THIRD QUARTERLY ACCOUNTS
FOR THE NINE MONTHS ENDED
MARCH 31,2025
(UN AUDITED)

GULISTAN SPINNING MILLS LIMITED

GULISTAN SPINNING MILLS LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Muhammad Akhtar Mirza (Chairman) Mr. Sohail Maqsood (Chief Executive) Mr. Muhammad Ashraf Khan Mrs. Zarqa Asif Mr. M. Junaid Mr.Abid Sattar Mr. Muhammad Arif
AUDIT COMMITTEE	Mr.M. Junaid (Chairman) Mr. Muhammad Akhtar Mirza Mr.Abid Sattar
HR & REMUNERATION COMMITTEE	Mr. Muhammad Arif (Chairman) Mr. M. Akhtar Mirza Mr.Abid Sattar
CHIEF FINANCIAL OFFICER	Mr. Imran Aslam
COMPANY SECRETARY	Mr.Muhammad Ijaz
AUDITORS	M/s. Malik Haroon Ahmed & Co. Chartered Accountants Lahore.
LEGAL ADVISOR	Akhter Javed-Advocate
SHARE REGISTRAR OFFICE	M/s. Hameed Majeed Associates (Pvt) Ltd. Karachi Chamber Hasrat Mohani Road Karachi Ph. 32424826, 32412754, Fax. 32424835
REGISTERED OFFICE	2nd Floor, Finlay House, I.I. Chundrigar Road, Karachi.
REGIONAL OFFICE	2nd Floor, Garden Heights, 8Aibak Block, New Garden Town, Lahore.
WEB PRESENCE	http://www.gulshan.com.pk/corporate/gulistan.html

Gulistan Spinning Mills Limited
2nd Floor Finlay House I.I. Chundrigar Road ,
Karachi (Pakistan)

Director's Report to Shareholders

The Director of your company pleased to present audited financial statements of the Company for the nine months ended March 31, 2025.

Operating & Financial Performance

Operating indicators	Nine Months Ended March 31,2025	Nine Months Ended March 31,2024
	(Rupees)	(Rupees)
Sales	-	-
Gross loss	-	-
Pre tax Profit/ (Loss)	(5,511,793)	(196,970,213)
Provision for taxation	-	-
Profit / (Loss) after taxation	(5,511,793)	(196,970,213)

Over View:

On account of various reasons including, financial liquidity scarcity, significant losses along with depreciation in value of assets as well as prevailing economic conditions in the country, the company has ceased its operations since May 1, 2014. In this back ground a Scheme of Arrangement under section 279 to 283 & 285 of the Companies Act 2017 (Scheme of Arrangement) was submitted before the Sindh High Court at Karachi (the "Court") vide J.C.M. No. 15/19, duly signed by majority of the secured creditors of the company. The Scheme of Arrangement was sanctioned by the Court vide judgment dated 30-10-2023. The Scheme of Arrangement is being implemented in letter and spirit as sanctioned by the Court. As per Scheme of Arrangement all pending litigation with the Banks, both by and against the company, shall be withdrawn by the secured creditors of the company.

Future Outlook

The Scheme of Arrangement shall be implemented and legal proceedings with the Banks both by and against the company, shall be withdrawn in terms of the Scheme of Arrangement. There after the Company would be in a better position to structure the way forward.

Acknowledgement

The Board wishes to place on record its appreciation for the employees, members of management team for their efforts, commitment and hard work during this tough time.

On behalf of the Board

Sohail .M

SOHAIL MAQSOOD
CHIEF EXECUTIVE
Lahore:-28.04.2025

GULISTAN SPINNING MILLS LIMITED

Condensed interim Balance Sheet (Un-audited)

As at March 31, 2025

	Note	(UN-AUDITED) March 31, 2025	(AUDITED) June 30, 2024
		Rupees	
ASSETS			
Disposal under scheme of arrangement	5	**36,574,357**	36,574,357
Tax refunds due from Government		**9,595,884**	9,452,426
Cash and bank balances		**8,525,530**	16,772,781
		54,695,771	62,799,564
SHARE CAPITAL AND RESERVES			
Authorised share capital			
15,000,000 (2024: 15,000,000) Ordinary shares of Rs. 10 each		**150,000,000**	150,000,000
Issued, subscribed and paid up share capital		**146,410,000**	146,410,000
Reserves		**24,983,168**	24,983,168
Sub-Ordinate Loan		**103,000,000**	103,000,000
Surplus on revaluation of property, plant and equipment		**20,315,372**	20,315,372
Unappropriated loss		**(1,981,419,875)**	(1,975,908,082)
		(1,686,711,335)	(1,681,199,542)
LIABILITIES			
Principal Payable to banking companies as per scheme of arrangement	6	**1,046,040,654**	1,046,040,654
Mark-up payable to banking companies as per scheme of arrangement	7	**397,535,999**	397,535,999
Loan from associates and payables		**285,891,234**	288,291,234
Trade and other payables		**11,319,690**	11,511,690
Unclaimed Dividend		**619,529**	619,529
		1,741,407,106	1,743,999,106
CONTINGENCIES AND COMMITMENTS	8		
		54,695,771	62,799,564

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

SOHAIL MAQSOOD	IMRAN ASLAM	ABID SATTAR
CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER	DIRECTOR

GULISTAN SPINNING MILLS LIMITED

Condensed interim Profit & Loss Account (Un-audited)

For the Nine Months Ended March 31, 2025

	Quarter ended		Nine months ended	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
	------------ Rupees ----------------			
Sales - net	-	-	-	-
Cost of sales	-	-	-	-
Gross loss	-	-	-	-
Administrative expenses	-	(233,751)	(106,600)	(797,253)
Loss on sale of disposal group	-	-	-	(196,171,943)
Other operating expenses	(6,546,640)	-	(6,546,640)	-
Other income	43,852	-	1,143,384	-
	(6,502,788)	(233,751)	(5,509,856)	(196,969,196)
Profit / (Loan) from operations	(6,502,788)	(233,751)	(5,509,856)	(196,969,196)
Finance cost	(1,287)	(41)	(1,937)	(1,017)
Profit / (Loss) before taxation	(6,504,075)	(233,792)	(5,511,793)	(196,970,213)
Taxation	-	-	-	-
Profit / (Loss) after taxation	(6,504,075)	(233,792)	(5,511,793)	(196,970,213)
Loss per share - basic and diluted	(0.44)	(0.02)	(0.38)	(13.45)

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

SOHAIL MAQSOOD
CHIEF EXECUTIVE

IMRAN ASLAM
CHIEF FINANCIAL OFFICER

ABID SATTAR
DIRECTOR

GULISTAN SPINNING MILLS LIMITED

Condensed interim Statement of Comprehensive Income (Un-audited)

For the Nine Months Ended March 31, 2025

	Quarter ended		Nine month ended	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
	---------------- Rupees ----------------			
Profit / (Loss) after taxation	**(6,504,075)**	(233,792)	**(5,511,793)**	(196,970,213)
Other Comprehensive Income	-	-	-	
Total comprehensive loss for the period	**(6,504,075)**	(233,792)	**(5,511,793)**	(196,970,213)

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

Sohail M

SOHAIL MAQSOOD

CHIEF EXECUTIVE

IMRAN ASLAM

CHIEF FINANCIAL OFFICER

Abid Sattar

ABID SATTAR

DIRECTOR

GULISTAN SPINNING MILLS LIMITED

Condensed interim Cash Flow Statement (Un-audited)

