

**HALF YEARLY REPORT
FOR THE PERIOD ENDED
DECEMBER 31, 2023
(Un-Audited)**



ELLCOT SPINNING MILLS LTD.



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ELLCOT SPINNING MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Shahzada Ellahi Shaikh	Non-Executive Director / Chairman
Mr. Mohammad Babar Monnoo	Independent Non-Executive Director
Mr. Imran Motiwala	Independent Non-Executive Director
Mrs. Faaria Rehman Salahuddin	Independent Non-Executive Director
Mr. Jamal Nasim (NIT)	Non-Executive Director
Mr. Shaukat Ellahi Shaikh	Non-Executive Director
Mr. Raza Ellahi Shaikh	Non-Executive Director
Mr. Amin Ellahi Shaikh	Non-Executive Director
Mr. Shafqat Ellahi Shaikh	Executive Director
Mr. Haroon Shahzada Ellahi Shaikh	Executive Director

MANAGING DIRECTOR (Chief Executive)

Mr. Haroon Shahzada Ellahi Shaikh

AUDIT COMMITTEE

Mr. Mohammad Babar Monnoo	Chairman
Mr. Shaukat Ellahi Shaikh	Member
Mr. Raza Ellahi Shaikh	Member
Mr. Syed Mohsin Gilani	Secretary

HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE

Mr. Mohammad Babar Monnoo	Chairman
Mr. Raza Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Muhammad Azam	Secretary

EXECUTIVE COMMITTEE

Mr. Haroon Shahzada Ellahi Shaikh	Chairman
Mr. Shafqat Ellahi Shaikh	Member
Mr. Raza Ellahi Shaikh	Member
Mr. Amin Ellahi Shaikh	Member
Mr. Muhammad Azam	Secretary

CORPORATE SECRETARY

Mr. Syed Mohsin Gilani

CHIEF FINANCIAL OFFICER (CFO)

Mr. Muhammad Ahmad

HEAD OF INTERNAL AUDIT

Mr. Kashif Saleem

AUDITORS

Messrs Rahman Sarfraz Rahim Iqbal Rafiq
Chartered Accountants
Bandial & Associates

LEGAL ADVISOR

LEAD BANKERS

Allied Bank Ltd.
Askari Bank Ltd.
Bank Alfalah Ltd.
Faysal Bank Ltd.
Habib Bank Ltd.
Meezan Bank Ltd.
MCB Bank Ltd.
National Bank of Pakistan
United Bank Ltd.

REGISTERED OFFICE

Nagina House
91-B-1, M.M. Alam Road
Gulberg-III, Lahore-54660

REGIONAL OFFICE

2nd Floor, Sheikh Sultan Trust Bldg. No. 2,
26 - Civil Lines, Beaumont Road, Karachi-75530

WEB REFERENCE

www.nagina.com

SHARE REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Ltd.
1st Floor, H.M. House
7-Bank Square, Lahore
Phone # 042-37235081-2
Fax # 042-37358817

MILLS

6.3 K.M, Manga Mandi, Raiwind Road
Mouza Rossa, Tehsil & District Kasur



DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed interim financial information of the company for the half year ended on December 31, 2023 duly reviewed by the auditors. The comparative figures for the corresponding half year ended on December 31, 2022 are included for comparison, except in statement of financial position where figures are for the year ended on June 30, 2023.

Company Performance

Despite the persistent challenges in the business landscape, your company has managed to remain profitable. Alhamdulillah, amidst adverse operating environment, the company has managed to earn after-tax profit of Rs. 43,703,878 or 0.59% of sales compared to Rs. 222,752,722 or 3.88% of sales during the same period last year (SPLY). Earning per share (EPS) is Rs. 3.99 for the current first half of the year compared to Rs. 20.34 during the SPLY.

Sales revenue for the half year ended increased by 29.06% over the SPLY and stood at Rs. 7,404,585,722 compared to Rs. 5,737,130,422. The main reason for increase in sales is rise in per unit selling rate coupled with significant volume rise because of mills expansion. Cost of sales increased from 91.57% of sales during SPLY to 92.61% of sales during the period under review. This uptick in costs was attributed to escalated expenses in energy, stores & spares, etc. Consequently, the increase in the cost of sales has led to a decrease in Gross Profit (GP), dropping from 8.43% of sales during the SPLY to 7.39% during the SPLY.

Due to increase in sales value the operating expenses reduced from 3.12% of sales during SPLY to 2.31% of sales during the period under review. The company has been able to generate stable cash flows and made timely discharge of its operating and financial liabilities. Finance cost significantly increased from 1.44% of sales during SPLY to 3.66% of sales during the period under review. Increase in finance costs is mainly due to rising interest rates. Since one and half year, there is no LTFF available. Hence all CAPEX done in past one year is on KIBOR based financing which has resulted in higher financial costs.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2023-24, Kapas, (seed cotton) arrivals upto January 31, 2024, at the Ginneries totaled 8.350 million bales compared to 4.764 million bales for similar period of financial year 2022-23 showing increase in arrival of 75.29%.

Future Outlook

The textile industry is currently experiencing turbulent times. Both the global and domestic markets are bearish. Costs such as wages, energy, financials, administration, packaging materials, and transportation are under inflationary pressures. Moreover, the value-added chain is grappling with low demand. This downward trend in product demand is resulting in low margins in yarn prices. The predictability of costs during product sales has become increasingly challenging due to the escalating government-administered energy costs. The outlook for the second half of the financial year appears to be uncertain. However, cotton prices have started to increase. The uptick in cotton prices and the shortage of raw cotton in the market are expected to drive up yarn prices which may result in improved profitability.

The challenge facing the company is to remain profitable despite inflation and reduced demand. Your management is aware of the current difficult situation and is consistently evaluating its approach to meet customer demands, search new export markets, enhance productivity through innovation, efficiency and effective cost management initiatives. The financial outlook can improve if the benefits of a strengthening rupee are passed on to us in the form of lower fuel, electricity, gas and interest costs.

The government is likely to persist in raising costs associated with gas and electricity. However, it is reported that the Government is in discussion with IMF authorities to reduce the power tariff for exporting industries. We hope for a positive outcome.

Interest rates are likely to be reduced in current half year or early next financial year. If so, this will ease out the financial cost burden. In order to curb inflation, the country needs a stable exchange rate. We hope that after the national elections a stable Government will announce consistent and long term policies to help exporting industries to compete internationally.



ELLCOT SPINNING MILLS LIMITED

It is hoped that the Government will bring in business friendly policies such as uninterrupted energy supplies during winter in cost effective manner, refund of outstanding taxes, controlling the inflation rate and reducing the financial costs and release of LTFF facility against the machinery against which LCs has already been retired. Government policies should encourage the completion of the value chain in the textile sector so that the country can export finished products.

Acknowledgement

Continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their gratitude to the bankers for their continued support to the company.

On behalf of the Board.

Amin Ellahi Shaikh
Director

Haroon Shahzada Ellahi Shaikh
Chief Executive Officer

Lahore : 14 February 2024

ڈائریکٹرز کا جائزہ

مجلسِ نظماًء 31 دسمبر 2023ء کو مختتمہ پہلی ششماہی کے لئے کمپنی کی غیر نظر ثانی شدہ منجمد عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ 31 دسمبر 2022ء کو ختم ہونے والی ششماہی کے تقابلی اعداد و شمار بھی موازنہ کے لئے شامل کئے گئے ہیں، ماسوائے سٹیٹمنٹ آف فنانشل پوزیشن کے جہاں تقابلی اعداد و شمار 30 جون 2023ء کو مختتمہ سال کے لئے ہیں۔

کمپنی کی کارکردگی

کاروباری منظر نامہ میں مستقل مشکلات کے باوجود، آپ کی کمپنی منافع بخش رہی ہے۔ الحمد للہ، کشیدہ آپریٹنگ ماحول میں، کمپنی نے گزشتہ سال کی اسی مدت کے دوران 222,752,722 روپے یا فروخت کا 3.88 فیصد کے مقابلے میں 43,703,878 روپے یا فروخت کا 0.59 فیصد بعد از ٹیکس منافع کمایا۔ رواں پہلی ششماہی کی فی شیئر آمدنی (EPS) گزشتہ سال کی اسی مدت کے دوران 20.34 روپے کے مقابلے میں 3.99 روپے ہے۔

زیر جائزہ مختتمہ ششماہی میں فروخت آمدنی گزشتہ سال سے 29.06 فیصد زیادہ ہوئی اور 5,737,130,422 روپے کے مقابلے میں 7,404,585,722 روپے رہی۔ فروخت میں اضافہ کی بنیادی وجہ ملز کی توسیع کے باعث حجم میں نمایاں اضافہ کے ساتھ فی یونٹ فروخت شرح میں اضافہ ہے۔ فروخت کی لاگت گزشتہ سال کی اسی مدت کے دوران فروخت کے 91.57 فیصد سے بڑھ کر زیر جائزہ مدت کے دوران فروخت کے 92.61 فیصد تک زیادہ ہوئی ہے۔ فروخت کی لاگت میں یہ اضافہ توانائی، سٹور اور سپیریز وغیرہ کی قیمتوں میں اضافہ کی وجہ سے ہوا ہے۔ فروخت لاگت میں اضافہ کے نتیجے میں مجموعی منافع (GP) گزشتہ سال کی اسی مدت کے دوران فروخت کے 8.43 فیصد سے کم ہو کر زیر جائزہ مدت کے دوران فروخت کا 7.39 فیصد تک ہوا۔

فروخت قیمت میں اضافہ کی وجہ سے آپریٹنگ اخراجات گزشتہ سال کی اسی مدت کے دوران فروخت کے 3.12 فیصد سے کم ہو کر زیر جائزہ مدت کے دوران فروخت کے 2.31 فیصد تک ہوئے۔ کمپنی پائیدار نقدی بہاؤ پیدا کرنے اور اپنے آپریٹنگ اور مالی واجبات بروقت ادا کرنے کے قابل رہی ہے۔ مالی لاگت گزشتہ سال کی اسی مدت کے دوران فروخت کی 1.44 فیصد سے نمایاں بڑھ کر زیر جائزہ مدت کے دوران فروخت کی 3.66 فیصد ہو گئی۔ مالیاتی لاگت میں بنیادی طور پر اضافہ سود کی شرحوں میں اضافہ کی وجہ سے ہوا ہے۔ ڈی بڑھ سال سے، کوئی LTFF دستیاب نہیں ہے۔ چنانچہ گزشتہ ایک سال میں کئے گئے تمام CAPEX کا بہرہ پر مبنی فنانسنگ پر ہے جس کے نتیجے قرضہ کی لاگتیں زیادہ ہیں۔

پاکستان کاٹن جرز ایسوسی ایشن کی طرف سے فصل سال 2023-24 کے لئے جاری کردہ اعداد و شمار کے مطابق 31 جنوری 2024ء تک جرز میں کپاس، (بیج کپاس) کی پینچ مالی سال 2022-23 کی اسی مدت تک کل 4.764 ملین گانٹھوں کے مقابلے میں 8.350 ملین گانٹھیں ہوئی جو کہ 75.29 فیصد کا اضافہ ظاہر کر رہی ہے۔

مستقبل کا نقطہ نظر

ٹیکسٹائل انڈسٹری مشکل ادوار سے گزر رہی ہے۔ دونوں عالمی اور مقامی مارکیٹیں کشیدہ ہیں۔ اجرت، توانائی، انتظامی، بیکنگ میٹریل اور ٹرانسپورٹیشن جیسے اخراجات مہنگائی کے دباؤ میں ہیں۔ مزید برآں، ویلویو ایڈجین بھی کم طلب کا شکار ہے۔ مصنوعات کی طلب میں مندی کے اس رجحان کے نتیجے میں یارن کی فروخت کم ہے۔ حکومت کے زیر انتظام توانائی کے بڑھتے ہوئے اخراجات کی وجہ سے مصنوعات کی فروخت کے دوران لاگت کی پیشن گوئی مشکل ہوتی جا رہی ہے۔ مالی سال کی دوسری ششماہی کا نقطہ نظر غیر یقینی نظر آتا ہے۔ تاہم کپاس کی قیمتوں میں اضافہ ہونا شروع ہو گیا ہے۔ کپاس کی زیادہ قیمتوں اور مارکیٹ میں خام کپاس کی کمی سے یارن کی قیمتوں میں اضافہ اور ہماری کمپنی کو فائدہ پہنچنے کا امکان ہے۔

افراط زر اور کم طلب کے باوجود کمپنی کو منافع بخش رہنے کا چیلنج درپیش ہے۔ آپ کی انتظامیہ موجودہ مشکل صورتحال سے آگاہ ہے اور صارفین کی طلب پورا کرنے، نئی برآمدی منڈیوں کی تلاش، جدت، کارکردگی اور لاگت کے مؤثر انتظامی اقدامات کے ذریعے پیداواری صلاحیت کو بڑھانے کے اپنے نقطہ نظر کا مسلسل جائزہ لے رہی ہے۔ مالیاتی نقطہ نظر بہتر ہو سکتا ہے اگر روپیہ کی مضبوطی کے فوائد ہمیں ایندھن، بجلی، گیس اور سود کی کم لاگت کی صورت میں پہنچائے جائیں۔ امکان ہے کہ حکومت گیس اور بجلی کی قیمتوں میں اضافے پر قائم رہے گی۔ تاہم، یہ اطلاع ہے کہ حکومت برآمد پر مبنی صنعتوں کے لیے بجلی کے نرخوں کو کم کرنے کے لیے آئی ایم ایف حکام سے بات چیت کر رہی ہے۔ ہم مثبت نتائج کی امید رکھتے ہیں۔

موجودہ ششماہی یا اگلے مالی سال کے شروع میں شرح سود میں کمی کا امکان ہے۔ اگر ایسا ہوا تو، اس سے مالی لاگت کا بوجھ کم ہو جائے گا۔ مہنگائی کم کرنے کے لیے ملک کو مستحکم شرح مبادلہ کی ضرورت ہے۔ ہم امید کرتے ہیں کہ قومی انتخابات کے بعد مستحکم حکومت مستقل اور طویل مدتی پالیسیوں کا اعلان کرے گی تاکہ برآمد پر مبنی صنعتوں کو بین الاقوامی سطح پر مقابلہ کرنے میں مدد ملے۔

امید ہے کہ حکومت کاروبار دوست پالیسیاں لائے گی جیسے کہ موسم سرما کے دوران لاگت مؤثر انداز میں توانائی کی بلا تعلق فراہمی، بقایا ٹیکس کی واپسی، تاکہ مہنگائی کی شرح کو کنٹرول اور مالیاتی اخراجات میں کمی لائی جاسکے اور جو LCs پہلے ہی ریٹائر ہو چکی ہیں کی مشینری کے لئے LTFE کی سہولت کا اجراء کرے گی۔ حکومتی پالیسیوں کو ٹیکسٹائل سیکٹر میں ویلو چین کی تکمیل کی حوصلہ افزائی کرنی چاہیے تاکہ ملک تیار مصنوعات برآمد کر سکے۔

اظہار تشکر

کمپنی کے عملے اور کارکنوں کی مسلسل محنت اور جذبہ اور تمام سطحوں پر اچھے انسانی تعلقات کا اعتراف کرتے ہیں۔ ڈائریکٹرز کمپنی کی مسلسل حمایت پر بینکرز کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ



ہارون شہزادہ الہی شیخ

چیف ایگزیکٹو آفیسر

لاہور: 14 فروری 2024ء



امین الہی شیخ

ڈائریکٹر

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of ELLCOT SPINNING MILLS LIMITED Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **ELLCOT SPINNING MILLS LIMITED** [the Company] as at **31 December 2023** and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the 'interim financial statements'). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the three-month period ended **31 December 2023** of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income have not been reviewed as we are required to review only cumulative figures for the six-month period ended on that date.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **ALI RAZA JAFFERY**.



RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants
Lahore | 16 February 2024

UDIN: RR2023107041zZkrJsF1



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	31-Dec-23 Rupees [Un-audited]	30-Jun-23 Rupees [Audited]
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
<i>Authorized share capital</i>		400,000,000	400,000,000
Issued share capital		109,500,000	109,500,000
Capital reserve		(3,899,458)	(77,201,726)
Retained earnings		3,969,314,409	3,988,289,232
TOTAL EQUITY		4,074,914,951	4,020,587,506
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances	6	3,751,689,532	3,983,206,232
Employees retirement benefits		190,955,202	171,603,423
Deferred taxation		212,012,307	199,113,489
Deferred grant	7	266,685,963	302,675,484
		4,421,343,004	4,656,598,628
CURRENT LIABILITIES			
Trade and other payables		1,119,162,438	931,993,658
Unclaimed dividend		8,167,387	7,688,093
Accrued interest/profit		105,183,760	110,490,652
Short term borrowings		730,949,937	402,824,470
Income tax payable		27,107,879	7,566,355
Current portion of non-current liabilities		533,939,768	462,997,611
		2,524,511,169	1,923,560,839
TOTAL LIABILITIES		6,945,854,173	6,580,159,467
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		11,020,769,124	10,600,746,973

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Lahore : 14 February 2024


Amin Ellahi Shaikh
Director


Muhammad Ahmad
Chief Financial Officer


Haroon Shahzada Ellahi Shaikh
Chief Executive Officer

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	<i>Note</i>	31-Dec-23	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	9	5,093,901,069	5,353,824,895
Long term deposits		7,090,700	7,090,700
		5,100,991,769	5,360,915,595
CURRENT ASSETS			
Stores and spares		163,482,670	147,500,214
Stock in trade		3,207,640,724	3,027,293,503
Trade receivables		1,178,483,551	945,283,223
Advances and other receivables		295,564,188	789,725,218
Other financial assets	10	943,981,425	184,707,493
Cash and bank balances		130,624,797	145,321,727
		5,919,777,355	5,239,831,378
TOTAL ASSETS		11,020,769,124	10,600,746,973

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Amin Ellahi Shaikh
Director

Muhammad Ahmad
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Chief Executive Officer

Lahore : 14 February 2024

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023**

	Note	Six-month period ended		Three-month period ended	
		31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
		Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers - net		7,404,585,722	5,737,130,422	3,813,630,282	2,700,104,719
Cost of sales	11	(6,857,552,454)	(5,253,389,244)	(3,541,643,440)	(2,563,288,281)
Gross profit		547,033,268	483,741,178	271,986,842	136,816,438
Selling and distribution expenses		(49,525,494)	(50,485,824)	(23,731,897)	(17,459,346)
Administrative expenses		(111,423,168)	(108,348,741)	(54,503,485)	(51,643,923)
Other expenses		(10,163,018)	(20,142,790)	(5,665,916)	(3,447,251)
		(171,111,680)	(178,977,355)	(83,901,298)	(72,550,520)
		375,921,588	304,763,823	188,085,544	64,265,918
Other income		26,274,729	47,741,898	12,340,974	43,167,168
Operating profit		402,196,317	352,505,721	200,426,518	107,433,086
Finance cost		(270,648,547)	(82,517,295)	(129,557,034)	(36,025,208)
Profit before taxation		131,547,770	269,988,426	70,869,484	71,407,878
Provision for taxation	12	(87,843,892)	(47,235,704)	(47,779,439)	21,227,022
Profit after taxation		43,703,878	222,752,722	23,090,045	92,634,900
Earnings per share - basic and diluted		3.99	20.34	2.11	8.46

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Lahore : 14 February 2024

Amin Ellahi Shaikh
Director

Muhammad Ahmad
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Chief Executive Officer



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023**

	<u>Six-month period ended</u>		<u>Three-month period ended</u>	
	<u>31-Dec-23</u>	<u>31-Dec-22</u>	<u>31-Dec-23</u>	<u>31-Dec-22</u>
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
<i>Items that will not be reclassified to profit or loss</i>				
Financial assets at fair value through OCI	76,323,567	(21,952,455)	53,248,322	(14,919,324)
Other comprehensive income	76,323,567	(21,952,455)	53,248,322	(14,919,324)
Profit after taxation	43,703,878	222,752,722	23,090,045	92,634,900
Total comprehensive income	120,027,445	200,800,267	76,338,367	77,715,576

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Lahore : 14 February 2024

Amin Ellahi Shaikh
Director

Muhammad Ahmad
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Chief Executive Officer



ELLCOT SPINNING MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

	Share capital	Capital reserves			Retained earnings	Total equity
	Issued share capital	Reserve for financial assets measured at FVTOCI	Reserve on merger	Total		
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
As at 01 July 2022 - [Audited]	109,500,000	(73,111,273)	7,760,000	(65,351,273)	3,694,781,220	3,738,929,947
Comprehensive income						
Profit after taxation	-	-	-	-	222,752,722	222,752,722
Other comprehensive loss	-	(21,952,455)	-	(21,952,455)	-	(21,952,455)
Total comprehensive (loss)/income	-	(21,952,455)	-	(21,952,455)	222,752,722	200,800,267
Other transactions						
Transfer from reserve for financial assets at FVTOCI on derecognition	-	(766,370)	-	(766,370)	766,370	-
Transaction with owners						
Final dividend @ 100% i.e. Rs. 10 per ordinary share	-	-	-	-	(109,500,000)	(109,500,000)
As at 31 December 2022 - [Un-audited]	109,500,000	(95,830,098)	7,760,000	(88,070,098)	3,808,800,312	3,830,230,214
Comprehensive income						
Profit after taxation	-	-	-	-	196,982,368	196,982,368
Other comprehensive loss	-	(2,078,527)	-	(2,078,527)	(4,546,549)	(6,625,076)
Total comprehensive (loss)/income	-	(2,078,527)	-	(2,078,527)	192,435,819	190,357,292
Other transactions						
Transfer from reserve for financial assets at FVTOCI on derecognition	-	15,976,009	-	15,976,009	(15,976,009)	-
Related taxation	-	(3,029,110)	-	(3,029,110)	3,029,110	-
	-	12,946,899	-	12,946,899	(12,946,899)	-
	-	-	-	-	-	-
Transaction with owners						
As at 30 June 2023 - [Audited]	109,500,000	(84,961,726)	7,760,000	(77,201,726)	3,988,289,232	4,020,587,506
Comprehensive income						
Profit after taxation	-	-	-	-	43,703,878	43,703,878
Other comprehensive gain	-	76,323,567	-	76,323,567	-	76,323,567
Total comprehensive (loss)/income	-	76,323,567	-	76,323,567	43,703,878	120,027,445
Other transactions						
Transfer from reserve for financial assets at FVTOCI on derecognition	-	(3,021,299)	-	(3,021,299)	3,021,299	-
Transaction with owners						
Final dividend @ 60% i.e. Rs. 6 per ordinary share	-	-	-	-	(65,700,000)	(65,700,000)
As at 31 December 2023 - [Un-audited]	109,500,000	(11,659,458)	7,760,000	(3,899,458)	3,969,314,409	4,074,914,951

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Lahore : 14 February 2024


Amin Ellahi Shaikh
Director


Muhammad Ahmad
Chief Financial Officer


Haroon Shahzada Ellahi Shaikh
Chief Executive Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023**

	Six-month period ended	
	31-Dec-23	31-Dec-22
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	131,547,770	269,988,426
Adjustments for non-cash and other items		
Depreciation	267,888,232	204,820,479
Provision for employees retirement benefits	30,748,884	20,728,430
Gain on disposal of property, plant and equipment	(1,261,470)	(23,983)
Changes in fair value of other financial assets at FVTPL	(1,372,261)	(267,230)
Gain on disposal of other financial assets at FVTPL	(110,964)	(11,432,248)
Dividend income	(18,484,708)	(34,617,191)
Finance cost	270,648,547	82,517,295
	548,056,260	261,725,552
	679,604,030	531,713,978
Changes in working capital		
Stores and spares	(15,982,456)	6,291,994
Stock in trade	(180,347,221)	536,428,748
Trade receivables	(233,200,328)	(145,642,783)
Advances and other receivables	494,581,754	(971,907,269)
Trade and other payables	187,168,780	(20,479,202)
	252,220,529	(595,308,512)
Cash generated from/(used in) operations	931,824,559	(63,594,534)
Payments for:		
Finance cost	(275,955,439)	(81,066,985)
Income tax	(65,529,662)	(103,542,094)
Employees retirement benefits	(11,397,105)	(9,842,546)
Net cash generated from/(used in) operating activities	578,942,353	(258,046,159)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(8,942,936)	(861,428,271)
Proceeds from disposal of property, plant and equipment	2,240,000	36,500
Purchase of short term investments	(708,898,956)	(3,744,376,330)
Proceeds from disposal of short term investments	39,909,911	3,371,210,822
Dividend received	15,712,001	29,424,612
Net cash used in investing activities	(659,979,980)	(1,205,132,667)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	-	1,300,274,646
Repayment of long term finances	(196,564,064)	(202,446,486)
Dividend paid	(65,220,706)	(108,739,394)
Net increase in short term borrowings	328,125,467	488,632,168
Net cash generated from financing activities	66,340,697	1,477,720,934
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(14,696,930)	14,542,108
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	145,321,727	51,265,550
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	130,624,797	65,807,658

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Amin Ellahi Shaikh
Director

Muhammad Ahmad
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Chief Executive Officer

Lahore : 14 February 2024



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

1 LEGAL STATUS AND OPERATIONS

Ellocot Spinning Mills Limited [‘the Company’] was incorporated in Pakistan as a Public Limited Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The Company is a spinning unit engaged in the manufacture and sale of yarn. The registered office of the Company is situated at Nagina House, 91-B-1, M.M. Alam Road, Gulberg III, Lahore. The regional office of the Company is situated at 2nd Floor, Shaikh Sultan Trust Building No. 2, 26 - Civil Lines, Beaumont Road, Karachi. The manufacturing facility is located at 6.3 K.M, Manga Mandi, Raiwind Road Mouza Rossa, Tehsil and District Kasur in the province of Punjab measuring area of 236 Kanal and 14 Marlas.

2 BASIS OF PREPARATION

These interim financial statements are un-audited and have been presented in condensed form and do not include all the information as is required to be provided in a full set of annual financial statements. These interim financial statements should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2023.

These interim financial statements have been subjected to limited scope review by the auditors of the company, as required under section 237 of the Companies Act, 2017. The comparative condensed interim statement of financial position as at 30 June 2023 and the related notes to the interim financial statements are based on audited financial statements. The comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and related notes to the condensed interim financial statements for the six-month period ended 31 December 2022 are based on unaudited, reviewed interim financial statements. The condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended 31 December 2023 and 31 December 2022 are neither audited nor reviewed.

2.1 Statement of compliance

These interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:

- International Accounting Standard 34 - Interim Financial Reporting, issued by International Accounting Standards Board [IASB] as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These interim financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis as at the reporting date.

Items	Measurement basis
Financial liabilities	Amortized cost
Financial assets	Fair value/amortized cost
Employee retirement benefits	Present value

2.3 Judgments, estimates and assumptions

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.



2.4 Functional currency

These interim financial statements have been prepared in Pak Rupees which is the Company's functional currency. The amounts reported in these interim financial statements have been rounded to the nearest Rupees unless specified otherwise.

2.5 Date of authorization for issue

These interim financial statements have been approved by the Board of Directors of the Company and authorized for issue on 14 February 2024.

3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE PERIOD.

The following new and revised standards, interpretations and amendments are effective in the current period but are either not relevant to the Company or their application does not have any material impact on the interim financial statements of the Company other than presentation and disclosures, except as stated otherwise.

3.1 Reference to the Conceptual Framework (Amendments to IFRS 3 - Business Combinations)

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

3.2 Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16 - Property, Plant and Equipment)

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

3.3 Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37 - Impairment of Assets)

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

3.4 Annual Improvements to IFRS Standards 2018–2020

The annual improvements have made amendments to the following standards:

- **IFRS 1 - First Time Adoption of International Financial Reporting Standards** - The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.
- **IFRS 9 - Financial Instruments** - The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.
- **IFRS 16 - Leases** - The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.
- **IAS 41 - Agriculture** - The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.



ELLCOT SPINNING MILLS LIMITED

	Effective date (annual periods beginning on or after)
Sale or contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures).	Deferred Indefinitely
Disclosure of Accounting Policies (Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Making Materiality Judgements)	01 January 2023
Definition of Accounting Estimates (Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 - Income Taxes)	01 January 2023
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 - Presentation of Financial Statements).	01 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16 - Leases)	01 January 2024
Non-current Liabilities with Covenants (Amendments to IAS 1 - Presentation of Financial Statements)	01 January 2024

Other than afore mentioned standards, interpretations and amendments, IASB has also issued the following standards which have not been notified by the Securities and Exchange Commission of Pakistan ["SECP"]:

IFRS 1 - First Time Adoption of International Financial Reporting Standards

IFRS 17 - Insurance contracts

The Company intends to adopt these new and revised standards, interpretations and amendments on their effective dates, subject to, where required, notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will not have a material impact on the Company's financial statements other than in presentation/disclosures.

5 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual audited financial statements of the Company for the year ended 30 June 2023.

	Note	31-Dec-23	30-Jun-23
		Rupees	Rupees
		[Un-audited]	[Audited]
6 LONG TERM FINANCES			
From Banking companies			
As at beginning of the period/year		4,369,787,421	3,358,773,885
Obtained during the period/year		-	1,387,089,263
Accretion during the period/year		38,484,875	73,302,022
Repayments made during the period/year		(196,564,064)	(449,377,749)
As at end of the period/year		4,211,708,232	4,369,787,421
Current maturity presented under current liabilities		(460,018,700)	(386,581,189)
		3,751,689,532	3,983,206,232



ELLCOT SPINNING MILLS LIMITED

	<i>Note</i>	31-Dec-23	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
7 DEFERRED GRANT			
As at beginning of the period/year		379,091,906	452,393,928
Amortized during the period/year		(38,484,875)	(73,302,022)
As at end of the period/year		340,607,031	379,091,906
Current maturity presented under current liabilities		(73,921,068)	(76,416,422)
		266,685,963	302,675,484
8 CONTINGENCIES AND COMMITMENTS			
8.1 Contingencies			
8.1.1 Various banking companies have issued guarantees on behalf of the Company and discounted receivables of the Company as detailed below:			
		31-Dec-23	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
Bank guarantees		308,511,000	493,512,294
Bills discounted		14,766,908	386,377,015
8.2 Commitments			
8.2.1 Commitments under irrevocable letters of credit for:			
- purchase of stores and spares		53,382,057	59,187,077
- purchase of raw material		706,619,360	754,317,731
		760,001,417	813,504,808
8.2.2 Commitments under short term leases			
The Company has rented office premises from a related party under short term lease arrangements. Lease agreement covers a period of one year and is renewable/extendable on mutual consent. Lease rentals are payable quarterly in advance. Commitments for payments in future periods under the lease agreement are as follows:			
	<i>Note</i>	31-Dec-23	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
- payments not later than one year		1,406,232	669,636
- payments later than one year		-	-
		1,406,232	669,636
9 FIXED ASSETS			
Property, plant and equipment			
Operating fixed assets	9.1	5,082,589,748	5,348,493,610
Capital work in progress	9.2	11,311,321	5,331,285
Intangible assets	9.3	-	-
		5,093,901,069	5,353,824,895



ELLCOT SPINNING MILLS LIMITED

	<i>Note</i>	31-Dec-23	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
9.1 Operating fixed assets			
Net book value at beginning of the period/year		5,348,493,610	4,016,655,871
Additions during the period/year			
Freehold land		-	20,802,100
Building on freehold land		-	103,006,166
Plant and machinery		-	1,649,704,797
Office equipment		716,000	666,346
Furniture and fixtures		233,000	1,418,220
Vehicles		2,013,900	11,679,500
		2,962,900	1,787,277,129
Net book value of assets disposed during the period/year		(978,530)	(30,215,819)
Depreciation for the period/year		(267,888,232)	(425,223,571)
Net book value at end of the period/year		5,082,589,748	5,348,493,610
9.2 Capital work in progress			
As at beginning of the period/year		5,331,285	57,847,805
Additions during the period/year		5,980,036	1,700,194,443
Transfers to operating fixed assets		-	(1,752,710,963)
As at end of the period/year		11,311,321	5,331,285
9.3 Intangible assets			
These represents cost of Oracle Financials Suite acquired by the Company, fully amortized @ 20% per annum using straight line method.			
	<i>Note</i>	31-Dec-23	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
10 OTHER FINANCIAL ASSETS			
Financial assets at fair value through other comprehensive income	<i>10.1</i>	205,744,034	153,108,716
Financial assets at fair value through profit or loss	<i>10.2</i>	700,237,391	3,178,054
Financial assets at amortized cost	<i>10.3</i>	38,000,000	28,420,723
		943,981,425	184,707,493
10.1 Financial assets at fair value through other comprehensive income			
These represent investments in listed equity securities and mutual funds which have been designated as 'financial assets at fair value through other comprehensive income'. These investments are not held for trading. Instead, they are held for strategic purposes for an indefinite period. Accordingly, the Company has elected to designate these investments as at fair value through other comprehensive income as the management believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments and realizing their performance potential in the long run. The details are as follows:			



ELLCOT SPINNING MILLS LIMITED

	31-Dec-23	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
<i>Investments in listed equity securities</i>		
Cost of investment	219,373,960	252,429,123
Changes in fair value	(13,629,926)	(99,320,407)
	205,744,034	153,108,716
	205,744,034	153,108,716

10.1.1 Changes in fair value of investments at fair value through other comprehensive income

	31-Dec-23 [Un-Audited]		
	Listed equity securities	Mutual funds	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
As at beginning of the year	(99,320,407)	-	(99,320,407)
Fair value gain arising during the period	89,222,385	-	89,222,385
Fair value gain transferred to retained earnings on disposal	(3,531,904)	-	(3,531,904)
As at end of the year	(13,629,926)	-	(13,629,926)

	30-Jun-23 [Audited]		
	Listed equity securities	Mutual funds	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
As at beginning of the year	(91,084,210)	(49,165)	(91,133,375)
Fair value (loss)/gain arising during the period	(24,329,681)	933,010	(23,396,671)
Fair value (loss)/gain transferred to retained earnings on disposal	16,093,484	(883,845)	15,209,639
As at end of the year	(99,320,407)	-	(99,320,407)

10.2 Financial assets at fair value through profit or loss

These represent investments in mutual funds. These, being held for trading, are required to be measured at fair value through profit or loss mandatorily. Accordingly, these have been classified as 'financial assets at fair value through profit or loss'. Particulars of investments are as follows:

	31-Dec-23	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
Investments in mutual funds		
Cost of investment	698,865,130	3,164,973
Changes in fair value	1,372,261	13,081
	700,237,391	3,178,054

10.3 Financial assets classified at amortized cost

These represent investment in term deposits receipts placed with banking company for a period of six months and carry interest at 20.10% per annum.

11 COST OF SALES

	Six-month period ended		Three-month period ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Un-audited]	[Un-audited]	[Un-audited]
Raw material consumed	5,042,165,352	3,944,804,464	2,614,058,289	2,000,664,199
Power and fuel	914,866,782	590,733,006	502,662,233	279,035,414
Stores and spares consumed	236,255,589	132,852,253	118,840,360	63,788,842
Salaries, wages and benefits	275,280,097	234,212,842	152,509,460	120,130,696
Insurance	19,679,934	12,918,773	9,762,866	6,535,883
Repair and maintenance	14,217,766	8,154,867	7,141,615	4,564,215
Depreciation	262,166,855	198,907,241	131,131,256	100,075,606
Others	30,505,380	27,558,152	13,045,968	17,315,985
Manufacturing cost	6,795,137,755	5,150,141,598	3,549,152,047	2,592,110,840
Work in process				
As at beginning of the period	118,238,905	79,611,941	112,624,083	83,499,875
As at end of the period	(110,424,742)	(97,343,644)	(110,424,742)	(97,343,644)
	7,814,163	(17,731,703)	2,199,341	(13,843,769)
Cost of goods manufactured	6,802,951,918	5,132,409,895	3,551,351,388	2,578,267,071
Finished goods				
As at beginning of the period	304,978,028	279,395,082	240,669,544	143,436,943
Purchased during the period	-	103,822,700	-	103,822,700
As at end of the period	(250,377,492)	(262,238,433)	(250,377,492)	(262,238,433)
	54,600,536	120,979,349	(9,707,948)	(14,978,790)
	6,857,552,454	5,253,389,244	3,541,643,440	2,563,288,281

12 PROVISION FOR TAXATION

12.1 Provision for current tax has been made in accordance with the requirements of section 4C, 113, 150 and 154 of the Income Tax Ordinance, 2001.

12.2 No provision for deferred tax has been made as the impact of the same is considered immaterial.



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13 TRANSACTIONS WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company.

The Company has a lease agreement with an associated company which is prices as mutually agreed. Transactions with key management personnel are limited to payment of short term employee benefits and dividend on ordinary shares. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an orderly transaction between market participants at the date of transaction.

There are no balances outstanding with related parties as at the reporting date. Detail of transactions with related parties are as follows:

		Six-month period ended	
		31-Dec-23	31-Dec-22
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Un-audited]
13.1	Transactions with related parties		
	Nature of relationship		
	Nature of transaction		
	Associated companies		
	Purchases	-	121,533,670
	Sales	3,890,410,886	2,468,865,833
	Rent paid	334,818	608,760
	Key management personnel		
	Short term employees benefits	19,175,834	17,233,335

14 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

		31-Dec-23	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
14.1	Financial assets		
	Cash in hand	788,174	-
	Financial assets at amortized cost		
	Long term deposits	7,090,700	7,090,700
	Trade receivables	1,178,483,551	945,283,223
	Advances to employees	709,600	1,764,318
	Security deposits	-	13,855,868
	Term deposits and accrued profit thereon	-	28,420,723
	Bank balances	129,836,623	145,321,727
		1,316,120,474	1,141,736,559
	Financial assets designated as fair value through OCI		
	Investment in listed equity securities	205,744,034	153,108,716
		205,744,034	153,108,716
	Financial assets designated as fair value through profit or loss		
	Investment in mutual funds	700,237,391	3,178,054
		2,222,890,073	1,298,023,329



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	31-Dec-23	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
14.2 Financial liabilities		
<i>Financial liabilities at amortized cost</i>		
Long term finances	4,211,708,232	4,369,787,421
Short term borrowings	730,949,937	402,824,470
Accrued interest/profit	105,183,760	110,490,652
Trade creditors	191,933,076	75,478,579
Accrued liabilities	416,933,980	360,917,755
Unclaimed dividend	8,167,387	7,688,093
	5,664,876,372	5,327,186,970

15 FAIR VALUE MEASUREMENTS

The Company measures some of its assets at fair value. The fair value hierarchy of financial instruments measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

15.1 Financial instruments measured at fair value

15.1.1 Recurring fair value measurements

Nature of asset	Hierarchy	Valuation techniques/Key inputs	31-Dec-23	30-Jun-23
			<i>Rupees</i>	<i>Rupees</i>
			[Un-audited]	[Audited]
Investments				
Investments in equity securities at FVTOCI	Level 1	Quoted prices in an active market	205,744,034	153,108,716
Investments in mutual funds at FVTPL	Level 1	Quoted prices in an active market	700,237,391	3,178,054

15.1.2 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

15.2 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value to approximate their carrying values.

15.3 Assets and liabilities other than financial instruments.

None of the assets and liabilities other than financial instruments are measured at fair value.

16 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual published financial statements of the Company for the year ended 30 June 2023.

17 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require adjustment of and/or disclosure in these interim financial statements.



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18 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these interim financial statements.

19 GENERAL

19.1 There are no other significant activities since 30 June 2023 affecting the interim financial statements.

19.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period.

Lahore : 14 February 2024

Amin Ellahi Shaikh
Director

Muhammad Ahmad
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Chief Executive Officer

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