

GULISTAN SPINNING MILLS LIMITED

Financial Statements

For the Year Ended June 30, 2026



MALIK HAROON AHMAD & CO.
(Formerly Malik Haroon Shahid Saeed & 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, 2026, and the statement of profit or loss, the statement of 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 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, 2026 and of the profit, 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. 4.341 million.
2. We were unable to satisfy ourselves regarding the accuracy of balances payable in respect of trade and other payables amounting to Rs. 11.225 million and unclaimed dividends of Rs. 0.619 million as of June 30, 2026.

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 other than going concern basis. Our opinion is not modified in respect of this matter.

Head Office: 25-C, Gulberg II, Lahore - 54660 Pakistan.

Karachi Office: M 7/3, Khayaban-e-Saadi, DHA Phase VII, Karachi

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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.

In addition to the matters described in the Basis for Qualified Opinion section we have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No	Matter	How the matter was addressed in our audit
1.	Contingencies and commitments	
	Refer to note 15 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; • 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.

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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.

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- 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 section 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 **Muhammad Nawaz**.

Lahore
October 08, 2026
UDIN: AR202610916FLWY6C5dQ



Malik Haroon Ahmad & Co.
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**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, 2026 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.

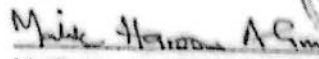
As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control 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.

We draw attention to Note 16 to the Corporate Compliance and Governance Report (prepared by the Company), which describes the reasons for non-compliance with certain non-mandatory requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Our conclusion is not modified in respect of this matter.

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, 2026.

Lahore
October 06, 2026
UDIN: CR202610916s118jh070


Malik Haroon Ahmad & Co.
Chartered Accountants



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GULISTAN SPINNING MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
ASSETS			
Non - Current Assets			
Fixed assets		-	-
Investments	5	-	-
Current Assets			
Tax refunds due from Government	6	9,549,609	9,411,245
Cash and bank balances	7	21,141,278	8,527,114
Disposal group under scheme of arrangement	8	36,574,357	36,574,357
		67,265,244	54,512,716
TOTAL ASSETS		67,265,244	54,512,716
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Share capital	9	146,410,000	146,410,000
Reserves		24,983,168	24,983,168
Surplus on revaluation		20,315,372	20,315,372
Sub-ordinated loan	10	103,000,000	103,000,000
Accumulated losses		(1,961,524,252)	(1,981,844,930)
Total equity		(1,666,815,712)	(1,687,136,390)
Liabilities			
Non - Current Liabilities			
Current Liabilities			
Loan from associates and others	11	278,276,234	285,891,234
Trade and other payables	12	11,608,540	11,561,690
Unclaimed dividend		619,529	619,529
Principal payable to banking companies as per scheme of arrangement	13	1,046,040,654	1,046,040,654
Mark - up payable to banking companies as per scheme of arrangement	14	397,535,999	397,535,999
		1,734,080,956	1,741,649,106
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		67,265,244	54,512,716

The annexed notes from 1 to 29 form an integral part of these financial statements.

Sahil H
CHIEF EXECUTIVE

WJ
CHIEF FINANCIAL OFFICER

MHA & CO
Ahmad Sattar
DIRECTOR

GULISTAN SPINNING MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
Sales		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses	16	(1,537,140)	(368,600)
Other operating expenses	17	(6,727,178)	(6,526,640)
		(8,264,318)	(6,895,240)
Loss from operations		(8,264,318)	(6,895,240)
Other income	18	28,589,394	1,145,381
Finance cost	19	(4,398)	(2,051)
Profit / (loss) before taxation & levies		20,320,678	(5,751,910)
Levies		-	(184,938)
Profit / (loss) before taxation		20,320,678	(5,936,848)
Taxation		-	-
Profit / (loss) after taxation		20,320,678	(5,936,848)
Earnings / (loss) per share - basic and diluted	20	1.39	(0.41)

The annexed notes from 1 to 29 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, 2026

	Note	2026	2025
		Rupees	Rupees
Profit / (loss) after taxation		20,320,678	(5,936,848)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		20,320,678	(5,936,848)

The annexed notes from 1 to 29 form an integral part of these financial statements.

MHA & CO


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

GULISTAN SPINNING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Share capital	Capital reserve			Revenue reserve		Sub-ordinated loan from directors	Total
		Share premium	Other Reserves	Revaluation surplus	Accumulated losses			
Rupees								
Balance as at July 01, 2024	146,410,000	25,000,000	(16,832)	20,315,372	(1,975,908,082)	103,000,000	(1,681,199,542)	
Loss for the year	-	-	-	-	(5,936,848)	-	(5,936,848)	
Other comprehensive income	-	-	-	-	(5,936,848)	-	(5,936,848)	
Surplus on revaluation of property, plant and equipment realized during the year on account of disposal of revalued assets - net of tax	-	-	-	-	-	-	-	
Balance as at June 30, 2025	146,410,000	25,000,000	(16,832)	20,315,372	(1,981,844,930)	103,000,000	(1,687,136,390)	
Profit for the year	-	-	-	-	20,320,678	-	20,320,678	
Other comprehensive income	-	-	-	-	-	-	-	
Surplus on revaluation of property, plant and equipment realized during the year on account of disposal of revalued assets - net of tax	-	-	-	-	20,320,678	-	20,320,678	
Balance as at June 30, 2026	146,410,000	25,000,000	(16,832)	20,315,372	(1,961,524,252)	103,000,000	(1,666,815,712)	

The annexed notes from 1 to 29 form an integral part of these financial statements.

Shahid H
CHIEF EXECUTIVE

12/

CHIEF FINANCIAL OFFICER

MHA & CO

Shahid H
DIRECTOR

GULISTAN SPINNING MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		20,320,678	(5,936,848)
Adjustments for non-cash charges and other items:			
Change in NRV of fixed assets		-	-
Finance cost		4,398	2,051
Levies		-	184,938
Profit on profit and loss sharing account		(691,821)	(958,381)
Cash flows before working capital changes		19,633,255	(6,708,240)
(Increase) / decrease in assets			
Sales tax refundable		-	41,181
Increase / (decrease) in liabilities			
Trade and other payables		46,850	50,000
Cash generate from / (used in) operations		19,680,105	(6,617,059)
Finance cost paid		(4,398)	(2,051)
Tax and levies paid		(138,364)	(184,938)
Net cash generated from/(used in) operating activities		19,537,343	(6,804,048)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received from profit or loss sharing account		691,821	958,381
Net cash flows generated from investing activities		691,821	958,381
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment against loan from associates and other parties		(7,615,000)	-
Payment to banking companies against scheme of arrangement		-	(2,400,000)
Net cash used in financing activities		(7,615,000)	(2,400,000)
Net increase / (decrease) in cash and cash equivalents during the year			
		12,614,164	(8,245,667)
Cash and cash equivalents at the beginning of year		8,527,114	16,772,781
Cash and cash equivalents at the end of year		21,141,278	8,527,114

The annexed notes from 1 to 29 form an integral part of these financial statements.

MHA & CO


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

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.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with financial reporting 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 including accounting standard on "Non-Going Concern Basis of Accounting issued by ICAP and notified by SECP under S.R.O. 69(I)/2024", 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, and as the Company has no manufacturing facilities, no operations, no revenue and only one employee, and the directors have neither the intention nor the ability to recommence business, the directors have determined that the going concern basis of preparation is no longer appropriate. Accordingly, these financial statements have been prepared on the non-going concern basis of accounting.

Under the non-going concern basis of accounting, assets are measured at their net realizable value, being the estimated amount expected to be realized from their sale, less costs to sell. Liabilities are measured at the amounts expected to be settled, considering the terms of settlement.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

Notes

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 Rupees has been rounded-off to the nearest Rupee except stated otherwise.

3 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, 2025 but, pursuant to paragraphs 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.

4 MATERIAL ACCOUNTING POLICIES

4.1 Fixed Assets

Fixed assets are stated at their net realizable value, being the estimated amount expected to be realized from their sale, less costs to sell. No depreciation is charged. Changes in net realizable value are recognized in the statement of profit or loss. Addition in and disposal from fixed asset is accounted for in accordance with International Financial Reporting Standards.

4.2 Investments in equity instruments of associated companies

Investments in associated companies are measured at net realizable value, representing the estimated amount recoverable from disposal or realization. Any change in value is recognized in profit or loss.

4.3 Trade & Other receivables

Trade and other receivables are stated at their expected realizable value, after making provisions for expected credit loss where recovery is uncertain.

4.4 Short term investments

Short-term investments are carried at their net realizable value as at the reporting date. Gains or losses arising from changes in realizable value are recognized in profit or loss.

4.5 Tax Refund Due from Government

Tax refunds due from the government are carried at amounts considered recoverable, based on management's assessment of claims and related correspondence with tax authorities.

4.6 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at face value. For the purpose of cash flow statement, cash and cash equivalents comprise of cash-in-hand and balances with banks.

4.7 Gratuity payable

Gratuity payable is recognized at the amount payable to employees under the Company's gratuity schemes. The balance of gratuity liability at the reporting date represents the residual obligation under the discontinued scheme, which will be settled in once fund are available to Company. No new service cost, interest cost, or re-measurements are recognized subsequent to the discontinuation of the scheme.

4.8 Trade & Other payables

Trade and other payables are carried at the amounts expected to be settled, considering contractual terms and conditions.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

Notes

4.9 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 tax is recognized on the basis of taxable income for the year, using tax rates enacted or substantively enacted at the reporting date.

Deferred

No deferred tax is recognized, as the Company is no longer a going concern and the realization of deferred tax assets and settlement of deferred tax liabilities is not considered probable.

4.10 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 of the amount can be made. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is considered remote.

Contingent assets are not recognized in the financial statements. However, they are disclosed where the inflow of economic benefits is considered probable.

4.11 Financial assets and liabilities

Financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument and derecognized when the Company loses control of contractual rights that comprise the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and financial liabilities is included in the statement of profit and loss account for the year.

4.12 Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position 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.

4.13 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

4.14 Related party transactions

All related party transactions are carried out at mutually agreed terms. Transactions that are not at arm's length or lack clear commercial substance are undertaken with the approval of the Board of Directors.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

Notes

4.15 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) Determination of the net realizable value of assets and costs to sell.
- (ii) Estimation of amounts of liabilities expected to be settled.
- (iii) Provisions for current tax and recognition of refunds due from government.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
5 INVESTMENTS			
Investment in associate	5.1	-	-
Other investments in equity shares	5.2	-	-
		<u>-</u>	<u>-</u>
5.1 Investments in associates			
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 recoverable amount of this investment has been calculated as Rs. Nil (2025: Rs. Nil) per share aggregating to Rs. Nil (2025: Rs. Nil) after considering the estimated future cash flows expected to be generated by the associate.			
5.1.1 Summarized financial information of the associated company as at June 30, based on audited financial statements is as follows;			
Gulshan Spinning Mills Limited			
Liabilities		3,108,247,491	3,170,045,855
Assets		95,028,877	201,216,017
Revenue		-	-
Loss after tax		(36,475,470)	(8,025,049)
5.2 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
Due to the closure of business of both the entities, these investments are measured at net realizable value, representing the estimated amount recoverable from disposal or realization, which has been assessed at Rs. Nil and hence fully charged off.			
6 TAX REFUNDS DUE FROM GOVERNMENT			
Advance income tax		138,364	-
Sales tax		9,411,245	9,411,245
		<u>9,549,609</u>	<u>9,411,245</u>
7 CASH AND BANK BALANCES			
Cash-in-hand		10,576,494	3,983,234
Cash at bank			
- Current accounts		654,859	94,124
- Saving / call treasury accounts	7.2	6,223,705	87,386
-Term deposits	7.3	3,686,220	4,362,370
		<u>21,141,278</u>	<u>8,527,114</u>
7.1 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 15.1 to the financial statements except two banks.			
7.2 Call treasury account carries profit ranging from 9% to 12% per annum.			
7.3 These are under lien with respect to guarantees provided on behalf of the company by various financial institutions.			

