

ELAHI COTTON MILLS LIMITED

3RD QUARTER ACCOUNTS

31-Mar-20

(UN-AUDITED)



Elahi Cotton Mills Limited
270, Sector I-9, Industrial Area, Islamabad (Pakistan)
Phone : (051) 4433451-3, Fax : (051) 4431072
www.elahicotton.com, E-mail: elahicotton@gmail.com

ELAHI COTTON MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS:

MR. MAHFOOZ ELAHI (CHIEF EXECUTIVE)
MR. MAHBOOB ELAHI (CHAIRMAN)
MR. MAHMOOD ELAHI
MR. AHMED SHAFFI
SHEIKH FARRUKH AHMED
MR. MUHAMMAD AZEEM AFZAL HASHMI
MRS. SAMINA BEGUM

AUDITORS:

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

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

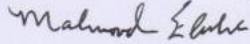
DIRECTORS' REVIEW TO THE MEMBERS

The Directors of the Company are pleased to present unaudited condensed interim financial statements for the nine months ended March 31, 2020.

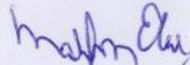
The principal business activity of the Company is to manufacture and sale of Pure Polyester Yarn. Aggregate sales revenue of the Company increased from Rs. 371.001 million to Rs. 385.847 million showing increase of Rs. 14.846 million (4 %) whereas cost of sales decreased from Rs. 360.885 million to Rs. 357.610 million showing decrease of Rs. 3.275 million (0.91 %). The Company earned profit before taxation of Rs. 21.061 million for the nine months from July 01, 2019 to March 31, 2020 as compared to profit of Rs. 5.398 million for the corresponding period of last nine months and profit after taxation of Rs. 14.908 million as compared to profit of Rs. 1.657 million. The increase in profitability of the Company as compared to previous correspondence period is mainly due to relief in electric tariff provided by the IESCO and increase in the rates of finished goods. The future outlook seems to be uncertain due to temporarily suspension of the plant operation because of lockdown situation in the country due to outbreak of Coronavirus (COVID-19).

The earning per share for the nine months ended March 31, 2020 is Rs. 11.47 and for the quarter ended March 31, 2020 is Rs. 10.92. The Directors of the Company do not recommend payment of any dividend to shareholders of the Company.

Islamabad
April 29, 2020


(Mahmood Elahi)
Director

On behalf of Board of Directors

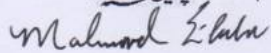

(Mahfooz Elahi)
Chief Executive

الہی کاشن ملز لمیٹڈ

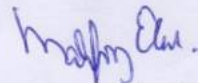
ممبرز کو ڈائریکٹرز کی نو ماہی جائزہ رپورٹ

کمپنی کے ڈائریکٹرز نو ماہی رپورٹ تختہ ۳۱ مارچ ۲۰۲۰ غیر آڈٹ شدہ عبوری مالیاتی رپورٹ پیش کرتے ہیں۔ کمپنی کا بنیادی کام خالص پولیسٹر دھاگہ بنانا اور فروخت کرنا ہے۔ کمپنی کی مجموعی فروخت ۳۱ مارچ ۲۰۲۰ میں 371.001 ملین روپے سے بڑھ کر 385.847 ملین روپے ہو گئی ہے جو کہ 14.846 ملین روپے (4%) اضافہ ظاہر کر رہی ہے جبکہ فروخت کے اخراجات 360.885 ملین روپے سے کم ہو کر 357.610 ملین روپے ہو گئے ہیں جو کہ 3.275 ملین روپے (0.91%) کمی ظاہر کر رہے ہیں۔ اس نو ماہی تختہ ۳۱ مارچ ۲۰۲۰ میں کمپنی نے قبل از ٹیکس 21.061 ملین روپے کا منافع کمایا ہے جبکہ گزشتہ سال اسی دورانیہ میں یہ منافع 5.398 ملین روپے تھا اور بعد از ٹیکس 14.908 ملین روپے کا منافع ہوا جبکہ گزشتہ سال اسی دورانیہ میں یہ منافع 1.657 ملین روپے کا منافع ہوا تھا۔ کمپنی کے خالص منافع میں اضافہ کی وجہ آئیٹیکو کی طرف سے بجلی کے بلوں میں ریلیف اور تیار شدہ مال کی قیمتوں میں اضافہ ہے۔ ہم مستقبل میں غیر یقینی صورت حال دیکھ رہے ہیں کیونکہ کمپنی کی پیداوار ملک بھر میں کرونا کے پھیلاؤ کی وجہ سے عارضی طور پر بند ہے۔

اس نو ماہی تختہ ۳۱ مارچ ۲۰۲۰ میں کمپنی کا منافع 11.47 روپے فی حصص ہوا جبکہ تیسری سہ ماہی تختہ ۳۱ مارچ ۲۰۲۰ کو فی حصص 10.92 روپے منافع ہوا۔ ڈائریکٹرز کمپنی کے حصص داران کے لئے کسی منافع کے سفارش نہیں کرتے۔

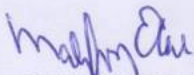
اسلام آباد
۲۹ اپریل ۲۰۲۰ء

محمود الہی
ڈائریکٹر

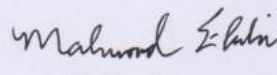
بورڈ آف ڈائریکٹرز کی جانب سے


محفوظ الہی
چیف ایگزیکٹو

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2020

	Note	MARCH 31, 2020 Rupees	JUNE 30, 2019 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	1	126,459,651	129,465,424
Long term security deposits		918,810	918,810
Loans and advances		3,008,258	2,368,508
		<u>130,386,719</u>	<u>132,752,742</u>
CURRENT ASSETS			
Stores spares and loose tools	2	2,262,260	1,195,411
Stock in trade	3	16,562,891	13,474,254
Loans and advances	4	5,884,188	404,621
Trade debts		15,667,561	3,737,029
Short term prepayments		309,436	295,012
Tax refunds due from government	5	21,489	794,397
Taxation -net		-	-
Cash and bank balances	6	20,564,459	18,152,507
		<u>61,272,284</u>	<u>38,053,231</u>
TOTAL ASSETS		<u><u>191,659,003</u></u>	<u><u>170,805,973</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share Capital		13,000,000	13,000,000
Revaluation surplus on property, plant and equipment	10	106,758,935	108,328,237
Accumulated loss		<u>(50,464,556)</u>	<u>(66,292,141)</u>
		69,294,379	55,036,096
NON CURRENT LIABILITIES			
Deferred Liabilities	7	23,185,316	21,820,602
CURRENT LIABILITIES			
Trade and other payables	8	19,538,941	12,687,560
Loan from directors		72,382,547	74,382,547
Due to associated undertaking		5,566,077	5,566,077
Unclaimed dividend		248,165	248,165
Taxation-net	9	1,443,577	1,064,926
		<u>99,179,307</u>	<u>93,949,275</u>
CONTINGENCIES AND COMMITMENTS		-	-
TOTAL EQUITY AND LIABILITIES		<u><u>191,659,003</u></u>	<u><u>170,805,973</u></u>

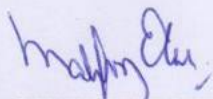

CHIEF EXECUTIVE

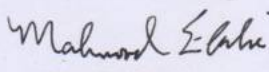

DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE 3RD QUARTER ENDED MARCH 31, 2020

	9 MONTHS July 1, 2019 March 31, 2020	9 MONTHS July 1, 2018 March 31, 2019	QUARTER ENDED March 31, 2020	QUARTER ENDED March 31, 2019
Note	Rupees	Rupees	Rupees	Rupees
Sales (Net)	11 385,847,091	371,001,097	129,047,639	126,684,357
Cost of sales	12 357,609,553	360,885,380	109,373,249	122,104,216
Gross Profit	28,237,538	10,115,717	19,674,390	4,580,141
Administrative expenses	13 (5,265,688)	(4,617,674)	(1,404,213)	(1,488,997)
Other operating charges	14 (1,952,754)	(353,580)	(1,450,524)	(45,422)
	(7,218,442)	(4,971,254)	(2,854,737)	(1,534,419)
Operating profit	21,019,096	5,144,463	16,819,653	3,045,722
Other income	15 92,702	254,711	85,283	253,142
Financial charges	16 (50,383)	(733)	-	-
Profit before taxation	21,061,415	5,398,441	16,904,936	3,298,864
Taxation				
Current	17 (6,781,727)	(4,640,698)	(2,929,624)	(1,586,719)
Prior	(47,825)	161,179	-	-
Deferred	676,421	737,672	224,844	242,227
	(6,153,132)	(3,741,847)	(2,704,781)	(1,344,492)
Profit /(Loss) after taxation	14,908,283	1,656,594	14,200,155	1,954,372
Earning per share	11.47	1.27	10.92	1.50


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE 3RD QUARTER ENDED MARCH 31, 2020

	9 MONTHS July 1, 2019 March 31, 2020 Rupees	9 MONTHS July 1, 2018 March 31, 2019 Rupees	QUARTER ENDED March 31, 2020 Rupees	QUARTER ENDED March 31, 2019 Rupees
profit for the period	14,908,283	1,656,594	14,200,155	1,954,372
Other comprehensive income	-	-	-	-
Total comprehensive profit for the period	<u>14,908,283</u>	<u>1,656,594</u>	<u>14,200,155</u>	<u>1,954,372</u>

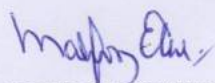
Muhammad Salim
CHIEF EXECUTIVE

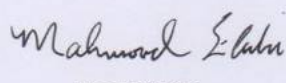
Muhammad Salim
DIRECTOR

Asif Habib
CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE 3RD QUARTER ENDED MARCH 31, 2020

	Share Capital	Reserve		Total
		Capital	Revenue	
	Issued subscribed and Paid up Capital	Revaluation surplus on property, plant and equipment	Accumulated Loss	
	Rupees			
Notes				
Balance as at July 01, 2018	13,000,000	110,644,660	(69,462,716)	54,181,944
Total comprehensive income for the period	-	-	1,656,595	1,656,595
Surplus on revaluation of fixed assets- current period incremental depreciation- net of deferred tax	-	(1,737,317)	1,737,317	-
Balance as at March 31, 2019	13,000,000	108,907,343	(66,068,804)	55,838,539
Balance as at July 01, 2019	13,000,000	108,328,237	(66,292,141)	55,036,096
Final cash dividend for the year ended June 30, 2019			(650,000)	(650,000)
Total comprehensive income for the period	-	-	14,908,283	14,908,283
Surplus on revaluation of fixed assets- current period incremental depreciation- net of deferred tax	-	(1,569,302)	1,569,302	-
Balance as at March 31, 2020	13,000,000	106,758,935	(50,464,556)	69,294,379

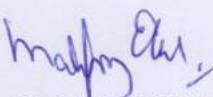

CHIEF EXECUTIVE

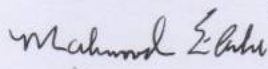

DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2020 (UN-AUDITED)

	March 31, 2020 Rupees	March 31, 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before taxation	21,061,415	5,398,442
Adjustment for:		
Depreciation	3,105,773	3,410,802
Provision for gratuity	3,546,386	3,272,355
Financial charges	50,383	733
	<u>6,702,542</u>	<u>6,683,890</u>
Profit before working capital changes	27,763,957	12,082,332
Changes in working capital:		
Decrease /(increase) in current assets		
Inventories	(3,088,637)	(3,349,764)
Stores, spares and loose tools	(1,066,849)	(451,253)
Trade debtors	(11,930,532)	(3,724,303)
Advances and other receivable	(4,721,083)	(6,945,265)
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	6,831,875	8,457,578
	<u>(13,975,226)</u>	<u>(6,013,007)</u>
Cash generated from operations	13,788,731	6,069,325
Financial charges paid	(50,383)	(733)
Income tax paid/adjusted	(6,450,902)	(4,166,406)
Gratuity paid	(1,505,250)	(3,915,550)
	<u>(8,006,535)</u>	<u>(8,082,689)</u>
Net cash generated from/(used in) operating activities	5,782,196	(2,013,364)
CASH FLOWS FROM INVESTING ACTIVITIES		
Loan and advances	(639,750)	(19,580)
Purchase of fixed assets	(100,000)	(656,500)
Net cash generated from/(used in) investing activities	(739,750)	(676,080)
CASH FLOWS FROM FINANCING ACTIVITIES		
Received/(paid) from/(to) Associated Undertaking	-	(1,150,000)
Received/(paid) from/(to) directors	(2,000,000)	(550,000)
Dividend paid	(630,494)	-
	<u>(2,630,494)</u>	<u>(1,700,000)</u>
Net increase/(decrease) in cash and cash equivalents	2,411,952	(4,389,444)
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	<u>20,564,459</u>	<u>5,304,901</u>

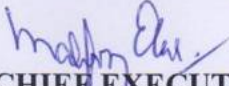

CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM NOTES TO THE ACCOUNTS
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2020

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-“Interim 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 29.04.2020 by the Board of Directors of the Company.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER