COMPANY INFORMATION

BOARD OF DIRECTORS:

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

AUDITORS:

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

AUDIT COMMITTEE:

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

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.

Email: elahicotton@gmail.com
WEBSITE www.elahicotton.com

ELAHI COTTON MILLS LIMITED

DIRECTORS' REVIEW TO THE MEMBERS

The Directors of your Company are presenting you the unaudited condensed interim financial statements for the1st quarter ended on September 30, 2019.

The principal business of the Company is to manufacture and sale of pure polyester yarn. The Company registered a turnover of Rs. 114.652 million for the quarter ended September 30, 2019 as compared to Rs. 112.426 million for the quarter ended September 30, 2018 showing increase of Rs. 2.226 million (1.98%) whereas the cost of sales increased from Rs. 109.098 million to Rs. 111.254 million showing increase of Rs. 2.156 million (1.97%). The Company earned profit before taxation of Rs. 1.568 million for the quarter ended September 30, 2019 as compared to profit of Rs. 1.517 million for the quarter ended September 30, 2018 and profit after tax of Rs. 0.074 million as compared to profit of Rs. 0.363 million. The decrease in profitability as compared to corresponding period is due to increase in power charges as the IESCO has levied quarterly surcharge. Furthermore, the rate of minimum tax/turnover tax has been increased from 1.25% to 1.5% which also affected the profitability. We foresee that the next quarter to be an uncertain due to textile crises in the local market and increase in electric tariff.

The earning per share for the quarter ended September 30, 2019 is Rs. 0.06 The Directors of the Company do not recommend payment of any cash dividend/bonus shares to shareholders of the Company.

October 28, 2019

(Mahfooz Elahi)
Chief Executive

(Mahmood Elahi)
Director

الٰہی کاٹن ملز لمیٹڈ

ممبران کے لئے ڈائریکٹرز کا جائزہ

کمپنی کے ڈائریکٹرز پہلی سہ ماہی مختتمہ ۳۰ ستمبر ۲۰۱۹ کے غیر آڈٹ شدہ مختصر عبوری مالیاتی گوشوارے پیش کرتے ہیں۔ کمپنی کا بنیادی کام خالص پولیسٹر دھاگہ بنانا اور فروخت کرنا ہے۔ کمپنی نے اس سہ ماہی مختتمہ ۳۰ ستمبر ۲۰۱۹ میں 114.652 ملین روپے کا کاروبار کیا جبکہ گزشتہ سہ ماہی مختتمہ ۳۰ ستمبر ۲۰۱۸ میں 112.426 ملین روپے تھا جو کہ 2.226 ملین روپے (1.98%) اضافہ ظاہر کر رہا ہے جبکہ فروخت کے اخراجات 109.098 ملین روپے سے بڑھ کر 111.254 ملین روپے ہو گئے ہیں جو کہ 2.156 ملین روپے (1.97%) کا اضافہ ظاہر کر رہے ہیں۔ کمپنی نے اس سہ ماہی مختتمہ ۳۰ ستمبر ۲۰۱۹ میں قبل از ادائیگی ٹیکس 1.568 ملین روپے منافع کمایا ہے جو کہ اس کے مقابل گزشتہ سال اسی دورانیہ میں 1.517 ملین روپے تھا اور بعد از ادائیگی ٹیکس 0.363 ملین روپے کے منافع کے مقابل 0.074 ملین روپے منافع کمایا۔ موجودہ سہ ماہی میں منافع میں کمی کی وجہ آئسکو کی طرف سے عائد کردہ سہ ماہی سرچارج ہے۔ کم از کم ٹیکس کی شرح میں اضافہ جو کہ 1.25% سے بڑھ کر 1.50% ہوا ہے اس کی وجہ سے بھی کمپنی کے منافع میں کمی واقع ہوئی ہے۔ ہم اگلی سہ ماہی میں کاروبار کی غیر یقینی صورت حال دیکھ رہے ہیں کیونکہ مقامی مارکیٹ میں ٹیکسٹائل کا بحران اور بجلی کی قیمت میں اضافہ ہو رہا ہے۔

اس سہ ماہی مختتمہ ۳۰ ستمبر ۲۰۱۹ میں کمپنی کا فی حصص منافع 0.06 روپے ہوا۔ ڈائریکٹرز حصص داران کو کسی نقد منافع / بونس حصص کی سفارش نہیں کرتے۔

اسلام آباد

۲۸ اکتوبر، ۲۰۱۹ | بورڈ آف ڈائریکٹرز کی جانب سے

محمود الٰہی
ڈائریکٹر

محفوظ الٰہی
چیف ایگزیکٹو

ELAHI COTTON MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2019 (UN-AUDITED)

	30.09.2019 Rupees	30.06.2019 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant & equipment		
Operating fixed assets	128,432,667	129,465,424
Long term security deposits	918,810	918,810
Loans and advances	2,586,258	2,368,508
	131,937,735	132,752,742
CURRENT ASSETS		
Stores, spares & loose tools	1,629,022	1,195,411
Stock in trade	20,519,922	13,474,254
Trade debts	17,695,423	3,737,029
Loans & advances	231,280	404,621
Short term prepayments	295,140	295,012
Tax refunds due from government	21,661	794,397
Cash and bank balances	14,143,414	18,152,507
	54,535,862	38,053,231
TOTAL ASSETS	186,473,597	170,805,973
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital	13,000,000	13,000,000
Revaluation surplus on property, Plant and equipment	107,805,136	108,328,237
Accumulated loss	(65,694,794)	(66,292,141)
	55,110,342	55,036,096
NON CURRENT LIABILITIES		
Deferred liabilities	21,966,313	21,820,602
Long Term loan from Directors	-	-
	21,966,313	21,820,602
CURRENT LIABILITIES		
Trade and other payables	26,559,304	12,687,560
Due to Associated Undertaking	5,566,077	5,566,077
Taxation net	1,140,849	1,064,926
Current portion of long term loan from Directors	66,782,547	66,782,547
Short term loan from Directors	9,100,000	7,600,000
Unclaimed dividend	248,165	248,165
	109,396,942	93,949,275
CONTINGENCIES & COMMITMENTS	-	--
TOTAL EQUITY AND LIABILITES	186,473,597	170,805,973

(MAHFOOZ ELAHI) Chief Executive | (MAHMOOD ELAHI) Director | (MUHAMMAD IMTIAZ) Chief Financial Officer

ELAHI COTTON MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

	30.09.2019 Rupees	30.09.2018 Rupees
Sales	114,651,761	112,426,455
Cost of sales	(111,254,402)	(109,098,308)
Gross profit	3,397,359	3,328,147
Operating expenses:		
Administrative expenses	(1,791,815)	(1,688,414)
Other operating charges	(40,732)	(123,050)
	(1,832,547)	(1,811,464)
Operating profit	1,564,812	1,516,683
Other income	3,756	381
Financial charges	(383)	-
Profit before taxation	1,568,185	1,517,064
Taxation	(1,493,938)	(1,154,470)
Profit after taxation	74,247	362,594
Earning per share –basic and diluted	0.06	0.28

(MAHFOOZ ELAHI) Chief Executive | (MAHMOOD ELAHI) Director | (MUHAMMAD IMTIAZ) Chief Financial Officer

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE 1ST QUARTER ENDED
SEPTEMBER 30, 2019

	30.09.2019 Rupees	30.09.2018 Rupees
Profit for the quarter ended September 30, 2019.	**74,247**	362,594
Other comprehensive Income	-	-
Total Comprehensive Income for the quarter ended September 30, 2019.	**74,247**	362,594

(MAHFOOZ ELAHI) Chief Executive | (MAHMOOD ELAHI) Director | (MUHAMMAD IMTIAZ) Chief Financial Officer

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2019

	Share Capital	Reserve: Capital	Reserve: Revenue	
	Issued subscribed and Paid-up Capital	Revaluation surplus on property, plant and Equipment	Accumulated Loss	Total
	Rupees			
Balance as at July 01, 2018	13,000,000	110,644,660	(69,462,716)	54,181,944
Total Comprehensive income for the quarter ended September 30, 2018			362,594	362,594
Surplus on Revaluation of Fixed Asset-incremental depreciation - net of deferred tax		(579,106)	579,106	-
Balance as at Sepember 30, 2018	**13,000,000**	**110,065,554**	**(68,521,016)**	**54,544,538**
Balance as at July01, 2019	13,000,000	108,328,237	(66,292,142)	55,036,095
Total Comprehensive income for the quarter ended September 30, 2019	-	-	74,247	74,247
Surplus on Revaluation of Fixed Asset-incremental depreciation - net of deferred tax	-	(523,101)	523,101	-
Balance as at September 30, 2019	**13,000,000**	**107,805,136**	**(65,694,794)**	**55,110,342**

(MAHFOOZ ELAHI) Chief Executive | (MAHMOOD ELAHI) Director | (MUHAMMAD IMTIAZ) Chief Financial Officer

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE 1ST QUARTER ENDED
SEPTEMBER 30, 2019

	For the 1st Qtr Ended Sep 30, 2019 RUPEES	For the 1st Qtr Ended Sep 30, 2018 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**1,568,185**	1,517,064
Adjustment for :		
Depreciation	**1,032,756**	1,129,453
Financial charges	**383**	-
Provision for gratuity	**826,000**	1,050,451
	1,859,139	2,179,904
Profit before working capital changes	**3,427,324**	3,696,968
Changes in working capital:		
Decrease/(increase) in current assets		
Stores, and spares	**(433,611)**	(179,338)
Stock in trade	**(7,045,668)**	50,213
Trade debts	**(13,958,394)**	(5,621,693)
Advances	**173,341**	21,133
Short term prepayments	**(128)**	(154)
Other receivables	**772,736**	(360,787)
Increase/(decrease) in current liabilities		
Trade and other payables	**13,871,744**	4,667,717
	(6,619,980)	(1,422,909)
Cash (used in) / generated from operations	**(3,192,656)**	2,274,059
Financial charges paid/adjusted	**(383)**	-
Income Tax Paid/adjusted	**(1,643,854)**	(1,121,286)
Gratuity Paid	**(454,450)**	(288,200)
	(2,098,687)	(1,409,486)
Net cash (used in)/generated from operating activities	**(5,291,343)**	864,573
CASH FLOWS FROM INVESTING ACTIVITIES		
Loan and Advances to Employees	**(217,750)**	(591,000)
Net cash (used in)/generated from investing activities	**(217,750)**	(591,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan received from / (paid to) Directors	**1,500,000**	(450,000)
Net cash generated from/(used in) financing activities	**1,500,000**	(450,000)
Net decrease in cash and cash equivalents	**(4,009,093)**	(176,427)
Cash and cash equivalents at the beginning of the period	**18,152,507**	9,694,345
Cash and cash equivalents at the end of the period	**14,143,414**	9,517,918

(MAHFOOZ ELAHI) Chief Executive | (MAHMOOD ELAHI) Director | (MUHAMMAD IMTIAZ) Chief Financial Officer

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM NOTES TO THE ACCOUNTS
FOR THE 1ST QUARTER ENDED
SEPTEMBER 30, 2019

1. The Company was incorporated as a public limited company on June 22, 1970 and is listed on Pakistan Stock Exchange (Formerly Karachi Stock Exchange in which Lahore and Islamabad stock exchanges have merged).The registered office of the Company is situated at 270, sector I-9, Industrial Area, Islamabad. The principal business of the Company is manufacture and sale of yarn.

2. This condensed interim financial information of the Company has been prepared in accordance with the requirements of international accounting standard 34- "Interm Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

3. The disclosures in the condensed interim financial information do not include all the information and disclosures as required for full annual financial statements. It should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2019.

4. This condensed interim financial information has been prepared under the historical cost convention, except for certain fixed assets which have been stated at revalued amount and the recognition of certain staff retirement benefits at present value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow.

5. The significant accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in preparing the annual accounts for the year ended June 30, 2019.

6. Figures have been rounded off to the nearest rupee.

7. Figures have been rearranged wherever necessary for the purpose of comparison.

8. This condensed interim financial information was authorized for issue on 28.10.2019 by the Board of Directors of the Company.

(MAHFOOZ ELAHI) Chief Executive | (MAHMOOD ELAHI) Director | (MUHAMMAD IMTIAZ) Chief Financial Officer

ELAHI COTTON MILLS LIMITED

1ST QUARTER ACCOUNTS
September 30, 2019
(UN-AUDITED)

BOOK POST

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