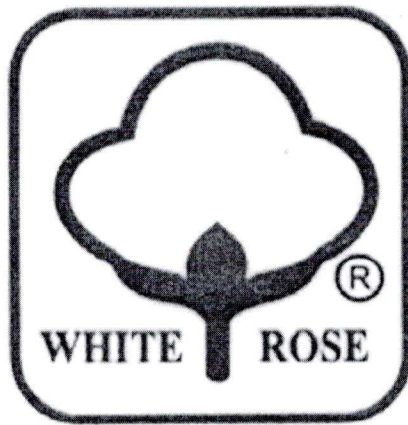


ELAHI COTTON MILLS LIMITED

1st QUARTER ACCOUNTS

30-Sep-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 your Company are presenting you the unaudited condensed interim financial statements for the 1st quarter ended on September 30, 2020.

The principal business of the Company is to manufacture and sale of pure polyester yarn. The Company registered a turnover of Rs. 121.982 million for the quarter ended September 30, 2020 as compared to Rs. 114.652 million for the quarter ended September 30, 2019 showing increase of Rs. 7.330 million (6.39%) whereas the cost of sales increased from Rs. 111.254 million to Rs. 113.041 million showing increase of Rs. 1.787 million (1.61%). The Company earned profit before taxation of Rs. 6.758 million for the quarter ended September 30, 2020 as compared to profit of Rs. 1.568 million for the quarter ended September 30, 2019 and profit after tax of Rs. 4.798 million as compared to profit of Rs. 0.074 million. The increase in profitability of the Company as compared to corresponding period is due to increase in production and decrease in the rates of raw material. We foresee that the next quarter to be favourable as the prices of finished goods presently seems to be better. However it also depends upon the continuation of electric tariff policy.

The earning per share for the quarter ended September 30, 2020 is Rs. 3.69 The Directors of the Company do not recommend payment of any cash dividend/bonus shares to shareholders of the Company.

October 27, 2020


(Mahfoz Elahi)
Chief Executive


(Mahmood Elahi)
Director

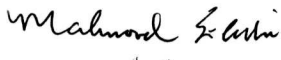
الہی کاٹن ملز لمیٹڈ
ممبران کے لئے ڈائریکٹرز کا جائزہ


کمپنی کے ڈائریکٹرز پہلی سہ ماہی ختمہ ۳۰ ستمبر ۲۰۲۰ کے غیر آڈٹ شدہ مختصر عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

کمپنی کا بنیادی کام خالص پولیسٹر دھاگہ بنانا اور فروخت کرنا ہے۔ کمپنی نے اس سہ ماہی ختمہ ۳۰ ستمبر ۲۰۲۰ میں 121.982 ملین روپے کا کاروبار کیا جبکہ گزشتہ سہ ماہی ختمہ ۳۰ ستمبر ۲۰۱۹ میں 114.652 ملین روپے تھا جو کہ 7.330 ملین روپے (6.39%) اضافہ ظاہر کر رہا ہے جبکہ فروخت کے اخراجات 111.254 ملین روپے سے بڑھ کر 113.041 ملین روپے ہو گئے ہیں جو کہ 1.787 ملین روپے (1.61%) کا اضافہ ظاہر کر رہے ہیں۔ کمپنی نے اس سہ ماہی ختمہ ۳۰ ستمبر ۲۰۲۰ میں قبل از ادائیگی ٹیکس 6.758 ملین روپے منافع کمایا ہے جو کہ اس کے مقابل گزشتہ سال اسی دورانیہ میں 1.568 ملین روپے تھا اور بعد از ادائیگی ٹیکس 0.074 ملین روپے کے منافع کے مقابل 4.798 ملین روپے منافع کمایا۔ موجودہ سہ ماہی میں گزشتہ سہ ماہی کے مقابلے میں منافع میں اضافے کی وجہ پیداوار میں اضافہ اور خام مال کی قیمتوں میں کمی ہے۔ ہم اگلی سہ ماہی میں کاروبار کو کمپنی کے لئے سازگار سمجھتے ہیں کیونکہ آنے والے وقت میں تیار مال کی قیمتوں میں بہتری دیکھائی دے رہی ہے۔ تاہم یہ الیکٹریک ٹیرف پالیسی کے تسلسل پر بھی منحصر ہے۔

اس سہ ماہی ختمہ ۳۰ ستمبر ۲۰۲۰ میں کمپنی کافی حصص منافع 3.69 روپے ہوا۔ ڈائریکٹرز حصص داران کو کسی نقد منافع ربولنس حصص کی سفارش نہیں کرتے۔

بورڈ آف ڈائریکٹرز کی جانب سے


حمود الہی
ڈائریکٹر


محمود الہی
چیف ایگزیکٹو

اسلام آباد
۲۷ اکتوبر، ۲۰۲۰

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

	30.09.2020 Rupees	30.06.2020 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	124,723,770	125,430,225
Long term security deposits	918,810	918,810
Loans and advances	2,819,758	2,614,508
	128,462,338	128,963,543
CURRENT ASSETS		
Stores, spares and loose tools	1,974,876	2,114,022
Stock in trade	15,404,179	12,896,840
Trade debts	10,124,093	4,619,018
Loans and advances	1,554,689	675,921
Short term prepayments	74,452	74,452
Taxation -net	-	371,515
Cash and bank balances	30,217,538	30,519,406
	59,349,827	51,271,174
TOTAL ASSETS	187,812,165	180,234,717
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital	13,000,000	13,000,000
Revaluation surplus on property, plant & equipment	105,763,234	106,235,835
Accumulated loss	(53,209,297)	(58,480,232)
	65,553,937	60,755,603
NON CURRENT LIABILITIES		
Deferred liabilities	23,588,965	23,367,037
Long term loan from Directors	-	-
	23,588,965	23,367,037
CURRENT LIABILITIES		
Trade and other payables	21,730,977	17,895,782
Due to Associated Undertaking	4,216,077	5,566,077
Current portion of long term loan from Directors	63,072,547	63,282,547
Short term loan from Directors	9,100,000	9,100,000
Taxation - net	281,992	-
Dividend payable	19,506	19,506
Unclaimed dividend	248,165	248,165
	98,669,264	96,112,077
CONTINGENCIES AND COMMITMENTS	-	-
TOTAL EQUITY AND LIABILITIES	187,812,165	180,234,717


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020

	<u>30.09.2020</u>	<u>30.09.2019</u>
	<u>Rupees</u>	<u>Rupees</u>
Sales	121,981,813	114,651,761
Cost of sales	<u>(113,041,012)</u>	<u>(111,254,402)</u>
Gross profit	8,940,801	3,397,359
Operating expenses		
Administrative expenses	(2,087,354)	(1,791,815)
Other operating charges	(102,145)	(40,732)
	<u>(2,189,499)</u>	<u>(1,832,547)</u>
Operating profit	6,751,302	1,564,812
Other income	7,006	3,756
Financial charges	<u>(90)</u>	<u>(383)</u>
Profit before taxation	6,758,218	1,568,185
Taxation	<u>(1,959,885)</u>	<u>(1,493,938)</u>
Profit after taxation	<u>4,798,334</u>	<u>74,247</u>
Earning per share -basic and diluted	<u>3.69</u>	<u>0.06</u>


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPEHENSIVE INCOME
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020

	<u>30.09.2020</u> <u>Rupees</u>	<u>30.09.2019</u> <u>Rupees</u>
Profit for the quarter ended September 30, 2020	4,798,334	74,247
Other comprehensive income	-	-
Total comprehensive income for the quarter ended September 30, 2020	<u>4,798,334</u>	<u>74,247</u>



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
SEPTEMBER 30, 2020

	Share Capital	Reserve		Total
		Capital	Revenue	
	Issued, subscribed and paid-up capital	Revaluation surplus on property, Plant and equipment	Accumulated Loss	
Rupees				
Balance as at July 01, 2019	13,000,000	108,328,237	(66,292,142)	55,036,095
Total comprehensive income for the quarter ended September 30, 2019			74,247	74,247
Surplus on revaluation of fixed assets - incremental depreciation - net of deferred tax		(523,101)	523,101	-
Balance as at September 30, 2019	13,000,000	107,805,136	(65,694,794)	55,110,342
Balance as at July 01, 2020	13,000,000	106,235,835	(58,480,232)	60,755,603
Total comprehensive income for the quarter ended September 30, 2020	-	-	4,798,334	4,798,334
Surplus on revaluation of fixed assets - incremental depreciation - net of deferred tax		(472,601)	472,601	-
Balance as at September 30, 2020	13,000,000	105,763,234	(53,209,297)	65,553,937


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
SEPTEMBER 30, 2020

	For the 1st Qtr ended September 30, 2020 Rupees	For the 1st Qtr ended September 30, 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	6,758,218	1,568,185
Adjustment for:		
Depreciation	939,012	1,032,756
Financial charges	90	383
Provision for gratuity	1,206,383	826,000
	<u>2,145,485</u>	<u>1,859,139</u>
Profit before working capital changes	8,903,703	3,427,324
Changes in working capital:		
Decrease/(increase) in current assets		
Store and spares	139,146	(433,611)
Stock in trade	(2,507,339)	(7,045,668)
Trade debts	(5,505,075)	(13,958,394)
Advances	(878,768)	173,341
Short term prepayments	-	(128)
Other receivables	-	772,736
Increase/(decrease) in current liabilities		
Trade and other payables	3,835,196	13,871,744
	<u>(4,916,840)</u>	<u>(6,619,980)</u>
Cash (used in) / generated from operations	3,986,863	(3,192,656)
Financial charges paid/adjusted	(90)	(383)
Income tax paid/adjusted	(1,511,483)	(1,643,854)
Gratuity paid	(779,350)	(454,450)
	<u>(2,290,923)</u>	<u>(2,098,687)</u>
Net cash (used in)/ generated from operating activities	1,695,940	(5,291,343)
CASH FLOWS FROM INVESTING ACTIVITIES		
Loan and Advances to Employees	(205,250)	(217,750)
Purchase of fixed assets	(232,558)	-
Net cash (used in)/generated from investing activities	(437,808)	(217,750)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan received from/(paid to) Directors	(210,000)	1,500,000
Loan received from/(paid to) Associated Undertaking	(1,350,000)	-
Net cash generated from/(used in) financing activities	(1,560,000)	1,500,000
Net decrease in cash and cash equivalents	(301,868)	(4,009,093)
Cash and cash equivalents at the beginning of the period	30,519,406	18,152,507
Cash and cash equivalents at the end of the period	30,217,538	14,143,414


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM NOTES TO THE ACCOUNTS
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 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, 2020.
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, 2020.
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 27.09.2020 by the Board of Directors of the Company.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER