

COMPANY INFORMATION

BOARD OF DIRECTORS:

MR. MAHFOOZ ELAHI (CHIEF EXECUTIVE)
MR. MAHBOOB ELAHI (CHAIRMAN)
MR. MAHMOOD ELAHI
SHEIKH FARRUKH AHMED
MR. NAVEED AKHTER IDREES
SYED MUHAMMAD RANUANG UD DIN
MR. MURTAZA WAHAB

AUDITORS:

M/S. BDO IBRAHIM & COMPANY,
Chartered Accountants
23, East Saeed Plaza,
Blue Area, Islamabad.

AUDIT COMMITTEE:

1. SHEIKH FARRUKH AHMED
2. MR. MAHBOOB ELAHI
3. MR. NAVEED AKHTER IDREES

HRR COMMITTEE:

1. MR. MAHMOOD ELAHI
2. MR. S.M ROUNAQ UD DIN
3. MR. NAVEED AKHTER IDREES

CHIEF FINANCIAL OFFICER: MR. MUHAMMAD IMTIAZ

COMPANY SECRETARY: MR. SALEEM AHMED

REGISTERED OFFICE:

270-Sector I/9, Industrial Area, Islamabad.

SHARE REGISTRAR:

CORPLINK (PVT) LIMITED, Wings Arcade,
1-K Commercial, Model Town, Lahore.

LEGAL ADVISER:

KHAN & PIRACHA
No.1, 2nd FLOOR, 6-B,
MARKAZ F-6, ISLAMABAD.

MILLS:

JURIAN, MANDRA,
TEHSIL GUJAR KHAN,
DISTRICT RAWALPINDI.

WEBSITE: www.elahicotton.com

ELAHI COTTON MILLS LIMITED

DIRECTORS 3rd QUARTER REPORT TO THE SHAREHOLDERS

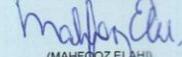
The Directors of the Company are pleased to present financial information for the 3rd quarter ended March 31, 2016.

The Company suffered net loss after taxation of Rs.1,940,101/- for the nine months from July 01, 2015 to March 31, 2016 as compared to net loss of Rs. 334,946/- for the corresponding period of last nine months. Aggregate sales revenue of the Company decreased from Rs.212,995 million to Rs.208,605 million showing decrease of Rs.4,390 million (2.06%) whereas cost of sales decreased from Rs.208,251 million to Rs.205,546 million showing decrease of Rs.2,705 million (1.30%). The net loss incurred by the Company is mainly due to decrease in the prices of finished goods and increase in the cost of salaries & wages (increase in minimum wage limit of workers). The decrease in sale is due to decrease in the prices of raw material which is further compounded by textile crises in the market. We foresee that the next quarter to be a difficult one due to textile crises in the local market.

The loss per share for the nine months ended March 31, 2016 is Rs. 1.49 and profit per share for the quarter ended March 31, 2016 is Rs. 0.66. As the Company has incurred loss for nine months and also has accumulated loss and no amount is available in the reserves, the Directors do not recommend payment of any dividend to shareholders of the Company. The Company could not make payment of current portion of due to associated undertaking & loan from directors amounting to Rs.77,799 million due to financial constraints.

Islamabad
April 28, 2016

On behalf of Board of Directors


(MAHFOOZ ELAHI)
Chief Executive

اپنی کاشن ملز میٹیڈ

ممبران کے لیے ڈائریکٹرز کی تیسری سہ ماہی رپورٹ

کھیتی کے ڈائریکٹرز 31 مارچ 2016ء کی سہ ماہی کے لیے باہمی معلومات پیش کرتے ہیں۔ کھیتی کو یکم جولائی 2015ء سے 31 مارچ 2016 (نومہ کے لیے) مبلغ 1,940,101/- روپے کا بعد از ٹیکس خالص نقصان کا سامنا کرنا پڑا جبکہ گزشتہ 9 ماہ کی اسی مدت کا خالص نقصان مبلغ 334,946/- روپے تھا۔ کھیتی کی مجموعی فروخت مبلغ 212,995 ملین روپے سے کم ہو کر مبلغ 208,605 ملین روپے ہوئی ہے جو کہ مبلغ 4,390 ملین روپے کی ظاہر کر رہی ہے (2.06% جبکہ فروخت کی لاگت مبلغ 208,251 ملین روپے سے کم ہو کر 205,546 ملین ہوئی ہے جو کہ مبلغ 2,705 ملین روپے کی ظاہر کر رہی ہے (1.30%)۔ کھیتی کا خالص نقصان بنیادی طور پر تیار مال کی قیمتوں میں کمی اور منڈی میں اضافہ (کارکنوں کی کم از کم تنخواہ اور اجرت میں اضافہ) کی وجہ سے ہے۔ خام مال کی قیمتوں میں کمی اور منڈی میں بحران کی وجہ سے فروخت میں کمی ہوئی ہے۔ منڈی میں بحران کی وجہ سے ہم آگلی سہ ماہی میں بھی مشکلات دیکھ رہے ہیں۔ کھیتی کو نومبر کے موسم کا جو کہ 31 مارچ 2016 کو اختتام پانے ہوا ہے فی ٹینٹر مبلغ 1.49 روپے نقصان ہوا ہے جبکہ سہ ماہی منافع فی ٹینٹر مبلغ 0.66 روپے ہے۔

ڈائریکٹرز کھیتی کے حصہ داران کے لئے منافع کی سٹارٹس نہیں کر رہے کیونکہ ایک طرف کھیتی نقصان میں ہے اور دوسری طرف ڈخاڑ میں بھی پیسے نہیں ہیں۔ کھیتی مانی مشکلات کی وجہ سے ڈائریکٹرز اور ایک منسلک کھیتی کو مبلغ 77,799 ملین روپے کی ادائیگی نہیں کر سکی۔

اسلام آباد

مختار علی
چیف ایگزیکٹو

13/4/2016

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2016
(UN-AUDITED)

ASSETS	31.03.2016	30.06.2015
	Rupees	Rupees
NON CURRENT ASSETS		
Operating fixed assets	94,877,891	97,401,104
Long Term Security Deposits	918,810	918,810
Loan and Advances	1,262,761	1,077,761
	97,059,262	99,397,675
CURRENT ASSETS		
Stores Spares & loose tools	1,541,474	1,557,205
Stock in trade	9,945,241	8,105,365
Loan & Advances	543,008	855,816
Trade debts	8,616,984	6,116,877
Short term prepayments	52,486	159,677
Tax refunds due from Government	26,328	431,600
Cash and Bank Balances	12,391,665	4,769,569
	33,117,206	22,016,109
TOTAL ASSETS	130,176,468	121,413,784
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized Share Capital 5,000,000 ordinary shares of Rs. 10/- each	50,000,000	50,000,000
Issued, subscribed & paid up capital	13,000,000	13,000,000
Accumulated Loss	(72,521,894)	(71,943,701)
	(59,521,894)	(58,943,701)
SURPLUS ON REVALUATION OF FIXED ASSETS	74,403,497	75,765,405
NON CURRENT LIABILITIES		
Deferred Liabilities	16,726,802	15,780,001
CURRENT LIABILITIES		
Trade and other payables	16,338,360	6,773,446
Current portion of long term loan from Directors	67,882,546	69,057,547
Current portion of balance due to associated undertaking	9,916,077	12,416,077
Short term loan from Directors	4,350,000	-
Taxation net	81,080	565,009
	98,568,063	88,812,079
CONTINGENCIES & COMMITMENTS	-	-
TOTAL EQUITY AND LIABILITIES	130,176,468	121,413,784

Mahfooz Elahi
(MAHOODZ ELAHI)
Chief Executive

Mahmood Elahi
(MAHOOD ELAHI)
Director

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM PROFIT & LOSS ACCOUNT
FOR THE 3RD QUARTER ENDED MARCH 31, 2016
(UN-AUDITED)

	9 Months July 01, 2015 to March 31, 2016	9 Months July 01, 2014 to March 31, 2015	QUARTER ENDED 31.03.2016	QUARTER ENDED 31.03.2015
	Rupees	Rupees	Rupees	Rupees
Sales (Net)	208,604,897	212,994,810	72,439,773	67,490,191
Cost of Sales	205,545,702	208,250,676	69,888,143	63,456,076
Gross Profit	3,059,195	4,744,134	2,551,630	4,034,115
OPERATING EXPENSES				
Administrative Expenses	(3,425,214)	(3,090,638)	(1,057,130)	(829,372)
Other operating Charges	(270,417)	(686,614)	(163,987)	(438,788)
	(3,695,631)	(3,777,252)	(1,221,117)	(1,268,160)
OPERATING (LOSS) / PROFIT	(636,436)	966,882	1,330,513	2,765,955
Other income	37,221	88,717	36,977	177
Financial charges	(6,267)	(5,008)	(1,754)	(1,100)
(Loss)/Profit before Taxation	(605,482)	1,050,591	1,365,736	2,765,032
Taxation				
-current	(2,086,049)	(2,129,948)	(724,395)	(674,034)
-prior	135,400	-	-	-
-deferred	616,030	744,411	210,350	238,622
	(1,334,619)	(1,385,537)	(514,045)	(435,412)
(Loss)/Profit after taxation	(1,940,101)	(334,946)	851,691	2,329,620
(Loss)/Earning per share	(1.49)	(0.26)	0.66	1.79

Mahfooz Elahi
(MAHOODZ ELAHI)
Chief Executive

Mahmood Elahi
(MAHOOD ELAHI)
Director

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

	9 Months July 01, 2015 To March 31, 2016 Rupees	9 Months July 01, 2014 To March 31, 2015 Rupees	QUARTER ENDED MARCH 31, 2016 Rupees	QUARTER ENDED MARCH 31, 2015 Rupees
(Loss)/Profit for the period	(1,940,101)	(334,946)	851,691	2,329,620
Other comprehensive Income	-	-	-	-
Total Comprehensive (Loss)/ Profit for the period	<u>(1,940,101)</u>	<u>(334,946)</u>	<u>851,691</u>	<u>2,329,620</u>

Mahfooz Elahi
(MAHFOOZ ELAHI)
Chief Executive

Mahmood Elahi
(MAHMOOD ELAHI)
Director

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2016 (UN-AUDITED)

	Share Capital Rupees	Accumulated Profit/(Loss) Rupees	Total Rupees
Balance as at July 01, 2014	13,000,000	(73,671,288)	(60,671,288)
Total comprehensive Loss for the period	-	(334,946)	(334,946)
Surplus on Revaluation of fixed assets - current period incremental depreciation - net of deferred tax	-	1,443,305	1,443,305
Balance as at March 31, 2015	13,000,000	(72,562,929)	(59,562,929)
Balance as at July 01, 2015	13,000,000	(71,943,701)	(58,943,701)
Total comprehensive Loss for the period	-	(1,940,101)	(1,940,101)
Surplus on Revaluation of fixed assets - current period incremental depreciation - net of deferred tax	-	1,361,908	1,361,908
Balance as at March 31, 2016	13,000,000	(72,521,894)	(59,521,894)

Mahfooz Elahi
(MAHFOOZ ELAHI)
Chief Executive

Mahmood Elahi
(MAHMOOD ELAHI)
Director

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)

	31.03.2016 Rupees	31.03.2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(Loss) before taxation	(605,482)	1,050,591
Adjustment for :		
Depreciation	2,996,463	3,269,661
Provision for Gratuity	2,470,150	1,866,370
Financial Charges	6,267	5,008
	<u>5,472,880</u>	<u>5,141,039</u>
Profit before working capital changes	4,867,398	6,191,630
Changes in working Capital		
Decrease/(Increase) in current Assets		
Inventories	(1,839,876)	1,003,542
Stores, spares and loose tools	15,731	(1,214,582)
Trade debtors	(2,500,107)	(5,388,250)
Advances and other receivables	420,000	(932,573)
(Decrease)/Increase in current liabilities,		
Creditors, accrued and other liabilities	9,564,914	5,070,875
	5,660,662	(1,440,988)
Cash generated from operations	<u>10,528,060</u>	<u>4,750,642</u>
Financial charges paid	(6,267)	(5,008)
Income Tax Paid /adjusted	(2,029,307)	(1,839,606)
Gratuity Paid	(907,320)	(768,650)
	<u>(2,942,894)</u>	<u>(2,613,264)</u>
Net cash generated/(used in) from operating activities	<u>7,585,166</u>	<u>2,137,378</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Loan and advances	(185,000)	-
Purchase of fixed assets	(473,050)	(1,164,900)
Net cash generated from/(used in) investing activities	<u>(658,050)</u>	<u>(1,164,900)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Received from / (paid to) associated undertakings/Directors	675,000	550,000
Net cash generated from / (used in) financing activities	<u>675,000</u>	<u>550,000</u>
Net Increase / (decrease) in cash and cash equivalents	<u>7,602,116</u>	<u>1,522,478</u>
Cash and cash equivalents at the beginning of the period	4,789,569	3,410,024
Cash and cash equivalents at the end of the period	<u>12,391,685</u>	<u>4,932,502</u>

Mahfooz Elahi
(MAHFOOZ ELAHI)
Chief Executive

Mahmood Elahi
(MAHMOOD ELAHI)
Director

**NOTES TO THE ACCOUNTS
FOR THE 3RD QUARTER ENDED
March 31, 2016**

**ELAHI COTTON MILLS
LIMITED**

1. The Company was incorporated as a public limited company on June 22, 1970 and is listed on Pakistan Stock Exchange. The Company is engaged in manufacturing and sale of yarn.
2. The accounting policies adopted for the preparation of these accounts are consistent with those applied in preparing the annual accounts for the year ended June 30, 2015.
3. There have been no significant changes in contingencies and commitments since the last audited financial statements.
4. Figures have been rounded off to the nearest rupee.

**3RD QUARTER ACCOUNTS
March 31, 2016
(UN-AUDITED)**

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If undelivered please return to:
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