For the Nine Months Ended March 31, 2025

	NOTE	March 31, 2025	March 31, 2024
		---------Rupees---------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (Loss) before taxation		(5,511,793)	(196,970,213)
Adjustments for:			
Depreciation		-	126,453
Finance cost		1,937	1,017
Loss on sale of fixed assets		-	196,171,943
Cash flows before changes in working capital		(5,509,856)	(670,800)
Changes in working capital	9	(2,735,458)	643,500
Cash generated from operations		(8,245,314)	(27,300)
Finance cost paid		(1,937)	(1,017)
		(1,937)	(1,017)
Net cash generated from operating activities		(8,247,251)	(28,317)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of disposal group under scheme of arrangement		-	400,000,000
Net cash generated from / (used in) investing activities		-	400,000,000
CASH FLOWS FROM FINANCING ACTIVITIES			
paid to banking companies under the scheme of arrangement		-	(400,000,000)
Net cash (used in) / generated from financing activities		-	(400,000,000)
Net increase in cash and cash equivalents		(8,247,251)	(28,317)
Cash and cash equivalents at beginning of the period		16,772,781	4,618,491
CASH AND CASH EQUIVALENTS AT END OF PERIOD		8,525,530	4,590,174

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

Sohail .M

SOHAIL MAQSOOD

CHIEF EXECUTIVE

IMRAN ASLAM

CHIEF FINANCIAL OFFICER

Abid Sattar

ABID SATTAR

DIRECTOR

GULISTAN SPINNING MILLS LIMITED

Condensed interim Statement of Changes in Equity (Un- audited)
For the Nine Months Ended March 31, 2025

	Share Capital	Capital reserve			Revenu reserve	sub-ordinated loan from directors	Total
		Share Premium	other Reserve	Revaluation surplus	Accumulated losses		
	-- Rupees --						
Balance as at 01 July 2023	146,410,000	25,000,000	(16,832)	351,461,447	(2,120,806,558)	103,000,000	(1,494,951,943
Profit for the year the ninie months ended Mar 31,2024		-		(196,970,213) -			(196,970,213
	-	-		(196,970,213)	-	-	(196,970,213
Balance as at 31 Mar 2024	**146,410,000**	**25,000,000**	**(16,832)**	**154,491,234**	**(2,120,806,558)**	**103,000,000**	**(1,691,922,156**
Balance as at 01 July 2024	146,410,000	25,000,000	(16,832)	20,315,372	(1,975,908,082)	103,000,000	(1,681,199,542
Total Comprehensive loss for the nine months ended Mar 31,2025		-		(5,511,793) -			(5,511,793
	-	-		(5,511,793)	-	-	(5,511,793
Balance as at 31 Mar 2025	**146,410,000**	**25,000,000**	**(16,832)**	**14,803,579**	**(1,975,908,082)**	**103,000,000**	**(1,686,711,335**

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

Sohail. M
SOHAIL MAQSOOD
CHIEF EXECUTIVE

IMRAN ASLAM
CHIEF FINANCIAL OFFICER

Abid Sattar
ABID SATTAR
DIRECTOR

GULISTAN SPINNING MILLS LIMITED

Notes to the Condensed interim Financial Information (Un-audited)
For the Nine Months Ended March 31, 2025

1 THE COMPANY AND ITS OPERATIONS

1.1 Gulistan Spinning Mills Limited ("the Company") was incorporated in Pakistan on February 25, 1987, under the Companies Ordinance, 1984(now Companies Act,2017), as a public limited company and is quoted on stock exchanges at Karachi and Lahore (now Pakistan Stock Exchange Limited). The registered office of the Company is situated at 2nd Floor, Finlay House, I.I. Chundrigar Road, Karachi in the province of Sindh, Pakistan.

1.2 **Scheme of arrangement with secured creditors**

The Company along with its restructuring agent – United Bank Limited and majority of the lending financial institutions has signed a "Scheme of Arrangement" under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). Under this Scheme, the existing financial obligations / liabilities of the Company towards the secured creditors shall be settled by way of sale of moveable and immovable charged assets of the Company as detailed in the scheme and payment of the proceeds thereof to the secured creditors as contemplated under the scheme of arrangement.

The Scheme of Arrangement has been sanctioned by the Honorable High Court of Sindh at Karachi vide Judgment dated 30.10.2023, passed in J.C.M. Petition No. 15/2019. The Scheme of Arrangement after its sanction has become binding on the Company, along with all the shareholders, creditors - secured or otherwise, stakeholders and any other regulatory / statutory bodies of/ or with respect to the Company . Under the Scheme of Arrangement, the existing financial obligations / liabilities of the Company towards the secured creditors shall be settled by way of sale of charged assets ("disposal group and stock in trade") the Company and payment of the proceeds thereof shall be paid to the secured creditors as contemplated under the Scheme of Arrangement. All the pending litigation shall be withdrawn in terms of the Scheme of Arrangement.

2 BASIS OF PREPARATION

2.1 This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 237 of the Companies Act, 2017. 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 Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 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, 2024.

3 ACCOUNTING POLICIES

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, 2024.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

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, 2024.

5 DISPOSAL GROUP U/SCHEME	Note	Un-audited March 31, 2025	Audited June 30, 2024
		(Rupees)	
Operating fixed assets	5.1	-	-
Classified as held for sale	5.2	36,574,357	36,574,357
		36,574,357	36,574,357

5.1 Operating fixed assets		
Book value at beginning of the period / year	-	1,479,489
Book value of assets disposed-off		(1,310,883)
Depreciation charge for the period / year	-	(168,606)
Book value at end of the period / year	-	-

GULISTAN SPINNING MILLS LIMITED

Notes to the Condensed interim Financial Information (Un-audited)
For the Nine Months Ended March 31, 2025

5.2 The Company along with its restructuring agent – United Bank Limited and majority of the lending financial institutions has signed a "Scheme of Arrangement" under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act") as deteailed in note 1.2. Hence, above mentioned assets (note 5.2) has been classified and presented under disposal group under scheme of arrangement.

6. PRINCIPAL PAYABLE TO BANKING COMPANIES AS PER SCHEME OF ARRANGEMENT

	Un-audited March 31, 2025	Audited June 30, 2024
	(Rupees)	
Principal payable to banking companies as scheme of arrangement	1,046,040,654	1,046,040,654

This represents payable to banking companies under scheme of arrangement as detailed below:
The Company along with its restructuring agent – United Bank Limited and majority of the lending financial institutions have signed a "Scheme of Arrangement" under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). Under this Scheme, the existing financial obligations / liabilities of the Company towards the secured creditors shall be settled by way of sale of moveable and immovable items of the Company including property, plant and equipment and payment of the proceeds thereof to the secured creditors as contemplated under the Scheme of arrangement.

7. MARK-UP PAYABLE TO BANKING COMPANIES AS PER SCHEME OF ARRANGEMENT

	Un-audited March 31, 2025	Audited June 30, 2024
	(Rupees)	
Mark-up payable to banking companies as per scheme of arrangement	397,535,999	397,535,999

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no change in the matter detailed in note 19.1.1 to 19.1.5, 19.2.1 to 19.2.3 & 19.3 to the Company's published annual financial statements for the year ended June 30, 2024.

8.2 Commitments

There is no change in the matter as detail in note 19.4 to the Company's published annual financial statements for the year ended June 30, 2024.

	(Un-audited) Nine months ended	
	March 31, 2025	March 31, 2024
	Rupees	
9 Movement in working capital		
(Increase) / decrease in current assets:		
Loan from associates and payables	(2,400,000)	858,500
Tax refunds due from Government	(143,458)	-
	(2,543,458)	858,500
Increase / (decrease) in trade and other payables	(192,000)	(215,000)
	(2,735,458)	643,500

GULISTAN SPINNING MILLS LIMITED

Notes to the Condensed interim Financial Information (Un-audited)
For the Nine Months Ended March 31, 2025

10 RELATED PARTY TRANSACTIONS

The related parties comprises associated companies, directors and key management personnel. Transaction with related parties are carried out on arm's length basis. Aggregate transactions with associated companies during the period was Nil.

11 GENERAL

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

11.2 This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on 28/04/2025.

Sohail .M

SOHAIL MAQSOOD
CHIEF EXECUTIVE

IMRAN ASLAM
CHIEF FINANCIAL OFFICER

Abid Sattar

ABID SATTAR
DIRECTOR