

Gulistan Spinning Mills Limited
Financial Statements
For the Year Ended June 30, 2024

GULISTAN SPINNING MILLS LTD

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GULISTAN SPINNING MILLS LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muhammad Akhtar Mirza (Chairman)
Mr. Sohail Maqsood (Chief Executive)
Mr. Muhammad Ashraf Khan
Mr. Muhammad Junaid
Mrs. Zarqa Asif
Mr. Abid Sattar
Mr. Muhammad Arif

AUDIT COMMITTEE

Mr. Muhammad Junaid (Chairman)
Mr. Muhammad Akhtar Mirza
Mr. Abid Sattar

HR & REMUNERATION COMMITTEE

Mr. Muhammad Arif (Chairman)
Mr. Muhammad Akhtar Mirza
Mr. Abid Sattar

CHIEF FINANCIAL OFFICER

Mr. Salman Ali Riaz

COMPANY SECRETARY

Mr. Muhammad Ijaz

AUDITORS

M/s. Malik Haroon Ahmad & 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

CORPORATE VISION / MISSION STATEMENT



Vision:

We aim to re-built the Company.



Mission:

To become again a quality manufacturer of textile products.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of **Gulistan Spinning Mills Limited** (the "Company") will be held at 2nd Floor Finlay House, I.I. Chundrigar Road, Karachi on **Monday 28th October, 2024 at 08:30 a.m.**, to transact the following business:

1. To confirm the minutes of the last Annual General Meeting of the Company.
2. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on June 30, 202 together with Directors' and Auditors' Reports thereon.
3. To appoint auditors of the company for the next financial year 2024-2025 and fix their remuneration. The retiring Auditors M/s Malik Haroon Ahmad & Co (formerly Malik Haroon Shahid Safder and Co.) Chartered Accountants, being eligible, have offered themselves for reappointment as Auditors of the company.
4. To transact any other business with the permission of the Chairman.

Lahore:
October 07, 2024

NOTES:

- 1- The share transfer books of the company will remain closed and no transfer of shares will be accepted for registration from **21st October, 2024 to 28th October, 2024 (both days inclusive).**
- 2- A member entitled to attend and vote at the general meeting may appoint any other member as proxy in writing to attend the meeting and vote on his/her behalf. Duly completed form(s) of proxy must be deposited with the Company at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
- 3- CDC Account Holders are requested to bring with them their CNIC along with participant I.D & their account number at the time of meeting in order to facilitate identification. In case of corporate entity, a certified BOD resolution/ valid power of attorney with specimen signature of the nominee be produced at the time of meeting.
- 4- Members interested in attending this meeting through video link are requested to register themselves by submitting complete information via registered email to m.ijaz@gulshan.com.pk before the October 22, 2024
- 5- Members are requested to notify immediately changes of their addresses (if any) to our Shares Registrar M/s Hameed Majeed Associates (Pvt) Limited, Karachi Chamber, Hasrat Mohani Road, Karachi.

By Order of the Board

Muhammad Ijaz

Company Secretary



اطلاع دی جاتی ہے کہ گلستان اسپننگ ملز لمیٹڈ ("کمپنی") کا سالانہ اجلاس 2nd فلور فنلے ہاؤس، I.I میں منعقد ہوگا۔
چندریگر روڈ، کراچی بروز پیر 28 اکتوبر 2024 کو صبح 8:30 بجے، درج ذیل کاروبار کے لیے:

1. کمپنی کی آخری سالانہ جنرل میٹنگ کے منٹس کی تصدیق کرنا۔
2. 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کو وصول کرنے، ان پر غور کرنے اور اس پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس کے ساتھ اپنانے کے لیے۔
3. اگلے مالی سال 2024-2025 کے لیے کمپنی کے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین کرنا۔ ریٹائر ہونے والے آڈیٹرز میسرز ملک ہارون احمد اینڈ کمپنی (سابقہ نام ملک ہارون شاہد صفدر اینڈ کمپنی) چارٹرڈ اکاؤنٹنٹس نے اہل ہونے کی وجہ سے خود کو کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کے لیے پیش کیا ہے۔
4. چیئرمین کی اجازت سے کوئی دوسرا کاروبار کرنا۔

بورڈ کے حکم سے

محمد اعجاز

لاہور: کمپنی سیکرٹری

07 اکتوبر 2024

نوٹس:

- 1- کمپنی کی حصص کی منتقلی کی کتابیں بند رہیں گی اور 21 اکتوبر 2024 سے 28 اکتوبر 2024 تک (دونوں دن سمیت) رجسٹریشن کے لیے حصص کی کوئی منتقلی قبول نہیں کی جائے گی۔
- 2- جنرل میٹنگ میں شرکت اور ووٹ دینے کا حقدار ممبر کسی دوسرے ممبر کو تحریری طور پر میٹنگ میں شرکت کرنے اور اپنی طرف سے ووٹ دینے کے لیے پراکسی مقرر کر سکتا ہے۔ پراکسی کے باضابطہ طور پر مکمل کیے گئے فارم کو کمپنی کے رجسٹرڈ آفس میں میٹنگ کے لیے مقررہ وقت سے 48 گھنٹے پہلے کمپنی کے پاس جمع کرانا چاہیے۔
- 3- سی ڈی سی اکاؤنٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ شناخت میں سہولت کے لیے میٹنگ کے وقت اپنا شناختی کارڈ اور شریک شناختی کارڈ اور اکاؤنٹ نمبر اپنے ساتھ لائیں۔ کارپوریٹ ادارے کی صورت میں، میٹنگ کے وقت ایک تصدیق شدہ BOD ریزولوشن/نمائندے کے دستخط کے ساتھ درست پاور آف اٹارنی پیش کیا جائے۔
- 4- ویڈیو لنک کے ذریعے اس میٹنگ میں شرکت میں دلچسپی رکھنے والے ممبران سے درخواست ہے کہ وہ 22 اکتوبر 2024 سے پہلے m.ijaz@gulshan.com.pk پر رجسٹرڈ ای میل کے ذریعے مکمل معلومات جمع کر کے خود کو رجسٹر کریں۔
- 5- اراکین سے درخواست ہے کہ وہ اپنے پتے کی تبدیلیوں (اگر کوئی ہیں) کو فوری طور پر ہمارے شینرز رجسٹرار میسرز حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، کراچی چیئرمین، حسرت موبانی روڈ، کراچی کو مطلع کریں۔

GULISTAN SPINNING MILLS LIMITED

CHAIRMAN REVIEW

It is my privilege to serve as a chairman of Board of Directors of M/S Gulistan Spinning Mills Limited (the "Company"). I would like to thank our esteemed shareholders for entrusting me for guiding directions of the company.

The Scheme of Arrangement under section 279 of the Companies Act 2017 has been duly sanctioned by the Honorable Sindh High Court at Karachi. The Company is very hopeful that with restructuring and settlement of amounts, the pending issues with financial institutions will be resolved. The liability of the Company will be settled in terms of the Scheme of Arrangement. All pending litigations with banks will be withdrawn as per the Scheme of Arrangement.

ACKNOWLEDGEMENTS

The performance of our Board and the services render by the management and staff of the Company is appreciated.



Muhammad Akhtar Mirza

Lahore :- Oct-05-2024

گلستان سپننگ ملز لمیٹڈ

چینرمین کا جائزہ

M/S گلستان اسپننگ ملز لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز کے چینرمین کے طور پر خدمات انجام دینا میرے لیے اعزاز کی بات ہے۔ میں اپنے معزز شیئر ہولڈرز کا شکریہ ادا کرنا چاہوں گا کہ انہوں نے مجھے کمپنی کی رہنمائی کی ذمہ داری سونپی۔

کمپنی کو پوری امید ہے کہ تنظیم نو اور رقوم کی تصفیہ کے ساتھ مالیاتی اداروں کے زیر التوا مسائل حل ہو جائیں گے، کمپنی کی مالی صحت بہتر ہو جائے گی جس سے کمپنی نئی منافع بخش راہوں پر توجہ مرکوز کر سکے گی۔ قرض دہندگان کے ساتھ بندوبست کی اسکیم پر دستخط کر کے سندھ ہائی کورٹ کراچی میں جمع کرائے گئے ہیں۔ 21.06.2019 کے حکم کے مطابق عدالت کی طرف سے مقرر کردہ چینرمین کی طرف سے منعقدہ 15.07.2019 کی میٹنگ میں شیئر ہولڈرز پہلے ہی اسکیم کی منظوری دے چکے ہیں۔ کمپنی کے قرض دہندگان نے بھی 30.03.2022 کو ہونے والی اپنی میٹنگ میں مطلوبہ اکثریت سے اسکیم کی منظوری دے دی ہے۔ اسکیم عدالت کی طرف سے اسکیم کی منظوری کے بعد پابند اور آپریٹو بن جائے گی۔ بینکوں کے ساتھ زیر التواء تمام قانونی چارہ جوئی کو اسکیم آف اریجنمنٹ کے مطابق واپس لے لیا جائے گا۔

اعترافات

ہمارے بورڈ کی کارکردگی اور کمپنی کی انتظامیہ اور عملہ کی طرف سے فراہم کی جانے والی خدمات کو سراہا جاتا ہے۔



محمد اختر مرزا

لاہور: اکتوبر 2023-06



Gulistan Spinning Mills Limited

2nd Floor Finlay House I.I. Chundrigar Road ,
Karachi (Pakistan)

Director's/Chairman Report to Shareholders

The Directors of your Company are pleased to place their report together with the Auditor's Report and audited Financial Statements of the Company for the year ended June 30, 2024 at the Annual General Meeting of Company.

Overview

On account of various reasons including, financial liquidity scarcity significant losses alongwith 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 will be implemented in letter and spirit as sanctioned by the Court. As per Scheme of Arrangement all the litigation will be withdrawn by the creditors of the company.

Operating & Financial Performance

Operating indicators	2024	2023
	(Rupees)	(Rupees)
Sales	-	-
Cost of goods sold	-	-
Financial cost	(1,098)	(1206)
Pre tax Loss	(186,247,599)	(30,619,033)
Provision for taxation		-
Loss after taxation	(186,247,599)	(30,619,033)

Future Outlook

The Scheme of Arrangement shall be implemented and legal proceedings with the Banks 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.

Auditors' Observations

- The auditor has shown their reservation that they have not received the confirmation directly from the Banks to them as per their normal audit procedure, which is due to pending litigation with banks.
- Trade and others payable include Electric duty and Sindh Infrastructure Development Cess as reported in Note No.16, wherein litigation is pending adjudication before Court of competent jurisdiction.



