

COMPANY INFORMATION

BOARD OF DIRECTORS:

MR. MAHFOOZ ELAHI (CHIEF EXECUTIVE)
 MR. MAHBOOB ELAHI
 MR. MAHMOOD ELAHI
 SHEIKH FARRUKH AHMED
 MR. NAVEED AKHTER IDREES
 SYED MUHAMMAD RANUJANQ UD DIN
 MRS. SAMINA BEGUM

AUDITORS:

M/S. BDO IBRAHIM & COMPANY,
 Chartered Accountants,
 3rd Floor, Saeed Plaza,
 22 East 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. Raunaq uddin
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:

M/S. Corplink (Pvt) Limited,
 Wings Arcade, 1-K Commercial,
 Model Town, Lahore.

LEGAL ADVISER

KHAN & PIRACHA
 No.1, 2nd Floor, 6-B,
 ARKAZ F-6, ISLAMABAD.

MILLS:

JURIAN, MANDRA,
 TEHSIL GUJAR KHAN,
 DISTRICT RAWALPINDI

WEBSITE: www.elahicotton.com

Email: elahicotton@gmail.com

**ELAHI COTTON MILLS LIMITED
 DIRECTORS REPORT TO THE MEMBERS**

The Directors of the Company are pleased to present unaudited condensed interim financial statements for the nine months ended March 31, 2017.

The Company suffered net loss after taxation of Rs.0.655 million for the nine months from July 01, 2016 to March 31, 2017 as compared to net loss of Rs. 1.940 million for the corresponding period of last nine months showing decrease in net loss of Rs. 1.285 million (66.24%). Aggregate sales of the Company increased from Rs.208.605 million to Rs.241.911 million showing increase of Rs.33.306 million (15.97%) whereas cost of sales increased from Rs.205.546 million to Rs.236.764 million showing increase of Rs.31.218 million (15.19%). The increase in sales is due to increase in production and sales rates. The decrease in net loss is due to increase in production. We foresee that the next quarter to be a difficult one due to current increasing trend in unannounced electric shutdowns.

The loss per share for the nine months ended March 31, 2017 is Rs. 0.50 and profit per share for the quarter ended March 31, 2017 is Rs. 1.25. 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. The Directors are making strenuous efforts by taking every step necessary to meet the challenges and to improve the financial health of the Company except external factors beyond their control.

On behalf of Board of Directors

Islamabad,
 April 28, 2017

(Signature)
 (MAHFOOZ ELAHI)
 Chief Executive

محمد علی ہلالی

ممبروں کے لئے ہلالی رپورٹ

کمپنی کے ہائر کیونٹیبلز کے ہلالی رپورٹ میں بتایا گیا ہے کہ نیٹ لینز کے لئے 0.655 ملین روپے کا
 ہائر ایجنس نیشنل ٹیکسٹائل کارپوریشن کی اس وقت تک ہلالی رپورٹ میں 1.940 ملین روپے کا جو گزشتہ سال کے 33.306 ملین (66.24%)
 کی کمی کو دیکھا ہے۔ کمپنی کی فروخت میں 15.97% کی اضافہ 33.306 ملین روپے سے 241.911 ملین روپے تک ہو گیا ہے جو کہ گزشتہ سال کے
 33.306 ملین روپے (15.97%) کی اضافہ 208.605 ملین روپے سے 241.911 ملین روپے تک ہو گیا ہے جو کہ گزشتہ سال کے
 31.218 ملین روپے (15.19%) کی اضافہ 205.546 ملین روپے سے 236.764 ملین روپے تک ہو گیا ہے جو کہ
 77.799 ملین روپے کی اضافہ سے کمپنی کو مالی طور پر مشکلات کا سامنا کرنا پڑ رہا ہے۔

لینز کے ہائر کیونٹیبلز کے ہلالی رپورٹ میں بتایا گیا ہے کہ 0.50 روپے کی کمی ہلالی رپورٹ میں 1.25 روپے کا
 کے لئے کمپنی کی اس وقت تک ہلالی رپورٹ میں 1.25 روپے کی کمی ہلالی رپورٹ میں 1.25 روپے کی کمی ہلالی رپورٹ میں 1.25 روپے کی کمی
 77.799 ملین روپے کی اضافہ سے کمپنی کو مالی طور پر مشکلات کا سامنا کرنا پڑ رہا ہے۔

(Signature)

پیداوار ہلالی رپورٹ میں ہے
(Signature)
 (MAHFOOZ ELAHI)
 Chief Executive

ELAHI COTTON MILLS LIMITED

**CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2017 (UN-AUDITED)**

| ASSETS | 31.03.2017 | 30.06.2016 |
|--|---------------------|---------------------|
| | Rupees | Rupees |
| NON CURRENT ASSETS | | |
| Property, Plant and Equipment | | |
| Operating fixed assets | 91,640,417 | 94,371,045 |
| Work in progress - Building | 361,605 | |
| Long Term Security Deposits | 918,810 | 918,810 |
| Loans and Advances | 1,407,591 | 1,204,508 |
| | <u>94,328,423</u> | <u>96,494,363</u> |
| CURRENT ASSETS | | |
| Stores Spares & loose tools | 1,225,415 | 1,273,609 |
| Stock in trade | 12,554,112 | 10,395,545 |
| Loans & Advances | 2,173,241 | 672,988 |
| Trade debts | 10,715,103 | 7,513,609 |
| Short term prepayments | 138,232 | 167,311 |
| Tax refunds due from Government | 253,056 | 26,329 |
| Taxation net | - | 3,775 |
| Cash and Bank Balances | 5,262,445 | 5,118,329 |
| | <u>32,321,604</u> | <u>25,171,495</u> |
| TOTAL ASSETS | <u>126,650,027</u> | <u>121,665,858</u> |
| 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 | (73,388,369) | (73,963,386) |
| | <u>(60,388,369)</u> | <u>(60,963,386)</u> |
| SURPLUS ON REVALUATION OF FIXED ASSETTS | 72,719,768 | 73,949,814 |
| NON CURRENT LIABILITIES | | |
| Deferred Liabilities | 17,209,284 | 16,060,434 |
| CURRENT LIABILITIES | | |
| Trade and other payables | 13,979,156 | 10,470,372 |
| Current portion of long term loan from Directors | 67,882,547 | 67,882,547 |
| Current portion of due to associated undertaking | 9,916,077 | 9,916,077 |
| Short term loan from Directors | 5,100,000 | 4,350,000 |
| Taxation net | 231,564 | - |
| | <u>97,109,344</u> | <u>92,618,996</u> |
| CONTINGENCIES & COMMITMENTS | - | - |
| TOTAL EQUITY AND LIABILITIES | <u>126,650,027</u> | <u>121,665,858</u> |

(MAHFOOZ ELAHI)
Chief Executive

(MAHMOOD ELAHI)
Director

**ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM PROFIT & LOSS ACCOUNT
FOR THE 3RD QUARTER ENDED**

**March 31, 2017
(UN-AUDITED)**

| | 9 Months July 01, 2016 to March 31, 2017 Rupees | 9 Months July 01, 2015 to March 31, 2016 Rupees | QUARTER ENDED 31.03.2017 Rupees | QUARTER ENDED 31.03.2016 Rupees |
|--------------------------------------|--|---|--|--|
| Sales (Net) | 241,911,367 | 208,604,897 | 88,293,662 | 72,439,773 |
| Cost of Sales | 236,763,522 | 205,545,702 | 84,451,724 | 69,888,143 |
| Gross Profit | 5,147,845 | 3,059,195 | 3,841,938 | 2,551,630 |
| OPERATING EXPENSES | | | | |
| Administrative Expenses | (3,758,540) | (3,425,214) | (1,357,991) | (1,057,130) |
| Other operating Charges | (276,792) | (270,417) | (164,545) | (163,987) |
| | <u>(4,035,332)</u> | <u>(3,695,631)</u> | <u>(1,522,536)</u> | <u>(1,221,117)</u> |
| OPERATING PROFIT/ (LOSS) | 1,112,513 | (636,436) | 2,319,402 | 1,330,513 |
| Other income | 587 | 37,221 | 228 | 36,977 |
| Financial charges | (5,122) | (6,267) | (876) | (1,754) |
| Profit/(Loss) before Taxation | 1,107,977 | (605,482) | 2,318,754 | 1,365,736 |
| Taxation | | | | |
| -current | (2,419,114) | (2,086,049) | (882,933) | (724,395) |
| -prior | 92,305 | 135,400 | | - |
| -deferred | 563,801 | 616,030 | 187,934 | 210,350 |
| | <u>(1,763,008)</u> | <u>(1,334,619)</u> | <u>(694,999)</u> | <u>(514,045)</u> |
| (Loss)/Profit after taxation | <u>(655,029)</u> | <u>(1,940,101)</u> | <u>1,623,756</u> | <u>851,691</u> |
| (Loss)/Earning per share | (0.50) | (1.49) | 1.25 | 0.66 |

(MAHFOOZ ELAHI)
Chief Executive

(MAHMOOD ELAHI)
Director

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME FOR THE
3RD QUARTER ENDED MARCH 31, 2017
(UN-AUDITED)

| | 9 MONTH JULY 01, 2016 TO MARCH 31, 2017 Rupees | 9 MONTH JULY 01, 2015 TO MARCH 31, 2016 Rupees | QUARTER ENDED MARCH 31, 2017 Rupees | QUARTE R ENDED MARCH 31, 2016 Rupees |
|---|---|---|---|--|
| (Loss)/Profit for the period | (655,029) | (1,940,101) | 1,623,756 | 851,691 |
| Other comprehensive Income | - | - | - | - |
| Total Comprehensive (Loss)/ Profit for the period | (655,029) | (1,940,101) | 1,623,756 | 851,691 |

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY FOR THE PERIOD
ENDED MARCH 31, 2017
(UN-AUDITED)

| | Share Capital Rupees | Accumulated Profit/(Loss) Rupees | Total Rupees |
|--|-------------------------|--|-----------------|
| 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) |
| Balance as at July 01, 2016 | 13,000,000 | (73,963,386) | (60,963,386) |
| Total comprehensive (Loss) for the period | - | (655,029) | (655,029) |
| Surplus on Revaluation of fixed assets- current period incremental depreciation - net of deferred tax | - | 1,230,046 | 1,230,046 |
| Balance as at March 31, 2017 | 13,000,000 | (73,388,369) | (60,388,369) |

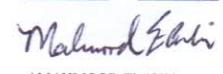

(MAHHOOZ ELAHI)
Chief Executive


(MAHHMOOD ELAHI)
Director

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2017
(UN-AUDITED)

| | 31.03.2017 RUPEES | 31.03.2016 RUPEES |
|---|----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net profit/(Loss) before taxation | 1,107,978 | (605,482) |
| Adjustment for : | | |
| Depreciation | 2,730,628 | 2,996,463 |
| Provision for Gratuity | 2,124,000 | 2,470,150 |
| Financial Charges | 5,122 | 6,267 |
| | 4,859,750 | 5,472,880 |
| Profit before working capital changes | 5,967,728 | 4,867,398 |
| Changes in working Capital | | |
| Decrease/(Increase) in current Assets | | |
| Inventories | (2,158,567) | (1,839,876) |
| Stores, spares and loose tools | 48,194 | 15,731 |
| Trade debtors | (3,201,494) | (2,500,107) |
| Advances and other receivables | (1,697,901) | 420,000 |
| (Decrease)/increase in current liabilities, | | |
| Creditors, accrued and other liabilities | 3,508,786 | 9,564,914 |
| | (3,500,982) | 5,660,662 |
| Cash generated from operations | 2,466,746 | 10,528,060 |
| Financial charges paid | (5,122) | (6,267) |
| Income Tax Paid /adjusted | (2,091,470) | (2,029,307) |
| Gratuity Paid | (411,350) | (907,320) |
| | (2,507,942) | (2,942,894) |
| Net cash generated/(used in) from operating activities | (41,196) | 7,585,166 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Loan and advances | (203,083) | (185,000) |
| Purchase of fixed assets | (361,605) | (473,050) |
| Net cash generated from/(used in) investing activities | (564,688) | (658,050) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Received from / (paid to) Associated undertakings / Directors | 750,000 | 675,000 |
| Net cash generated from / (used in) financing activities | 750,000 | 675,000 |
| Net Increase in cash and cash equivalents | 144,116 | 7,602,116 |
| Cash and cash equivalents at the beginning of the period | 5,118,329 | 4,789,569 |
| Cash and cash equivalents at the end of the period | 5,262,445 | 12,391,685 |


(MAHHOOZ ELAHI)
Chief Executive


(MAHHMOOD ELAHI)
Director

**NOTES TO THE ACCOUNTS
FOR THE 3RD QUARTER
ENDED
March 31, 2017**

**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, 2016.
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, 2017
(UN-AUDITED)**

BOOK POST

If undelivered please return to:
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