

Note	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	Rupees Unaudited	Rupees Unaudited	Rupees Unaudited	Rupees Unaudited
15 COST OF SALES				
Raw material consumed	87,002,479	100,431,207	47,475,033	51,537,013
Salaries, wages and other	24,168,636	19,438,600	13,659,805	10,888,446
Electricity	17,569,188	17,056,598	9,915,670	8,827,904
Insurance	203,404	104,301	190,191	91,437
Repair and maintenance	54,750	131,200	44,900	90,700
Stores and spares consumed	4,706,311	6,144,049	2,846,212	2,897,036
Depreciation	1,809,997	1,933,014	907,498	967,187
	135,514,765	145,238,969	75,039,309	75,299,723
Opening work in process	2,386,497	2,823,287	2,024,546	2,632,065
Closing work in process	(1,969,172)	(2,428,394)	(1,969,172)	(2,428,394)
	417,325	394,893	55,374	203,671
Cost of goods manufactured	135,932,090	145,633,862	75,094,683	75,503,394
Opening stock of finished goods	2,220,440	2,380,561	4,733,829	3,201,766
Closing stock of finished goods	(2,497,197)	(3,116,863)	(2,497,197)	(3,116,863)
	(276,757)	(736,302)	2,236,632	84,903
Opening stock of waste material	12,456	12,160	-	-
Closing stock of waste material	(10,230)	(115,120)	(10,230)	(115,120)
	2,226	(102,960)	(10,230)	(115,120)
	135,657,559	144,794,600	77,321,085	75,473,177
15.1 Raw material consumed				
Opening stock	3,485,972	4,708,475	2,340,964	4,124,963
Purchases	86,932,293	98,736,125	48,549,855	50,425,443
	90,418,265	103,444,600	50,890,819	54,550,406
Closing stock	(3,415,786)	(3,013,393)	(3,415,786)	(3,013,393)
	87,002,479	100,431,207	47,475,033	51,537,013
15.2 Stores and spares consumed				
Opening stock	1,461,627	574,860	1,456,660	976,025
Purchases	4,832,208	6,757,102	2,977,076	3,108,924
	6,293,835	7,331,962	4,433,736	4,084,949
Closing stock	(1,587,524)	(1,187,913)	(1,587,524)	(1,187,913)
	4,706,311	6,144,049	2,846,212	2,897,036
16 ADMINISTRATIVE EXPENSES				
This includes an amount of Rs. 0.556 million (December 31, 2014: Nil) paid to Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited (Now Pakistan Stock Exchange) against annual listing fee.				
17 LOSS PER SHARE- BASIS AND DILUTED				
There is no dilutive effect on the basic earnings per share of the Company, which is based on:				
	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
Loss after taxation (Rupees)	(2,791,792)	(2,664,568)	(174,080)	(749,431)
Weighted average number of ordinary shares at the end of the period (Number of shares)	1,300,000	1,300,000	1,300,000	1,300,000
Loss per shares (Rupees)	(2.15)	(2.05)	(0.13)	(0.58)
18 TRANSACTIONS WITH RELATED PARTIES				
18.1 The related parties and associated undertakings of the Company comprise of associated companies, directors and key management personnel. Transactions with related parties during the period are as follows:				
	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014

Relation with the Company Nature of Transaction

	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
Directors				
Loan received during the period	4,350,000	-	1,850,000	-
Loan paid during the period	(1,175,000)	-	(425,000)	-
Associated company				
International Beverages (Private) Limited				
Loan paid during the period	(2,500,000)	-	-	-
Taj Mills Limited				
Rent charged	120,000	120,000	-	60,000
18.2 The transactions with key management personnel includes remuneration and other benefits under the terms of their employment which are as follows:				
	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	Rupees	Rupees	Rupees	Rupees
Short term employee benefits	682,145	606,000	348,098	281,850
Provision towards retirement benefits	69,750	82,000	-	-
	751,895	688,000	348,098	281,850

19 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are traded in an open market are revalued at the market prices prevailing at the close of trading on the reporting date. The estimated fair value of all other financial assets and liabilities is not considered to be significantly different from book values as the items are either short-term in nature or periodically repriced.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- 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 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The management assessed that the carrying value of cash and short term deposits, trade debts, other receivables trade and other payables and other current liabilities approximate their fair values largely due to the short term maturities of these instruments. Fair value is determined on the basis of objective evidence at each reporting date.

As at December 31, 2015 and June 30, 2015 the Company did not hold any financial instruments carried at fair value except free hold land, buildings and plant and machinery.

The Company has revalued its freehold land, buildings and plant and machinery on June 30, 2014 by independent valuer M/s Asrem (Private) Limited on the basis of market values of similar properties. The fair value of free hold land, buildings and plant and machinery is a level 3 recurring fair value.

Had there been no revaluation, the net book value of the specific classes of operating assets would have been as follows:

Note	December 31,	June 30,
	2015	2015
	Rupees	Rupees
Freehold land	302,395	302,395
Buildings on freehold land	1,253,171	1,285,303
Plant and machinery	6,956,740	7,322,884

20 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the period.

21 DATE OF AUTHORIZATION

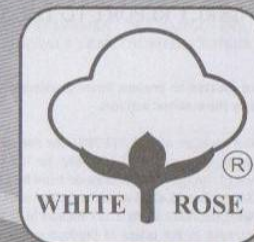
This condensed interim financial information was authorised for issue on 26.02.2016 by the Board of Directors of the Company.

22 GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR



ELAHI COTTON MILLS LIMITED

FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31-2015 (Review-Unaudited)

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ELAHI COTTON MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2015

1 STATUS AND NATURE OF BUSINESS

1.1 The Company was incorporated as a public limited Company on June 22, 1970 and is listed on Karachi and Islamabad Stock Exchanges (Now Pakistan Stock Exchange). The Company is engaged in the manufacturing and sale of yarn. 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.

1.2 The Company incurred a net loss of Rs. 2.792 million during the period ended December 31, 2015 and, as of that date, the Company's current liabilities exceeded its current assets by Rs. 66,098 million. The Company has accumulated losses of Rs. 73,828 million (2015: Rs. 71,943 million). The Company's accumulated losses exceeded the issued, subscribed and paid up capital by Rs. 60,828 million. These conditions indicate the existence of material uncertainty which may cast doubt about the Company's ability to continue as going concern.

This financial information has been prepared on going concern basis without any adjustment to assets and liabilities in view of profitable future projections and financial support from associated undertaking. The management is confident of improving profitability through streamlining the operations of the Company.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information is unaudited but subject to the limited scope review by auditors and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984.

This condensed interim financial information of the Company for the half year ended December 31, 2015 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2015.

The comparative balance sheet presented in this condensed interim financial information has been extracted from the audited annual financial statements of the Company for the year ended June 30, 2015, whereas the comparative condensed interim profit and loss accounts, condensed interim statement of comprehensive income, condensed interim statement of cash flow and condensed interim statement of changes in equity are extracted from the unaudited interim financial information for the half year ended December 31, 2014.

2.2 Basis of measurement

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 staff retirement benefit at present value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3 ACCOUNTING POLICIES

3.1 The accounting policies adopted and methods of computation followed in the preparation of this condensed interim financial information are same as those for the preceding annual financial statements for the year ended June 30, 2015.

3.2 The other standards, amendments and interpretations of approved accounting standards that became effective during the period do not have a significant impact on the Company's condensed interim financial information, other than certain disclosure requirement about fair value of financial instruments as per IFRS 13 "Fair Value Measurement".

4 TAXATION

The provision for taxation for the half year and quarter ended December 31, 2015 has been made using the estimated effective tax rate applicable to expected total annual earnings.

5 ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2015.

	Note	December 31,	June 30,
		2015	2015
		Rupees	Rupees
		Unaudited	Audited
6 OPERATING FIXED ASSETS			
Opening written down value		97,401,104	100,281,359
Add: Additions during the period / year	6.1	200,050	1,414,900
Less: Depreciation charged during the period / year		1,978,991	4,295,155
Closing written down value		95,622,163	97,401,104

6.1 Detail of additions (at cost) during the period / year are as follows:

	December 31,	June 30,
	2015	2015
	Rupees	Rupees
	Unaudited	Audited
Plant and machinery	200,050	1,354,000
Furniture fixture and office equipment	-	35,000
Power and other installations	-	25,900
	200,050	1,414,900

7 STOCK IN TRADE

		December 31,	June 30,
		2015	2015
		Rupees	Rupees
		Unaudited	Audited
Raw material		3,415,786	3,485,972
Work in progress		1,969,172	2,386,497
Finished goods	7.1	2,497,197	2,220,440
Waste		10,230	12,456
		7,892,385	8,105,365

7.1 This includes inventories amounting to Rs. 0.933 million carried at fair value less costs to sell. This represents net off amount of Rs. 0.029 million (June 30, 2015 : Rs. 0.019) charged against NRV to carry out finished goods at fair value less cost to sell.

		December 31,	June 30,
		2015	2015
		Rupees	Rupees
		Unaudited	Audited
8 TRADE DEBTS			
Unsecured			
Considered good		14,824,940	6,116,877

9 SHARE CAPITAL

9.1 Issued, subscribed and paid up capital

	Number of ordinary shares of Rs. 10/- each		
	December 31, 2015	June 30, 2015	
1,300,000	1,300,000	Fully paid in cash	13,000,000
			13,000,000

9.2 Authorized share capital

This represents 5,000,000 (June 30, 2015: 5,000,000) ordinary shares of Rs. 10 each amounting to Rs. 50,000,000 (June 30, 2015: 50,000,000).

	December 31,	June 30,
	2015	2015
	Rupees	Rupees
	Unaudited	Audited
10 LONG TERM LOAN FROM DIRECTORS		
Balance brought forward	69,057,547	64,107,547
Additions during the year	-	4,950,000
Payments during the year	(1,175,000)	-
	67,882,547	69,057,547
Less: Current portion shown under current liabilities	(67,882,547)	(69,057,547)
	-	-

10.1 This represents unsecured interest free loan from two directors and Chief Executive of the Company. The loan was payable on July 01, 2015. However, during the last year amount has been shown under the current liabilities as this is payable on demand.

10.2 The maximum aggregate amount due to directors at the end of any month during the year was Rs. 69,057,547 (2015: Rs. 69,057,547).

	December 31,	June 30,
	2015	2015
	Rupees	Rupees
	Unaudited	Audited
11 DUE TO ASSOCIATED UNDERTAKING		
Unsecured		
International Beverages (Private) Limited		
Opening balance	12,416,077	14,916,077
Paid during the year	(2,500,000)	(2,500,000)
	9,916,077	12,416,077
Less: Current portion shown under current liabilities	(9,916,077)	(12,416,077)
	-	-

11.1 This represents the amount payable to International Beverages (Private) Limited (IBL) against MCB Bank Limited long term facility restructured during the year ended June 30, 2008, as per settlement agreement dated May 29, 2008 signed between the Company, IBL and MCB Bank Limited. As per above agreement this facility now stands transferred in the name of IBL.

11.2 As per agreement the settled amount is Rs. 17,866 million which includes Rs. 16,668 million as principal and Rs. 1,198 million as markup payable at 6% by the Company.

11.3 The amount due was repayable to IBL at the convenience of the Company on attaining financial stability. However, during the last year amount has been shown under the current liabilities as this is payable on demand.

11.4 The maximum aggregate amount due to associated undertaking at the end of any month during the year was Rs. 12,416,077 (2015: Rs. 12,416,077).

	December 31,	June 30,
	2015	2015
	Rupees	Rupees
	Unaudited	Audited
12 SHORT TERM LOAN FROM DIRECTORS		
Unsecured:		
From Directors	4,350,000	-

12.1 This represents loan obtained from the directors of the Company for working capital requirements and carries no markup.

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

a) Through the Finance Act, 2008 an amendment was made in section 2(f) of the Workers' Welfare Fund Ordinance, 1971 (the WWF Ordinance) whereby the definition of 'Industrial Establishment' has been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment, the Company was considered to be subject to the provisions of the WWF Ordinance.

The Lahore High Court has struck down the aforementioned amendments to the WWF Ordinance. However, a three member larger bench of Sindh High Court has held that such amendments were validly made. Subsequent to this judgment, various petitions have been filed before Sindh High Court challenging the vires of such amendments and stay has been granted by a Division Bench of Sindh High Court.

Besides this, the judgment of three member larger bench of Sindh High Court has also been challenged before Supreme Court of Pakistan. Therefore, the management of the Company is of the opinion that no provision is to be made till the outcome of these petitions. Had this provision been made since July 01, 2010 it would amount to Rs. 256,173.

b) There was no other contingent liability of the Company as at the balance sheet date (June 30, 2015: Nil).

