

**COMPANY INFORMATION**

**BOARD OF DIRECTORS:**

MR. MAHMOOD ELAHI (CHIEF EXECUTIVE)  
 MR. MAHMOOD ELAHI (CHAIRMAN)  
 MR. MAHMOOD ELAHI  
 SHEKH FARUKH AHMED  
 MR. NAVEED AKHTER IDREES  
 SYED MUHAMMAD RANJAND UD DIN  
 MR. MURTZA WAHAB

**AUDITORS:**

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

**AUDIT COMMITTEE:**

1. SHEKH FARUKH AHMED  
 2. MR. MAHMOOD ELAHI  
 3. MR. NAVEED AKHTER IDREES  
 4. MR. MURTZA WAHAB

**HRR COMMITTEE:**

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

**CHIEF FINANCIAL OFFICER:** MR. MUHAMMAD IMTIYAZ

**COMPANY SECRETARY:** MR. SALEEM AHMED

**REGISTERED OFFICE:**  
 270-Sector 19, 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**

The Directors of your Company are presenting you the 1<sup>st</sup> quarter un-audited accounts for the period ended on September 30, 2016.

During the period under review, the Company registered a turnover of Rs. 71,396 million as compared to Rs. 57,837 million showing increase of Rs. 13,559 million (23.44%), whereas the cost of sales increased from Rs. 58,336 million to Rs. 73,067 million showing increase of Rs. 14,731 million (25.25%). The Company incurred net loss after tax of Rs. 3,265 million for the quarter ended September 30, 2016 as compared to net loss of Rs. 2,618 million for the quarter ended September 30, 2015. The net loss incurred by the Company is due to decrease in sale rates of finished goods and increase in overhead cost especially in salary & wages (increase in minimum wages) and power charges.

The loss per share for the quarter ended September 30, 2016 is Rs. 2.51. As the Company has incurred loss for the quarter 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.

October 31, 2016

*(Signature)*  
 MAHMOOD ELAHI  
 CHAIRMAN

*(Signature)*  
 MAHMOOD ELAHI  
 CHIEF EXECUTIVE

**ELAHI COTTON MILLS LIMITED**  
**BALANCE SHEET AS AT SEPTEMBER 30, 2016**  
**(UN-AUDITED)**

30.09.2016 30.06.2016

**ASSETS**

**NON CURRENT ASSETS**

Property, Plant & equipment  
 Operating fixed assets  
 Long Term Security Deposits  
 Loans and Advances

93,460,835 94,371,045  
 919,810 919,810  
 1,204,508 1,204,508  
 95,584,153 96,494,363

**CURRENT ASSETS**

Stores Spares & loose tools  
 Stock in trade  
 Trade debts  
 Loans & Advances  
 Short term prepayments  
 Taxation - net  
 Tax refunds due from Government  
 Cash and Bank Balances

1,825,924 1,273,609  
 10,819,428 10,395,545  
 9,858,423 7,513,609  
 1,924,674 672,898  
 168,512 167,311  
 - 3,775  
 159,161 26,329  
 6,922,868 5,118,329

**TOTAL ASSETS**

31,479,390 25,171,435

**EQUITY AND LIABILITIES**

**SHARE CAPITAL AND RESERVES**

Share Capital 13,000,000 13,000,000  
 Accumulated Loss (63,812,195) (60,963,386)

**SURPLUS ON REVALUATION OF FIXED ASSETS**

73,533,756 73,949,814

**NON CURRENT LIABILITIES**

16,170,251 16,060,434

**CURRENT LIABILITIES**

Trade and other payables  
 Current portion of balance due to associated undertakings  
 Taxation net  
 Current portion of long term loan from Directors  
 Short term loan from Directors

18,186,630 10,470,372  
 9,918,077 9,918,077  
 106,478 -  
 67,882,547 67,882,547  
 5,100,000 4,350,000

**CONTINGENCIES & COMMITMENTS**

101,171,732 92,618,986

**TOTAL EQUITY AND LIABILITIES**

127,063,543 121,665,858

*(Signature)*  
 MAHMOOD ELAHI  
 Chief Executive

*(Signature)*  
 MAHMOOD ELAHI  
 Director

**ELAHI COTTON MILLS LIMITED**  
**PROFIT & LOSS ACCOUNT**  
**FOR THE 1ST QUARTER ENDED**  
**SEPTEMBER 30, 2016**  
**(UN-AUDITED)**

30.09.2016 30.09.2015

Sales 71,396,181 57,836,552  
 Cost of Sales (73,067,390) (58,336,474)  
 Gross Loss (1,671,209) (499,922)

