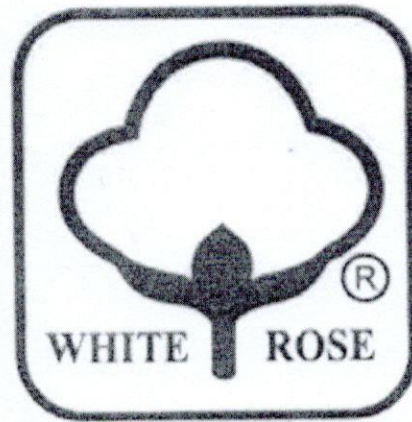


# **ELAHI COTTON MILLS LIMITED**

**1st QUARTER ACCOUNTS**

**30-Sep-23**

**(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](mailto:elahicotton@gmail.com)

**WEBSITE** [www.elahicotton.com](http://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 1<sup>st</sup> quarter ended on September 30, 2023.


The principal business of the Company is to manufacture and sale of pure polyester yarn. The Company registered a turnover of Rs. 249.845 million for the quarter ended September 30, 2023 as compared to Rs. 162.579 million for the quarter ended September 30, 2022 showing increase of Rs. 87.266 million (53.68%) whereas the cost of sales increased from Rs. 164.231 million to Rs. 239.574 million showing increase of Rs. 75.343 million (45.88%). The Company earned profit before taxation of Rs. 6.007 million for the quarter ended September 30, 2023 as compared to loss of Rs. 5.029 million for the quarter ended September 30, 2022 and profit after tax of Rs. 3.166 million as compared to loss of Rs. 6.828 million. The increase in profitability is due to increase in production and increase in the rates of finished goods. The Management expects the next quarter to be an uncertain due to current severe recession in local and international markets with regard to demand and rates of polyester and yarn.

Earning per share for the quarter ended September 30, 2023 is Rs. 2.44. The Directors of the Company do not recommend payment of any cash dividend/bonus shares to the shareholders of the Company.

### ON BEHALF OF THE BOARD

October 27, 2023

  
(Mahfooz Elahi)  
Chief Executive

  
(Mahmood Elahi)  
Director

### الہی کاٹن ملز لمیٹڈ ممبران کے لئے ڈائریکٹرز کا جائزہ

کمپنی کے ڈائریکٹرز پہلی سہ ماہی ختمتہ ۳۰ ستمبر ۲۰۲۳ کے غیر آڈٹ شدہ مختصر عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

کمپنی کا بنیادی کام نائس پولیسٹر دھاگہ بنانا اور فروخت کرنا ہے۔ کمپنی نے اس سہ ماہی ختمتہ ۳۰ ستمبر ۲۰۲۳ میں 249.845 ملین روپے کا کاروبار کیا جبکہ گزشتہ سہ ماہی ختمتہ ۳۰ ستمبر ۲۰۲۲ میں 162.579 ملین روپے تھا جو کہ 87.266 ملین روپے (53.68%) اضافہ ظاہر کر رہا ہے جبکہ فروخت کے اخراجات 164.231 ملین روپے سے بڑھ کر 239.574 ملین روپے ہو گئے ہیں جو کہ 75.343 ملین روپے (45.88%) کا اضافہ ظاہر کر رہے ہیں۔ کمپنی کو اس سہ ماہی ختمتہ ۳۰ ستمبر ۲۰۲۳ میں قبل از ادائیگی ٹیکس 6.007 ملین روپے کا منافع ہوا ہے جبکہ اس کے مقابل گزشتہ سال اسی دورانیہ میں 5.029 ملین روپے کا نقصان ہوا تھا اور بعد از ادائیگی ٹیکس 3.166 ملین روپے کے منافع کے مقابل 6.828 ملین روپے کا خسارہ ہوا۔ موجودہ سال منافع میں اضافے کی وجہ پیداوار میں اضافہ اور تیار شدہ مال کی قیمتوں میں اضافہ ہے۔ ہم آگلی سہ ماہی میں کاروبار کی غیر یقینی صورت حال دیکھ رہے ہیں کیونکہ مقامی اور عالمی منڈی میں جاری شدہ شدید بحران ہے جو کہ پولیسٹر اور دھاگے کی طلب اور قیمت کے ساتھ منسلک ہے۔

اس سہ ماہی ختمتہ ۳۰ ستمبر ۲۰۲۳ میں کمپنی کا فی حصص منافع 2.44 روپے ہوا۔ ڈائریکٹرز حصص داران کو کسی نقد منافع ربولنس حصص کی سفارش نہیں کرتے۔

اسلام آباد

۲۷ اکتوبر، ۲۰۲۳

بورڈ آف ڈائریکٹرز کی جانب سے



محمود الہی  
ڈائریکٹر



محمود الہی  
چیف ایگزیکٹو

**ELAHI COTTON MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2023**

	Note	30.09.2023 Rupees	30.06.2023 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment			
Operating fixed assets	1	156,873,177	158,144,784
Long term security deposits		918,810	918,810
Loans and advances		5,204,750	4,379,750
		<u>162,996,737</u>	<u>163,443,344</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools	2	3,327,252	3,420,249
Stock in trade	3	30,166,191	27,036,875
Trade debts		44,161,155	29,202,712
Loans and advances	4	325,175	571,910
Short term prepayments		272,842	722,842
Short term investment		514,275	503,965
Taxation -net		928,834	923,093
Cash and bank balances	5	16,981,569	12,861,216
		<u>96,677,293</u>	<u>75,242,862</u>
<b>TOTAL ASSETS</b>		<u><u>259,674,030</u></u>	<u><u>238,686,206</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	6	13,000,000	13,000,000
Revaluation surplus on property, plant & equipment	7	134,303,101	134,831,533
Accumulated loss		(41,191,810)	(44,886,434)
		<u>106,111,291</u>	<u>102,945,099</u>
<b>NON CURRENT LIABILITIES</b>			
Deferred Taxation	8	9,938,366	10,220,327
Non current portion of lease liability	9	1,099,129	1,099,129
Staff Retirement Benefits - Gratuity		26,480,095	24,152,146
		<u>37,517,590</u>	<u>35,471,602</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	37,836,944	21,869,557
Current portion of long term loan from directors	11	61,657,803	61,849,546
Short term loan from directors		15,350,000	15,350,000
Current portion of lease liability	9	932,731	932,731
Taxation - net	12	-	-
Dividend payable/Unclaimed		267,671	267,671
		<u>116,045,149</u>	<u>100,269,505</u>
<b>CONTINGENCIES AND COMMITMENTS</b>		-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>259,674,030</u></u>	<u><u>238,686,206</u></u>

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**ELAHI COTTON MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2023**

	Note	30.09.2023 Rupees	30.09.2022 Rupees
Sales	13	249,844,500	162,579,140
Cost of sales	14	<u>(239,573,597)</u>	<u>(164,230,577)</u>
Gross profit/(loss)		10,270,903	(1,651,437)
<b>Operating expenses</b>			
Administrative expenses	15	<u>(3,835,294)</u>	<u>(3,379,430)</u>
Selling and distribution expenses		(335,100)	(412,800)
Other operating charges	16	<u>(93,570)</u>	<u>(80,226)</u>
		<u>(4,263,964)</u>	<u>(3,872,456)</u>
Operating profit/(loss)		6,006,939	(5,523,893)
Other income	17	14,175	502,403
Financial charges	18	<u>(13,833)</u>	<u>(7,360)</u>
Profit/(loss) before taxation		6,007,281	(5,028,850)
Taxation	19	<u>(2,841,092)</u>	<u>(1,799,170)</u>
Profit/(loss) after taxation		<u>3,166,190</u>	<u>(6,828,019)</u>
Earning/(loss) per share -basic and diluted		<u>2.44</u>	<u>(5.25)</u>


  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**ELAHI COTTON MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPEHENSIVE INCOME**  
**FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2023**

	<u>30.09.2023</u> <u>Rupees</u>	<u>30.09.2022</u> <u>Rupees</u>
Profit/(loss) for the quarter ended September 30, 2023	3,166,190	(6,828,019)
Other comprehensive income	-	-
Total comprehensive income/(loss) for the quarter ended September 30, 2023	<u>3,166,190</u>	<u>(6,828,019)</u>

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**ELAHI COTTON MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**SEPTEMBER 30, 2023**

	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, 2022	13,000,000	137,171,418	(45,816,230)	104,355,188
Total comprehensive income for the quarter ended September 30, 2022	-	-	(6,828,019)	(6,828,019)
Surplus on revaluation of fixed assets - incremental depreciation - net of deferred tax	-	(584,971)	584,971	-
Balance as at September 30, 2022	13,000,000	136,586,447	(52,059,278)	97,527,169
<b>Balance as at July 01, 2023</b>	13,000,000	134,831,533	(44,886,432)	102,945,101
Total comprehensive income/(loss) for the quarter ended September 30, 2023	-	-	3,166,190	3,166,190
Surplus on revaluation of fixed assets - incremental depreciation - net of deferred tax	-	(528,432)	528,432	-
Balance as at September 30, 2023	<b>13,000,000</b>	<b>134,303,101</b>	<b>(41,191,810)</b>	<b>106,111,291</b>

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**ELAHI COTTON MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**SEPTEMBER 30, 2023**

	For the 1st Qtr ended September 30, 2023 Rupees	For the 1st Qtr ended September 30, 2022 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	6,007,281	(5,028,850)
Adjustment for:		
Depreciation	1,271,607	1,148,731
Financial charges	13,833	7,360
Provision for gratuity	2,378,449	1,782,168
	<u>3,663,889</u>	<u>2,938,259</u>
<b>Profit before working capital changes</b>	<b>9,671,170</b>	<b>(2,090,591)</b>
<b>Changes in working capital:</b>		
Decrease/(increase) in current assets		
Store and spares	92,997	316,620
Stock in trade	(3,129,316)	(9,909,954)
Trade debts	(14,958,443)	(7,431,092)
Advances	246,735	(312,539)
Short term prepayments	450,000	-
Increase/(decrease) in current liabilities		
Trade and other payables	15,967,387	11,971,700
	<u>(1,330,640)</u>	<u>(5,365,265)</u>
<b>Cash (used in) / generated from operations</b>	<b>8,340,530</b>	<b>(7,455,856)</b>
Financial charges paid/adjusted	(13,833)	(7,360)
Income tax paid/adjusted	(3,128,791)	(1,687,072)
Gratuity paid	(50,500)	(530,747)
	<u>(3,193,124)</u>	<u>(2,225,179)</u>
<b>Net cash (used in)/ generated from operating activities</b>	<b>5,147,406</b>	<b>(9,681,035)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Loan and Advances to Employees	(825,000)	(390,750)
Short term investment	(10,310)	-
Purchase of fixed assets	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(835,310)</b>	<b>(390,750)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loan received from/(paid to) Directors	(191,743)	6,250,000
Loan received from/(paid to) Associated Undertaking	-	-
<b>Net cash generated from/(used in) financing activities</b>	<b>(191,743)</b>	<b>6,250,000</b>
Net decrease in cash and cash equivalents	4,120,353	(3,821,785)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>12,861,216</b>	<b>8,369,818</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>16,981,569</b>	<b>4,548,033</b>

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

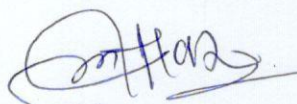


**ELAHI COTTON MILLS LIMITED**  
**CONDENSED INTERIM NOTES TO THE ACCOUNTS**  
**FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2023**

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-“Interm 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, 2023.
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, 2023.
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 27.10.2023 by the Board of Directors of the Company.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**