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
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8 DISPOSAL GROUP UNDER SCHEME OF ARRANGEMENT

Freehold land		36,574,357	36,574,357
Impairment		-	-
		36,574,357	36,574,357

8.1 Particulars of immovable fixed assets are as follows:

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

9 SHARE CAPITAL

Numbers 2026	Numbers 2025		Rupees 2026	Rupees 2025
Authorized capital				
15,000,000	15,000,000	Ordinary shares of Rs. 10 each	150,000,000	150,000,000
Issued, subscribed and paid-up capital				
6,838,330	6,838,330	Ordinary shares of Rs. 10 each issued as fully paid in cash	68,383,300	68,383,300
7,802,670	7,802,670	Ordinary shares of Rs. 10 each issued as fully bonus shares	78,026,700	78,026,700
14,641,000	14,641,000		146,410,000	146,410,000

9.1 Ordinary shares held by the related party at the year end:

Paramount Spinning Mills Limited		-	-
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10 SUB-ORDINATED LOAN - unsecured

	103,000,000	103,000,000
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This is an interest-free loan obtained from Ex-Director of the Company in previous years. This loan is sub-ordinated 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).

11 LOAN FROM ASSOCIATES AND OTHERS

Gulistan Fibers Limited	11.1	74,818,341	74,818,341
Gulshan Weaving Mills Limited	11.2	14,999,930	14,999,930
Interest free loan from other parties - unsecured	11.3	188,457,963	196,072,963
		278,276,234	285,891,234

11.1 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.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
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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.

11.2 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.

11.3 These loans were advanced by the share holders of the company in order to finance working capital requirements. The loan is repayable on demand.

12 TRADE AND OTHER PAYABLES

Accrued liabilities	12.1	3,139,156	3,092,306
Sindh intrastructure development cess payable		8,469,384	8,469,384
		11,608,540	11,561,690

12.1 Accrued liabilities includes the amount of Electric duty payable amounting to Rs. 1,906,625 (2025: 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.

13 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)	(476,014,346)
	1,046,040,654	1,046,040,654

13.1 This represents payable to banking companies under scheme of arrangement as detailed in note 1.2 of these financial statements.

14 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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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		Rupees	Rupees

15 CONTINGENCIES AND COMMITMENTS

Contingencies

15.1 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 upon realization and distribution of sale proceeds of the assets and of all relevant formalities, in accordance with the provisions of the Scheme.

15.1.1 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.

15.1.2 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.

15.1.3 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.

15.1.4 First National Bank Modaraba 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		Rupees	Rupees

15.2 Litigation with parties other than banks and financial institutions

15.2.1 The company has not provided for Rs. 6.8 million (2025: 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 of the levy was suspended by the court.

15.2.2 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/- (2025: Rs. 1,906,625/-) had been provided in the accounts on account of electric duty.

15.2.3 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 is 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. SNGPL has also filed a badly time barred suite for recovery of Rs. 22,000,403, before gas utility court Pattoki which is being contested on merits.

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GULISTAN SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
15.3 Other contingencies			
15.3.1 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
		<u>28,819,772</u>	<u>28,819,772</u>
Various other bank guarantees are also given by banks on behalf of the company to various parties.			
15.4 Commitments			
There is no capital commitment as at June 30, 2026 (2025: Nil).			
16 ADMINISTRATIVE EXPENSES			
Advertising		20,000	20,000
Fee and subscriptions		36,800	-
Salaries and wages		1,081,740	-
Auditor's remuneration	16.1	398,600	348,600
Change in NRV of fixed assets	#REF!	-	-
		<u>1,537,140</u>	<u>368,600</u>
16.1 Auditor's remuneration			
Annual audit		300,000	250,000
Half yearly review		85,000	85,000
Compliance report on Code of Corporate Governance		13,600	13,600
		<u>398,600</u>	<u>348,600</u>
17 OTHER OPERATING EXPENSES			
Payment against liabilities previously written off		6,727,178	6,526,640
		<u>6,727,178</u>	<u>6,526,640</u>
18 OTHER INCOME			
Profit on profit and loss sharing account		691,821	958,381
Bad debt recovery income		-	187,000
Income tax refund		27,897,573	-
		<u>28,589,394</u>	<u>1,145,381</u>
19 FINANCE COST			
Bank charges		4,398	2,051
20 LOSS PER SHARE - BASIC AND DILUTED			
Profit / (loss) after taxation		20,320,678	(5,936,848)
		----- Number of shares -----	
Weighted average number of ordinary shares outstanding		14,641,000	14,641,000
Earnings / (loss) per share - basic and diluted		1.388	(0.405)
There is no dilutive effect on the basic loss per share of the Company.			