13.2 Commitments

There were no commitment for capital expenditures as at the balance sheet date (June 30, 2015: Nil).

14 DEFERRED TAX ASSET

14.1 Deferred tax asset of Rs. 1,184,067 (June 30, 2015: Rs. 984,560) on brought forward losses has not been recognised in the current financial statements, as in the opinion of the management there is no certainty regarding realisability of the amount. No deferred tax assets has been recognized on gratuity as the Company is claiming it as tax expense.

14.2 The applicable income tax rate for subsequent years beyond Tax year 2017 was reduced to 30% on account of changes made to Income Tax Ordinance 2001 through Finance Act 2015. Therefore, deferred tax is computed at the rate of 30% applicable to the period when temporary differences are expected to be reversed/utilised.

ELAHI COTTON MILLS LIMITED
DIRECTORS HALF YEARLY REPORT TO THE SHAREHOLDERS

The Directors of the Company are pleased to present financial information for the half year ended December 31, 2015 duly reviewed by the external auditors.

The Company suffered net loss after taxation of Rs.2,791,792/- for the six months from July 01, 2015 to December 31, 2015 as compared to net loss of Rs.2,664,568/- for the corresponding period of last six months. Aggregate sales revenue of the Company decreased from Rs.145.505 million to Rs.136.165 million showing decrease of Rs.9.340 million (6.42%) whereas cost of sales decreased from Rs.144.795 million to Rs.135.658 million showing decrease of Rs.9.137 million (6.31%). 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.

The future outlook appears to be uncertain due to textile and energy crises.

The loss per share for the half year ended December 31, 2015 is Rs. 2.15 and for the quarter ended December 31, 2015 is Rs. 0.13. As the Company has incurred loss and no amount is available in the reserves, the Directors do not recommend payment of any dividend to shareholders of the Company.

The Directors have to comment on Auditors observation as under:

During the period, the Company suffered an operating loss of Rs.1.967 million and net loss of Rs.2.792 million. The reasons for incurring loss have already been explained in the report. Despite the losses, Management is committed with the Company and is continuously supporting in the form of funds as and when required by the Company. With the successful efforts of the Management, the Mills will continue as a going concern.

Islamabad

February 26, 2016

On behalf of Board of Directors

(MAHFOOZ ELAHI)
Chief Executive

**INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM
FINANCIAL INFORMATION TO THE MEMBERS**

Introduction

We have reviewed the accompanying condensed interim balance sheet of ELAHI COTTON MILLS LIMITED ("the Company") as at December 31, 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the half year then ended (herein after referred as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information does not give a true and fair view of financial position of the Company as at December 31, 2015 and of its financial performance and its cash flows for the six months period then ended in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarter ended December 31, 2015 and December 31, 2014 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 1.2 in the condensed interim financial information which indicates that the Company has suffered net loss of Rs. 2.792 million for the period ended December 31, 2015 and as of that date its accumulated losses aggregated to Rs. 73.828 million (June 30, 2015: Rs. 71.943 million).

The Company's accumulated losses exceed the issued, subscribed and paid up capital by Rs. 60.828 million (June 30, 2015: Rs 58.944 million). These conditions, along with other matters as set forth in Note 1.2, indicate the existence of a material uncertainty which may cast doubt about the Company's ability to continue as a going concern.

ISLAMABAD

DATED: 26.02.2016

BDO Ebrahim & Co.
CHARTERED ACCOUNTANTS
Engagement Partner: Abdul Qadeer

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2015

		December 31, 2015	June 30, 2015
	Note	Rupees Unaudited	Rupees Audited
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	6	95,622,163	97,401,104
Long term security deposits		918,810	918,810
Loans and advances		1,146,927	1,077,761
		97,687,900	99,397,675
CURRENT ASSETS			
Stores, spares and loose tools		1,685,992	1,557,205
Stock in trade	7	7,892,385	8,105,365
Trade debts	8	14,824,940	6,116,877
Loans and advances		898,293	855,816
Short terms prepayments		41,299	159,677
Tax refund due from government		26,329	431,600
Cash and bank balances		3,554,721	4,789,569
		28,923,959	22,016,109
TOTAL ASSETS		126,611,859	121,413,784
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	9	13,000,000	13,000,000
Accumulated loss		(73,827,698)	(71,943,701)
		(60,827,698)	(58,943,701)
SURPLUS ON REVALUATION OF FIXED ASSETS			
		74,857,610	75,765,405
NON-CURRENT LIABILITIES			
Deferred liabilities		17,559,074	15,780,001
Long term loan from directors	10	-	-
Due to associated undertaking	11	-	-
		17,559,074	15,780,001
CURRENT LIABILITIES			
Taxation - net		53,858	565,009
Current portion of long term loan from directors	10	67,882,547	69,057,547
Current portion of due to associated undertaking	11	9,916,077	12,416,077
Short term loan from directors	12	4,350,000	-
Trade and other payables		12,820,391	6,773,446
		95,022,873	88,812,079
CONTINGENCIES AND COMMITMENTS			
	13	-	-
TOTAL EQUITY AND LIABILITIES		126,611,859	121,413,784

