend and / or share certificate which remain unclaimed or unpaid for a period of three years from the date these have become due and payable, the Company shall be liable to deposit those unclaimed / unpaid amounts with the Federal Government as per the directives to be issued by Securities and Exchange Commission of Pakistan (SECP) from time to time.

The Company Secretary,
Atlas Battery Limited,
4-C, Khayaban-e-Tanzeem,
Tauheed Commercial, Phase V, DHA,
Karachi.

DIVIDEND MANDATE FORM

Information of Shareholder for Payment of Cash Dividend	
Title of Bank Account	
Bank's Name	
Branch Name and Address	
Complete Bank Account Number with IBAN **"Mandatory"**	
P K	
CNIC No.	
Cell Number & Email	

It is stated that the above mentioned information is correct. Further, I will intimate the changes in the above mentioned information to the Company and the concerned Share Registrar as soon as these occur.

_____
Signature of member / shareholder

Folio No. _____

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The Company Secretary,
Atlas Battery Limited,
4-C, Khayaban-e-Tanzeem,
Tauheed Commercial, Phase V, DHA,
Karachi.

PROXY FORM

I / We _____

of _____

being member(s) of Atlas Battery Limited holding _____ ordinary shares as per Folio No. _____ and / or CDC Account No. _____ hereby appoint _____ _____ of _____ _____ Folio No. _____ and / or CDC Account No. _____ or failing him / her _____ _____ of _____ _____ Folio No. _____ and / or CDC Account No. _____ as my / our proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held at 9:30 a.m. on Friday, September 27, 2024 at 2nd Floor, Federation House, Sharae Firdousi, Clifton, Karachi, and / or online through Zoom and at every adjournment thereof.

Signed this _____ day of _____, 2024.

Witnesses:

Signature _____

Name _____

CNIC or Passport No. _____

Signature _____

Name _____

CNIC or Passport No. _____

Affix
Revenue
Stamp

Signature of
Member(s)

Note:

- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member as a proxy to attend, act and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company or at the office of our Share Registrar M/s. Hameed Majeed Associates (Private) Limited, Karachi Chambers, Hasrat Mohani Road, Karachi or through email at investor.relations@abl.atlas.pk not less than 48 hours before the time of the meeting.

- CDC shareholders and their proxies are requested to attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with this proxy form before submission to the Company.

The Company Secretary,
Atlas Battery Limited,
4-C, Khayaban-e-Tanzeem,
Tauheed Commercial,
Phase V, D.H.A,
Karachi.

AFFIX
POSTAGE

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کمپنی سیکریٹری
اٹلس بیٹری لمیٹڈ
C-4 خیابانِ تنظیم، توحید کمرشل،
فیز V، ڈی ایچ اے، کراچی

پراکسی فارم

میں/ہم ----------

سکنہ ----------

بحیثیت ممبر (ز) اٹلس بیٹری لمیٹڈ اور حقِ ملکیت رکھتے ہوئے ----------عمومی شیئرز جس کا اندراج رجسٹر فولیو نمبر----------اور/یا سی ڈی سی اکاؤنٹ نمبر---------- انہیں نامزد کرتا ہوں/کرتے ہیں

سکنہ ----------

فولیو نمبر----------اور/یا سی ڈی سی اکاؤنٹ نمبر---------- یا ایسا نہیں ہونے کی صورت میں محترم/محترمہ----------

ساکن ----------

فولیو نمبر----------اور/یا سی ڈی سی اکاؤنٹ نمبر----------کو بطور ہمارا/میرا پراکسی مقرر کرنا/کرتے ہیں تاکہ وہ میری/ہماری جگہ اور میری/ہماری طرف سے کمپنی کے سالانہ اجلاس عام منعقدہ بروز جمعہ بتاریخ 27 ستمبر 2024 بوقت صبح 9:30 بجے بمقام دوسری منزل، فیڈریشن ہاؤس، شاہراہ فردوسی، کلفٹن، کراچی اور بذریعہ زوم لنک اور اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور ووٹ ڈالے۔

دستخط کیے گئے ہیں سال 2024 کے----------ماہ اور----------تاریخ کو۔

گواہ 1:

دستخط: ----------

نام: ----------

CNIC/پاسپورٹ نمبر: ----------

گواہ 2:

دستخط: ----------

نام: ----------

CNIC/پاسپورٹ نمبر: ----------

درست رقم کا ٹکٹ
چسپاں کریں

رکن کے دستخط

نوٹ:

- کمپنی کے سالانہ اجلاس عام میں شرکت اور ووٹ کا حقدار رکن اپنی شرکت اور ووٹ کے لیے پراکسی مقرر کرنے کا حقدار ہے۔ کوئی بھی شخص جو کمپنی کا رکن نہیں ہے اسے بطور پراکسی مقرر نہیں کیا جاسکتا سوائے اس شخص کے جسے کوئی ادارہ رکن ہونے پر مقرر کرے۔ پراکسیز کے موثر ہونے کے لیے لازمی ہے کہ وہ کمپنی کے رجسٹرڈ آفس یا شیئر رجسٹرار میسرز حمید مجید ایسوسی ایٹس (پرائیوٹ) لمیٹڈ، کراچی چیمبرز، حسرت موہانی روڈ، کراچی یا کمپنی کے رجسٹرڈ ای میل investor.relations@abl.atlas.pk پر مہر شدہ اور دستخط کے ساتھ اجلاس سے کم از کم 48 گھنٹے قبل موصول ہو جائیں۔
- سی ڈی سی شیئر ہولڈرز اور ان کی پراکسیز سے درخواست کی جاتی ہے کہ کمپنی کو جمع کروانے سے قبل اس پراکسی فارم کے ساتھ اپنا کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی نقل جمع کروائیں۔

درست رقم کا ٹکٹ
چسپاں کریں

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