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
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21 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 (2025:Nil).

22 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets - amortized cost

Investments

-

-

Cash and bank balances

21,141,278

8,527,114

21,141,278

8,527,114

Financial liabilities - amortized cost

Loan from associates and others

278,276,234

285,891,234

Trade and other payables

11,608,540

11,561,690

Unclaimed dividend

619,529

619,529

Principal payable as per scheme of arrangement

1,046,040,654

1,046,040,654

Mark - up payable as per scheme of arrangement

397,535,999

397,535,999

1,734,080,956

1,741,649,106

22.1 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.

22.2 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.

22.3 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.

22.4 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.

22.5 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.

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FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		Rupees	Rupees

23 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.

23.1 Credit risk

23.1.1 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	4,543,880	4,543,880
---------------	------------------	------------------

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
Bank Al Habib Limited	PACRA	A1+	AAA
Askari Bank Limited	PACRA	A1+	AAA
Habib Metropolitan Bank Ltd.	PACRA	A1+	AAA
Sindh Bank Limited	VIS	A1+	AA

23.2 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.

	2026			2025		
	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	278,276,234	278,276,234	-	285,891,234	285,891,234	-
Trade and other payables	11,608,540	11,608,540	-	11,561,690	11,561,690	-
Unclaimed dividend	619,529	619,529	-	619,529	619,529	-
Principal payable as per scheme of arrangement	1,046,040,654	1,046,040,654	-	1,046,040,654	1,046,040,654	-
Mark - up payable as per scheme of arrangement	397,535,999	397,535,999	-	397,535,999	397,535,999	-
	1,734,080,956	1,734,080,956	-	1,741,649,106	1,741,649,106	-

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.

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	Note	2026	2025
		Rupees	Rupees

23.3 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 market.

(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.

(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 17.1 At the reporting date the profile of the Company's interest bearing financial instruments is as follows:

Fixed rate instruments

Financial assets

-

-

Financial liabilities

-

-

Variable rate instruments

Financial assets

9,909,925

4,449,756

Financial liabilities

-

-

23.4 Off balance sheet items

Bank guarantees issued in ordinary course of business

28,819,772

28,819,772

23.5 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.

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	Note	2026	2025
		Rupees	Rupees

24 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 23. 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	2026 Rupees	2025 Rupees
Noureen Tanveer	Shareholder/sponsor	Payment of Loan	2,400,000	2,400,000
Mr. Tanveer Ahmad	Shareholder/sponsor	Payment of Loan	375,000	-
		Receipt of Loan	7,990,000	-

25 CAPACITY AND PRODUCTION

All manufacturing facilities of company were disposed off.

26 NUMBER OF EMPLOYEES

Number of employees as at June 30, 2026

1 -

Average number of employees during the year

1 -

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	Note	2026	2025
		Rupees	Rupees

27 SHARIAH DISCLOSURE

Statement of financial position:

- Financing / loans / advances obtained as per islamic mode	-	-
- Interest or mark-up accrued on any conventional loan or advance	397,535,999	397,535,999
- Long-term and short-term shariah compliant investments	-	-
- Shariah compliant bank deposits / bank balances / TDRs	9,909,925	4,449,756

Statement of profit or loss:

- Revenue earned from a shariah compliant	-	-
- Profit earned from shariah compliant bank deposits / balances / TDRs	691,821	958,381
- Exchange gain earned	-	-
- Profit earned from shariah compliant investments	-	-
- Profit / interest earned on any conventional loan or advance paid on any conventional loan or advance	-	-
- Mark up / profit paid on islamic mode of financing	-	-
- Interest paid on any conventional loan or advance	-	-

28 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 06/sep/2026 by the Board of Directors of the Company.

29 GENERAL

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

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Schail M
CHIEF EXECUTIVE

[Signature]
CHIEF FINANCIAL OFFICER

Meidhat
DIRECTOR