

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. MAHFOOZ ELAHI (CHIEF EXECUTIVE)
MR. MAHBOOB ELAHI
MR. MAHMOOD ELAHI
MR. FARRUKH AHMED
MR. ABDUL RASHEED
MR. NAVEED AKHTER
SYED MUHAMMAD RAUNAQ UD DIN

AUDITORS

M/S. BDO EBRAHIM & COMPANY, Chartered Accountants
3rd Floor, Saeed Plaza, 22 East Blue Area, Islamabad.

AUDIT COMMITTEE : 1 Mr. Mahmood Elahi
2 Sheikh Farrukh Ahmed
3 Mr. Naveed Akhter Idrees

HRR COMMITTEE : 1 Mr. Mahfooz Elahi
2 Mr. Mahboob Elahi
3 S.M. Raunaq ud din

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

ELAHI COTTON MILLS LIMITED DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors of the Company are pleased to present financial information for the 3rd quarter ended March 31, 2014.

The Company earned net profit after taxation of Rs. 5.750 million for the nine months from July 01, 2013 to March 31, 2014 as compared to net profit of Rs. 4.560 million for the correspondence period of last nine months. Aggregate sales revenue of the Company increased from Rs. 193.643 million to Rs. 226.572 million showing increase of Rs. 32.929 million (17%) whereas cost of sales increased from Rs. 186.146 million to Rs. 215.931 million showing increase of Rs. 29.785 million (16%). The gross margin increased from Rs. 7.497 million to Rs. 10.641 million showing improvement of 41.94% over the corresponding period. The net profit of the Company increased from Rs. 4.560 million to Rs. 5.750 million. This increase in net profitability is due to better sales rates of finished goods. We foresee that the next quarter to be a difficult one due to uncertainty in textile sector and increasing trend in unannounced electric shutdowns.

The earning per share for the nine months ended March 31, 2014 is Rs. 4.42 and for the quarter ended March 31, 2014 is Rs.0.30. As the Company has accumulated losses and no amount is available in the reserves, the Directors do not recommend payment of any dividend to shareholders of the Company.

Islamabad,
April 22, 2014.

ON BEHALF OF THE BOARD


(MAHFOOZ ELAHI)
Chief Executive


(MAHFOOZ ELAHI)
Chief Executive


(MAHMOOD ELAHI)
Director

ELAHI COTTON MILLS LIMITED CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2014 (UN-AUDITED)

	31.03.2014	30.06.2013
Operating fixed assets	56,110,494	57,022,331
Long Term Security Deposits	918,810	918,810
Loan and Advances	966,763	714,858
	57,996,067	58,655,999
Stores Spares & loose tools	1,358,763	446,132
Stock in trade	6,528,957	7,454,677
Loan & Advances	3,134,360	631,381
Trade debts	11,160,119	2,067,559
Short term prepayments	90,880	72,454
Tax refunds due from Government	9,073	70,009
Taxation-net	49,553	20,103
Cash and Bank Balances	4,116,201	2,418,818
	26,447,906	13,181,133
	84,443,973	71,837,132

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	13,000,000	13,000,000
Accumulated Loss	(70,977,439)	(77,512,626)
	(57,977,439)	(64,512,626)
	38,271,663	39,056,603
Deferred Liabilities	12,617,312	12,091,116
Long Term Loan from Directors	64,107,547	62,607,547
Due to associated undertakings	12,416,077	12,416,077
	89,140,936	87,114,740
Trade and other payables	12,508,813	7,678,415
Current portion of balance due to associated undertakings	2,500,000	2,500,000
	15,008,813	10,178,415
CONTINGENCIES & COMMITMENTS	--	--
TOTAL EQUITY AND LIABILITIES	84,443,973	71,837,132

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM PROFIT & LOSS ACCOUNT
FOR THE 3RD QUARTER ENDED
March 31, 2014
(UN-AUDITED)

	9 - Months 01.07.2013 to 31.03.2014	9 - Months 01.07.2012 to 31.03.2013	QUARTER ENDED 31.03.2014	QUARTER ENDED 31.03.2013
Sales (Net)	226,571,893	193,643,039	81,583,428	71,644,804
Cost of Sales	215,930,832	186,145,749	79,436,026	68,878,949
Gross Profit	10,641,061	7,497,290	2,147,402	2,767,855
OPERATING EXPENSES				
Administrative Expenses	(2,247,887)	(2,131,738)	(786,460)	(701,789)
Other operating Charges	(885,246)	(505,591)	(363,859)	(252,204)
	(3,133,133)	(2,637,329)	(1,150,319)	(953,993)
OPERATING PROFIT	7,507,928	4,859,961	997,083	1,813,862
Other income	58,816	68,559	132	42
Financial charges	(7,302)	(81,081)	(2,510)	(13,331)
Profit before Taxation	7,559,442	4,847,439	994,705	1,800,573
Taxation				
-current	(2,265,719)	(968,215)	(815,248)	(357,881)
-deferred	456,524	680,574	205,404	198,493
	(1,809,195)	(287,641)	(609,844)	(159,388)
Profit after taxation	5,750,247	4,559,798	384,861	1,641,185
Earning per share	4.42	3.51	0.30	1.26

