

# EXIDE<sup>®</sup>



1<sup>st</sup> Quarterly Report  
June 30, 2021



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# Corporate Profile

## Board Of Directors

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

## Chief Financial Officer

S. Haider Mehdi

## Audit Committee

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

## Human Resource and Remuneration Committee

Ayub Hameed - Chairman  
Arif Hashwani - Member  
Altaf Hashwani - Member  
Muhammad Shayan - Secretary

## Bankers

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

## Auditors

Yousuf Adil

## Solicitors

Orr, Dignam & Co.

## Registered Office

A-44, Hill Street, Off.  
Manghopir Road, S.I.T.E., Karachi-  
Pakistan.  
Website: [www.exide.com.pk](http://www.exide.com.pk)  
E-mail: [exidepk@exide.com.pk](mailto:exidepk@exide.com.pk)



# Chairman's Review

I am pleased to present on behalf of the Board of Directors un-audited Accounts of the Company for the 1st Quarter ended June 30, 2021.

## The Economy

Pakistan's economy witnessed recovery with 3.94 percent GDP growth in FY-2021 against the negative growth of 0.47 percent last year. The financial year 2020-21 concluded with three remarkable achievements – highest ever merchandise exports of US \$ 25.63 billion, largest-ever remittances of US \$ 29.37 billion, and lowest Current account deficit of US \$ 1.85 billion (0.6% of GDP).

Pakistan trade deficit widened by 32.9 percent to the US \$ 30.8 billion in the current fiscal as compared to the US \$ 23.2 billion last year. During FY-2021, the State Bank of Pakistan continued with an accommodative monetary policy of 7 percent which has supported economic recovery while keeping inflation under control and safeguarding financial stability. The headline inflation stood at 8.9 percent in the current financial year compared to 10.7 percent in the previous years.

## The Industry

The entire auto sector gave a brisk performance during the current year on account of low interest rates and better farm income. Car sales jumped by 56.7 percent to 151,182 units from 96,455 units, light commercial vehicles by 56.9 percent to 18,909 from 12,048 units, farm tractors sale by 54.9 percent to 50,685 units from 32,727 units and two/three wheelers 39.0 percent to 1,903,932 units from 1,370,009 as compared to the corresponding period of last year. Although Company sees demand generation for the automotive industry, it faces challenges for the battery industry in the form of surplus capacity and tough competition.

## Production

Production activities were effectively planned and adjusted to cater to the market demand both in terms of quantity and quality. Stress on quality control at all stages of the production process was implemented with great vigor for further strengthening quality standards of the products of your Company.

## Sales

Net Sales revenue of the Company during the quarter under review increase by 165.6 percent from Rs.1.732 billion to Rs.4.601 billion on account of an increase in Sales Volume, better sales prices, and improved market demands.

## Profitability

Gross profit for the quarter under review increased from Rs.16.483 million to Rs.477.223 million on account of better sales revenue and improved margins. Selling and distribution expenses increased by 147.7 percent from Rs.122.4 million to Rs.303.1 million due to an increase in Sales Volume of 165.6 percent. Administration and general expenses increased by 24.6 percent from Rs.29.3 million to Rs.36.5 million on account of inflation. Operating profit of Rs.137.6 million recorded as against the loss of Rs.135.2 million in the last year. Financial cost reduced to Rs.50.2 million from Rs.70.1 million on account of fewer borrowings.

Profit before tax for the quarter under view was Rs.82.46 million as compared to a loss before tax of Rs.202.06 million last year. Profit after tax for the quarter under report was Rs.24.95 million compared loss of Rs.228.0 million last year. Profit per share recorded at Rs.3.21 as against the loss of 29.35 in the corresponding period of last year.

## Future Prospects

It is anticipated that the indigenous organized battery industry will face competition due to the capacity expansion of existing battery plants, and the changing market dynamics. It is projected that the profitability in the remaining period of the year will be affected due to an increase in prices of basic raw materials, utilities, wages, and devaluation of Pak Rupee if the corresponding increase in the selling prices is not absorbed by the market. Nevertheless, your management is determined to avail full benefits of the opportunities by continued focus on quality improvement, productivity, cost control, and after-sales service to improve its competitiveness and market share.

## Acknowledgement

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



**Altaf Hashwani**

Chairman

Karachi: July 30, 2021

اس سہ ماہی میں محصولات سے پہلے منافع 82.46 ملین روپے رہا جو کہ گزشتہ سال اسی عرصے کے دوران 202.06 ملین روپے کا نقصان ریکارڈ کیا گیا تھا۔ زیر نظر سہ ماہی میں ٹیکس کے بعد کا منافع 24.95 ملین روپے رہا جو کہ گزشتہ سال اسی عرصے کے دوران 228.0 ملین روپے کا نقصان کا تھا۔ فی حصص منافع 3.21 روپے ریکارڈ کیا گیا جبکہ پچھلے سال کے اسی عرصے میں 29.35 روپے فی حصص نقصان تھا۔

### مستقبل کے امکانات:

یہ متوقع ہے کہ مقامی منظم بیٹری صنعت پیداواری صلاحیتوں اور بدلتی ہوئی مارکیٹ کی حرکیات کی وجہ سے سخت مقابلے کا سامنا کرنا پڑیگا۔ یہ پیش گوئی کی جارہی ہے کہ اگر مارکیٹ کے ذریعے فروخت کی قیمتوں میں اضافہ نہ کیا گیا تو بنیادی خام مال کی قیمتوں، توانائی، مزدوروں کی تنخواہ میں اضافے اور روپے کی قدر میں کمی رواں سال میں بھی منافع پر اثر انداز ہو سکتے ہیں۔ لیکن آپ کی کمپنی کی انتظامیہ یقین دلاتی ہے کہ بیٹری کے معیار، پیداواری صلاحیت، لاگت پر کنٹرول پر مسلسل توجہ مرکوز کرتے ہوئے اپنی مسابقت کو بہتر بناتے ہوئے مکمل فائدہ اٹھانے کا عزم رکھتی ہے۔

### اعتراف خدمات:

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



الطاف ہاشوانی

چیرمین

کراچی: 30 جولائی 2021

## چیمبر مین کا جائزہ:

میں بورڈ آف ڈائریکٹرز کی جانب سے 30 جون 2021 کو ختم ہونے والے پہلے کوارٹر کیلئے آپ کی کمپنی کے غیر آڈٹ شدہ اکاؤنٹس کا جائزہ پیش کر رہا ہوں۔

## معشیت:

گزشتہ سال 0.47 فیصد کی منفی نمو کے مقابلے میں مالی سال 2021 میں پاکستان کی معیشت میں 3.94 فیصد جی ڈی پی کی شرح نمو ہوئی ہے۔ مالی سال 2020-21 میں تین قابل ذکر کامیابیوں کے ساتھ اختتام کیا۔ سب سے زیادہ 25.63 بلین امریکی ڈالر کی تجارتی برآمدات، اب تک کی سب سے بڑی ترسیلات 29.37 بلین امریکی ڈالر، اور سب سے کم کرنٹ خسارہ 1.85 بلین امریکی ڈالر (جی ڈی پی کا 0.6%) ہے۔

رواں مالی سال میں پاکستان کا تجارتی خسارہ 32.9 فیصد بڑھ کر 30.8 بلین امریکی ڈالر رہا جو گزشتہ سال 23.2 بلین امریکی ڈالر تھا۔ مالی سال 2021 کے دوران، اسٹیٹ بینک آف پاکستان نے 7 فیصد معاشی مالیاتی پالیسی کے ساتھ جاری رکھا جس نے افراط زر کو کنٹرول میں رکھنے اور مالی استحکام کو محفوظ رکھنے کے ساتھ معاشی بحالی کی حمایت کی ہے۔

پچھلے سالوں میں 10.7 فیصد کے مقابلے میں موجودہ مالی سال میں افراط زر 8.9 فیصد رہی۔

## صنعت:

روح مالی سال کے دوران کم شرح سود اور بہتر فارم آمدنی کی وجہ سے پورے آئوٹسکٹر نے تیز کارکردگی دکھائی۔ کاروں کی فروخت 56.7 فیصد اضافے 96,455 یونٹس سے بڑھ کر 151,182 یونٹس ہو گئی، ہلکی کمرشل گاڑیاں 56.9 فیصد اضافے سے 12,048 یونٹس سے 18,909 یونٹس ہو گئیں، فارم ٹریکٹرز کی فروخت 54.9 فیصد اضافے سے 32,727 یونٹس سے بڑھ کر 50,685 یونٹس ہو گئی، دو اور تین پہیوں والی گاڑیاں 39.0 فیصد اضافے سے 1,370,932 یونٹس سے بڑھ کر 1,903,932 یونٹس ہو گئی، اگرچہ کمپنی آٹوموٹیو انڈسٹری کے لئے طلب کی پیداوار کو دیکھتے ہوئے زائد پیداواری صلاحیت اور سخت مقابلے جیسے چیلنجوں کا سامنا کرتی ہے۔

## پیداوار:

پیداواری سرگرمیوں کی موثر طریقے سے منصوبہ بندی کی گئی اور اسے طلب اور رسد کے مطابق بنایا گیا اور پیداوار کے تمام مراحل پر معیار کے کنٹرول پر بھرپور طریقے سے عملدرآمد ہوا۔

## فروخت:

کمپنی کی نیٹ سیلز آمدنی 165.6 فیصد اضافے کے بعد 1.732 بلین روپے سے بڑھ کر 4.601 بلین روپے رہی جسکی وجہ بیٹری کی فروخت اور قیمتوں میں اضافہ ہونا اور مارکیٹ کی مانگ میں بہتری واقع ہونا ہے۔

## منافع:

اس سہ ماہی میں مجموعی منافع 16.483 بلین روپے سے بڑھ کر 477.223 بلین روپے ہو گیا منافع میں بہتری کی وجہ آمدنی میں اضافہ اور بہتر مارجن ہونا ہے۔ فروخت اور تقسیم کے اخراجات 147.7 فیصد اضافے کے ساتھ 122.4 بلین روپے سے بڑھ کر 303.1 بلین روپے ہو گئے جس کی وجہ فروخت کے حجم کا بڑھنا ہے۔ انتظامی اور عمومی اخراجات افراط زر کے بڑھنے کی وجہ سے 24.6 فیصد اضافے کے بعد 29.3 بلین روپے سے بڑھ کر 36.5 بلین روپے ہو گئے۔ گزشتہ سال کی اسی مدت میں 135.2 بلین روپے کے نقصان کے مقابلے میں پہلی سہ ماہی کے دوران آپریٹنگ منافع 137.6 بلین روپے ریکارڈ کیا گیا۔ کم قرض لینے کی وجہ سے مالی لاگت 70.1 بلین روپے سے کم ہو کر 50.2 بلین روپے ہو گئی۔



UNCONSOLIDATED  
**FINANCIAL  
STATEMENTS**



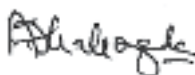
EXIDE PAKISTAN LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2021

|   | (Unaudited)<br>June 30,<br>2021 | (Audited)<br>March 31,<br>2021 |
|---|---------------------------------|--------------------------------|
|   | Rupees '000                     |                                |
| Property, plant and equipment                       | 1,245,945                       | 1,271,461                      |
| Long-term loans and advances - unsecured            | 15,322                          | 7,317                          |
| Long-term deposits                                  | 40,409                          | 42,039                         |
| Current assets                                      |                                 |                                |
| Store and spares                                    | 130,076                         | 106,165                        |
| Stock-in-trade                                      | 3,986,649                       | 2,748,574                      |
| Trade debts   | 1,504,689                       | 2,333,976                      |
| Loans and advances                                  | 117,945                         | 73,645                         |
| Trade deposits, prepayments and other receivables   | 26,223                          | 45,047                         |
| Taxation recoverable                                | 945,825                         | 941,995                        |
| Cash and bank balances                              | 10,756                          | 94,226                         |
|   | 6,722,163                       | 6,343,628                      |
| Current liabilities                                 |                                 |                                |
| Trade and other payables                            | 1,439,742                       | 1,246,650                      |
| Mark-up accrued                                     | 38,048                          | 41,843                         |
| Loan from Director                                  | 103,550                         | 103,550                        |
| Current portion of long term loan                   | 256,060                         | 259,632                        |
| Short-term borrowings                               | 2,227,012                       | 2,004,474                      |
|   | 4,064,412                       | 3,656,149                      |
| Net current assets                                  | 2,657,751                       | 2,687,479                      |
| Long term loan                                      | 125,604                         | 199,424                        |
|   | 3,833,823                       | 3,808,872                      |
| Financed by:  |                                 |                                |
| Share Capital and Reserves                          |                                 |                                |
| Authorised capital                                  |                                 |                                |
| 18,000,000 ordinary shares of Rs 10 each            | 180,000                         | 180,000                        |
| Issued, subscribed and paid-up capital              | 77,686                          | 77,686                         |
| Capital reserves                                    | 259                             | 259                            |
| Revenue reserves                                    | 3,329,991                       | 3,329,991                      |
| Reserves arising on amalgamation - net              | 25,823                          | 25,823                         |
| Unappropriated profit / (loss)                      | (681,140)                       | (706,091)                      |
| Surplus on revaluation of fixed assets - net of tax | 1,081,204                       | 1,081,204                      |
|   | 3,833,823                       | 3,808,872                      |
|   | 3,833,823                       | 3,808,872                      |

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



**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer

EXIDE PAKISTAN LIMITED  
UNCONSOLIDATED CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UNAUDITED)  
FOR THE QUARTER ENDED JUNE 30, 2021

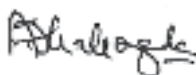
| (Unaudited)                   |   |   |
|-------------------------------|---|---|
| Total                         |   |   |
|                               | For the 1st<br>Quarter ended<br>June 30, 2021 | For the 1st<br>Quarter ended<br>June 30, 2020 |
| (Rupees '000)                 |   |   |
| Turnover                      | 4,600,843                                     | 1,732,108                                     |
| Cost of goods sold            | 4,123,620                                     | 1,715,625                                     |
| Gross profit                  | 477,223                                       | 16,483  |
| Distribution cost             | 303,143                                       | 122,377                                       |
| Administrative expenses       | 36,476  | 29,315  |
| Total Operating expenses      | 339,619                                       | 151,692                                       |
| Operating profit / (loss)     | 137,604                                       | (135,209)                                     |
| Other operating income        | 2,270   | 850   |
|                               | 139,874                                       | (134,359)                                     |
| Financial charges             | 50,191  | 70,112  |
| Other operating charges       | 7,221   | (2,411)                                       |
|                               | 57,412  | 67,701  |
| Profit/(Loss) before taxation | 82,462  | (202,060)                                     |
| Provision for taxation        |   |   |
| - current - for the period    | 57,511  | 25,982  |
| - deferred                    | -   | -   |
|                               | 57,511  | 25,982  |
| Profit/(Loss) after taxation  | 24,951  | (228,042)                                     |
|                               | (Rupees)                                      |   |
| Profit/(Loss) per share       | 3.21  | (29.35)                                       |

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

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



**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer

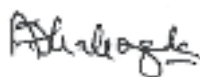
EXIDE PAKISTAN LIMITED  
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE QUARTER ENDED JUNE 30, 2021

|  | 2021          | 2020        |
|--|---------------|-------------|
|  | (Rupees '000) |             |
| CASH FLOW FROM OPERATING ACTIVITIES                      |               |             |
| Cash generated from operations                           | (76,551)      | 1,246,434   |
| Financial charges paid                                   | (53,986)      | (122,485)   |
| Taxes paid   | (61,342)      | (22,888)    |
| Decrease /(Increase) in long-term loans                  | (8,005)       | -           |
| Decrease /(Increase) in long-term deposits               | 1,630         | (6,291)     |
| Net cash inflow from operating activities                | (198,254)     | 1,094,770   |
| CASH FLOW FROM INVESTING ACTIVITIES                      |               |             |
| Payment for capital expenditure                          | (32,800)      | (3,407)     |
| Proceeds from sale of fixed assets                       | 2,438         | -           |
| Net cash outflow on investing activities                 | (30,362)      | (3,407)     |
| CASH FLOW FROM FINANCING ACTIVITIES                      |               |             |
| Dividends paid   | -             | -           |
| Repayment of loan  | (77,392)      | -           |
|  | (77,392)      | -           |
| Net Increase /(decrease) in cash and cash equivalents    | (306,008)     | 1,091,363   |
| Cash and cash equivalents at the beginning of the period | (1,910,248)   | (2,205,031) |
| Cash and cash equivalents at end of the period           | (2,216,256)   | (1,113,668) |

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



**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer

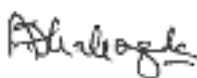
EXIDE PAKISTAN LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE QUARTER ENDED JUNE 30, 2021

|   | Issued,<br>subscribed<br>and paid-up<br>capital | Capital<br>reserves | Revenue<br>reserves | Reserve<br>arising on<br>amalgamation - net<br>(Rupees '000) | Unappropriated<br>profit | Revaluation<br>surplus on<br>property, plant<br>and equipment<br>net of tax | Total            |
|---|---|---------------------|---------------------|--|--------------------------|---|------------------|
| Balance at March 31, 2020   | 77,686  | 259                 | 3,329,991           | 25,823   | (725,920)                | 1,095,836   | 3,803,675        |
| Final dividend for the year ended March 31, 2020                                      | -   | -                   | -                   | -  | -                        | -   | -                |
| Transfer to revenue reserves for the year ended March 31, 2020                        | -   | -                   | -                   | -  | -                        | -   | -                |
| Profit/(Loss) after taxation for first quarter ended June 30, 2020                    | -   | -                   | -                   | -  | (228,042)                | -   | (228,042)        |
| Transferred from surplus on revaluation of property, plant and equipment - net of tax | -   | -                   | -                   | -  | -                        | -   | -                |
| Balance at June 30, 2020  | <u>77,686</u>                                   | <u>259</u>          | <u>3,329,991</u>    | <u>25,823</u>  | <u>(953,962)</u>         | <u>1,095,836</u>  | <u>3,575,633</u> |
| Balance at March 31, 2021   | 77,686  | 259                 | 3,329,991           | 25,823   | (706,091)                | 1,081,204   | 3,808,872        |
| Final dividend for the year ended March 31, 2021                                      | -   | -                   | -                   | -  | -                        | -   | -                |
| Transfer to revenue reserves for the year ended March 31, 2021                        | -   | -                   | -                   | -  | -                        | -   | -                |
| Profit/(Loss) after taxation for first quarter ended June 30, 2021                    | -   | -                   | -                   | -  | 24,951                   | -   | 24,951           |
| Transferred from surplus on revaluation of property, plant and equipment - net of tax | -   | -                   | -                   | -  | -                        | -   | -                |
| Balance at June 30, 2021  | <u>77,686</u>                                   | <u>259</u>          | <u>3,329,991</u>    | <u>25,823</u>  | <u>(681,140)</u>         | <u>1,081,204</u>  | <u>3,833,823</u> |

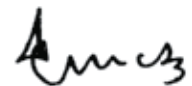
The annexed notes form an integral part of these unconsolidated financial statements.



**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
(UNAUDITED) FOR THE QUARTER ENDED JUNE 30, 2021

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

Following is the cost of operating property, plant and equipment that have been added / disposed off during the quarter ended June 30, 2021

|                       | Cost of additions/(deletions) |              |
|-----------------------|-------------------------------|--------------|
|                       | June                          | June         |
|                       | 2021                          | 2020         |
|                       | ----- (Rupees '000) -----     |              |
| Building              | 5,615                         | 241          |
| Plant and machinery   | 1,999                         | 2,539        |
| Furniture and fixture | 428                           | 304          |
| Office equipment      | 751                           | 247          |
| Vehicles              | -                             | 76           |
| Disposal              | (3,586)                       | -            |
|                       | <u>5,207</u>                  | <u>3,407</u> |

4.1 **CAPITAL WORK-IN-PROGRESS**

|                     | June                      | March             |
|---------------------|---------------------------|-------------------|
|                     | 30, 2021                  | 31, 2021          |
|                     | ----- (Rupees '000) ----- |                   |
| Plant and machinery | <u>24,365</u>             | <u>358</u>        |
|                     | <u><u>24,365</u></u>      | <u><u>358</u></u> |

5. **TRANSACTIONS WITH RELATED PARTIES**

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

|  | June 2021                 | June 2020 |
|--|---------------------------|-----------|
|  | ----- (Rupees '000) ----- |           |
| Expenses charged in respect of staff retirement benefits | 2,579                     | 2,190     |
| Payment made to the employee defined benefit plan        | 910                       | 974       |

Key management personnel received an amount of Rs. 18,864 thousands (2020 : Rs.14,927 thousands) out of which Rs.318 thousands (2020: Rs. 257 thousands) relates to post employment benefits.



6. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

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

7. ESTIMATES

Judgments and estimates made by the management in the preparation of these interim financial statements were the same as those that were applied to the financial statements for the year ended March 31, 2021.

8. GENERAL

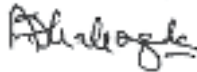
Amounts have been rounded off to the nearest thousands of Rupees unless otherwise stated.

9. DATE OF AUTHORISATION FOR ISSUE

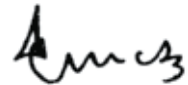
These unconsolidated financial statements were authorised for issue on July 30, 2021 by the Board of Directors of the Company.



**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer



CONSOLIDATED  
**FINANCIAL  
STATEMENTS**

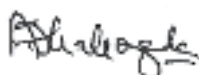
EXIDE PAKISTAN LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2021

|   | (Unaudited)<br>June 30,<br>2021 | (Audited)<br>March 31,<br>2021 |
|---|---------------------------------|--------------------------------|
|   | -----Rupees '000-----           |                                |
| Property, plant and equipment                       | 1,245,945                       | 1,271,461                      |
| Long-term loans and advances - unsecured            | 15,322                          | 7,317                          |
| Long-term deposits                                  | 40,409                          | 42,039                         |
| Current assets                                      |                                 |                                |
| Store and spares                                    | 130,076                         | 106,165                        |
| Stock-in-trade                                      | 3,986,649                       | 2,748,574                      |
| Trade debts   | 1,504,689                       | 2,333,976                      |
| Loans and advances                                  | 117,945                         | 73,645                         |
| Trade deposits, prepayments and other receivables   | 26,221                          | 45,045                         |
| Taxation recoverable                                | 945,825                         | 941,995                        |
| Cash and bank balances                              | 10,758                          | 94,228                         |
|   | 6,722,163                       | 6,343,628                      |
| Current liabilities                                 |                                 |                                |
| Trade and other payables                            | 1,439,979                       | 1,246,874                      |
| Mark-up accrued                                     | 38,048                          | 41,843                         |
| Loan from Director                                  | 104,275                         | 104,275                        |
| Current portion of long term loan                   | 256,060                         | 259,632                        |
| Short-term borrowings                               | 2,227,012                       | 2,004,474                      |
|   | 4,065,374                       | 3,657,098                      |
| Net current assets                                  | 2,656,789                       | 2,686,530                      |
| Long term loan                                      | 125,604                         | 199,424                        |
|   | 3,832,861                       | 3,807,923                      |
| Financed by:  |                                 |                                |
| Share Capital and Reserves                          |                                 |                                |
| Authorised capital                                  |                                 |                                |
| 18,000,000 ordinary shares of Rs 10 each            | 180,000                         | 180,000                        |
| Issued, subscribed and paid-up capital              | 77,686                          | 77,686                         |
| Capital reserves                                    | 259                             | 259                            |
| Revenue reserves                                    | 3,329,991                       | 3,329,991                      |
| Reserves arising on amalgamation - net              | 25,823                          | 25,823                         |
| Unappropriated profit / (loss)                      | (682,102)                       | (707,040)                      |
| Surplus on revaluation of fixed assets - net of tax | 1,081,204                       | 1,081,204                      |
|   | 3,832,861                       | 3,807,923                      |
|   | 3,832,861                       | 3,807,923                      |

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



**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer

EXIDE PAKISTAN LIMITED  
CONSOLIDATED CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UNAUDITED)  
FOR THE QUARTER ENDED JUNE 30, 2021

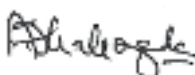
|                               |   |   |
|-------------------------------|---|---|
|                               | ------(Unaudited)-----                        |   |
|                               | Total   |   |
|                               | For the 1st<br>Quarter ended<br>June 30, 2021 | For the 1st<br>Quarter ended<br>June 30, 2020 |
|                               | ------(Rupees '000)-----                      |   |
| Turnover                      | 4,600,843                                     | 1,732,108                                     |
| Cost of goods sold            | 4,123,620                                     | 1,715,625                                     |
| Gross profit                  | 477,223                                       | 16,483  |
| Distribution cost             | 303,143                                       | 122,377                                       |
| Administrative expenses       | 36,476  | 29,315  |
| Total Operating expenses      | 339,619                                       | 151,692                                       |
| Operating profit / (loss)     | 137,604                                       | (135,209)                                     |
| Other operating income        | 2,270   | 850   |
|                               | 139,874                                       | (134,359)                                     |
| Financial charges             | 50,191  | 70,112  |
| Other operating charges       | 7,234   | (2,398)                                       |
|                               | 57,425  | 67,714  |
| Profit/(Loss) before taxation | 82,449  | (202,073)                                     |
| Provision for taxation        |   |   |
| - current - for the period    | 57,511  | 25,982  |
| - deferred                    | -   | -   |
|                               | 57,511  | 25,982  |
| Profit/(Loss) after taxation  | 24,938  | (228,055)                                     |
|                               | (Rupees)                                      |   |
| Profit/(Loss) per share       | 3.21  | (29.36)                                       |

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

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



**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer

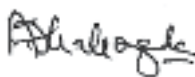
EXIDE PAKISTAN LIMITED  
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE QUARTER ENDED JUNE 30, 2021

|  | 2021          | 2020        |
|--|---------------|-------------|
|  | (Rupees '000) |             |
| CASH FLOW FROM OPERATING ACTIVITIES                      |               |             |
| Cash generated from operations                           | (76,551)      | 1,246,434   |
| Financial charges paid                                   | (53,986)      | (122,485)   |
| Taxes paid   | (61,342)      | (22,888)    |
| Decrease / (Increase) in long-term loans                 | (8,005)       | -           |
| Decrease / (Increase) in long-term deposits              | 1,630         | (6,291)     |
| Net cash inflow from operating activities                | (198,254)     | 1,094,770   |
| CASH FLOW FROM INVESTING ACTIVITIES                      |               |             |
| Payment for capital expenditure                          | (32,800)      | (3,407)     |
| Proceeds from sale of fixed assets                       | 2,438         | -           |
| Net cash outflow on investing activities                 | (30,362)      | (3,407)     |
| CASH FLOW FROM FINANCING ACTIVITIES                      |               |             |
| Dividends paid   | -             | -           |
| Repayment of loan  | (77,392)      | -           |
|  | (77,392)      | -           |
| Net Increase / (decrease) in cash and cash equivalents   | (306,008)     | 1,091,363   |
| Cash and cash equivalents at the beginning of the period | (1,910,246)   | (2,205,029) |
| Cash and cash equivalents at end of the period           | (2,216,254)   | (1,113,666) |

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



**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer




**S. Haider Mehdi**  
Chief Financial Officer



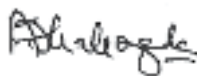
EXIDE PAKISTAN LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE QUARTER ENDED JUNE 30, 2021

|   | Issued,<br>subscribed<br>and paid-up<br>capital | Capital<br>reserves | Revenue<br>reserves | Reserve<br>arising on<br>amalgamation - net<br>(Rupees '000) | Unappropriated<br>profit | Revaluation<br>surplus on<br>property, plant<br>and equipment<br>net of tax | Total            |
|---|---|---------------------|---------------------|--|--------------------------|---|------------------|
| Balance at March 31, 2020   | 77,686  | 259                 | 3,329,991           | 25,823   | (726,997)                | 1,095,836   | 3,802,598        |
| Final dividend for the year ended March 31, 2020                                      | -   | -                   | -                   | -  | -                        | -   | -                |
| Transfer to revenue reserves for the year ended March 31, 2020                        | -   | -                   | -                   | -  | -                        | -   | -                |
| Profit/(Loss) after taxation for first quarter ended June 30, 2020                    | -   | -                   | -                   | -  | (228,055)                | -   | (228,055)        |
| Transferred from surplus on revaluation of property, plant and equipment - net of tax | -   | -                   | -                   | -  | -                        | -   | -                |
| Balance at June 30, 2020  | <u>77,686</u>                                   | <u>259</u>          | <u>3,329,991</u>    | <u>25,823</u>  | <u>(955,052)</u>         | <u>1,095,836</u>  | <u>3,574,543</u> |
| Balance at March 31, 2021   | 77,686  | 259                 | 3,329,991           | 25,823   | (707,040)                | 1,081,204   | 3,807,923        |
| Final dividend for the year ended March 31, 2021                                      | -   | -                   | -                   | -  | -                        | -   | -                |
| Transfer to revenue reserves for the year ended March 31, 2021                        | -   | -                   | -                   | -  | -                        | -   | -                |
| Profit/(Loss) after taxation for first quarter ended June 30, 2021                    | -   | -                   | -                   | -  | 24,938                   | -   | 24,938           |
| Transferred from surplus on revaluation of property, plant and equipment - net of tax | -   | -                   | -                   | -  | -                        | -   | -                |
| Balance at June 30, 2021  | <u>77,686</u>                                   | <u>259</u>          | <u>3,329,991</u>    | <u>25,823</u>  | <u>(682,102)</u>         | <u>1,081,204</u>  | <u>3,832,861</u> |

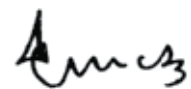
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**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
(UNAUDITED) FOR THE QUARTER ENDED JUNE 30, 2021**

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

**4. PROPERTY, PLANT AND EQUIPMENT**

Following is the cost of operating property, plant and equipment that have been added / disposed off during the quarter ended June 30, 2021

|                       | <b>Cost of additions/(deletions)</b> |              |
|-----------------------|--------------------------------------|--------------|
|                       | June<br>2021                         | June<br>2020 |
|                       | <b>----- (Rupees '000) -----</b>     |              |
| Building              | 5,615                                | 241          |
| Plant and machinery   | 1,999                                | 2,539        |
| Furniture and fixture | 428                                  | 304          |
| Office equipment      | 751                                  | 247          |
| Vehicles              | -                                    | 76           |
| Disposal              | (3,586)                              | -            |
|                       | <u>5,207</u>                         | <u>3,407</u> |

**4.1 CAPITAL WORK-IN-PROGRESS**

|                     | June<br>30, 2021                 | March<br>31, 2021 |
|---------------------|----------------------------------|-------------------|
|                     | <b>----- (Rupees '000) -----</b> |                   |
| Plant and machinery | <u>24,365</u>                    | <u>358</u>        |
|                     | <u><u>24,365</u></u>             | <u><u>358</u></u> |

**5. TRANSACTIONS WITH RELATED PARTIES**

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

|  | <b>June 2021</b>                 | <b>June 2020</b> |
|--|----------------------------------|------------------|
|  | <b>----- (Rupees '000) -----</b> |                  |
| Expenses charged in respect of staff retirement benefits | 2,579                            | 2,190            |
| Payment made to the employee defined benefit plan        | 910                              | 974              |

Key management personnel received an amount of Rs. 18,864 thousands (2020 : Rs.14,927 thousands) out of which Rs.318 thousands (2020: Rs. 257 thousands) relates to post employment benefits.

6. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

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

7. ESTIMATES

Judgments and estimates made by the management in the preparation of these interim financial statements were the same as those that were applied to the financial statements for the year ended March 31, 2021.

8. GENERAL

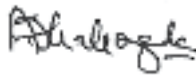
Amounts have been rounded off to the nearest thousands of Rupees unless otherwise stated.

9. DATE OF AUTHORISATION FOR ISSUE

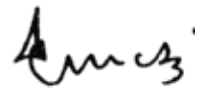
These consolidated financial statements were authorised for issue on July 30, 2021 by the Board of Directors of the Company.



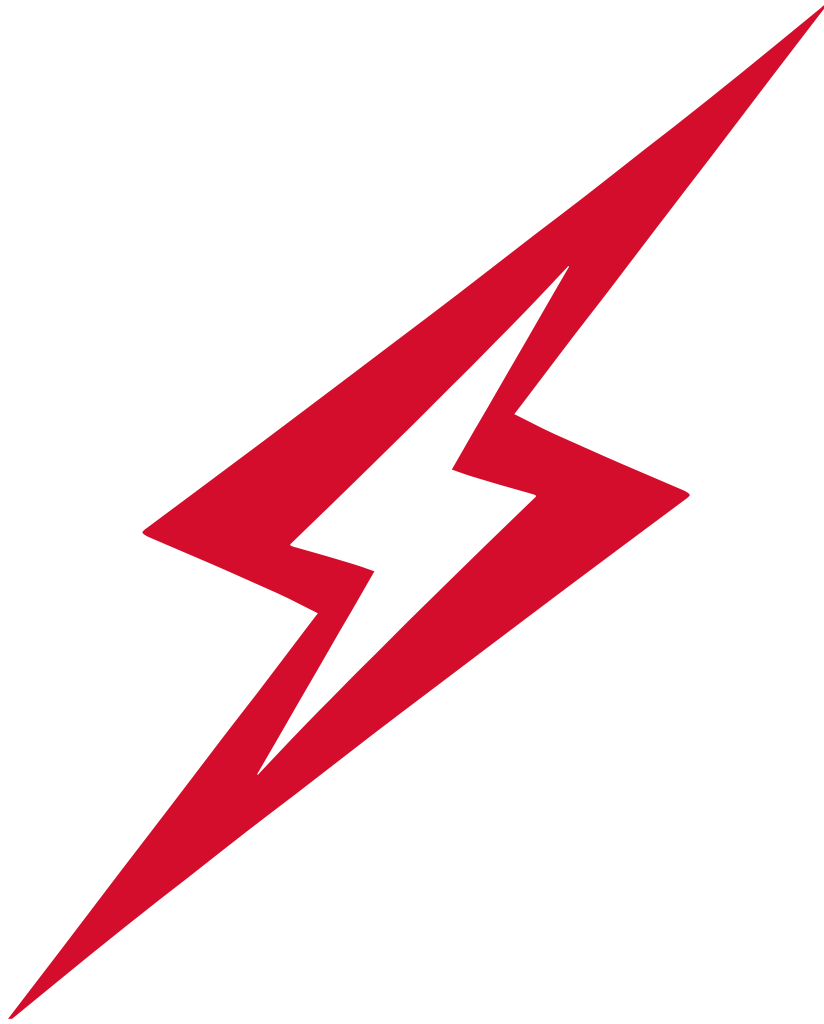
**Altaf Hashwani**  
Chairman



**Arshad Shahzada**  
Chief Executive Officer



**S. Haider Mehdi**  
Chief Financial Officer



**EXIDE<sup>®</sup>**

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