Operating Expenses:  
 Administrative Expenses (978,780) (1,388,032)  
 Other operating charges (98,957) (90,504)  
 Financial charges (1,067,747) (1,478,539)

Operating Loss (42,738,956) (1,978,469)  
 Other Income 118 -  
 Financial charges (1,059)

Loss before Taxation (2,738,839) (1,978,517)  
 Taxation (526,030) (638,195)

Loss after Taxation (3,264,869) (2,617,712)  
 Loss per share - basic and diluted (2.51) (2.01)

*(Signature)*  
 MAHMOOD ELAHI  
 Chief Executive

*(Signature)*  
 MAHMOOD ELAHI  
 Director

**ELAHI COTTON MILLS LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE 1ST QUARTER ENDED**  
**SEPTEMBER 30, 2016**

	30/09/2016	30/09/2015
	Rupees	Rupees
Loss for the quarter ended September 30, 2016	(3,264,883)	(2,617,712)
Other comprehensive income	-	-
<b>Total Comprehensive Loss for the quarter ended September 30, 2016</b>	<b>(3,264,883)</b>	<b>(2,617,712)</b>

*Mahfooz Elahi*  
 (MAHFOOZ ELAHI)  
 Chief Executive

*Muhammad Saleem*  
 (MUHAMMAD SALEEM)  
 Director

**ELAHI COTTON MILLS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD**  
**ENDED SEPTEMBER 30, 2016**

	Share Capital	Accumulated Loss	Total Equity
Balance as at July 01, 2015	13,000,000	(71,343,701)	(58,343,701)
Loss for the quarter ended September 30, 2015	-	(2,617,712)	(2,617,712)
Surplus on Revaluation of fixed assets - incremental depreciation	-	440,929	440,929
Balance as at September 30, 2015	13,000,000	(74,120,484)	(61,120,484)
Loss for the quarter ended September 30, 2016	-	(3,264,883)	(3,264,883)
Surplus on Revaluation of fixed assets - incremental depreciation	-	416,054	416,054
Balance as at September 30, 2016	13,000,000	(76,812,189)	(63,812,189)

*Mahfooz Elahi*  
 (MAHFOOZ ELAHI)  
 Chief Executive

*Muhammad Saleem*  
 (MUHAMMAD SALEEM)  
 Director

**ELAHI COTTON MILLS LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE 1ST QUARTER ENDED**  
**SEPTEMBER 30, 2016**

	30/09/2016	30/09/2015
	RUPEES	RUPEES
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(2,736,831)</b>	<b>(1,979,517)</b>
Adjustment for:		
Loss before taxation	810,210	998,996
Depreciation	600,000	1,059
Financial Charges	-	250,000
Provision for gratuity	1,510,210	1,239,055
	<b>(1,226,621)</b>	<b>(741,462)</b>

	30/09/2016	30/09/2015
Loss before working capital changes	(553,315)	(137,299)
Decrease/(Increase) in current assets	(223,831)	(893,977)
Stores and Spares	(2,344,814)	(3,212,090)
Stock in trade	(1,251,086)	(255,102)
Advances	(1,201)	(1,199)
Short term prepayments	(132,832)	-
Other receivables	7,888,238	11,296,788
Increase/(decrease) in current liabilities	3,189,127	6,697,101
Trade and other payables	1,860,439	5,955,639
Cash generated from operations	-	(1,059)
Financial charges paid/deducted	(803,710)	(570,703)
Income Tax Paid/deducted	(302,250)	(36,500)
Gratuity Paid	(805,860)	(608,282)
Net cash (used in)/generated from operating activities	1,054,518	5,347,376

	30/09/2016	30/09/2015
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>750,000</b>	<b>1,425,000</b>
Received from directors	750,000	1,425,000
Net cash used in financing activities	750,000	1,425,000
Net increase in cash and cash equivalents	1,804,538	6,172,376
Cash and cash equivalents at the beginning of the period	5,118,328	4,789,569
Cash and cash equivalents at the end of the period	6,922,866	11,961,945

*Mahfooz Elahi*  
 (MAHFOOZ ELAHI)  
 Chief Executive

*Muhammad Saleem*  
 (MUHAMMAD SALEEM)  
 Director

**ELAHI COTTON MILLS LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE 1ST QUARTER ENDED**  
**SEPTEMBER 30, 2016**

- 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.
- 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, 2016.
- There have been no significant changes in contingencies and commitments since the last audited financial statements.
- Figures have been rounded off to the nearest rupee.
- Figures have been re-arranged where necessary for the purpose of comparison.

**ELAHI COTTON MILLS LIMITED**

**1<sup>ST</sup> QUARTER ACCOUNTS**  
 September 30, 2016  
 (UN-AUDITED)

BOOK POST

*If undelivered please return to:*  
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