

**3RD QUARTERLY ACCOUNTS  
FOR NINE MONTHS ENDED  
MARCH 31,2026  
(UN AUDITED)**

**GULISTAN TEXTILE MILLS LIMITED**

**GULISTAN TEXTILE MILLS LIMITED**  
**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

Mr. Waqar Ahmed (Chairman)  
Mr. Naseer Ahmed (Chief Executive)  
Mrs Samina Khawar  
Mr. Javed Hussain Shah  
Mr. Mian Muhammad Khalid Nasim  
Mr. Bashrat Mahmood Khalid  
Mrs. Nazia Waqar

**AUDIT COMMITTEE**

Mr. Javed Hussain Shah (chairman)  
Mr. Waqar Ahmed  
Mr. Bashrat Mahmood Khalid

**HR & REMUNERATION COMMITTEE**

Mrs. Nazia Waqar (chairman)  
Mr. Waqar Ahmed  
Mr. Bashrat Mahmood Khalid

**CHIEF FINANCIAL OFFICER**

Mr. Akhtar Aziz

**COMPANY SECRETARY**

Mr. Asmar Tariq

**AUDITORS**

M/s Malik Haroon Ahmad & Co  
Chartered Accountants  
Lahore.

**LEGAL ADVISOR**

M/s. A.K. Brohi & Company-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**

[www.gulistan.com.pk/corporate/gulistan.html](http://www.gulistan.com.pk/corporate/gulistan.html)



# Gulistan Textile Mills Limited

2<sup>nd</sup> Floor Finlay House I.I. Chundrigar Road ,  
Karachi (Pakistan)

## Director's Report to Shareholders

The Director of your company pleased to present audited financial statements of the Company for Nine months ended March 31,2026.

## Operating & Financial Performance

Operating indicators	Nine Months Ended March 31,2026	Nine Months Ended March 31,2025
	(Rupees)	(Rupees)
Sales	-	-
Gross loss	-	-
Pre tax Profit/ (Loss)	(24,276,599)	(44,578,469)
Provision for taxation	(593,400)	-
Profit / (Loss) after taxation	(24,869,999)	(44,578,469)

## Over View:

The Company has initiated the debt restructuring process with the help of the key lending financial institutions. In this regard a Scheme of Arrangement under section 279 to 283 & 285 of the Companies Act 2017 (Scheme of Arrangement) has already been sanctioned by the Hon'ble Sindh High Court at Karachi (the "Court") vide order dated 24.11.2021. The Scheme will be implemented in letter and spirit as sanctioned by the Court. As per the Scheme of Arrangement all the litigation with Banks will be withdrawn both by and against the company.

## Future Outlook

The restructuring process is expected to be completed soon, once the ongoing restructuring process is completed, we would be in better position to structure the way forward.

## Acknowledgement

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

On behalf of the Board

*Naseer Ahmed*  
**NASEER AHMED**  
CHIEF EXECUTIVE

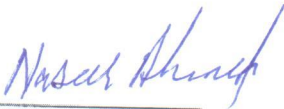
Lahore:-28.04.2026



**GULISTAN TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT MARCH 31, 2026**

	NOTE	(UN-AUDITED)	(AUDITED)
		March 31, 2026	June 30, 2025
<b>ASSETS</b>			
-----Rupees-----			
Property, plant and equipment			
Disposal group under scheme of arrangement	5	52,801,235	52,801,235
Advances deposits and prepayments		744,073	744,073
Trade deposits and other receivables	6	342,500,000	342,500,000
Tax refunds due from Government	7	20,832,507	19,652,607
Cash and bank balances	8	26,489,164	25,714,412
<b>TOTAL ASSETS</b>		<b>443,366,979</b>	<b>441,412,327</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised capital</b>			
30,000,000 (June 30, 2025 : 30,000,000) Ordinary shares of Rs. 10 each		300,000,000	300,000,000
Share capital		189,838,990	189,838,990
Reserves		576,748,715	576,748,715
Surplus on revaluation of property, plant and equipment		29,596,402	29,596,402
Sub-Ordinated Loan		423,800,000	423,800,000
Accumulated losses		(9,651,822,073)	(9,626,952,075)
<b>Total equity</b>		<b>(8,431,837,966)</b>	<b>(8,406,967,968)</b>
<b>LIABILITIES</b>			
Payable to banking companies under scheme of arrangements	9	5,640,188,000	5,640,188,000
Loan from associates and others		331,031,517	302,892,516
Post employment benefits payables		79,105,487	79,595,487
Trade and other payables	10	247,339,600	248,757,350
Accrued mark up / interest	11	2,576,646,000	2,576,646,000
Unclaimed dividend		300,942	300,942
Provision for taxation		593,400	
<b>CONTINGENCIES AND COMMITMENTS</b>	12		
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>443,366,979</b>	<b>441,412,327</b>

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR


**GULISTAN TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2026**

NOTE	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended
	March 31, 2026		March 31, 2025	
-----Rupees-----				
Sales	-	-	-	-
Cost of sales	-	-	-	-
<b>Gross loss</b>	-	-	-	-
Other operating income	8,500,000	17,100,000	968,594	968,594
Administrative expenses	(1,875,159)	(6,837,990)	(2,449,398)	(5,626,356)
Other operating expenses	(13,964,500)	(34,475,000)	(27,288,440)	(39,908,440)
Finance cost	(30,955)	(63,609)	(5,029)	(12,267)
	(7,370,614)	(24,276,599)	(28,774,273)	(44,578,469)
<b>Loss for the period before taxation</b>	(7,370,614)	(24,276,599)	(28,774,273)	(44,578,469)
Levies and Taxation	-	(593,400)	-	-
<b>Loss for the period</b>	(7,370,614)	(24,869,999)	(28,774,273)	(44,578,469)
<b>Earnings / (loss) per share - basic and diluted</b>	(0.39)	(1.31)	(1.52)	(2.35)

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CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER




DIRECTOR

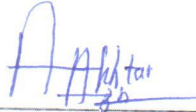
**GULISTAN TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2026**

NOTE	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended
	March 31, 2026		March 31, 2025	
	-----Rupees-----			
Profit/(Loss) for the period	(7,370,614)	(24,869,999)	(28,774,273)	(44,578,469)
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>(7,370,614)</b>	<b>(24,869,999)</b>	<b>(28,774,273)</b>	<b>(44,578,469)</b>

*The annexed notes form an integral part of these condensed interim financial statements.*



**CHIEF EXECUTIVE**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**GULISTAN TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2026**

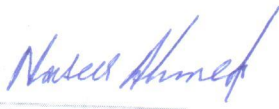
**CASH FLOWS FROM OPERATING ACTIVITIES:**

	Nine Months Period Ended	
	March 31, 2026	March 31, 2025
	-----Rupees-----	
Net Profit/(loss) before taxation	(24,869,999)	(44,578,469)
<b>Adjustments for :</b>		
Depreciation	-	-
Finance cost	63,609	12,267
<b>(Profit) before working capital changes</b>	<b>(24,806,390)</b>	<b>(44,566,202)</b>
<b>Change in working capital</b>		
<b>(Increase) / decrease in current assets</b>		
Trade debts	-	9,152,200
Tax refunds due from Government	(1,179,900)	5,030,433
<b>Increase / (decrease) in current liabilities</b>	<b>(1,179,900)</b>	<b>14,182,633</b>
Loan from associates and others	28,139,001	36,963,000
Trade and other payables	(1,417,750)	(2,978,598)
Provision for Taxation	593,400	-
<b>Cash generated from operating activities</b>	<b>1,328,361</b>	<b>6,579,431</b>
<b>(Payments)/Receipts for:</b>		
Finance cost paid	(63,609)	(12,267)
Staff retirement benefits - gratuity paid	(490,000)	-
<b>Net cash generated from (used in) operating activities</b>	<b>774,752</b>	<b>6,567,164</b>


**CASH FLOW FROM FINANCING ACTIVITIES:**

<b>Net decrease in cash and cash equivalents</b>	<b>774,752</b>	<b>3,588,567</b>
Cash and cash equivalents at beginning of the period	25,714,412	23,773,633
<b>Cash and cash equivalents at end of the period</b>	<b>26,489,164</b>	<b>27,362,200</b>
<b>Cash and cash equivalents comprise of the following :-</b>		
Cash and bank balances	26,489,164	27,362,200
	<b>26,489,164</b>	<b>27,362,200</b>

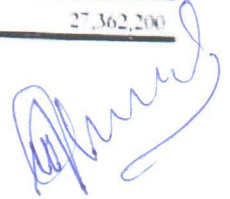
*The annexed notes form an integral part of this condensed interim financial information.*



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CHIEF FINANCIAL OFFICER



DIRECTOR

**GULISTAN TEXTILE MILLS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2026**

SHARE CAPITAL	CAPITAL RESERVE			REVENUE RESERVE		Subordinated loan from directors	TOTAL	
	Share premium	Other reserves	Revaluation surplus	General reserve	Accumulated losses			
Rupees-----								
Balance as at July 01, 2024	189,838,990	379,080,000	(6,252,679)	29,596,402	203,921,394	(9,575,284,117)	423,800,000	(8,355,300,010)
Loss for the nine months ended	-	-	-	-	-	(44,578,469)	-	(44,578,469)
Balance as at March 31, 2025	189,838,990	379,080,000	(6,252,679)	29,596,402	203,921,394	(9,619,862,586)	423,800,000	(8,399,878,479)
Balance as at July 01, 2025	189,838,990	379,080,000	(6,252,679)	29,596,402	203,921,394	(9,626,952,075)	423,800,000	(8,406,967,968)
Loss for the nine months ended	-	-	-	-	-	(24,869,999)	-	(24,869,999)
Balance as at March 31, 2026	189,838,990	379,080,000	(6,252,679)	29,596,402	203,921,394	(9,651,822,074)	423,800,000	(8,431,837,967)

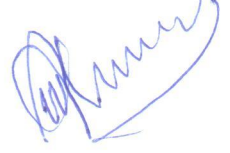
The annexed notes form an integral part of these financial statements



CHIEF EXECUTIVE



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DIRECTOR

**GULISTAN TEXTILE MILLS LIMITED**  
**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**AS AT MARCH 31, 2026 (UNAUDITED)**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

1.1 Gulistan Textile Mills Limited ("the Company") was incorporated on February 02, 1966 in Pakistan as a private company limited by shares and was converted into public limited company on April 11, 1966. The shares of the Company are listed on Pakistan Stock Exchange Limited (PSX). The Company was principally engaged in the manufacturing and sale of yarn, fabrics and other ancillary products.

**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 had signed a "Scheme of Arrangement" dated March 13, 2019 under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). The Scheme of Arrangement was sanctioned by the Honourable High Court of Sindh at Karachi vide order dated October 25, 2019 passed in J C M Petition No. 5 of 2019. The Scheme of Arrangement, after its sanctioning by the Court became binding on the Company, along with all the shareholders, creditors, stakeholders and any other regulatory / statutory bodies of/ or with respects to the Company. Under the Scheme of Arrangement, the existing financial obligations / liabilities of the Company towards the secured creditors had to be settled by way of sale of moveable and immovable charged assets of the Company, distribution of the sale proceeds among the secured creditors and withdrawal of all pending litigations. Asset sale committee, pursuant to the terms of scheme of arrangement has sold all charged assets and proceeds thereof have been distributed among the secured creditors and lenders for the balances due to them. This distribution constitutes full and final settlement of all liabilities of the company towards its secured creditors as contemplated under the Scheme. The pending litigations filed by and against the Company are now being withdrawn in accordance with terms of the scheme of arrangement.

**2 BASIS OF PREPARATION**

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 237 of the Companies Act, 2017. It has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2025.

3 The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of preceding audited annual financial statements of the Company for the year ended June 30, 2025.

4 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

Estimation and judgements made by the management in the preparation of this condensed interim financial information were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2025.

**5 DISPOSAL GROUP UNDER SCHEME OF ARRANGEMENT**

		March 31, 2026	June 30, 2025
	Note	Rupees	Rupees
<b>Owned</b>			
Freehold land			
Lease hold land		52,801,235	52,801,235
Building on Freehold land		-	-
Building on Lease hold land		-	-
Plant and machinery		-	-
Power houses		-	-
Tools and equipment		-	-
<b>Leased</b>			
Plant and machinery		-	-
Power houses		-	-
<b>Impairment Loss</b>		-	-
		<b>52,801,235</b>	<b>52,801,235</b>

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 1.3. Hence, above mentioned assets has been classified and presented under disposal group under scheme of arrangement.

March 31, 2026	June 30, 2025
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Note Rupees Rupees

9 PAYABLE TO BANKING COMPANIES UNDER SCHEME OF ARRANGEMENT

5,640,188,000	5,640,188,000
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This represents payable to banking companies under scheme of arrangement as detailed below:  
 The Company along with its restructuring agent - United Bank Limited and majority of the lending financial institutions have signed a "Scheme of Arrangement" under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). Under this Scheme, the existing financial obligations / liabilities of the Company towards the secured creditors shall be settled by way of sale of moveable and immovable assets of the Company including land, building & plant and machinery and payment of the proceeds thereof to the secured creditors as contemplated under the Scheme of arrangement.  
 The said Scheme has been agreed-upon by the majority of the secured creditors and shareholders of the Company as stipulated in the Act, in their respective meeting held on August 07, 2019. The Scheme has been filed before the Honorable High Court of Sindh for an order passed in this respect. The Scheme seeks to record the terms and conditions of a legally binding compromise and arrangement between the secured creditors on one part and the Company and its directors and sponsors on the other part, for ensuring, inter alia, the settlement of the existing liabilities and ancillary measures as mentioned in note 1.2 to the annual financial statements for the year ended June 30, 2025.

March 31, 2026	June 30, 2025
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Note Rupees Rupees

11 ACCRUED MARK-UP / INTEREST

Mark-up/ interest:  
 - payables under scheme of arrangement

2,576,646,000	2,576,646,000
<u>2,576,646,000</u>	<u>2,576,646,000</u>

12 CONTINGENCIES AND COMMITMENTS

**Contingencies**  
 There is no change in the matter detailed in note 19.1.1 to 19.1.11, 19.2.1 to 19.2.5 & 19.3.1 to 19.3.2 to the Company's published annual financial statements for the year ended June 30, 2025.


**Commitments**  
 There is no change in the matter detailed in note 19.4 to the Company's published annual financial statements for the year ended June 30, 2025.

13 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 28-04-2026 by the Board of Directors of the Company.

GENERAL

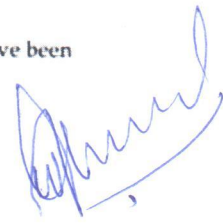
All figures except June 30, 2025 figures appearing in the financial statements are un audited. Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR