

**HAMEED CHAUDHRI & CO.****HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS**KARACHI CHAMBERS,
HASRAT MOHANI ROAD,
KARACHI.

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August 26, 2010

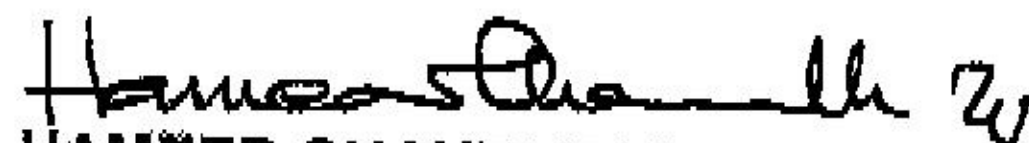
The Chief Executive Officer
Atlas Battery Limited
D-181 Central Avenue
S.I.T.E, Karachi

Dear Sir:

**CERTIFICATE ON RESIDUAL FREE RESERVES
FOR THE ISSUE OF BONUS SHARES**

As requested by you, we have ascertained from the company's financial statements for the year ended June 30, 2010, which have been approved by the Board of Directors that the residual free reserves in terms of meaning given to "free reserves" in the Companies (Issue of Capital) Rules, 1996 after incorporating the proposed issue of bonus shares of a face value of Rs. 16,782 thousands would be higher than twenty five percent of the enhanced capital of Rs. 100,693 thousands.

Truly yours


**HAMEED CHAUDHRI & CO
CHARTERED ACCOUNTANTS**