Gulistan Spinning Mills Limited

2nd Floor Finlay House I.I. Chundrigar Road ,
Karachi (Pakistan)

Corporate Governance

The Company has been complying with the rules & regulations of Securities and Exchange Commission of Pakistan and has implemented better internal control policies with more rigorous checks and balances.

Board meetings and attendance

Four (4) meetings of the Board of Directors were held and attendance thereof by each director is as follows:

Name of Director	No of meeting attended
Mr. Sohail Maqsood	4
Mr. Abid Sattar	4
Mr. Muhammad Akhtar Mirza	4
Mr Muhammad Ashraf Khan	4
Mr. Muhammad Junaid	4
Mrs. Zarqa Asif	3
Mr. Muhammad Arif	4

Leaves of absence were granted to the members who could not attend the meetings.

Audit Committees

The Board of Directors of the Company in compliance with the Code of Corporate Governance has established an Audit Committee. Four (4) meetings of the Audit Committee were held and attendance thereof by each member is as follows:

Name of Members	No of meeting attended
Mr. Muhammad, Junaid	4
Mr. Abid Sattar	4
Mr. M. Akhtar Mirza	4

HR & Remuneration Committee

The Board of Directors of the Company in compliance with the Code of Corporate Governance has also established HR & Remuneration Committee. The names of its members are given in the Company information.

Internal Audit Function

The Board has implemented a sound and effective internal control system including operational, financial and compliance controls to carry on the business of the Company in a controlled environment in an efficient manner to address the Company's basic objectives.

Internal audit findings are reviewed by the Audit Committee, where necessary, action taken on the basis of recommendations contained in the internal audit reports.

Corporate Governance & Financial Reporting Framework



Gulistan Spinning Mills Limited

**2nd Floor Finlay House I.I. Chundrigar Road ,
Karachi (Pakistan)**

As required by the code of corporate governance, directors are pleased to report that:

- The financial statements prepared by the Management of the Company present fairly its true state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International accounting standards, as applicable in Pakistan have been followed in preparation of financial statements.
- The system of internal control is sound and has been effectively implemented and monitored.
- There has been no material departure from the best practices of corporate governance as detailed in the listing regulations of the stock exchanges.
- Key operating and financial data for the last six years is annexed.
- There are no statutory payments on account of taxes, duties, levies and charges which are outstanding as on June 30, 2024 except for those disclosed in the financial statements.
- No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year to which this Balance Sheet relates and the date of the Directors' Report, except for those disclosed in the financial statements.

Earnings/(Loss) Per Share

The loss per share of the Company for the period ended June 30, 2024 was Rs.(12.72) as compared to the previous year of Rs. (2.09)

Dividends

Due to circumstances discussed above, the Board of Directors does not recommend dividend for the year ended on June 30, 2024.

Corporate Social Responsibility

The company is responsible corporate citizen and fully recognizes its responsibility towards community, employees and environment.

Web presence

Annual and periodical financial statements of the Company are also available on the Company website <http://www.gulshan.com.pk/corporate/gulistan.html> for information of the shareholders and others.



Gulistan Spinning Mills Limited

2nd Floor Finlay House I.I. Chundrigar Road ,
Karachi (Pakistan)

Related Party Transactions

The transactions between the related parties were made at Arm's Length prices determined in accordance with the "comparable uncontrolled price method". The Company has fully complied with the best practices on transfer pricing as contained in the listing regulations of stock exchanges in Pakistan.

Trading in Company's Shares

During the year under review, there is no trading in shares of the Company by the Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouse and minor children.

Statement on Value of Staff Retirement Benefit

As on June 30, 2024 deferred liability for gratuity is Nil.

Auditors

Messrs Malik Haroon Ahmad & Co., Chartered Accountants being eligible have offered themselves for re-appointment. The Audit Committee has also recommended their appointment as External Auditors of the Company for the next financial year 2024-2025.

Pattern of Shareholding

The pattern of shareholding as at June 30, 2024 including the information under the code of corporate of governance is annexed.

The Board wishes to place on record its appreciation for the employees, members of management team for their efforts, commitment and hard work and to the shareholders who have accepted the Scheme of Arrangement in the meeting held pursuant to the orders of the Sindh High Court.

On behalf of the Board


SOHAIL MAQSOOD
CHIEF EXECUTIVE


MUHAMMAD AKHTAR MIRZA
CHAIRMAN

Lahore October 05, 2024

گلستان سپنگ ملز لمیٹڈ

شینر ہولڈرز کو ڈائریکٹر/چینر مین کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کو کمپنی کی سالانہ جنرل میٹنگ میں 30 جون 2024 کو ختم ہونے والے سال کے لیے آڈیٹر کی رپورٹ اور کمپنی کے آڈٹ شدہ مالیاتی بیانات کے ساتھ اپنی رپورٹ پیش کرنے پر خوشی ہے۔

جائزہ

مختلف وجوہات کی بناء پر، مالیاتی لیکویڈٹی کی کمی کے ساتھ ساتھ اثاثوں کی قدر میں کمی کے ساتھ ساتھ ملک میں موجودہ اقتصادی حالات کے ساتھ ساتھ کمپنی نے یکم مئی 2014 سے اپنا کام بند کر دیا ہے۔ کمپنیز ایکٹ 2017 کی شق 283 اور 285 (اسکیم آف اریجنمنٹ) کراچی ("عدالت") میں جے سی ایم کے ذریعے سندھ ہائی کورٹ میں جمع کرانی گئی۔ نمبر 19/15، کمپنی کے محفوظ قرض دہندگان کی اکثریت کے ذریعے دستخط شدہ۔ ترتیب کی اسکیم کو عدالت نے 2023-10-30 کے فیصلے کے ذریعے منظور کیا تھا۔ ترتیب کی اسکیم کو عدالت کی طرف سے منظوری کے مطابق عملی جامہ پہنایا جائے گا۔ بندوبست کی اسکیم کے مطابق کمپنی کے قرض دہندگان کے ذریعے تمام قانونی چارہ جوئی واپس لے لی جائے گی۔

آپریٹنگ اور مالیاتی کارکردگی

Operating indicators	2024	2023
	(Rupees)	(Rupees)
Sales	-	-
Cost of goods sold	-	-
Financial cost	(1,098)	(1206)
Pre tax Loss	(186,247,599)	(30,619,033)
Provision for taxation		-
Loss after taxation	(186,247,599)	(30,619,033)

مستقبل کا اوٹ لک

تنظیم نو کا عمل جلد مکمل ہونے کی امید ہے، ایک بار ترتیب کی اسکیم کے نفاذ کے بعد، کمپنی آگے کے راستے کی ساخت کے لیے بہتر پوزیشن میں ہوگی۔
اڈیٹرز کے مشاہدات۔

اڈیٹر نے اپنی ریزرویشن ظاہر کی ہے کہ انہیں اپنے عام آڈٹ طریقہ کار کے مطابق بینکوں سے براہ راست تصدیق موصول نہیں ہوئی ہے، جس کی وجہ بینکوں کے ساتھ زیر التواء قانونی چارہ جوئی ہے۔
— تجارت اور دیگر قابل ادائیگی میں الیکٹریک ڈیوٹی اور سندھ انفراسٹرکچر ڈیولپمنٹ سیس شامل ہیں جیسا کہ نوٹ نمبر 16 میں بتایا گیا ہے، جس میں قانونی چارہ جوئی قابل دائرہ اختیار کی عدالت میں زیر التواء ہے۔
کارپوریٹ گورننس

کمپنی سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے قواعد و ضوابط کی تعمیل کر رہی ہے اور مزید سخت چیک اینڈ بیلنس کے ساتھ بہتر اندرونی کنٹرول کی پالیسیوں پر عمل درآمد کر رہی ہے۔
بورڈ کے اجلاس اور حاضری

بورڈ آف ڈائریکٹرز کے چار (4) اجلاس منعقد ہوئے اور ان میں ہر ڈائریکٹر کی حاضری حسب ذیل ہے:

اجلاس میں شریک ڈائریکٹر کا نام نمبر

جناب سہیل مقصود 4

جناب عابد ستار 4

جناب محمد اختر مرزا 4

مسٹر محمد اشرف خان 4

جناب محمد جنید 4

مسز زرقا آصف 3

جناب محمد عارف 4

اجلاس میں شرکت نہ کرنے والے ارکان کو غیر حاضری کی چھٹی دے دی گئی۔

آڈٹ کمیٹیاں

کمپنی کے بورڈ آف ڈائریکٹرز نے کوڈ آف کارپوریٹ گورننس کی تعمیل کرتے ہوئے ایک آڈٹ کمیٹی قائم کی ہے۔ آڈٹ کمیٹی کے چار (4) اجلاس منعقد ہوئے اور ان میں ہر ممبر کی حاضری حسب ذیل ہے:

اجلاس میں شرکت کرنے والے ممبران کے نام

مسٹر محمد، جنید 4

جناب عابد ستار 4

جناب ایم اختر مرزا 4

HR اور معاوضہ کمیٹی

کوڈ آف کارپوریٹ گورننس کی تعمیل میں کمپنی کے بورڈ آف ڈائریکٹرز نے HR اور معاوضے کی کمیٹی بھی قائم کی ہے۔ اس کے اراکین کے نام کمپنی کی معلومات میں دیے گئے ہیں۔

اندرونی آڈٹ فنکشن

بورڈ نے ایک مضبوط اور موثر اندرونی کنٹرول سسٹم نافذ کیا ہے جس میں کمپنی کے بنیادی مقاصد کو پورا کرنے کے لیے کمپنی کے کاروبار کو کنٹرول شدہ ماحول میں آگے بڑھانے کے لیے آپریشنل، مالیاتی اور تعمیل کنٹرول شامل ہیں۔ اندرونی آڈٹ کے نتائج کا آڈٹ کمیٹی جائزہ لیتی ہے، جہاں ضروری ہو، اندرونی آڈٹ رپورٹس میں موجود سفارشات کی بنیاد پر کارروائی کی جاتی ہے

کارپوریٹ گورننس اور مالیاتی رپورٹنگ فریم ورک

جیسا کہ کارپوریٹ گورننس کے ضابطہ کی ضرورت ہے، ڈائریکٹرز یہ بتاتے ہوئے خوش ہیں کہ:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات اس کی حقیقی حالت، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کو پیش کرتے ہیں۔
- کمپنی کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- مالیاتی گوشواروں کی تیاری میں بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے۔
- اندرونی کنٹرول کا نظام درست ہے اور اسے موثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے جیسا کہ اسٹاک ایکسچینج کے فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے۔
- پچھلے چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا منسلک ہے۔
- ٹیکسز، ڈیوٹی، لیویز اور چارجز کی مد میں کوئی قانونی ادائیگیاں نہیں ہیں جو کہ 30 جون 2024 تک بقایا ہیں سوائے ان مالیاتی گوشواروں کے جن کا انکشاف کیا گیا ہے۔
- مالیاتی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان آپ کی کمپنی کی مالی حالت کو متاثر کرنے والی کوئی بھی مادی تبدیلیاں اور وعدے نہیں ہوئے ہیں، سوائے مالی بیانات میں ظاہر ہونے والے کے۔

آمدنی/(نقصان) فی شیئر

30 جون 2024 کو ختم ہونے والی مدت کے لیے کمپنی کا فی شیئر نقصان (12.72) روپے تھا۔ پچھلے سال کے مقابلے روپے (2.09) تھا۔

منافع

اوپر بیان کردہ حالات کی وجہ سے، بورڈ آف ڈائریکٹرز 30 جون 2024 کو ختم ہونے والے سال کے لیے ڈیویڈنڈ کی سفارش نہیں کرتا ہے۔

کارپوریٹ سماجی ذمہ داری

کمپنی ذمہ دار کارپوریٹ شہری ہے اور کمیونٹی، ملازمین اور ماحول کے تنیں اپنی ذمہ داری کو پوری طرح سے تسلیم کرتی ہے۔

ویب کی موجودگی

حصص یافتگان اور دیگر کی معلومات کے لیے کمپنی کے سالانہ اور متواتر مالی بیانات کمپنی کی ویب سائٹ <http://www.gulshan.com.pk/corporate/gulistan.html> پر بھی دستیاب ہیں۔

متعلقہ پارٹی لین دین

متعلقہ فریقوں کے درمیان لین دین آرمر لینتھ قیمتوں پر کیے گئے تھے جن کا تعین "موازنہ ہے قابو قیمت کے طریقہ کار" کے مطابق کیا گیا تھا۔ کمپنی نے پاکستان میں اسٹاک ایکسچینج کی فہرست سازی کے ضوابط کے مطابق ٹرانسفر پرائسنگ کے بہترین طریقوں کی مکمل تعمیل کی ہے۔

کمپنی کے حصص میں تجارت

زیر نظر سال کے دوران، ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکرٹری اور ان کی شریک حیات اور نابالغ بچوں کی طرف سے کمپنی کے حصص میں کوئی تجارت نہیں ہوئی۔

اسٹاف ریٹائرمنٹ بینیفٹ کی قدر پر بیان

30 جون 2024 تک گریجویٹی کے لیے موخر ذمہ داری 0 روپے ہے۔

آڈیٹرز

میسرز ملک بارون احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اہل ہونے کے باعث دوبارہ تقرری کے لیے خود کو پیش کر چکے ہیں۔ آڈٹ کمیٹی نے اگلے مالی سال 2024-2025 کے لیے کمپنی کے بیرونی آڈیٹرز کے طور پر ان کی تقرری کی بھی سفارش کی ہے

شیئر ہولڈنگ کا نمونہ

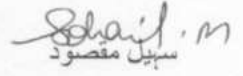
30 جون 2024 تک شیئر ہولڈنگ کا پیٹرن جس میں کارپوریٹ آف گورننس کے کوڈ کے تحت معلومات شامل ہیں۔

اعتراف

بورڈ ملازمین، انتظامی ٹیم کے اراکین کو ان کی کاوشوں، عزم اور محنت کے لیے اور ان سینئر ہولڈرز کی تعریف ریکارڈ پر رکھنا چاہتا ہے جنہوں نے سندھ ہائی کورٹ کے حکم کے مطابق منعقدہ میٹنگ میں انتظامات کی اسکیم کو قبول کیا۔
بورڈ کی جانب سے


محترمہ محترمہ مرزا

چینر مین


سہیل مقصود

چیف ایگزیکٹو

لاہور 05 اکتوبر 2024



Gulistan Spinning Mills Limited

2nd Floor , Finlay House , I.I Chundrigarh Road,
Karachi (Pakistan)

STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS-2019

Year Ended

June 30, 2024

The company has complied with the requirements of listed Companies (Code of Corporate Governance) Regulation-2019 (the regulations) in the following manner

- 1- The total number of directors is seven (including the Chief executive officer). The composition of the board is as follow.

Category	Names
Independent Director*	Mr. Muhammad Junaid and Muhammad Arif
Executive Directors	Mr. Sohail Maqsood and Muhammad Ashraf Khan
Non-Executive Directors	Mrs. Zarqa Asif, Mr. Muhammad Akhtar Mirza, Mr. Abid Sattar

- * With reference to Regulation 6 (1), in a Board comprising 7 members, one-third works out to 2.33. Since the fraction is below half (i.e. 0.5) the fraction contained in such one-third is not rounded up to one. Further, the two elected independent directors have requisite competencies, skills, knowledge, and experience to discharge and execute their duties competently, hence, appointment of a third independent director is not warranted.
- The directors have confirmed that none of them is serving as a director in more than Seven listed companies, including this Company;
 - The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
 - The Board has developed a Vision/Mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained;
 - All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 and these Regulations;
 - The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated;
 - The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
 - The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment;
 - The financial statements of the company were duly endorsed by CEO and CFO before approval of the board;
 - The Board has formed a committees, comprising of members are given below:-



Gulistan Spinning Mills Limited

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A) Audit Committee

Mr. Muhammad Junaid	Chairman
Mr. Abid Sattar	Member
Mr. Muhammad Akhtar Mirza	Member

B) HR & Remuneration Committee

Mr. Muhammad Arif	Chairman
Mr. Abid Sattar	Member
Mr. Muhammad Akhtar Mirza	Member

11. The term of reference of aforesaid committees have been formed, documented and advised to the committees for compliance;
12. The frequency of the meetings (quarterly / half yearly / annually) are as per following.
- a) Audit Committee Four Meeting were held during the financial year with at least one meeting in each quarter.
- b) HR & Remuneration Committee Four Meeting were held during the financial year.
13. The board has set up an effective internal audit function which is considered suitably qualified, experienced for the purpose and conversant with the policies and procedures of the Company;
14. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not the close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
15. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
16. We confirm that all requirements of the regulations 3, 6, 7 ,8, 27, 32, 33 and 36 of the regulations have been complied with, Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is as follows:

Sr. No.	Mandatory Requirement	Reg. No.	Explanation
1	The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	The company has no nomination committee because all its mills' operations have been closed.



Gulistan Spinning Mills Limited

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Karachi (Pakistan)

2	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30(1)	The company has no risk management committee because all its mills' operations have been closed.
3	It is encouraged that by June 30, 2024, all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	19(1)	The Company may conduct training program before the next election of directors.

On behalf of the board of Directors

Shail M

Chief Executive Officer
Lahore:- 05.10.2024

[Signature]

Chairman



**Independent Auditor's Review Report
To the Members of "Gulistan Spinning Mills Limited"**

Review Report on the Statement of Compliance Contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Gulistan Spinning Mills Limited for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

Lahore
October 05, 2024
UDIN: CR2024102068tr1G4hiT

Malik Haroon Ahmad
Malik Haroon Ahmad & Co.
Chartered Accountants





MALIK HAROON AHMAD & CO.

(Formerly Malik Haroon Shahid Safdar & Co.)

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

to the Members of Gulistan Spinning Mills Limited
Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the annexed financial statements of **Gulistan Spinning Mills Limited** (the Company), which comprise the statement of financial position as of **June 30, 2024**, and the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **30 June 2024** and of the loss, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion

1. Due to ongoing litigations with banks, we have not received confirmations from some banks and other financial institutions. Consequently, we were unable to verify bank balances totaling Rs. 4.459 million.
2. We were unable to satisfy ourselves regarding the accuracy of balances payable in respect of trade and other payables amounting to Rs. 11.155 million and unclaimed dividends of Rs. 0.619 million as of June 30, 2024.

Due to the lack of sufficient appropriate audit evidence in the areas mentioned above, we could not determine whether any adjustments might be necessary to these amounts and related disclosures in the financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to notes 1.2 and 2.2 of the financial statements, which state that the Company along with its restructuring agent – United Bank Limited, and the 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") and the directors have determined that the going concern basis of preparation is no longer appropriate. Accordingly, the financial statements have been prepared on a liquidation/break-up value basis. Our opinion is not modified in respect of this matter.





Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Sr. No	Matter	How the matter was addressed in our audit
1.	Contingencies and commitments	
	Refer to note 19 to the financial statements; The Company is currently facing significant litigations pertaining to claims filed by various banks regarding loan facilities, as well as Government authorities concerning outstanding amounts owed. Given the nature and amount involved in such cases and the appellate forums at which these are pending, the outcome and resultant accounting in financial statements are subject to significant judgment, which can change over time as new fact emerged and each legal case progresses, and therefore, we have identified this as a key matter.	Our audit procedures included the following; <ul style="list-style-type: none"> • Read the scheme of arrangement and ensure that all the litigations as mentioned in the scheme and approved by the banks are properly disclosed in the financial statements. • Read the minutes of the meeting and evaluate whether the provision of the scheme regarding the withdrawal of the filed litigations is still appropriate. • Held discussions with the Company's legal counsel regarding the status of ongoing litigations and reviewed any cases that were withdrawn during the year.

Information Other than the Financial Statements and Auditor's Report thereon;

Management is responsible for the other information. The Other Information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


Report on Other Legal and Regulatory Requirements


Based on our audit, we further report that in our opinion, except for the matters stated in Basis for Qualified Opinion above:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no Zakat was deductible at source under the Zakat and Usher ordinance, 1980 (XVIII 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Malik Haroon Ahmad, FCA**.

Lahore
October 05, 2024
UDIN: AR202410206JT050ina9


Malik Haroon Ahmad & Co.
Chartered Accountants



GULISTAN SPINNING MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024


	Note	2024	2023
		Rupees	Rupees
ASSETS			
Fixed assets	6	-	1,479,489
Investments	7	-	23,634,803
Stock-in-trade	8	-	52,379,543
Tax refunds due from Government	9	9,452,426	9,411,245
Cash and bank balances	10	16,772,781	4,618,492
Disposal group under scheme of arrangement	11	36,574,357	632,746,300
TOTAL ASSETS		62,799,564	724,269,872
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	12	146,410,000	146,410,000
Reserves		24,983,168	24,983,168
Surplus on revaluation of property, plant and equipment		20,315,372	351,461,447
Sub-ordinated loan	13	103,000,000	103,000,000
Accumulated losses		(1,975,908,082)	(2,120,806,558)
Total equity		(1,681,199,542)	(1,494,951,943)
LIABILITIES			
Loan from associates and others	14	288,291,234	287,432,734
Post employment benefits payables	15	-	3,863
Trade and other payables	16	11,511,690	11,574,690
Unclaimed dividend		619,529	619,529
Principal payable to banking companies as per scheme of arrangement	17	1,046,040,654	1,522,055,000
Mark - up payable to banking companies as per scheme of arrangement	18	397,535,999	397,535,999
		1,743,999,106	2,219,221,815
CONTINGENCIES AND COMMITMENTS	19		
TOTAL EQUITY AND LIABILITIES		62,799,564	724,269,872

The annexed notes from 1 to 31 form an integral part of these financial statements.

MHA & CO


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

GULISTAN SPINNING MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	Rupees
Sales		-	-
Cost of sales		-	-
Gross profit		-	-
Operating cost		-	-
Administrative expenses	20	(1,275,156)	(3,332,177)
Other operating expenses	21	(185,245,887)	(27,620,150)
		(186,521,043)	(30,952,327)
Loss from operations		(186,521,043)	(30,952,327)
Other income	22	274,542	334,500
Finance cost	23	(1,098)	(1,206)
Loss before taxation & levies		(186,247,599)	(30,619,033)
Levies		-	-
Loss before taxation		(186,247,599)	(30,619,033)
Taxation		-	-
Loss after taxation		(186,247,599)	(30,619,033)
Loss per share - basic and diluted	24	(12.72)	(2.09)

The annexed notes from 1 to 31 form an integral part of these financial statements.

MHA & CO


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

GULISTAN SPINNING MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	Rupees
Loss after taxation		(186,247,599)	(30,619,033)
Other comprehensive income		-	-
Total comprehensive loss for the year		(186,247,599)	(30,619,033)

The annexed notes from 1 to 31 form an integral part of these financial statements.

MHA & CO

Schait . n
CHIEF EXECUTIVE

Salman Ali
CHIEF FINANCIAL OFFICER

Abid Sultan
DIRECTOR

GULISTAN SPINNING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

	Share capital	Share premium	Capital reserve		Revenue reserve		Sub-ordinated loan from directors	Total	
			Other Reserves	Revaluation surplus	Accumulated losses				
			Rupees						
Balance as at July 01, 2022	146,410,000	25,000,000	(16,832)	351,461,447	(2,090,187,525)	103,000,000	(1,464,332,910)		
Loss for the year	-	-	-	-	(30,619,033)	-	(30,619,033)		
Other comprehensive income	-	-	-	-	(30,619,033)	-	(30,619,033)		
Balance as at June 30, 2023	146,410,000	25,000,000	(16,832)	351,461,447	(2,120,806,558)	103,000,000	(1,494,951,943)		
Loss for the year	-	-	-	-	(186,247,599)	-	(186,247,599)		
Other comprehensive income	-	-	-	-	(186,247,599)	-	(186,247,599)		
Surplus on revaluation of property, plant and equipment realized during the year on account of disposal of revalued assets - net of tax	-	-	-	(331,146,075)	331,146,075	-	-		
Balance as at June 30, 2024	146,410,000	25,000,000	(16,832)	20,315,372	(1,975,908,082)	103,000,000	(1,681,199,542)		

The annexed notes from 1 to 31 form an integral part of these financial statements.

MHA & CO

Sobair M
CHIEF EXECUTIVE

Sohman K
CHIEF FINANCIAL OFFICER

Abid Sultan
DIRECTOR

GULISTAN SPINNING MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation & levies		(186,247,599)	(30,619,033)
Adjustments for non-cash charges and other items:			
Depreciation		168,606	193,077
Finance cost		1,098	1,206
Impairment loss		-	27,620,150
Liabilities written-off		-	(334,500)
Loss on sale of fixed assets		1,310,883	-
Loss on disposal of fixed assets		176,171,943	-
Profit on profit and loss sharing account		(274,542)	-
Cash flows before working capital changes		(8,869,611)	(3,139,100)
Increase / (decrease) in liabilities			
Trade and other payables		(63,000)	-
(Increase) / decrease in assets			
Stock-in-trade		-	-
Trade deposits and short-term prepayments		-	145,097
Sales tax refundable		(41,181)	-
Cash used in operations		(8,973,792)	(2,994,003)
Finance cost paid		(1,098)	(1,206)
Staff retirement benefits - gratuity paid		(3,863)	-
Income tax paid		-	-
Net cash used in operating activities		(8,978,753)	(2,995,209)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		420,000,000	-
Interest received from profit or loss sharing account		274,542	-
Net cash flows generated from investing activities		420,274,542	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt against loan from associates and other parties		858,500	3,140,500
Payment to banking companies against scheme of arrangement		(400,000,000)	-
Repayment of short-term financing - net		-	-
Net cash (used in) / generated from financing activities		(399,141,500)	3,140,500
Net increase in cash and cash equivalents during the year		12,154,289	145,291
Cash and cash equivalents at the beginning of year		4,618,492	4,473,201
Cash and cash equivalents at the end of year		16,772,781	4,618,492

The annexed notes from 1 to 31 form an integral part of these financial statements.

Sohail M
CHIEF EXECUTIVE

Sohman A.
CHIEF FINANCIAL OFFICER

Abdul Latif
DIRECTOR

MHA & CO

GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Notes

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Gulistan Spinning Mills Limited ("the Company") was incorporated in Pakistan on February 25, 1987 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a public limited company and quoted on stock exchanges at Karachi and Lahore (now Pakistan Stock Exchange Limited).

Geographical location and addresses of all business units and offices are as follows:

Manufacturing units and offices	Address
Registered office	2nd Floor, Finlay House, I.I Chundrigar Road, Karachi.
Regional office	2nd Floor, Garden Heights, New Garden Town, Lahore.

Manufacturing Unit was sold out by the asset sale committee during the year.

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.

1.3 Summary of significant transactions and events affecting the Company's financial position and performance

During the year the asset sale committee, pursuant to the terms of scheme of arrangement as mentioned in note 1.2 sold out the manufacturing unit and proceeds thereof were distributed among the secured creditors and lenders for the balances due to them.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS's) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

2.2 Basis of measurement

Due to the Scheme described in note 1.2 to these financial statements, the directors have determined that the going concern basis of preparation is no longer appropriate. Accordingly, the financial statements have been prepared on net realizable value basis, under the "Guideline on the basis of preparation of financial statements for companies that are not considered going concern" issued by Institute of Chartered Accountants of Pakistan (ICAP).

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Notes

Adopting the net realizable value basis of preparation on measurement, classification of assets and liabilities, and disclosures in the financial report.

Under the net realizable value basis of preparation, assets and liabilities are measured at their net realizable value. Net realizable value is based on the proceeds receivable on disposal less costs to sell and the value of liabilities is their expected settlement amount. Any gains or losses resulting from measuring assets and liabilities to the net realizable value are recognized in profit or loss or otherwise under the auspices of approved accounting standards. Under the net realizable value basis of accounting, all assets and liabilities are classified as current. In adopting the net realizable value basis, the directors have continued to apply the disclosure requirements of approved accounting standards to the extent they are relevant to the net realizable value basis, and have modified them where this is considered appropriate.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Company's functional currency. All financial information presented in Pak Rupee has been rounded-off to the nearest Rupee except stated otherwise.

3 ADOPTION OF NEW ACCOUNTING POLICY

3.1 Accounting for minimum taxes and final taxes

The guide was issued by Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide).

In view of the clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

The guide issued by ICAP provides two approaches to account for minimum and final regime taxes, which is a choice of accounting policy of which the Company has chosen the following:

In accordance with paragraph C3.1 of the ICAP guidance on IAS 12, the company has adopted Approach A due to its expectation that minimum tax will not be adjustable in future tax years. Based on the company's business model, which anticipates insufficient taxable profits or continued tax losses, minimum tax is recognized as a levy. No deferred tax liability is recognized, as the company is effective rate of the company will remain nil.

The above changes have been accounted for in these financial statements as per the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The adoption of this policy did not result in re-statement of financial statements since no deferred tax liability recognised in the year ended June 30, 2023

4 STANDARDS, AMENDMENTS AND IMPROVEMENTS APPLICABLE TO FINANCIAL STATEMENTS

New standards, amendments and improvements which are effective during the year and standards, amendments and improvements which are not yet effective

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on July 1, 2023 but, pursuant to paragraphs 1.2 and 2.2, above are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in these financial statements. The standards, amends and improvements which are not yet effective are also not considered relevant and accordingly are not detailed in these financial statements.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Notes

5 MATERIAL ACCOUNTING POLICIES

The material accounting policies applied over previous years before preparing financial statements on liquidated basis are;

5.1 Property, plant and equipment - owned

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses with the exception of freehold land which is measured at revalued amount less accumulated impairment losses, buildings, plant and machinery, power house, electric installation, factory equipment, air conditioner and power house which are measured at revalued amount less accumulated depreciation and accumulated impairment losses.

Cost of items of property, plant and equipment comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction, erection and installation.

Major renewals and improvements to an item of property, plant and equipment are recognized in the carrying amount of the item if it is probable that the embodied future economic benefits will flow to the company and the cost of renewal or improvement can be measured reliably. The cost of day to day servicing of property, plant and equipment are recognized in profit and loss as incurred.

Surplus arising on revaluation of an item of property, plant and equipment is credited to surplus on revaluation of property, plant and equipment, except to the extent that it reverses deficit on revaluation of the same assets previously recognized in profit and loss, in which case the surplus is credited to profit and loss to the extent of deficit previously charged to income. Deficit on revaluation of an item of property, plant and equipment is charged to profit and loss to the extent that it exceeds the balance, if any held in surplus on revaluation of property, plant and equipment relating to previous revaluation of that item.

On subsequent sale or retirement of revalued item of property, plant and equipment, the attributable surplus net of deferred tax, if any, remaining in the surplus on revaluation of property, plant and equipment is transferred directly to unappropriated profit. An amount equal to incremental depreciation, being the difference between the depreciation based on revalued amounts and that based on original cost, net of deferred tax, if any, is transferred from surplus on revaluation of property, plant and equipment to unappropriated profit every year.

Depreciation on all items of property, plant and equipment except for freehold land is charged to profit and loss applying the reducing balance method over the useful life of each item at the rates specified in the respective note. Depreciation on additions is charged from the day on which the asset is available for use, while on disposals depreciation is charged up to the date of disposal or when the item is classified as held for disposal.

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with expected pattern of economic benefits from items of property, plant and equipment.

An item of property, plant and equipment is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the assets) is recognized in profit and loss in the year in which the asset is derecognized.

5.2 Assets classified as disposal group

Assets held for disposal are classified as disposal group if their carrying amounts will be recovered principally through a sale/ disposal rather than through continuing use. Such non-current assets are measured at the lower of their carrying amount and fair value less cost to sell. Property and equipment and intangibles assets once classified as held for sale / disposal are not depreciated or amortized.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Notes

5.3 Investments

Regular way purchase or sale of investments

All purchases and sales of investments are recognized using trade date accounting. Trade date is the date that the Company commits to purchase or sell the investment.

Investments in equity instruments of associated companies

Investments in associated companies are accounted for by using equity basis of accounting, under which the investments in associated companies are initially recognized at cost and the carrying amounts are increased or decreased to recognize the Company's share of profit or loss of the associated companies after the date of acquisition. The Company's share of profit or loss of the associated companies is recognized in the Company's profit or loss. Distributions received from the associated companies reduce the carrying amounts of investments.

Adjustments to the carrying amounts are also made for changes in the Company's proportionate interest in the associated companies arising from changes in the associated companies' equity that have not been recognized in the associated companies' profit or loss. The Company's share of those changes is recognized directly in equity of the Company. Where Company's share of losses of associated companies equals or exceeds its interest in the associates, the Company discontinues recognizing its share of further losses except to the extent that Company has incurred legal or constructive obligation or has made payment on behalf of the associates. If the associates subsequently reports profits, the Company resumes recognizing its share of those profits only after its share of the profit equals the share of losses not recognized.

Available for sale investments

These investments are initially measured at their fair value plus directly attributable transaction cost and at subsequent reporting dates, measured at fair values and gains or losses from changes in fair values other than impairment loss are recognized in other comprehensive income. Impairment loss on investments available for sale is recognized in the profit or loss.

Other investments

Other investments like defence saving certificate are held to maturity. Interest is accrued on these investments according to the rate provided by the issuer.

Investment with fixed maturity that the management has the positive intent and ability to hold till maturity, are classified as " held to maturity" and are initially measured at cost and at subsequent reporting date measured at amortized cost using the effective yield method.

5.4 Stock-in-trade

Stock-in-trade is valued at lower of weighted average cost and net realizable value (NRV) except waste, which is valued at NRV.

Net realizable value signifies the selling price in the ordinary course of business less cost of completion and cost necessary to be incurred to effect such sale. Cost of raw materials, packing materials and components represent invoice values plus other charges paid thereon.

Cost in relation to work-in-process and finished goods represents direct cost of raw materials, wages and appropriate manufacturing overheads.

Goods in-transit are valued at cost comprising of invoice value plus other charges accumulated up to the reporting date.

5.5 Trade debts and other receivables

Trade debts are initially recognized at original invoice amount which is the fair value of consideration to be received in future and subsequently measured at cost less provision for doubtful debts. Carrying amounts of trade and other receivables are assessed at each reporting date and a provision is made for doubtful receivables when collection of the amount is no longer probable. Debts considered irrecoverable are written off.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Notes

5.6 Post-employment benefits - gratuity

The Company operates an unfunded gratuity scheme covering for all its permanent employees who have completed the minimum qualification period for entitlement to the gratuity.

The company no longer recognizes provisions for gratuity, as it is no longer eligible for the gratuity scheme. Payments are made to employees based on previously recognized provisions. No new current service cost or interest cost is charged to the profit or loss. Any re-measurements related to past actuarial assumptions have been accounted for, and no further amounts are recognized in other comprehensive income.

5.7 Taxation

Income tax expense represents the sum of current tax payable, adjustments, if any, to provision for tax made in previous years arising from assessments framed during the year for such years and deferred tax.

Current

Provision for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credit and tax rebates available, if any. The charge for current tax includes any adjustment to past years liabilities.

Deferred

Deferred tax is recognized on all temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for taxation purposes.

Deferred tax asset is recognized for all the deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax liabilities are recognized for all the taxable temporary differences.

Deferred tax assets and liabilities are measured at the effective tax rates as per the circular no. 07/2024 dated May 15, 2024, provided the guidance on IAS 12 application guidance on accounting for minimum taxes and final taxes.

Levy

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than

- (a) those outflows of resources that are within the scope of other standards.
- (b) fines or other penalties that are imposed for breaches of the legislation.

In these financial statements, levy includes revenue taxes, if any, final taxes and super taxes which are based on other than taxable profits. The corresponding advance tax paid has been netted off and the net position is shown in the statement of financial position.

Revenue tax

Revenue tax includes amount representing excess of:

- a) minimum tax paid under section 113 over income tax determined on income streams taxable at general rate of taxation and;
- b) minimum tax withheld / collected / paid or computed over tax liability computed on (related income tax streams taxable at general rate of tax), is not adjustable against tax liability of subsequent tax years.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Notes

Final taxes

Final taxes includes tax charged / withheld / paid on certain income streams under various provisions of Income Tax Ordinance, 2001 (Ordinance). Final tax is charged / computed under the Ordinance, without reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of Income under the Ordinance.

5.8 Provisions, contingent assets and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent assets are not recognized and are also not disclosed unless an inflow of economic benefits is probable and contingent liabilities are not recognized and only disclosed unless the probability of an outflow of resources embodying economic benefits is remote.

5.9 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable on the following basis;

- Local sales are recognized on dispatch of goods to customers and export sales are recognized on bill of lading date.
- Dividend income from the investments is recognized, when the Company's right to receive dividend has been established.
- Mark-up on loans to related parties and profit on saving accounts is accrued on time basis, by reference to the principal outstanding and at the effective profit rate applicable.

5.10 Financial instruments

Trade debts, other receivables and other financial assets

Trade debts and other receivables are initially recognized at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortized cost using effective interest method, less any impairment losses. Known bad debts are written off, when identified. Any receipt against previously written off debtors is recognized as income in the year in which amount is received.

5.11 Cash and cash equivalents

Cash and cash equivalents comprise cash-in-hand, cash with banks in current, saving and deposit accounts, bank overdraft and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

5.12 Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the balance sheet when there is a legally enforceable right to off-set the recognized amounts and there is an intention to settle either on a net basis, or to realize the asset and settle the liability simultaneously.

5.13 Related party transactions

All transactions with related parties are carried out by the company at arms' length price using the method prescribed under the Companies Act, 2017 (comparable uncontrolled price method) with the exception of loan taken from related parties which is interest / mark-up free.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Notes

5.14 Impairment loss

The carrying amounts of the Company's assets are reviewed at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of provisions for impairment losses. If any indications exist, the recoverable amounts of such assets are estimated and impairment losses or reversals of impairment losses are recognized in the profit and loss account and in case revalued assets are tested for impairment, then impairment loss up to the extent of revaluation surplus shall be recognized in revaluation surplus and remaining loss, if any shall be recognized in profit and loss account. Reversal of impairment loss is restricted to the original cost of the asset.

5.15 Significant accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the 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 expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgements were exercised in application of accounting policies are as follows:

- (i) Estimate of useful lives, residual values of property, plant and equipment and recoverable values to account for impairment loss. (note 5.1)
- (ii) Provision for staff retirement benefit - gratuity. (note 5.6)
- (iii) Provision for taxation (note 5.7)

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

6 FIXED ASSETS	2024	2023
	-----Rupees-----	
Operating fixed assets	-	1,479,489

6.1 Particulars				Total
	Office equipment	Furniture & fixture	Vehicles	
2024				
As at July 01, 2023				
Opening net book value	830,531	442,390	206,568	1,479,489
Disposals/Transfer	(747,478)	(398,151)	(165,254)	(1,310,883)
Depreciation charge	(83,053)	(44,239)	(41,314)	(168,606)
Closing net book value June 30, 2024	-	-	-	-
Cost	-	-	-	-
Less: accumulated depreciation	-	-	-	-
Net book value June 30, 2024	-	-	-	-
Rate of depreciation	10%	10%	20%	

Particulars				Total
	Office equipment	Furniture & fixture	Vehicles	
2023				
As at July 01, 2022				
Opening net book value	922,812	491,544	258,210	1,672,566
Disposals/Transfer	-	-	-	-
Depreciation charge	(92,281)	(49,154)	(51,642)	(193,077)
Closing net book value June 30, 2023	830,531	442,390	206,568	1,479,489
Cost	5,002,384	4,378,524	9,753,035	19,133,943
Less: accumulated depreciation	(4,171,853)	(3,936,134)	(9,546,467)	(17,654,454)
Net book value June 30, 2023	830,531	442,390	206,568	1,479,489
Rate of depreciation	10%	10%	20%	

6.2 Depreciation expense is charged to administrative expenses.

6.3 During the year, United Bank Limited (the restructuring agent) sold the manufacturing unit (ref. Note 11.3) along with all fixed assets of the company. The management has recorded the disposal with no sale proceeds (Rs. Nil) and has recognized a loss on sale equivalent to the carrying value.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
7 INVESTMENTS			
Investment in associate - under equity method	7.1	-	-
Other investments in equity shares	7.2	-	-
Defence saving certificates	7.3	-	23,634,803
			<u>23,634,803</u>
7.1 Investments in associates - under equity method			
Quoted securities			
Cost of investment		238,887	238,887
Accumulated share of post acquisition loss		(238,887)	(238,887)
		<u>-</u>	<u>-</u>
<p>The Company holds 10,303 share of Rs. 10 each (0.046% of total share capital) of Gulshan Spinning Mills Limited (an associate). The cost of these share was Rs. 238,887. The market value and recoverable amount of this investment has been calculated as Rs. Nil (2023: Rs. Nil) per share aggregating to Rs. Nil (2023: Rs. Nil) after considering the estimated future cash flows expected to be generated by the associate.</p>			
<p>7.1.1 Summarized financial information of the associated company as at June 30, based on audited financial statements is as follows;</p>			
Gulshan Spinning Mills Limited			
Liabilities		<u>3,161,750,834</u>	<u>3,474,464,188</u>
Assets		<u>200,946,045</u>	<u>527,578,216</u>
Revenue		-	-
Loss after tax		<u>(13,918,817)</u>	<u>(33,607,903)</u>
7.2 Other investments in equity shares			
This represents the investments in equity shares of:		Number of share of Rs. 10 each	
- Gulistan Textile Mills Limited		1,049	1,049
- Gulshan Weaving Mills Limited		778,900	778,900
<p>Due the closure of business of both the entities the fair values of both the investments have been reduced to Rs. nil and hence fully charged off.</p>			
7.3	<p>It represents investment in defence saving certificate. These certificates were under lien against guarantees provided by various financial institutions. The bank has encashed these certificates and retained its proceeds of Rs. 23.63 million. The management has accounted for this amount as as a payment to the bank against its liability.</p>		
8 STOCK-IN-TRADE			
Raw material		-	43,644,278
Finished goods		-	8,735,265
		<u>-</u>	<u>52,379,543</u>
8.1	<p>During the year after the sale of all Units of the Company under the scheme of arrangement the stock in trade is also handed over the restructuring agent - United Bank Limited for sale under the scheme arrangement. This disposal transaction is not presented as sales and cost of sales to avoid any confusion regarding the status of going concern assumption of the Company.</p>		

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
9 TAX REFUNDS DUE FROM GOVERNMENT			
Advance income tax		-	-
Sales tax		9,452,426	9,411,245
		<u>9,452,426</u>	<u>9,411,245</u>
10 CASH AND BANK BALANCES			
Cash-in-hand		306,234	145,097
Balances with banks - current accounts		12,101,818	108,666
Balances with banks - saving accounts		2,359	2,359
Term deposits	10.2	4,362,370	4,362,370
		<u>16,772,781</u>	<u>4,618,492</u>
10.1 Majority of the Company's bank accounts operations have been blocked by the respective banks due to on-going litigations with these banks as detailed in note 19.1 to the financial statements.			
10.2 These are under lien with respect to guarantees provided on behalf of the company by various financial institutions.			
11 DISPOSAL GROUP UNDER SCHEME OF ARRANGEMENT			
Freehold land		36,574,357	110,320,750
Building on free hold land		-	247,983,200
Plant and machinery		-	212,613,937
Power house		-	25,937,165
Electric installation		-	25,986,045
Factory equipment		-	17,777,115
Air conditioning plant		-	19,748,238
Impairment:			
Impairment of disposal group		-	(27,620,150)
		<u>36,574,357</u>	<u>632,746,300</u>

11.1 Particulars of immovable fixed assets are as follows:

Particulars	Address	Area of land (Kanals)	
Land	Near Qutabpur Saddat Chwok, Vehari.	34.35	34.35

11.2 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 detailed in note 1.2. Hence, above mentioned assets has been classified and presented under disposal group under scheme of arrangement.

11.3 During the year all the assets of manufacturing unit, situated in Pattoki, Kasur, were disposed off by the asset sale committee and the sale proceeds were distributed among the lenders in accordance with terms mentioned in "Scheme of Arrangement".

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GULISTAN SPINNING MILLS LIMITED
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		Note	2024 Rupees	2023 Rupees
12 SHARE CAPITAL				
	Numbers	Numbers	Rupees	Rupees
	2024	2023	2024	2023
Authorized capital				
	<u>15,000,000</u>	<u>15,000,000</u>	<u>150,000,000</u>	<u>150,000,000</u>
		Ordinary shares of Rs. 10 each		
Issued, subscribed and paid-up capital				
	<u>6,838,330</u>	<u>6,838,330</u>	<u>68,383,300</u>	<u>68,383,300</u>
		Ordinary shares of Rs. 10 each issued as fully paid in cash		
	<u>7,802,670</u>	<u>7,802,670</u>	<u>78,026,700</u>	<u>78,026,700</u>
		Ordinary shares of Rs. 10 each issued as fully bonus shares		
	<u>14,641,000</u>	<u>14,641,000</u>	<u>146,410,000</u>	<u>146,410,000</u>
12.1	Ordinary shares held by the related party at the year end:			
	Paramount Spinning Mills Limited		<u>202,777</u>	<u>202,777</u>
13	SUB-ORDINATED LOAN - unsecured		<u>103,000,000</u>	<u>103,000,000</u>
	This is an interest-free loan obtained from Ex-Director of the Company in previous years. This loan is subordinated to the finances provided by secured creditors. The loan shall not be repaid without obtaining consent from the secured creditors subject to availability of resources and at discretion of the Company. This loan has been classified in equity as per technical release 'Accounting Directors' Loan (TR-32) of the Institute of Chartered Accountants of Pakistan (ICAP).			
14	LOAN FROM ASSOCIATES AND OTHERS			
	Gulistan Fibers Limited	14.1	74,818,341	74,818,341
	Gulshan Weaving Mills Limited		14,999,930	14,999,930
	Interest free loan from other parties - unsecured	14.2	198,472,963	197,614,463
			<u>288,291,234</u>	<u>287,432,734</u>
14.1	This loan was created in accordance with the settlement agreement and agreement to sell dated December 30, 2013, executed between Silk Bank Limited (the Lender), Gulshan Spinning Mills Limited (an associated company), Paramount Spinning Mills Limited (an associated company), Gulistan Fibers Limited (an associated company) and the Company. As per these agreements, short term borrowings and outstanding bills payables aggregating Rs. 99.00 million of the Company have been adjusted by the Lender against mortgaged property of the Gulistan Fibers Limited, under the debt-property swap arrangement. Accordingly, the Company has booked this loan as payable to Gulistan Fibers Limited by adjusting its short-term borrowings and bills payable.			
	This loan is unsecured and carries mark-up at the half percent above the borrowing cost of the lending company. The said loan is classified as short-term on account of non-payment with the agreed period of time due to non-availability of funds and the Company did not charge interest on the same as well.			
14.2	These loans were advanced by the share holders of the company in order to finance working capital requirements. The repayment terms have not yet been finalized by the parties.			

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		Note	2024 Rupees	2023 Rupees
15	POST EMPLOYMENT BENEFITS PAYABLES			
	Post employment benefits payables	15.1	-	3,863
15.1	Movement in post employment benefits payable			
	Net liability at beginning of the year		3,863	3,863
	Add: charge to profit and loss account		-	-
	Less: benefits paid		(3,863)	-
	Net liability at end of the year		-	3,863
16	TRADE AND OTHER PAYABLES			
	Creditors		-	-
	Accrued liabilities	16.1	3,042,306	3,105,306
	Sindh intrastructure development cess payable		8,469,384	8,469,384
			11,511,690	11,574,690
16.1	Accrued liabilities includes the amount of Electric duty payable amounting to Rs. 1,906,625 (2023: Rs. 1,906,625). The Company has obtained stay order from the Honorable Lahore High Court against the payment of electric duty to LESCO as detailed in note 19.2.2.			
17	PRINCIPAL PAYABLE TO BANKING COMPANIES AS PER SCHEME OF ARRANGEMENT			
	United Bank Limited		28,184,000	28,184,000
	Faysal Bank Limited		128,420,000	128,420,000
	Habib Bank Limited		47,123,000	47,123,000
	Askari Bank Limited		151,397,000	151,397,000
	Bank Alfalah Limited		161,359,000	161,359,000
	MCB Bank Limited		70,911,000	70,911,000
	Al-Baraka Bank Limited		153,610,000	153,610,000
	Habib Metropolitan Bank Limited		48,079,000	48,079,000
	Bank Island Pakistan Limited		17,000,000	17,000,000
	Pair Investment Company Limited		350,000,000	350,000,000
	The Bank of Punjab		148,058,000	148,058,000
	National Bank of Pakistan		167,914,000	167,914,000
	First National Bank Modaraba		50,000,000	50,000,000
	Repayment under scheme of arrangement		(476,014,346)	-
			1,046,040,654	1,522,055,000
17.1	This represents payable to banking companies under scheme of arrangement as detailed in note 1.2 of these financial statements.			
18	MARK-UP PAYABLE UNDER SCHEME OF ARRANGEMENT			
	Due to the scheme of arrangement as detailed in note 1.2 no further provision with respect to mark up payable is made in these financials since 2019.			

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	Rupees

19 CONTINGENCIES AND COMMITMENTS

Contingencies

19.1 Litigation with banks and financial institutions

The Scheme of Arrangement has been sanctioned by the Honorable High Court of Sindh as detailed in note 1.2 to these financial statements. All the litigation by and against the Company with Financial Institution including the below-mentioned litigation will be withdrawn subject to the sale of Assets and Charged Stocks and completion of all relevant formalities, in accordance with the provisions of the Scheme.

19.1.1 Various banks and financial institutions have filed recovery suits before the respected courts, for recovery of their alleged long-term and short-term liabilities and lease liabilities through attachment and sale of Company's hypothecated / mortgaged / charged stocks and properties. The aggregate amount of these claims consists of principal Rs. 953 million (2023: Rs. 1,522 million) and mark up payable Rs. 397,536 million (2023: Rs. 397,536 million).

The management was strongly contesting above mentioned suits on merits as well as cogent factual and legal grounds available to the Company under the law. Since, all the cases are pending before various Courts therefore the ultimate outcome of these cases can not be established to the date of these financial statements.

19.1.2 The Company filed a suit in the Honorable Lahore High Court (LHC) against its all secured creditors / 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 interim 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 an order, dated November 27, 2013 that respondent banks will not liquidate the Company's assets and operation of impugned judgement and decree dated September 11, 2013, will remain suspended meanwhile. The Appeal filed by the company was allowed vide order dated 04.11.2020, whereby the case was remanded to the learned single judge to decide the application for leave to defend.

19.1.3 The Bank of Punjab has filed a suit COS No. 50/ 2013 for recovery of Rs. 168.426 million on account of working capital facilities provided to the Company. The company filed PLA No. 148-B/2013, in response to the summons issued by the Honorable Lahore High Court. The Honorable Lahore High Court dismissed the application and decreed in favor of the plaintiff bank to the extent of Rs. 159.286 million. The Company has filed appeal in the division bench of the Honorable Lahore High Court, and the case is being contested on merits.

19.1.4 Askari Bank Limited has filed a suit COS No. 40/2013 for recovery of Rs. 148.25 million. The Company filed PLA No. 105-B/2013, in response to the summon issued by the Honorable Lahore High Court. The court dismissed the application for leave to defend. The Honorable Banking Court decreed in favor of Plaintiff Bank, together with the costs of funds as contemplated by section 3 of above mentioned Ordinance. The Company has filed appeal in the Division Bench of the Honorable Lahore High Court, and the appeal is still subjudice.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	Rupees

19.1.5 First National Bank Modarba has filed a suit against the Company for recovery of Rs. 51.842 million. The said suit was decreed vide judgment dated August 01, 2017 against the Company and the same was converted into execution proceedings by the court under section 19 of Financial Institutions (Recovery of Finances) Ordinance, 2001. First National Bank Modaraba has filed an Execution petition which is now pending adjudication before the Banking Court No. 1, Lahore, where in the company has filed an objection petition. This case is also being vigorously and diligently contested by the Company. However, the case was adjourned sine die vide order dated 24.06.2022.

19.2 Litigation with parties other than banks and financial institutions

19.2.1 The company has not provided for Rs. 6.8 million (2023: Rs. 6.8 million) in respect of infrastructure cess levied by the Government of Sindh. The case was decided against the Company by a single judge of the Honorable Sindh High Court. The decision was challenged before a bench of same High Court and stay for collection of cess was allowed. The Honorable High Court of Sindh decided the case by declaring that the levy and collection of infrastructure fee prior to December 28, 2006 was illegal and ultra vires and after that it was legal. The Company filed an appeal in the Honorable Supreme Court of Pakistan against the above-mentioned judgement of the Honorable High Court of Sindh. Further, the Government of Sindh also filed appeal against part of judgement decided against them.

The above appeals were disposed-off in May 2011 with a joint statement of the parties that, during the pendency of the appeals, another law came into existence which was not subject matter in the appeal, therefore, the decision thereon be first obtained from the High Court before approaching the Honorable Supreme Court of Pakistan with the right to appeal. Accordingly, the petition was filed in the Honorable High Court of Sindh in respect of the above view. During the pendency of this appeal an interim arrangement was agreed where by bank guarantees furnished for consignments cleared upto December 27, 2006 were returned and bank guarantees were furnished for 50% of the levy for consignment released subsequent to December 27, 2006 while payment was made against the balance amount. This petition was disposed off in terms of the consolidated judgment dated June 04, 2021. The Company challenged the impugned order dated June 04, 2021 before the honorable Supreme Court of Pakistan wherein the operation of the impugned judgement of Sindh High Court and recovery the levy was suspended by the court.

19.2.2 The company has obtained stay order from Honorable Lahore High Court against the payment of electric duty to LESCO. However, an amount of Rs. 1,906,625/- (2023: Rs. 1,906,625/-) had been provided in the accounts on account of electric duty.

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	Note	2024	2023
		Rupees	Rupees

19.2.3 The Company has filed a suit bearing # 1167/18 before the Honorable High Court of Sindh, wherein, stay has been confirmed vide order dated March 03, 2017. The Honorable Supreme Court of Pakistan in its judgment dated August 13, 2020, passed in Civil Appeals No. 1113 to 1155 of 2017 etc. was pleased to waive off the Late Payment Surcharge and to recover GIDC in 24 equal monthly installments after making proper calculations. However, in the light of the Judgment dated August 13, 2020, read with Sub-section 2 of Section 8 of the GIDC Act 2015, SNGPL is not entitled to recover GIDC from the Company as the company has not collected the GIDC from its clients / customers and even not passed on to its clients / customers. Accordingly, the Company has filed a suit before Sindh High Court at Karachi wherein the honorable court was pleased to give stay order on GIDC. The Company has not paid GIDC to SNGPL during the period when injunctive orders were in field and the reported judgment of the Hon'ble Supreme Court of Pakistan in the case of Federation of Pakistan vs Durrani Ceramics & Others 2014 SCMR 1630. The Company has also instituted a suit for recovery against SNGPL for recovery of excess amount paid on account of GIDC and tariff difference which pending adjudication before Gas Utility Court, Lahore. The suit was adjourned sine die vide order dated 18.03.23 on account of the suit pending adjudication before the Sindh High Court.

19.3 Other contingencies

19.3.1 Bank guarantees issued on behalf of the company;

Sui Northern Gas Pipelines Limited	19,862,200	19,862,200
Director of Excise and Taxation	8,957,572	8,957,572
	28,819,772	28,819,772

Various other bank guarantees are also given by banks on behalf of the company to various parties.

19.4 Commitments

There is no capital commitment as at June 30, 2024 (2023: Nil).

20 ADMINISTRATIVE EXPENSES

Salaries and Wages		-	-
Rent, rates and taxes		-	-
Advertising		88,300	18,600
Legal and professional		-	2,900,000
Fee and subscriptions		677,000	-
Auditor's remuneration	20.1	341,250	220,500
Depreciation	6.2	168,606	193,077
		1,275,156	3,332,177

20.1 Auditor's remuneration

Annual audit	250,000	210,000
Half yearly review	78,750	-
Compliance report on Code of Corporate Governance	12,500	10,500
	341,250	220,500

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FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	Rupees
21 OTHER OPERATING EXPENSES			
Loss on sale of disposal group under scheme of arrangement		176,171,943	-
Impairment loss		-	27,620,150
Loss on sale of fixed assets		1,310,883	-
Payment against liabilities previously written off		7,763,061	-
		<u>185,245,887</u>	<u>27,620,150</u>
22 OTHER INCOME			
Profit on profit and loss sharing account		274,542	-
Liabilities written-off		-	334,500
Gain on sale of Disposal Group Under Scheme of Arrangment		(176,171,943)	-
		<u>274,542</u>	<u>334,500</u>
23 FINANCE COST			
Bank charges		1,098	1,206
Mark-up on lease liability		-	-
		<u>1,098</u>	<u>1,206</u>
24 LOSS PER SHARE - BASIC AND DILUTED			
Loss after taxation		<u>(186,247,599)</u>	<u>(30,619,033)</u>
		----- Number of shares -----	
Weighted average number of ordinary shares outstanding		<u>14,641,000</u>	<u>14,641,000</u>
Loss per share - basic and diluted		<u>(12.721)</u>	<u>(2.091)</u>
There is no dilutive effect on the basic loss per share of the Company.			
25 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES			
No remuneration was paid to chief executive officer and directors. Number of executives of the company are Nil (2023:Nil).			
26 FINANCIAL INSTUMENTS BY CATEGORY			
<i>Financial assets - amortized cost</i>			
Investments		-	23,634,803
Cash and bank balances		16,772,781	4,618,492
		<u>16,772,781</u>	<u>28,253,295</u>
<i>Financial liabilities - amortized cost</i>			
Loan from associates and others		288,291,234	287,432,734
Trade and other payables		11,511,690	11,574,690
Unclaimed dividend		619,529	619,529
Principal payable as per scheme of arrangement		1,046,040,654	1,522,055,000
Mark - up payable as per scheme of arrangement		397,535,999	397,535,999
		<u>1,743,999,106</u>	<u>2,219,217,952</u>

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NOTES TO THE FINANCIAL STATEMENTS
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	Note	2024	2023
		Rupees	Rupees

26.1 Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged or liability be settled between knowledgeable willing parties in an arm's length transaction. As at the reporting date, fair values of all financial instruments are considered to approximate their carrying amounts.

26.2 Methods of determining fair values

Fair values of financial instruments, with the exception of investment in associates, for which prices are available from the active market are measured by reference to those market prices. Fair values of financial assets and liabilities with no active market and those of investments in subsidiaries are determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

26.3 Discount/interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve as at the reporting date plus an adequate credit spread.

26.4 Significant assumptions used in determining fair values

Fair values of financial asset and liabilities that are measured at fair value subsequent to initial recognition are determined by using discounted cash flow analysis. This analysis requires management to make significant assumptions and estimates which may cause material adjustments to the carrying amounts of financial assets and financial liabilities in future periods. These assumptions are not fully supportable by observable market prices or rates. The Company uses various significant assumptions for determining fair value of financial assets and liabilities and incorporates information about other estimation uncertainties as well.

26.5 Significance of fair value accounting estimates to the Company's financial position and performance

The Company uses fair value accounting for its financial instruments in determining its overall financial position and in making decisions about individual financial instruments. This approach reflects the judgement of the Company about the present value of expected future cash flows relating to an instrument. The management believes that fair value information is relevant to many decisions made by users of financial statements as it permits comparison of financial instruments having substantially the same economic characteristics and provides neutral basis for assessing the management's stewardship by indicating effects of its decisions to acquire, sell or hold financial assets and to incur, maintain or discharge financial liabilities.

27 FINANCIAL RISK EXPOSURE AND MANAGEMENT

The Company may have exposures to credit risk, liquidity risk and market risk from its use of financial instruments.

The board of directors has overall responsibility for the establishment and oversight of Company's risk management framework. The board is also responsible for developing and monitoring the Company's risk management policies.

27.1 Credit risk

27.1.1 Exposure to credit risk

Credit risk is the risk of financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the long-term deposits, trade debts, trade deposits and other receivable, accrued mark-up and cash and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows;

Bank balances	16,466,547	4,473,395
	<u>16,466,547</u>	<u>4,473,395</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	Rupees

The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

Bank	Rating agency	Rating	
		Short term	Long term
Habib Bank Limited	JCR-VIS	A-1+	AAA
Standard Chartered Bank Ltd.	PACRA	A1+	AAA
Bank Al Habib Limited	PACRA	A1+	AAA
Askari Bank Limited	PACRA	A1+	AA+
Habib Metropolitan Bank Ltd.	PACRA	A1+	AA+
Sindh Bank Limited	VIS	A-1	A+
Allied Bank Limited	PACRA	A1+	AAA
National Bank of Pakistan	PACRA	A1+	AAA

27.2 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. The Company is facing difficulty in maintaining sufficient level of liquidity due to financial problems as all the banks and financial institutions have blocked / ceased their finance facilities and filed suits for recovery of these finances.

	2024			2023		
	Carrying amount	Due within one year	Due after one year	Carrying amount	Due within one year	Due after one year
	Rupees					
Loan from associates and other parties	288,291,234	288,291,234	-	287,432,734	287,432,734	-
Trade and other payables	11,511,690	11,511,690	-	11,574,690	11,574,690	-
Principal payable as per scheme of arrangement	1,046,040,654	1,046,040,654	-	1,522,055,000	1,522,055,000	-
Mark - up payable as per scheme of arrangement	397,535,999	397,535,999	-	397,535,999	397,535,999	-
	1,743,379,577	1,743,379,577	-	2,218,598,423	2,218,598,423	-

In order to manage liquidity risk, the management along with its restructuring agent (a leading bank) and a few other banks are negotiating with banks / financial institutions for restructuring of principal and mark-up / interest and rescheduling of repayment terms as detailed in note 1.2 to the financial statements and the management envisages that sufficient financial resources will be available to manage the liquidity risk.

27.3 Market risk

Market risk is the risk that the value of the financial instruments may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the

(a) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

At reporting date, the Company is not exposed to currency risk that's why currency risk analysis has not been provided.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	Rupees
(b) Interest rate risk			
Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.			
Majority of the interest rate risk of the Company arises from borrowings from banks and deposits with banks. However, the Company is not providing for mark-up/interest on its borrowings and liabilities due to litigation with banks and financial institutions as detailed in note 19.1.1 At the reporting date the profile of the Company's interest bearing financial instruments is as follows:			
Fixed rate instruments			
Financial assets		-	23,634,803
Financial liabilities		-	-
Variable rate instruments			
Financial assets		4,364,729	4,364,729
Financial liabilities		-	-
27.4 Off balance sheet items			
Bank guarantees issued in ordinary course of business		28,819,772	28,819,772

27.5 Capital risk management

There was no change in the Company's approach to capital management during the year. Further, the Company is not subject to externally imposed to capital requirements, except those, related to maintenance of debt covenants, commonly imposed by the providers of debt finance which the Company could not comply as at the reporting date.

28 RELATED PARTY TRANSACTIONS

Related parties comprise of associated companies, directors of the Company, key management personnel, companies in which directors, key management personnel and close members of the families of the directors and key management personnel are interested. The Company, in the normal course of business, carries out transactions with various related parties. Remuneration of the key management personnel is disclosed in note 36. Amounts due from and to related parties are shown under loan from associate and others. Other significant transactions with related parties are as follows:.

Name of related party	Relationship	Transactions	2024 Rupees	2023 Rupees
Mr. Tanveer Ahmad	Shareholder/sponsor	Receipt of loan	858,500	3,140,500

29 CAPACITY AND PRODUCTION

Number of spindles installed		24,096	24,096
Installed capacity in kilograms after conversion into 20/s counts	Kg.	8,029,854	8,029,854

29.1 The Company has not carried out any operations during the current reporting financial year due to the circumstances as disclosed in note 1.2 resulting in cessation of operations.

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**GULISTAN SPINNING MILLS LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024	2023
		Rupees	Rupees
30 NUMBER OF EMPLOYEES			
Number of employees as at June 30,		-	-
Average number of employees during the year		-	-

31 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 05-10-2024 by the Board of Directors of the Company.

PKA & CO

Sohail M
 CHIEF EXECUTIVE

Rafiq Ali
 CHIEF FINANCIAL OFFICER

Abidhattar
 DIRECTOR

GULISTAN SPINNING MILLS LIMITED

KEY OPERATIONS & FINANCIAL DATA FOR THE LAST SIX YEAR

	2024 RUPEES	2023 RUPEES	2022 RUPEES	2021 RUPEES	2020 RUPEES	2019 RUPEES
OPERATING RESULTS						
Turnover	-	-	-	-	-	-
Gross Profit / (Loss)	-	-	-	-	-	-
Operating Expenses	(186,521,043)	(30,952,327)	(2,758,094)	(1,854,156)	(926,245)	(20,379,406)
Operating Profit / (Loss)	(186,521,043)	(30,952,327)	(2,758,094)	(1,854,156)	(46,102,165)	(34,848,414)
Other Income	274,542	334,500	-	1,921,934	1,583,368	95,515,075
Financial & Other Charges	(1,098)	(1,206)	(3,852)	(81)	(2,144)	(82,827,891)
Profit / (Loss) for the year before taxation	(186,247,599)	(30,619,033)	(2,761,946)	67,697	(44,520,941)	(22,161,230)
Profit / (Loss) for the year after taxation	(186,247,599)	(30,619,033)	(2,761,946)	67,697	(44,520,941)	(12,045,483)
APPROPRIATION						
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
Unappropriated Loss Carried Forward	(1,975,908,082)	(2,120,806,558)	(2,090,187,525)	(2,087,425,579)	(2,087,493,276)	(2,042,972,335)
FINANCIAL POSITION						
Paid up Capital	146,410,000	146,410,000	146,410,000	146,410,000	146,410,000	146,410,000
Share Holder Equity	(1,784,199,542)	(1,597,951,943)	(1,567,332,910)	(1,564,570,964)	(1,564,638,661)	(1,520,117,720)
Long Term Loans	103,000,000	103,000,000	103,000,000	103,000,000	103,000,000	103,000,000
Obligation under Finance Leases	-	-	-	-	-	-
Deferred Liabilities	-	3,863	3,863	43,863	425,451	425,451
Current Liabilities	1,743,999,106	2,219,217,952	2,216,411,952	2,213,821,452	2,213,548,962	2,213,238,962
Fixed Assets	-	1,479,489	1,672,566	1,894,570	2,149,905	2,444,819
Disposal group under scheme of arrangmer	36,574,357	632,746,300	660,366,450	660,366,450	660,366,450	705,542,370
Long term Investments	-	23,634,809	23,634,803	23,634,803	23,414,979	21,831,611
Long term Deposit	-	-	-	-	-	-
Current Assets	26,225,207	66,409,274	66,409,086	66,398,528	66,404,418	66,727,893

GULISTAN SPINNING MILLS LIMITED
CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2024

A) ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES	SHARES
Paramount Spinning Mills Limited	202,777
B) NIT & ICP	
IDBL (ICP UNIT)	464
Investment Corporation of Pakistan	500
C) DIRECTORS, CHIEF EXECUTIVE OFFICER, THEIR SPOUSES AND MINOR CHILDREN	
<u>DIRECTORS</u>	
Mr. Muhammad Junaid	500
Mr. Sohail Maqsood	550
Mr. Muhammad Akhtar Mirza	500
Mr. Muhammad Ashraf Khan	986
Mr. Abid Sattar	500
Mrs. Zarqa Asif	500
MR. Muhammad Arif	553
<u>SPOUSES</u>	
D) BANKS, DEVELOPMENT FINANCIAL INSTITUTIONS, NON BANKING FINANCIAL INSTITUTIONS, INSURANCE COMPANIES, MODARABAS & MUTUAL FUNDS	
<u>BANKS</u>	
National Bank of Pakistan	148,992
E) OTHER COMPANIES	5,541,157
F) JOINT STOCK COMPANIES	78,550
G) GENERAL PUBLIC (LOCAL)	8,664,471
	<u><u>14,641,000</u></u>
H) TRADING IN THE SHARES OF COMPANY DURING THE YEAR BY THE DIRECTORS, CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY AND THEIR SPOUSES AND MINOR CHILDREN	NIL

GULISTAN SPINNING MILLS LIMITED
CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2024

Particulars	No. of Share Holders	No. of Shares Held	Percentage
Directors, Chief Executive Officer, Their Spouses and Minor Children	7	4,089	0.03
Associated Companies, Undertakings and Related Parties	1	202,777	1.38
NIT & ICP	2	964	0.01
Banks, Development Finance Institutions, Non- Banking Financial Institutions	3	148,992	1.02
Joint Stock Companies	5	78,550	0.54
General Public (Local)	1,728	8,664,471	59.18
Other Companies	9	5,541,157	37.85
	1,755	14,641,000	100.00

Form of Proxy

Gulistan Spinning Mills Limited

I/We _____ being member of **Gulistan Spinning Mills Limited** holder of _____ ordinary shares as per Share Register Folio No. _____ and/or CRC participant I.D. No. _____ Account No _____ hereby appoint _____ who is also member of **Gulistan Spinning Mills Limited** vide Folio No. 6575 or CDC participant I.D. No. _____ Account No. _____ or failing him/her of Mr. _____ of _____ who is also member of **Gulistan Spinning Mills Limited** vide Folio No. _____ or CDC participant I.D. No. / _____ Account No. _____ as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 28th October 2024 at 08:30 a.m and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2024

Signed by the said _____

Witness 1:-

Name:- _____

Address:- _____

CNIC:- _____

Witness 2:-

Name:- _____

Address:- _____

CNIC:- _____

Notes:

1. The Proxy in order to be valid must be duly stamped, signed and witnessed and be deposited with the Company not later than 48 hours before the time of holding of Meeting.
2. The proxy must be a member of the Company.
3. Signature should agree with the specimen signature, registered with the Company.
4. CDC Shareholders, entitled to attend and vote at this meeting, must bring with them their National Identity Card/Passport in original to prove his/her identity, and in case of Proxy must enclose an attested copy of his/her NIC or passport.
5. Representative of corporate members should bring the usual documents required for such purpose.

Appropriate Revenue Stamp

پراکسی فارم گلستان سپینگ ملز لمیٹڈ

میں / ہم _____ بحیثیت گلستان سپینگ ملز لمیٹڈ کے رکن ،
مالک برائے _____ عام حصص مطابق رجسٹرڈ فولیو نمبر _____ اور / یا
سی۔آر۔سی شرکت کنندہ آئی۔ڈی نمبر _____ کھاتہ نمبر _____ اس
طرح مقرر کرتا ہوں جناب _____ جو کہ گلستان سپینگ ملز لمیٹڈ کے
رکن بھی ہیں ، بذریعہ فولیو نمبر _____ یا سی۔ڈی۔سی شرکت کنندہ
آئی۔ڈی نمبر _____ کھاتہ نمبر _____ یا انکی ناکامی کی صورت میں جناب
_____ برائے _____ جو کہ گلستان سپینگ ملز لمیٹڈ کے
رکن بھی ہیں ، بذریعہ فولیو نمبر _____ یا سی۔ڈی۔سی شرکت کنندہ
آئی۔ڈی نمبر _____ کھاتہ نمبر _____ جیسا کہ میری / ہماری پراکسی
میں شرکت کرنے کے لئے، بات کرنے کے لئے اور ووٹ ڈالنے کے لئے 28 اکتوبر
2024 کو 08:30 بجے اور اس کے کسی بھی تعاقب میں منعقد ہونے والی کمپنی
کے سالانہ اجلاس میں۔

میرے / ہمارے ہاتھ 2024 کے _____ دن کا گواہ ہونے کے طور پر
کہا _____ کی نشاندہی

گواہ 1: -

نام: - _____

پتہ: - _____

CNIC: - _____

گواہ 2: -

نام: - _____

پتہ: - _____

CNIC: - _____

نوٹ:

1. پراکسی درست ہونا لازمی طور پر مہربند، دستخط اور گواہی دی جاسکتی ہے اور
کمپنی کے ساتھ اجلاس کے قیام کے وقت سے 48 گھنٹوں کے بعد جمع نہیں ہونا چاہئے۔

2. پراکسی کمپنی کا ایک رکن ہونا ضروری ہے۔

3. دستخط اس کمپنی کے ساتھ رجسٹرڈ نمونہ دستخط سے متفق ہونا چاہئے۔

4. اس اجلاس میں شرکت اور ووٹ لینے کے حق میں سی۔ڈی۔سی کے حصے دار، اپنی
شناخت کو ثابت کرنے کے لئے اصل قومی شناختی کارڈ / پاسپورٹ لائے، اور پراکسی
کی صورت میں انکو اپنے این آئی سی یا پاسپورٹ کی کاپی کی تصدیق کروانا ضروری
ہے۔

5. کارپوریٹ ارکان کے نمائندے کو اس مقصد کے لئے ضروری دستاویزات اپنے ساتھ لانا
چاہئے۔

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





سرمایہ کاری سمجھداری کے ساتھ



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-  Online Quizzes



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