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

	31.03.2014 RUPEES	31.03.2013 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation	7,559,442	4,847,439
Adjustment for:		
Depreciation	2,254,711	2,377,370
Provision for Gratuity	1,658,320	1,725,000
Financial Charges	7,302	81,081
	3,920,333	4,183,451
Profit before working capital changes	11,479,775	9,030,890
Changes in working Capital		
Decrease/(Increase) in current Assets		
Inventories	925,720	(2,814,951)
Stores, spares and loose tools	(912,632)	(254,658)
Trade debtors	(9,092,560)	(317,820)
Advances and other receivables	(2,460,469)	(346,932)
(Decrease)/increase in current liabilities,		
Creditors, accrued and other liabilities	4,830,400	1,691,232
	(6,709,541)	(2,043,129)
Cash generated from/ (used in) operations	4,770,234	6,987,761
Financial charges paid	(7,302)	(1,304)
Income Tax Paid	(2,295,169)	(1,012,676)
Gratuity Paid	(675,600)	(948,440)
	(2,978,071)	(1,962,420)
Net cash generated from operating/(used in) operating activities	1,792,163	5,025,341
CASH FLOW FROM INVESTING ACTIVITIES		
Loan and advances	(251,905)	--
Purchase of fixed assets	(1,342,875)	(1,042,600)
Net cash generated from/(used in) investing activities	(1,594,780)	(1,042,600)
CASH FLOW FROM FINANCING ACTIVITIES		
Received from / (paid to) undertakings/Directors	1,500,000	(2,500,000)
Net cash generated from / (used in) financing activities	1,500,000	(2,500,000)
Net Increase / (decrease) in cash and cash equivalents	1,697,383	1,482,741
Cash and cash equivalents at the beginning of the period	2,418,818	2,107,470
Cash and cash equivalents at the end of the period	4,116,201	3,590,211

Mahfooz Elahi
(MAHHOOZ ELAHI)
Chief Executive

Mahmood Elahi
(MAHHMOOD ELAHI)
Director

Mahfooz Elahi
(MAHHOOZ ELAHI)
Chief Executive

Mahmood Elahi
(MAHHMOOD ELAHI)
Director

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT
OF CHANGES IN EQUITY
FOR THE PERIOD ENDED
MARCH 31, 2014
(UN-AUDITED)

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME FOR THE
3RD QUARTER ENDED MARCH 31, 2014
(UN-AUDITED)

	9 MONTH JULY 01, 2013 TO MARCH 31, 2014	9 MONTH JULY 01, 2012 TO MARCH 31, 2013	QUARTER ENDED MARCH 31, 2014	QUARTER ENDED MARCH 31, 2013
	RUPEES	RUPEES	RUPEES	RUPEES
Share Capital				
Accumulated Profit/(Loss)				
<u>Total</u>	<u>13,000,000</u>	<u>(81,468,926)</u>	<u>(68,468,926)</u>	
Balance as at July 01, 2012				
Profit for the period ended March 31, 2013	4,559,798	4,559,798	384,861	1,641,185
Surplus on Revaluation of fixed assets - current period				
Incremental depreciation - net of deferred tax	856,595	(63,052,533)	0	0
Balance as March 31, 2013	<u>13,000,000</u>	<u>(77,512,626)</u>	<u>384,861</u>	<u>1,641,185</u>
Balance at July 01, 2013				
Profit for the period ended March 31, 2014	5,750,247	5,750,247	5,750,247	
Surplus on Revaluation of fixed assets - current period				
Incremental depreciation - net of deferred tax	784,940	784,940	784,940	
Balance at March 31, 2014	<u>13,000,000</u>	<u>(70,977,439)</u>	<u>(57,977,439)</u>	

Mahboob Elahi
 (MAHBOOB ELAHI)
 Chief Executive

Muhammad Elahi
 (MAHMOOD ELAHI)
 Director

Mahboob Elahi
 (MAHBOOB ELAHI)
 Chief Executive

Muhammad Elahi
 (MAHMOOD ELAHI)
 Director

**NOTES TO THE ACCOUNTS
FOR THE 3RD QUARTER
ENDED
MARCH 31, 2014**

**ELAHI COTTON
MILLS LIMITED**

1. The Company was incorporated as a public limited company on June 22, 1970 and is listed on Karachi / Islamabad Stock Exchanges. 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, 2013.
3. There has 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, 2014**


(UN-AUDITED)

BOOK POST

If undelivered please return to:

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(MAHFOOZ ELAHI)
Chief Executive


(MAHMOOD ELAHI)
Director