



**QUARTERLY ACCOUNTS
FOR THREE MONTHS ENDED
SEPTEMBER 30, 2014
(UN-AUDITED)**

GULSHAN SPINNING MILLS LIMITED

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Company Information

BOARD OF DIRECTORS	Mr. Sohail Maqsood (Chairman) Mr. Tanveer Ahmed (Chief Executive) Mr. Riaz Ahmed Mr. Muhammad Shafiq Mr. Iftikhar Ali Mr. Muhammad Yousaf Mr. Hussain Athar
AUDIT COMMITTEE	Mr. Hussain Athar (Chairman) Mr. Muhammad Shafiq Mr. Sohail Maqsood
HR & REMUNERATION COMMITTEE	Mr. Riaz Ahmed (Chairman) Mr. Tanveer Ahmed Mr. Hussain Athar
CHIEF FINANCIAL OFFICER	Mr. Muhammad Shahid
COMPANY SECRETARY	Mr. Javaid Iqbal
AUDITORS	M/s. Hameed Chaudhri & Company Chartered Accountants Karachi.
LEGAL ADVISOR	M/s. Akhtar Javed - Advocate
TAX CONSULTANT	M/s. Sharif & Company - Advocate
SHARE REGISTRAR OFFICE	M/s. Hameed Majeed Associates (Pvt) Ltd. Karachi Chamber Hasrat Mohani Road Karachi Ph. 32411474, 32412754, Fax. 32424835
REGISTERED OFFICE	2nd Floor Finlay House I.I. Chundrigar Road Karachi.
REGIONAL OFFICE	2nd Floor, Garden Heights, 8 Aibak Block, New Garden Town, Lahore.
MILLS	Unit I Tibba Sultan Pur, Distt. Vehari Unit II Jumber Khurd Tehsil Chunion Distt, Kasur Unit III Warburton Distt. Nankana Sahib

Director's Report to Shareholders

The Directors of your Company are pleased to present unaudited financial statements of the Company for the first quarter ended September 30, 2014.

Financial Results

Operating indicators	1st Quarter Ended September 30, 2014	1st Quarter Ended September 30, 2013
	(Rupees)	(Rupees)
Sales	15,477,358	286,048,145
Gross loss	(38,538,615)	(30,324,210)
Pre Tax (loss)	(57,390,712)	(45,951,591)
Provision for Taxation	1,064,884	2,185,676
Loss Per Share	(2.63)	(2.17)

The period under review has also been proved difficult period. Severe energy crises coupled with on-going financial impediments have obstructed the utilization of production capacities. The root cause for this underutilization had been non-availability of working capital facilities which were blocked by the banks/financial institutions unilaterally, and resultantly the Company could not efficiently purchase sufficient raw material to run the installed capacities at optimum level. This hindered the Company's plan to achieve the desired production targets which badly affected our sales turnover as well as profitability of the Company. In spite of the ongoing adverse eventualities the Management is making all possible efforts to keep the Mills of the Company operational.

The debt amortization profile, higher interest cost and associated liquidity problems have forced the Company to initiate restructuring of its debt obligations subject to reconciliation of financial obligations to ensure continued timely discharge of its commitments to its lenders. The Company has initiated the debt restructuring process with the help of the key lending financial institutions. In this regard leading law firm has been appointed as transaction lawyer and restructuring plan/terms are in process of finalization and majority of financial institutions have agreed in principle to the restructuring process. Once achieved it would improve the company's financial health and liquidity of the Company.

Future Outlook:

We have been conscious of the issues that are affecting our profitability and are committed to plans to turn Company into profit by implementing the restructuring process (which is at advance stage) for better financial position, strengthening our operations through proficient acumen, improving manufacturing processes and offering better service to our customers. Moreover, present trend of increase in inflation, unpredictable abnormal hike in power costs and load shedding are likely to continue. All these factors may affect the profitability for the next quarter. In spite of these circumstances, the Management would be putting its best efforts to ensure continued growth, operational efficiency and optimum results for the Company and its valued stakeholders.

Acknowledgement:

We appreciate the efforts and with thanks place on record the continued support extended to us by our customers, suppliers and bankers. The valuable services rendered by our team of employees are gratefully acknowledged.

Gulshan Spinning Mills Limited

Balance Sheet As at September 30, 2014

	NOTE	September/14 Rupees	June/14 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	3,687,704,784	3,709,851,590
Long term investment	5	92,600,085	92,044,601
Long term deposits		8,516,563	8,666,608
		<u>3,788,821,432</u>	<u>3,810,562,799</u>
CURRENT ASSETS			
Stores, spares and loose tools		34,298,727	34,781,969
Stocks in trade		625,036,858	625,036,858
Trade debtors		97,804,365	137,758,235
Loans and advances		32,429,652	32,194,115
Deposit and prepayments		6,448,650	6,448,651
Short term investment		9,014,190	9,014,190
Accrued mark up / interest		70,602,870	67,862,517
Other Receivables		15,356,340	15,288,764
Cash and bank balances		12,719,063	11,490,658
		<u>903,710,715</u>	<u>939,875,957</u>
		<u>4,692,532,147</u>	<u>4,750,438,756</u>
EQUITY AND LIABILITIES			
Share capital		222,250,380	222,250,380
Reserves		272,000,000	272,000,000
Unappropriated loss		(2,436,382,309)	(2,390,322,759)
Shareholders' equity		<u>(1,942,131,929)</u>	<u>(1,896,072,379)</u>
SURPLUS ON REVALUATION OF LAND		1,972,205,002	1,963,790,345
SUBORDINATE LOAN		250,000,000	250,000,000
NON CURRENT LIABILITIES			
Loan from the chief Executive		-	-
Long term finances		70,785,585	71,896,635
Liabilities against assets subject to finance lease	6	-	-
Staff retirement benefits		25,450,838	27,914,581
Deferred liabilities		837,246,599	856,992,418
		<u>933,483,022</u>	<u>956,803,634</u>
CURRENT LIABILITIES			
Trade and other payables	7	586,019,572	588,896,543
Accrued mark up / interest	8	5,472,137	2,518,511
Current portion of non-current liabilities		133,989,673	133,989,673
Short term borrowings	9	2,742,027,438	2,738,951,309
Provision for taxation		11,467,232	11,561,120
		<u>3,478,976,052</u>	<u>3,475,917,156</u>
CONTINGENCIES AND COMMITMENTS	10	-	-
		<u>4,692,532,147</u>	<u>4,750,438,756</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

TANVEER AHMED
Chief Executive

SOHAIL MAQSOOD
Director

**Condensed Interim Profit & Loss Account (Un-audited)
For the first quarter ended September 30, 2014**

	For the first quarter ended	
	September/14	September/13
	Rupees	Rupees
Sales	15,477,358	286,048,145
Cost of Sales	54,015,973	316,372,355
Gross loss	(38,538,615)	(30,324,210)
Distribution Cost	1,155,760	2,176,155
Administrative Expenses	16,149,709	13,944,703
Other Operating Expenses	1,877,700	-
Other Operating Income	(3,739,300)	(1,427,605)
	15,443,869	14,693,253
Loss from Operations	(53,982,484)	(45,017,463)
Finance Cost	2,965,572	555,049
Share of Loss from joint venture	(442,656)	(379,079)
Loss before taxation	(57,390,712)	(45,951,591)
Taxation	1,064,884	2,185,676
Loss after taxation	(58,455,596)	(48,137,267)
Loss per share	(2.63)	(2.17)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**Condensed interim Statement of Comprehensive Income-(Un Audited)
For the first quarter ended September 30, 2014**

	September/14 Rupees	September/13 Rupees
Loss after taxation	(58,455,596)	(48,137,267)
Other comprehensive income / (loss)		
Items that will not be reclassified to profit or loss:		
Gain / (loss) on re-measurement of staff retirement benefit obligation	-	-
Impact of deferred tax	-	-
	-	-
Total comprehensive loss for the period	<u>(58,455,596)</u>	<u>(48,137,267)</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**Condensed interim Cash Flow Statement (Un-Audited)
For the first quarter ended September 30, 2014**

	NOTE	September/14 Rupees	September/13 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES	11	9,341,568	60,334,727
Receipts/Payments for			
Interest received		807	264,257
Finance cost paid		(11,946)	(555,049)
Tax paid		(93,887)	(340,921)
Gratuity paid		(7,973,216)	(3,750,037)
Net cash generated from / (used) operating activities		1,263,326	55,952,977
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(2,000,000)	(608,050)
Net cash used in investing activities:		(2,000,000)	(608,050)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		(1,111,050)	-
Short term borrowings - net		3,076,129	(38,311,684)
Net cash from financing activities		1,965,079	(38,311,684)
Net increase in cash and Cash equivalents		1,228,405	17,033,243
Cash and cash equivalents at beginning of the year		11,490,658	17,491,049
Cash and cash equivalents at end of the year		12,719,063	34,524,292

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**Condensed Interim statement of change in equity (Un-audited)
For the first quarter ended September 30, 2014**

	Share Capital Issued, subscribed and paid-up	Reserves		Unappropriated Profit	Total
		Share Premium	General Reserve		
-----Rupees-----					
Balance as at July 1, 2013 (as re-stated)	222,250,380	66,000,000	206,000,000	(2,287,756,179)	(1,793,505,799)
Total comprehensive loss for the period ended September 30,2013					
Loss for the period				(48,137,267)	(48,137,267)
Other comprehensive loss				-	-
	-	-	-	(48,137,267)	(48,137,267)
Surplus on revaluation of fixed assets realised during the year (net of deferred taxation) on account of incremental depreciation.				12,844,021	12,844,021
Effect of item directly credited in the equity by an Associated Company				-	-
Balance as at September 30,2013	222,250,380	66,000,000	206,000,000	(2,323,049,425)	(1,828,799,045)
Balance as at July 1, 2014	222,250,380	66,000,000	206,000,000	(2,390,322,759)	(1,896,072,379)
Total comprehensive loss for the year ended September 30,2014					
Loss for the year				(58,455,596)	(57,390,712)
Other comprehensive income				-	-
	-	-	-	(58,455,596)	(57,390,712)
Surplus on revaluation of fixed assets realised during the year (net of deferred taxation) on account of incremental depreciation.				12,396,046	12,396,046
Effect of item directly credited in the equity by an Associated Company				-	-
BALANCE AS AT SEPTEMBER 30 , 2014	222,250,380	66,000,000	206,000,000	(2,436,382,309)	(1,942,131,929)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

TANVEER AHMED
Chief Executive

SOHAIL MAQSOOD
Director

**Notes to the Condensed interim Financial Information (Un-Audited)
For the first quarter ended September 30, 2014**

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Gulshan Spinning Mills Limited (the Company) was incorporated as a Public Limited Company in Pakistan under the Companies Ordinance, 1984. Its main business is manufacturing and sales of yarn. The shares of the Company are listed on Karachi and Lahore Stock Exchanges. The address of its registered office is 2nd Floor, Finlay House, I.I. Chundrigar Road, Karachi.
- 1.2 The Board of Directors of the Company in its meeting held on April 05, 2011 approved the scheme of merger by amalgamation of the Company and Gulistan Spinning Mills Limited with and into Paramount Spinning Mills Limited along with the approval of the share swap ratio in relation thereto. The Company on orders of Honourable Sindh High Court called Extra Ordinary General Meeting on August 1, 2011 in which the above said scheme was approved by the shareholders of the Company. No Objection Certificates from its creditors and lenders are pending for the said matter

1.3 Going concern assumption

The Company, during the current period, has incurred loss before taxation amounting Rs. 57.391 million and has accumulated loss of Rs. 2,436.38 million as at September 30, 2014. Further, the Company's current liabilities exceeded its current assets by Rs. 2,575.265 million. This is mainly due to under utilisation of capacity because of insufficiency of working capital lines. All the working capital lines and other finances have been blocked by respective banks and financial institutions due to litigations with these lenders as detailed in note 10.1.1 to this condensed interim financial information. These conditions along with other adverse key financial ratios and the pending litigations with the banking companies and financial institutions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and therefore, that it may be unable to realise its assets. This condensed interim financial information however, have been prepared under the going concern assumption due to following reasons:

(i) Restructuring / rescheduling of existing debt / loan facilities availed by the Company

- The Company alongwith its restructuring agent (a leading financial institutions) and all lending financial institutions & banks are in the process of finalising and approving the terms to restructure the outstanding debt obligations of the Company. An indicative term sheet of the restructuring terms is in the process of finalisation; immediately thereafter it will be signed by all parties and legal documentation will be executed to formalize the restructuring of outstanding debts of the Company. Salient features of this indicative term sheet are as follows:
 - The existing facilities will be restructured and consolidated into a long term facility and aggregate principal outstanding will be repaid over 8 years. The sponsors will inject equity through sale of assets of the Company for approximately Rs.2,046 million. Balance of the outstanding facility amount will be repaid in instalments over a period of 8 years on quarterly basis as per the agreed repayment schedule;
 - Total accrued and outstanding mark-up due / payable till June 30, 2014 by the Company to its existing lenders will be repaid starting immediately after the expiry of 8 years time period of principal repayment on quarterly basis over a 2 years period (accrued mark-up period); and
 - Mark-up rate shall be 5.00% per annum for the first 2 years of repayment tenor, however, a mark-up of 0.50% per annum shall be paid by the Company during the first year and mark-up at the rate of 1.00% will be paid in second year of the repayment tenor. Whereas the remaining differential mark-up amount for these periods will be accumulated and repaid on quarterly basis starting from second-year of the accrued mark-up period. For the remaining 6 years of the restructured facility , mark-up shall be charged and repaid on quarterly basis at the rate of 5.00% per annum.
- (ii) the management has made arrangements whereby third party cotton is being processed against processing fee for utilisation of unutilised capacity.
- (iii) the management has also undertaken adequate steps towards the reduction of fixed cost and expenses. Such steps include, but not limited to, rightsizing of the men power, resource conservation, close monitoring of other fixed cost etc.

The management anticipates that above steps will not only bring the Company out of the existing financial crisis but also contribute significantly towards the profitability of the Company in the foreseeable future. Therefore, these financial statements do not include any adjustment that might result, should the Company not be able to continue as a going concern.

2. BASIS OF PRESENTATION

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2014.

3. ACCOUNTING ESTIMATES AND JUDGMENTS

- The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of preceding audited annual financial statements of the Company for the year ended June 30, 2014.
- The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.
- Estimation and judgements made by the management in the preparation of this condensed interim financial information were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2014:

4. PROPERTY, PLANT AND EQUIPMENT	NOTE	September/14 Un-audited Rupees	June/14 Audited Rupees
Operating fixed assets	4.1	3,685,704,784	3,709,851,590
Capital work-in-progress			
- advance for furniture & fixture		2,000,000	-
- advance for land		989,505	989,505
- impairment allowance		(989,505)	(989,505)
		2,000,000	-
		3,687,704,784	3,709,851,590

4.1 Operating fixed assets

Book value at beginning of the period / year	3,709,851,590	3,803,785,944
Additions during the period / year	-	3,293,453
Disposal of vehicles - at book value	-	(1,045,214)
Depreciation charge for the period / year	(24,146,806)	(96,182,593)
Book value at end of the period / year	3,685,704,784	3,709,851,590
Additions during the period / year:		
Plant and machinery	-	444,450
Electric Installations	-	2,318,003
Mills equipment	-	498,000
Office equipment	-	33,000
	-	3,293,453

There has been no change in the status of matter as detailed in note 6.4 to the Company's published annual financial statements for the year ended June 30, 2014.

5. LONG TERM INVESTMENTS

	Note	September/14 (Un-audited) Rupees	June/14 (Audited) Rupees
In Associated Company	5.1	-	-
In Joint Venture	5.2	54,924,321	55,366,977
Available for sale	5.3	37,675,764	36,677,624
		<u>92,600,085</u>	<u>92,044,601</u>

5.1 Investment in an Associate - Gulistan Textile Mills Limited

Refer to contents note 7.1 of the Company's published annual financial statements for the year ended June 30, 2014

	Note	September/14 (Un-audited) Rupees	June/14 (Audited) Rupees
5.2 In Joint Venture			
7,500,000 (June 30, 2014: 7,500,000)		75,000,000	75,000,000
Ordinary shares of Rs.10/- each			
As at July 1,		(19,633,023)	(17,862,397)
Share of loss for the year		(442,656)	(1,770,626)
		<u>(20,075,679)</u>	<u>(19,633,023)</u>
Carrying value of investment		<u>54,924,321</u>	<u>55,366,977</u>

5.2.1 Refer to contents note 7.2 of the Company's published annual financial statements for the year ended June 30, 2014

	Note	September/14 (Un-audited) Rupees	June/14 (Audited) Rupees
5.3 Held to maturity			
Defence saving certificates	5.3.1 & 2	21,000,000	21,000,000
Accrued interest thereon		16,675,764	15,677,624
		<u>37,675,764</u>	<u>36,677,624</u>

5.3.1 This represents investment in Defence Savings Certificates, which are maturing on various dates by March 5, 2020. These carrying mark-up at the effective rate of 18% per annum.

5.3.2 These are under lien with bank against guarantee to Rs. 19.504 millions (June 30,2014: Rs. 19.504 millions)

6. LONG TERM FINANCES AND LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE - Secured

Due to the pending litigations as detailed in note 10.1.1 to this condensed interim financial information, the Company's financial arrangements with the banking companies and financial institutions have been disputed and the Company will only make payments / adjustments of all the finances after the amounts are reconciled with these banks and financial institutions in accordance with the above mentioned suit. In terms of provisions of International Accounting Standard 1 - 'Presentation of Financial Statements', all liabilities under these finance agreements should be classified as current liabilities. Based on the above, instalments due after the twelve months period ending September 30, 2014 under long term finance agreements and lease finance agreements have been grouped under current portion of non-current liabilities.

7. TRADE AND OTHER PAYABLES

Trade and other payables include bills payable / letters of credit payable, which represent payable to various financial institutions in respect of letters of credit (LCs) issued by the financial institutions in favour of various local and imported raw material suppliers. The Company is in litigation with banks and financial institutions as detailed in note 10.1.1 and payments / adjustments will be made upon the outcome of final decision of the litigation.

8. ACCRUED MARK-UP / INTEREST

During the three months ended September 30, 2014, the Company has not provided mark-up / interest on its long term finances, lease finances and short term borrowings to the extent of Rs. 3.267 million, Rs. 0.016 million and Rs. 85.961 million respectively due to pending litigations with the financial institutions. Un-provided mark-up / interest upto the balance sheet date aggregated Rs. 927.060 million.

9. SHORT TERM BORROWINGS - Secured

The abovementioned balances are against finance facilities which were expired during the period and have not been renewed by the respective banks / financial institutions and these banks & financial Institutions have filed suits before different Civil Courts, Banking Courts and High Courts for recovery of their financial liabilities through attachment and sale of Company's hypothecated / mortgaged / charged stocks and properties. The Company had also filed a suit in the Lahore High Court for redemption / release of security, rendition of accounts, recovery of damages, permanent injunction and ancillary reliefs as more fully detailed in note 10.1.1.

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

10.1.1 Liabilities towards banks and financial institutions

- (a) The Company filed a global suit in the Lahore High Court (LHC) against all banks / financial institutions under Section 9 of the Financial Institutions (Recovery of Finances) Ordinance, 2001 (the Ordinance) for redemption / release of security, rendition of accounts, recovery of damages, permanent injunction and ancillary reliefs. The LHC vide its order dated October 25, 2012 ordered not to disturb the present position of current assets and fixed assets of the Company and no coercive action shall be taken against the Company. The LHC through its order dated September 11, 2013 dismissed the case on legal grounds. The Company filed appeal before Divisional Bench of the LHC against the above mentioned order. The Divisional Bench passed order, dated November 27, 2013, that respondent bank will not liquidate the Company's assets and operation of impugned judgement and decree dated September 11, 2013 will remain suspended meanwhile.

However, the Company alongwith its restructuring agent and all lending financial institutions & banks are in the process of finalising and approving the terms to restructure the outstanding debt obligations of the Company. An indicative term sheet of the restructuring terms is in the process of signing; immediately thereafter legal documentation will be executed to formalize the restructuring of outstanding debts of the Company. The management expects that entire process will be completed in due course of time and these recovery suits will be settled accordingly.

- (b) Various banks and financial Institutions have filed suits before Civil Court, Lahore, Sindh High Court and Lahore High Court for recovery of their long term and short term liabilities through attachment and sale of Company's hypothecated / mortgaged / charged stocks and properties. The aggregate amount of these claims is Rs.3,770.429 million (June 2014: Rs.3,770.429 million).

Since the matters are pending before various courts, the Company has not acknowledged its financial liabilities towards these banks / financial institutions until the amounts of principal and mark-up / interest are reconciled with these financial institutions in accordance with the abovementioned suits. However, the liability in respect of principal outstanding has been accounted for to the full extent where as mark-up / interest to the extent of Rs. 927.060 million has not been accounted upto to the reporting date.

The management is strongly contesting the abovementioned cases and is hopeful for a favourable decision. Since all the cases are pending before various Courts therefore the ultimate outcome can not be established.

- 10.1.2** There has been no change in the matter as detailed in note 31.1.2 to the Company's published annual financial statements for the year ended June 30, 2014.

- 10.1.3** Refer to contents note 7.2.5 to the Company's published annual financial statements for the year ended June 30, 2014.

- 10.1.4** Counter guarantees aggregating Rs.78.518 million (June 30, 2014: Rs.78.518 million) given by the Company to various banks outstanding as at September 30, 2014 in respect of guarantees issued in favour of various Government Departments / Institutions and Sui Northern Gas Pipelines Limited.

10.2 Commitments

- 10.2.1** Commitment against confirmed letters of credit outstanding at the period end was Nil (June 30, 2014: Nil).

	Note	For the first quarter ended	
		September/14	September/13
		(Un-audited)	
		Rupees	Rupees
11. Cash flows from operating activities			
Profit before taxation		(57,390,712)	(45,951,591)
Adjustments for;			
Depreciation		24,146,806	24,362,433
Provision of gratuity		5,509,473	4,480,425
Finance cost		2,965,572	555,049
Share of loss from Joint venture		442,656	379,079
Interest income		(3,739,300)	(1,427,605)
Working capital change		37,407,073	77,936,937
		9,341,568	60,334,727
Movement in working capital			
Stores, spare parts and loose tools		483,242	275,136
Stocks in trade		-	7,018,923
Trade debts		39,953,870	50,453,435
Loans and advances		(85,492)	(4,606,090)
Deposits and prepayments		-	209,543
Other receivables		(67,576)	4,661,493
		40,284,044	58,012,440
Increase/(decrease) in trade and other payable		(2,876,971)	19,924,497
Net cash used in operating activities		37,407,073	77,936,937

	Nature of transaction	Nature of relationship	For the first quarter ended	
			September/14	September/13
			(Un-audited)	
			Rupees	Rupees
12. TRANSACTIONS WITH RELATED PARTIES				
Processing income		Associated Company	-	26,278,195
Gratuity		Defined benefit plan	5,509,473	4,480,425
13. OPERATING SEGMENT				

This interim financial information has been prepared on the basis of a single reportable segment.

- (a) Nil (September 2013: Nil) of sales of the Company are made to customers located outside Pakistan.
- (b) All non-current assets of the Company at September, 2014 and September, 2013 are located in Pakistan.

14. GENERAL

Figures have been rounded off to the nearest rupee except stated otherwise.

This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on October 31, 2014.



GULSHAN SPINNING MILLS LIMITED

2nd Floor, Finlay House, I.I. Chundigar Road, Karachi - Pakistan.