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

Note	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	Rupees			
Sales	136,165,124	145,504,619	78,328,572	76,556,183
Cost of sales	15	135,657,559	144,794,600	77,321,085
Gross profit		507,565	710,019	1,007,487
Operating expenses				
Administrative expenses	16	2,368,084	2,261,265	980,052
Other operating charges		106,430	247,826	15,926
Operating (loss) / profit		(1,966,949)	(1,799,072)	11,509
Other income		244	88,537	244
Financial charges		4,513	3,908	3,454
(Loss) / profit before taxation		(1,971,218)	(1,714,443)	8,299
Taxation:				
Current		(1,361,654)	(1,455,914)	(783,288)
Prior		135,400	-	135,400
Deferred		405,680	505,789	465,509
Loss after taxation		(2,791,792)	(2,664,568)	(174,080)
Loss per share-basic and diluted	17	(2.15)	(2.05)	(0.13)
		(0.58)		

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements

CHIEF EXECUTIVE

DIRECTOR

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	Rupees			

Loss for the period	(2,791,792)	(2,664,568)	(174,080)	(749,431)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(2,791,792)	(2,664,568)	(174,080)	(749,431)

Surplus arising on revaluation of assets has been reported in accordance with the requirements of the Companies Ordinance, 1984 in a separate account below equity.

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Half year ended December 31,	
	2015 Rupees	2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,971,218)	(1,714,443)
Adjustment for:		
Depreciation	1,978,991	2,125,805
Financial charges	4,513	3,908
Provision for gratuity	2,586,725	1,757,820
	4,570,229	3,887,533
Profit before working capital changes	2,599,011	2,173,090
Changes in working capital:		
Increase / (decrease) in current assets		
Stock in trade	212,980	1,250,713
Stores, spares and loose tools	(128,787)	(618,727)
Trade debts	(8,708,063)	(4,215,629)
Advances	(42,477)	187,654
Short term prepayments	118,378	26,372
Decrease / (increase) in current liabilities		
Trade and other payables	6,046,945	2,811,582
	(2,501,024)	(558,035)
Cash generated from operations	97,987	1,615,055
Financial charges paid	(4,513)	(3,908)
Income tax paid	(1,332,136)	(1,341,994)
Gratuity paid	(401,970)	(483,000)
	(1,738,619)	(1,828,902)
Net cash used in operating activities	(1,640,632)	(213,847)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(200,050)	(60,900)
Increase in loan and advances	(69,166)	-
Net cash used in investing activities	(269,216)	(60,900)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment to associated undertaking	(2,500,000)	-
Short term loan obtained from directors	4,350,000	-
Loan paid to directors	(1,175,000)	-
Net cash generated from financing activities	675,000	-
Net decrease in cash and cash equivalents	(1,234,848)	(274,747)
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	3,554,721	3,135,277

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	Rupees		
Balance as at July 01, 2014	13,000,000	(73,671,288)	(60,671,288)
Total comprehensive loss for the period	-	(2,664,568)	(2,664,568)
Transfer from surplus on revaluation of fixed assets incremental depreciation-net of deferred tax	-	962,202	962,202
Balance as at December 31, 2014	13,000,000	(75,373,654)	(62,373,654)
Balance as July 01, 2015	13,000,000	(71,943,701)	(58,943,701)
Total comprehensive loss for the period	-	(2,791,792)	(2,791,792)
Transfer from surplus on revaluation of fixed assets incremental depreciation-net of deferred tax	-	907,795	907,795
Balance as at December 31, 2015	13,000,000	(73,827,698)	(60,827,698)

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR