ATLAS METALS (PRIVATE) LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

SW PAKISTAN

ShineWing Hameed Chaudhri & Co.
Chartered Accountants,
5TH Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi
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Atlas Metals

Directors' Report 2023-24

The Directors of the Company are pleased to present their report together with the Audited Financial Statements and Auditor's Report for the year ended 30th June 2024.

Financial Results

The financial results of your Company for the year ended 30th June 2024, under review, are summarized as follows:

Particular	2023-24	2022-23
	Rs. in '000'	
Profit / (Loss) before Tax	(66,034)	11,424
Profit / (Loss) after Tax	(67,278)	11,177
Total comprehensive profit / (loss) for the year	(67,366)	12,510
Net Assets	63,103	580,468

Profit / (Loss) per Share

After-tax, the basic profit / (loss) per share is Rs. (6.73) and at restated share (2023: Rs. 1.25 per share).

Dividend

The Directors have recommended a cash dividend of Rs. NIL per share (2023: Rs. 0.46 per share). Accordingly, the following appropriations have been made.

	2024	2023
	------(Rs. in '000')-----	
Profits/(loss) available for appropriation	(36,897)	55,768
- Dividend paid	Nil	25,300
Un-appropriated profits carried forward.	(36,897)	30,468

Holding Company

Shirazi Investment (Pvt) Limited is the holding Company of Atlas Metals (Pvt) Limited owning 100% shares of the Company.

Auditors

The present Auditors M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants retire and are eligible, to offer themselves for re-appointment for 2024-25.

Future Outlook

After disposing of the main lead recycling plant, the Company was producing only small lead parts for its sole customer. Since the start of the 2023-24 fiscal year, the Company was facing operational challenges due to rising expenses, including electricity and gas costs. Despite efforts to cut costs, management was unable to stop the financial decline.

After carefully evaluating the financial situation and considering various alternatives, Management proposes that due to no realistic alternative available presently, the most responsible course of action is to cease the business activities for a couple of years starting from 01 January 2024 to avoid further losses.

CHIEF EXECUTIVE

DIRECTOR

13 SEP 2024

SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS

SW PAKISTAN

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLAS METALS (PRIVATE) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **Atlas Metals (Private) 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, 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 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 loss and other comprehensive loss, 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 Auditors' 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.

Emphasis of Matter

We draw your attention to the notes no. 1.2 and 2.1 to the attached financial statements, which state that these financial statements have been prepared based on the Accounting Standard for Non-Going Basis of Accounting as notified under the Companies Act, 2017 as the Company is no longer a going concern after the closure of business activities and non-availability of future business strategy/projections of the Company for the upcoming financial year. However, our opinion is not qualified in this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises of the Directors' Report (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.

SHC

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.

Auditors' 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 auditors' 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.

SHC

- 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 auditors' 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 auditors' 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.

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) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Raheel Ahmed.

Shinewing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS
KARACHI; 30 SEP 2024
UDIN: AR2024101057fZbqTnzR

ATLAS METALS (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024	2023
		-------- Rupees --------	
ASSETS			
Non-current assets			
Property, plant and equipment	6	-	121,123,855
		-	121,123,855
Current assets			
Stores, spares and loose tools	7	-	5,565,376
Stock-in-trade		-	11,607,386
Loan to the Holding Company	12	-	450,000,000
Advances and other receivables	8	**79,200**	-
Short term investments	9	**46,629,031**	28,847,362
Receivable from staff gratuity fund	10	**836,570**	-
Sales tax refundable		-	5,943,890
Taxation - net		**11,488,149**	3,656,139
Cash and bank balances	11	**4,768,292**	18,162,343
		63,801,242	523,782,496
Total assets		**63,801,242**	644,906,351

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Financial Officer	**Chief Executive**	**Director**

ATLAS METALS (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024	2023
		-------- Rupees --------	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital 75,000,000 (2023: 75,000,000) ordinary shares of Rs.10 each		**750,000,000**	750,000,000
Issued, subscribed and paid-up capital 10,000,000 (2023: 55,000,000) ordinary shares of Rs.10 each fully paid in cash	12	**100,000,000**	550,000,000
Accumulated (loss) / revenue reserves - unappropriated profit		**(36,897,118)**	30,468,497
Total equity		**63,102,882**	580,468,497
Liabilities			
Non current liabilities			
Compensated absences	13	-	517,989
Deferred taxation		-	1,369,549
		-	1,887,538
Current liabilities			
Trade and other payables	14	**698,360**	62,550,316
Contingencies and commitments	15		
Total equity and liabilities		**63,801,242**	644,906,351

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Financial Officer	**Chief Executive**	**Director**

ATLAS METALS (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		---------- Rupees ----------	
Turnover - net	16	99,522,884	263,553,065
Cost of sales	17	(110,954,297)	(265,803,980)
Gross loss		(11,431,413)	(2,250,915)
Administrative and distribution expenses	18	(3,219,222)	(11,884,633)
Other expenses	19	(74,683,358)	(3,376,331)
Other income	20	23,424,005	28,948,599
(Loss) / profit from operations		(65,909,988)	11,436,720
Finance costs		(124,102)	(12,942)
(Loss) / profit before income taxation, minimum and final taxes		(66,034,090)	11,423,778
Final taxes	21.1	(1,027,500)	(3,110,379)
Minimum taxes	21.2	(2,010,082)	(3,387,783)
(Loss) / profit before income taxation		(69,071,672)	4,925,616
Income taxation			
Current tax - for the year		-	-
for the prior year		424,090	7,621,279
Deferred tax		1,369,549	(1,369,549)
		1,793,639	6,251,730
(Loss) / profit after taxation		(67,278,033)	11,177,346
Other comprehensive (loss) / income			
Items that will not be reclassified to profit or loss			
Re-measurement of staff retirement benefit obligation		(87,582)	1,332,478
Total comprehensive (loss) / income		(67,365,615)	12,509,824

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Financial Officer	Chief Executive	Director

ATLAS METALS (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

	Note	Issued, subscribed and paid-up capital	Revenue reserves Unappropriated profit / accumulated loss	Total
		------------------------ Rupees ------------------------		
Balance as at July 1, 2022		550,000,000	43,258,673	593,258,673
Transaction with owners, recognised directly in equity				
Interim cash dividend for the year ended June 30, 2023 at the rate of Re. 0.46 per share		-	(25,300,000)	(25,300,000)
Total comprehensive income for the year ended June 30, 2023				
Profit for the year		-	11,177,346	11,177,346
Other comprehensive income		-	1,332,478	1,332,478
		-	12,509,824	12,509,824
Balance as at June 30, 2023		**550,000,000**	**30,468,497**	**580,468,497**
Transaction with owners, recognised directly in equity				
Reduction in share capital	**12.1**	(450,000,000)	-	(450,000,000)
Total comprehensive loss for the year ended June 30, 2024				
Loss for the year		-	(67,278,033)	(67,278,033)
Other comprehensive loss		-	(87,582)	(87,582)
		-	(67,365,615)	(67,365,615)
Balance as at June 30, 2024		**100,000,000**	**(36,897,118)**	**63,102,882**

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Financial Officer	Chief Executive	Director

ATLAS METALS (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	------------- Rupees	-------------
Cash flows from operating activities		
(Loss) / profit before income taxation,	**(66,034,090)**	11,423,778
Adjustments for non cash charges and other items:		
Depreciation	**5,076,654**	14,264,490
Provision for gratuity	**(924,152)**	545,674
Reversal of compensated absences	**(200,400)**	(6,224,253)
Reversal of provision for doubtful debts	**-**	(253,330)
Provision for slow moving inventories - net	**-**	745,899
Provision for doubtful advances	**-**	24,267
Gain on sale of investment in mutual funds	**(1,959,167)**	(2,210,623)
Fair value loss in investment in mutual funds	**-**	688,333
Loss on disposal of fixed assets	**64,091,071**	-
Mark-up / interest on deposit accounts	**(2,118,268)**	(1,833,825)
Dividend income	**(6,850,001)**	(15,697,975)
	57,115,737	(9,951,343)
Cash flows before working capital changes	**(8,918,353)**	1,472,435
Changes in working capital:		
Decrease / (increase) in current assets		
- Stores, spares and loose tools	**5,565,376**	-
- Stock-in-trade	**11,607,386**	(1,179,596)
- Trade debts	**-**	10,409,751
- Advances and other receivables	**(79,200)**	8,191
- Sales tax refundable	**5,943,890**	(14,713,153)
	23,037,452	(5,474,807)
Decrease in trade and other payables	**(61,398,164)**	(43,262,884)
	(38,360,712)	(48,737,691)
Cash used in operations	**(47,279,065)**	(47,265,256)
Income taxes - net	**(10,445,502)**	20,719,606
Compensated absences and gratuity paid	**(771,381)**	(295,607)
Long term deposits - net	**-**	3,000,084
Net cash used in operating activities - carried forward	**(58,495,948)**	(23,841,173)

ATLAS METALS (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	------------- Rupees	-------------
Net cash used in operating activities - brought forward	**(58,495,948)**	(23,841,173)
Cash flows from investing activities		
Sale proceeds from disposal of:		
- property, plant and equipment	**51,956,130**	9,918,359
- non-current asset held for sale	**-**	101,250,000
Profit on deposit accounts received	**2,118,268**	1,833,825
Short term investments acquired	**(46,849,179)**	(53,343,287)
Proceed from sale of short term investments	**31,026,677**	432,514,437
Dividend received	**6,850,001**	15,697,975
Loan provided to the Holding Company	**-**	(450,000,000)
Net cash generated from investing activities	**45,101,897**	57,871,309
Cash flows from financing activities		
Dividend paid	**-**	(25,300,000)
Net (decrease) / increase in cash and cash equivalents	**(13,394,051)**	8,730,136
Cash and cash equivalents at beginning of the year	**18,162,343**	9,432,207
Cash and cash equivalents at end of the year	**4,768,292**	18,162,343

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Financial Officer **Chief Executive** **Director**

ATLAS METALS (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND OPERATIONS AND GOING CONCERN ASSUMPTION

1.1 Atlas Metals (Private) Limited (the Company) was incorporated in Pakistan as a Private Limited Company on September 18, 2012, under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is a wholly owned subsidiary of Shirazi Investments (Private) Limited. The principal activity of the Company was manufacturing parts for batteries. The registered office of the Company is located at 2nd Floor, Federation House, Sharae Firdousi, Clifton, Karachi.

1.2 Cessation of business / going concern

On December 6, 2023, the management of the Company presented operational strategy of the Company to the Board of Directors which included discontinuation of the Company's current business. Since there is no alternate business available for the Company for a couple of years the management also proposes disposal of fixed assets of the Company and release of all staff of the Company. The Board of Directors, after carefully evaluating the financial situation and considering various alternatives, decided that the lead parts casting business will be discontinued with effect from January 1, 2024 to avoid further losses and settle all liabilities as per books of accounts. On December 29, 2023, the members in Extra Ordinary General Meeting have approved sale of fixed assets of the Company. Previously with the approval from the High Court on October 18, 2023, and the registration of the order, the share capital was reduced by Rs.450 million to Rs.100 million.

As discussed above, subsequent to closure of business activities, and non-availability of future business strategy / projections of the Company for the upcoming financial year, the Company have been considered as non going concern and accordingly these financial statements have been prepared on non going concern basis.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared on non going concern basis of accounting in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise:

- Accounting Standard for Non-Going Basis of Accounting as notified under the Companies Act, 2017 (the Act);
- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Act; and
- Provision of and directives issued under the Act.

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 Basis of measurement

These financial statements have been prepared under the current value convention.

2.3 Functional and presentation currency

These financial statements have been presented in Pakistani rupee, which is the Company's functional and presentation currency.

3 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards and amendments to approved accounting standard effective in current year

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

(a) IAS 1 Disclosure of Accounting Policies Effective date: January 1, 2023

Amendments to IAS 1, 'Presentation of Financial Statements' 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) IAS 8 Definition of accounting estimates Effective date: January 1, 2023

The International Accounting Standards Board (the Board) has issued these 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 approved accounting standards and interpretations that are mandatory 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.

3.2 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.

4 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amount of assets, liabilities, income and expenses.

The estimates and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances and are continually evaluated. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy note. The areas involving significant estimates or judgments are:

(i) Contingencies and commitments - note 15

(ii) Estimation of current tax - notes 5.5

5 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below.

5.1 Provisions

Provisions, if any are recognized when:

a) the Company has a present obligation (legal or constructive) as a result of past events;

b) it is probable that an outflow of resources will be required to settle the obligation; and

c) a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

5.2 Fair value measurement principles

The fair value of financial instruments is determined as follows:

Basis of valuation of units of mutual funds

The investment of the Company in mutual funds is valued on the basis of closing Net Asset Value (NAV) of the underlying mutual funds at the reporting date.

Net gains and losses arising on changes in the fair value investments carried at fair value through profit or loss are taken to the statement of profit or loss.

5.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the Company will collect consideration in exchange for the services transferred to the customer and the amount of consideration can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. Revenue from different sources is recognised on the following basis:

- Sales are recorded on dispatch of goods to customers which generally coincides with physical delivery of goods to customer, i.e. when the significant risks and reward of ownership have been transferred to the customer.
- Profit on bank deposits and other income are accounted for on accrual basis.
- Dividend income is recognized when the right to receive such payment is established.

5.4 Taxation and levies

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credit, rebates and exemption available, if any.

The Company have opted policy to designate the amount calculated on gross amount of revenue under section 113 of the Income tax Ordinance as a levy within the scope of IFRIC 21/IAS 37 and recognise it as an operating expense as a separate line item. Any excess over the amount designated as a levy is then recognised as current income tax expense falling under the scope of IAS 12.

5.5 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and are defined as cash in hand, cash at banks and short term highly liquid investments, that are readily convertible to known amounts of cash and subject to insignificant risk of change in value. For the purpose of statement of cash flows, cash and cash equivalents consist of balances in bank.

5.6 Trade and other payables

Liabilities for trade and other payables are carried at original invoice amount / cost, which approximate is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

5.7 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the year in which these are approved. However, if these are approved after the reporting date but before the financial statements are authorized for issue they are disclosed to the notes to the financial statements.

6 PROPERTY, PLANT AND EQUIPMENT

	Note	2024	2023
		Rupees	
Operating fixed assets	6.1	-	121,123,855
		-	121,123,855

6.1 Operating fixed assets

	Lease-hold improvements	Plant and machinery	Computers	Vehicles	Generators	Total
	Rupees					
At July 1, 2022						
Cost	239,852,730	19,347,203	304,200	19,241,880	15,059,534	293,805,547
Accumulated depreciation	124,782,718	6,794,193	7,606	8,018,522	8,895,804	148,498,843
Net book value	**115,070,012**	**12,553,010**	**296,594**	**11,223,358**	**6,163,730**	**145,306,704**
Year ended June 30, 2023						
Opening net book value	115,070,012	12,553,010	296,594	11,223,358	6,163,730	145,306,704
Disposals						
- cost	-	-	304,200	17,843,879	-	18,148,079
- accumulated depreciation	-	-	(29,851)	(8,199,869)	-	(8,229,720)
	-	-	274,349	9,644,010	-	9,918,359
Depreciation charge	11,507,001	1,255,301	22,245	863,570	616,373	14,264,490
Closing net book value	**103,563,011**	**11,297,709**	-	**715,778**	**5,547,357**	**121,123,855**
At June 30, 2023						
Cost	239,852,730	19,347,203	-	1,398,001	15,059,534	275,657,468
Accumulated depreciation	136,289,719	8,049,494	-	682,223	9,512,177	154,533,613
Net book value	**103,563,011**	**11,297,709**	-	**715,778**	**5,547,357**	**121,123,855**
Year ended June 30, 2024						
Opening net book value	103,563,011	11,297,709	-	715,778	5,547,357	121,123,855
Disposals (note 6.3)						
- cost	239,852,730	19,347,203	-	1,398,001	15,059,534	275,657,468
- accumulated depreciation	(140,604,847)	(8,520,232)	-	(741,871)	(9,743,317)	(159,610,267)
	99,247,883	10,826,971	-	656,130	5,316,217	116,047,201
Depreciation charge	4,315,128	470,738	-	59,648	231,140	5,076,654
Closing net book value	-	-	-	-	-	-
At June 30, 2024						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Net book value	-	-	-	-	-	-
Depreciation rate (% per annum)	10	10	30	20	10	

6.2 Allocation of depreciation charge:

	Note	2024	2023
		Rupees	
Cost of sales	17	**5,017,006**	13,656,838
Administrative and distribution expenses	18	**59,648**	607,652
		5,076,654	14,264,490

6.3 Details of operating fixed assets disposed-off during the year:

Particulars of assets	Cost	Accumulated depreciation	Net book value	Sales proceeds	Gain	Mode of disposal	Sold / transferred to
	----	----	Rupees	----	----		
Items having net book value exceeding Rs.500,000 each							
Building	239,852,731	140,604,848	99,247,883	42,000,000	(57,247,883)	Negotiation	M/s. Atlas Engineering (Private) Limited, a related party
Plant and Machinery							
	5,989,452	2,882,549	3,106,903	2,295,677	(811,226)	Negotiation	M/s. Atlas Battery Limited, a related party
	6,333,352	2,809,128	3,524,224	2,604,033	(920,191)	- - - do - - -	
	7,024,398	2,828,554	4,195,844	3,100,290	(1,095,554)	- - - do - - -	
	19,347,202	8,520,231	10,826,971	8,000,000	(2,826,971)		
Vehicles	1,398,001	741,871	656,130	656,130	-	Company Policy	Mr. Zubair - Ex-employee
Generator	15,059,534	9,743,317	5,316,217	1,300,000	(4,016,217)	Negotiation	M/s. Atlas Engineering (Private) Limited, a related party
June 30, 2024	275,657,468	159,610,267	116,047,201	51,956,130	(64,091,071)		
June 30, 2023	18,148,079	8,229,720	9,918,359	9,918,359	-		

6.4 On November 28, 2023, the Company conducted a valuation of its building, plant, machinery, and generator through external surveyor M/s. Luckyhiya Associates (Pvt) Ltd. The valuation exercise assessed the value of these assets at Rs.49 million.

7 STORES, SPARES AND LOOSE TOOLS	Note	2024	2023
		---- Rupees	----
In hand		-	27,550,207
Provision for slow moving stores	7.1	-	(21,984,831)
		-	5,565,376

7.1 Provision for slow moving stores

	2024	2023
Opening balance	**21,984,831**	99,762,438
Provision made	-	745,899
Disposed off / written-off	**(21,984,831)**	(78,523,506)
Closing balance	-	21,984,831

8 ADVANCES AND OTHER RECEIVABLES

	Note	2024	2023
Advances to suppliers		-	7,813,104
Other receivable	8.1	**79,200**	30,249
		79,200	7,843,353
Provision for doubtful advances		-	(7,843,353)
		79,200	-

8.1 The amount represents insurance of an ex-employee to be received from Atlas Insurance - a related party.

9 SHORT TERM INVESTMENTS - At fair value through profit or loss

2024	2023		2024	2023
--- Number of units ---		**Related parties**	---- Rupees	----
-	33,281.41	Atlas Stock Market Fund	-	19,067,511
93,258.06	19,559.70	Atlas Liquid Fund	**46,629,031**	9,779,851
			46,629,031	28,847,362

10 (RECEIVABLE FROM) / PAYABLE TO STAFF GRATUITY FUND

10.1 The latest actuarial valuation of the scheme as at June 30, 2024 was carried out by an independent expert, using the 'Projected Unit Credit Method'. Details of the scheme as per the actuarial valuation are as follows:

		Note	2024	2023
10.2	**Balance sheet reconciliation**		------------ Rupees	------------
	Present value of defined benefit obligation	**10.3**	**-**	233,903
	Fair value of plan assets	**10.4**	**(3,262,818)**	(12,798,993)
	Liability transferable to other group companies		**2,426,248**	13,018,882
			(836,570)	453,792
10.3	**Movement in the present value of defined benefit obligation**			
	Balance as at beginning of the year		**233,903**	10,561,128
	Current service cost		**25,440**	548,211
	Interest cost		**38,435**	1,406,986
	Recognised in respect of transfers		**19,636**	(10,572,998)
	Benefits paid		**(284,549)**	-
	Re-measurement on obligation		**(32,865)**	(1,709,424)
	Balance as at end of the year		**-**	233,903
10.4	**Movement in fair value of plan assets:**			
	Balance as at beginning of the year		**12,798,993**	11,766,416
	Contribution		**453,792**	-
	Benefits paid		**(284,549)**	-
	Interest income on plan assets		**988,027**	1,409,523
	Transfer of assets in respect of transferees		**(10,572,998)**	-
	Re-measurements		**(120,447)**	(376,946)
	Balance as at end of the year		**3,262,818**	12,798,993
10.5	**Charge for the year**			
	Current service cost		**25,440**	548,211
	Interest cost - net		**(949,592)**	(2,537)
			(924,152)	545,674
10.6	**Net liability recognised**			
	Balance as at beginning of the year		**453,792**	1,240,596
	Charge for the year	**10.5**	**(924,152)**	545,674
	Paid during the year		**(453,792)**	-
	Actuarial loss / (gain) charged to other comprehensive income		**87,582**	(1,332,478)
	Balance as at end of the year		**(836,570)**	453,792

10.7 Plan assets comprise the following:

	2024		2023	
	Rupees	**%**	Rupees	%
Debt	**206,212**	**6%**	1,949,322	15%
Mutual funds	**3,054,837**	**94%**	10,839,828	85%
Cash	**1,769**	**0%**	9,843	0%
	3,262,818	**100%**	12,798,993	100%

10.8	**Principal actuarial assumptions:**	**2024**	2023
	Discount rate	-	16.25%
	Salary increase rate for the first year	-	15.00%
	Long term salary increase rate	-	15.25%
	Demographic assumptions		
	- Mortality rates (for death in service)	-	SLIC (2001-05)-1
	- Rates of employee turnover	-	Heavy

11	**CASH AND BANK BALANCES**	**Note**	**2024**	2023
			----------- **Rupees**	-----------
	Current accounts		**72,381**	748,517
	Deposit accounts	**11.1**	**4,650,637**	17,413,826
	Cheque in hand		**45,274**	-
			4,768,292	18,162,343

11.1 These carry profit at the rate upto 20.5% (2023: 19.51%) per annum.

12 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

12.1 The board of directors in their meeting held on November 21, 2022, approved a reduction of the Company's issued and paid-up share capital by Rs.450,000 thousand, cancelling 45,000 thousand ordinary shares of Rs.10 each due to limited operations and low capital requirements. Consequently, on January 30, 2023, the Company filed a petition in the High Court of Sindh for this reduction under section 89 of the Companies Act, 2017. Following the approval from the High Court on October 18, 2023, and the registration of the order, the share capital was reduced by Rs.450 million. The amount has been adjusted against interest free loan provided to Shirazi Investments (Private) Limited, which holds 100% of the ordinary shares of the Company.

13	**COMPENSATED ABSENCES**	**Note**	**2024**	2023
			----------- **Rupees**	-----------
	Balance as at beginning of the year		**517,989**	7,037,849
	Reversal for the year		**(200,400)**	(6,224,253)
	Payments made during the year		**(317,589)**	(295,607)
	Balance as at end of the year		-	517,989
14	**TRADE AND OTHER PAYABLES**			
	Trade creditors		-	102,400
	Payable to staff retirement benefit fund		-	453,792
	Accrued liabilities		**696,860**	18,007,516
	Workers' Profit Participation Fund		-	532,255
	Withholding tax payable		-	264,101
	Provisions	**14.1**	-	43,095,720
	Other liabilities		**1,500**	94,532
			698,360	62,550,316

14.1 These provisions relate to the Gas Infrastructure Cess and the OGRA gas tariff difference. During the year, the Company transferred / paid these provisions to Atlas Engineering (Private) Limited, a related party, upon approval from the board of directors.

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 Sales tax

Deputy Commissioner Inland Revenue (DCIR), Enforcement-I, Medium Tax Office, Karachi served show cause notice dated September 28, 2020 pertaining to tax period July 2017 to June 2019, stating that the Company has claimed inadmissible input tax on the purchases from M/s. Denar Industries (Private) Limited, who was involved in claiming input tax against fake invoices amounting to Rs.39,156,459. The Company submitted its response stating that the said supplier was neither blacklisted nor blocked by FBR at the time of input claim and that subsequent blacklisting of a supplier could not deprived the registered person of its right of claim of input tax. Further, the Company has complied with all the requirements as required under Sales Tax Act, 1990 for claim of input tax. DCIR on November 25, 2020, raised the demand against the notice amounting Rs.39,156,459. The Company has filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] which was decided against the Company on February 24, 2021. The Company has filed an appeal before Appellate Tribunal Inland Revenue (the Tribunal) which was decided in favour of the Company through order dated October 10, 2023.

15.1.2 Other

The Company is defending a suit in Honourable High Court of Sindh for recovery of Rs.73.49 million under Fatal Accident Act, 1855. The case is pending for hearing. No provision have been made in these financial statements.

15.2 Commitments

There were no known commitments at June 30, 2024 and June 30, 2023.

		Note	2024	2023
			Rupees	
16	**TURNOVER-NET**			
	Gross sales - Local		**117,437,003**	309,458,588
	Sales tax		**(17,914,119)**	(45,905,523)
			99,522,884	263,553,065
17	**COST OF SALES**			
	Raw material consumed	**17.1**	**102,574,912**	243,788,160
	Staff salaries, wages and other benefits	**17.2**	**3,072,403**	6,025,733
	Utilities		-	600,000
	Repair and maintenance		-	219,499
	Insurance	**17.3**	**265,711**	767,851
	Depreciation	**6.2**	**5,017,006**	13,656,838
	Provision for slow moving stores, spares and loose tools	**7.1**	-	745,899
	Others		**24,265**	-
			110,954,297	265,803,980
17.1	**Raw material consumed**			
	Balance at beginning of the year		**11,607,386**	11,238,823
	Purchases		**90,967,526**	244,967,756
	Sold		-	(811,033)
	Balance at end of the year		-	(11,607,386)
			102,574,912	243,788,160

17.2 Includes provision of Rs.68 thousand (2023: Rs.319 thousand) in respect for gratuity and reversal of Rs.120 thousand (2023: provision of Rs.311 thousand) in respect of accrual for compensated absences.

17.3 Represents amount paid to Atlas Insurance Limited - a related party.

18 ADMINISTRATIVE AND DISTRIBUTION EXPENSES

	Note	2024	2023
		------------ Rupees	------------
Staff salaries, wages and other benefits	18.1	1,198,997	5,449,433
Legal and professional charges		1,171,146	3,699,322
Communication		534,374	534,115
Travelling and conveyance		210,501	1,117,573
Printing and stationery		44,556	64,600
Depreciation	6.2	59,648	607,652
Donation	18.2	-	115,211
Miscellaneous		-	296,727
		3,219,222	11,884,633

18.1 Includes reversal of Rs.924 thousand (2023: provision of Rs.546 thousand) in respect of gratuity and Rs.80 thousand (2023: Rs.6,535 thousand) in respect of reversal for compensated absences.

18.2 Donation of Rs.Nil (2023: Rs.115 thousand) charged in these financial statements is made to Atlas Foundation, 2nd Floor, Federation House, Shara-e-Firdousi, Clifton, Karachi.

19 OTHER EXPENSES

	Note	2024	2023
		------------ Rupees	------------
Provision for doubtful advances / deposits		-	24,267
Auditors' remuneration	19.1	650,000	635,000
Unrealized loss on investment		-	688,333
Workers' profit participation fund		-	532,255
Workers' welfare fund - prior year		-	1,496,476
Loss on disposal of fixed assets	6.3	64,091,071	-
Sales tax refundable - written off		4,876,916	-
Loss on disposal of stores, spares and loose tools		5,065,371	-
		74,683,358	3,376,331

19.1 Auditors' remuneration

	2024	2023
Statutory audit fee	550,000	500,000
Out of pocket expenses	100,000	135,000
	650,000	635,000

20 OTHER INCOME

	2024	2023
	------------- Rupees -------------	
Income from financial assets:		
Profit on deposit accounts	**2,118,268**	1,833,825
Dividend income	**6,850,001**	15,697,975
Gain on sale of investment in mutual funds	**1,959,167**	2,210,623
Income from non-financial assets:		
Reversal of provision for doubtful debts	-	253,330
Scrap sales	**9,327,525**	7,469,546
Gain on disposal of low value assets and others	-	684,200
Accrued liability / provision written back	**3,169,044**	799,100
	12,496,569	9,206,176
	23,424,005	28,948,599

21 LEVIES AND INCOME TAXATION

21.1 This represents final taxes paid under section 150 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

21.2 This represents minimum taxes paid under section 113 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

21.3 The returns of the Company is filed under group taxation in term of section 59AA of the Income Tax Ordinance, 2001. Further separate returns of the Company also filed in compliance with the provision of Rule 231D for record purposes only. No numeric tax rate reconciliation is given in the financial statements, as provision made during that year primarily represents minimum tax and final tax due under section 113 and 150 of the Income Tax Ordinance, 2001.

21.4 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

	2024	2023
	------------- Rupees -------------	
Current tax liability for the year as per applicable tax laws	**3,037,582**	6,498,162
Portion of current tax liability as per tax laws, representing income tax under IAS 12	-	-
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	**(3,037,582)**	(6,498,162)
	-	-

22 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks i.e. credit risk, liquidity risk and market risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

22.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company seeks to minimize the credit risk exposure by dealing mostly with regular and permanent parties who pay on due dates.

The table below provides the analysis of the credit quality of financial assets on the basis of external credit rating or the historical information about counter party default rates.

	Note	**2024**	2023
		Rupees	
Advances to suppliers	**8**	-	7,813,104
Other receivables	**8**	**79,200**	30,249
Cash and bank balances	**11**	**4,768,292**	18,162,343
		4,847,492	26,005,696

22.1.1 Bank balance - rating

The credit quality of Company's bank balances can be assessed with reference to the external credit ratings as follows:

Bank	**Rating agency**	**Rating short term**	**Rating long term**
Habib Bank Limited	JCR-VIS	A-1+	AAA
Mutual fund			
Atlas Liquid Fund	PACRA	AA+(f)	

22.1.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in raising funds to meet commitments associated with financial instruments. The Company applies the prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines. Table below summarizes the maturity profile of the Company's financial liabilities at the following reporting dates based on contractual undiscounted payments.

	Carrying amount	On demand	Maturity up to one year	Maturity more than one year
	Rupees			
June 30, 2024				
Trade and other payables	**698,360**	-	**698,360**	-
June 30, 2023				
Trade and other payables	62,286,215	43,095,720	19,190,495	-

22.1.3 Market risk

Market risk is the risk that the fair value of future cash flows of financial instrument will fluctuate due to changes in market variables such as interest rate, foreign exchange rates and equity prices.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in the market interest rates. The Company manages its interest rate risk by placing its excess funds in deposit accounts in banks. The Company's not materially exposed to the risk of changes in market interest rates.

22.2 Fair value of financial instrument

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of bank balances, trade deposits, loans and other receivables. Financial liabilities consist of trade and other payables and short-term running finance. The fair values of financial instruments are not materially different from their carrying values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table presents the Company's financial assets that are measured at fair value through profit or loss at June 30, 2024 and June 30, 2023.

Assets - Recurring fair value measurement	**Level 1**	**Level 2**	**Level 3**	**Total**
	---------- **Rupees** ----------			
June 30, 2024				
Short term investments	**46,629,031**	-	-	**46,629,031**
June 30, 2023				
Short term investments	28,847,362	-	-	28,847,362

23 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 (members of the Management Committee of the Company), post employment benefit plans and close members of the families of the directors and key management personnel. 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:

23.1 Name and nature of relationship

a) The Holding Company - 100% Shareholding

- Shirazi Investments (Private) Limited

b) Associated Companies

- Atlas Asset Management Limited
- Atlas Autos (Private) Limited
- Atlas Foundation
- Atlas Insurance Limited
- Atlas Engineering (Private) Limited
- Atlas Battery Limited

23.2 Transactions with related parties

Relationship and nature of transactions	2024	2023
	------------- Rupees -------------	
Holding Company		
Disbursement of loan	-	450,000,000
Sale of operating fixed assets	-	10,318,591
Receipt under group taxation	-	14,414,777
Purchase of goods and services	-	299,324
Dividend paid	-	25,300,000
Employee loan transferred	-	28,402
Associated entities / other related parties		
Sale of goods	**117,437,003**	306,161,304
Purchase of goods and services	-	7,910,000
Sale of operating fixed assets / non-current asset held for sale	**51,300,000**	2,485,174
Purchase of investment	**20,000,000**	53,343,287
Sale of investment	**10,000,000**	432,514,437
Dividend received	**6,850,001**	15,697,975
Expense reimbursement	**546,300**	-
Disposal of stores and spares	**590,000**	-
Payment against provision	**43,095,720**	-
Donation Paid	**115,211**	-
Sale of low value assets	-	829,166
Contribution to retirement benefit funds	**516,922**	884,084
Insurance claim received	-	14,000
Insurance premium	**573,903**	1,407,696
Key management personnel		
Managerial remuneration	-	2,541,177
House rent allowance	-	1,143,530

23.3 The related parties' status of outstanding receivables and payables, if any, as at June 30, 2024 are disclosed in the respective notes to these financial statements.

23.4 All the transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company.

24 REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2024			2023		
	Chief Executive	**Directors**	**Executives**	Chief Executive	Directors	Executives
	------------------	------------------	(Rupees)	------------------	------------------	
Managerial remuneration	-	-	-	2,541,177	-	421,914
House rent allowance	-	-	-	1,143,530	-	189,861
COLA & utilities	-	-	-	635,294	-	105,479
Bonus	-	-	-	871,101	-	144,630
Retirement benefits	-	-	-	279,528	-	46,410
Medical and others	-	-	-	709,524	-	94,214
	-	-	-	6,180,154	-	1,002,508
Number	-	-	-	1	2	1

24.1 No amount has been paid or is payable by the Company on account of remuneration of Chief Executive, Directors and Executives for the year.

25 CORRESPONDING FIGURES

Certain corresponding figures have been reclassified for better presentation. However, there are no material reclassifications to report.

26 NUMBER OF EMPLOYEES

The number of employees as on the date of the financial statements were Nil (2023: 2) and average number of employees during the year were 2 (2023: 3). The affairs of the Company are managed through the staff of an associated company.

27 GENERAL

Figures presented in these financial statements have been rounded off to the nearest rupee, unless otherwise stated.

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 13, 2024 by the Board of Directors of the Company.

Chief Financial Officer **Chief Executive** **Director**