

**THIRD QUARTERLY ACCOUNTS
FOR THE NINE MONTHS ENDED
MARCH 31,2024
(UN AUDITED)**

GULISTAN TEXTILE MILLS LIMITED

GULISTAN TEXTILE MILLS LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

Mr. Junaid 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 Shahid Safdar & 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.

MILLS

Unit I - Sama satta, Distt. Bahawalpur
Unit II & III Tibba Sultanpur, Distt. Vehari
Unit IV - Ferozwatwan, Distt. Sheikhpura

WEB PRESENCE

www.gulistan.com.pk/corporate/gulistan.html



Gulistan Textile Mills Limited

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

Director's Report to Shareholders

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"). The Scheme will be implemented in letter and spirit as sanctioned by the Court. As per the Scheme of Arrangement all the litigation will be withdrawn by the creditors of the Company.

Operating & Financial Performance

Operating indicators	MARCH-24	MARCH-23
	(Rupees)	(Rupees)
Sales	-	-
Gross loss	-	-
Financial cost	10,411	6,989
Pre tax Profit/ (Loss)	(10,552,664)	(2,193,576)
Provision for taxation	0	0
Profit / (Loss) after taxation	(10,552,664)	(2,193,576)

Future Outlook

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

On behalf of the Board

NASEER AHMED
CHIEF EXECUTIVE
Lahore:- 26.04.2024

WAQAR AHMAD
CHAIRMAN

GULISTAN TEXTILE MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2024

		(UN-AUDITED)	(AUDITED)
	NOTE	March 31, 2024	June 30, 2023
ASSETS			
-----Rupees-----			
Property, plant and equipment	3	3,145,678	3,485,298
Disposal group under scheme of arrangement	4	1,624,469,568	1,624,469,568
Trade deposits and other receivables	5	11,376,453	23,912,323
Tax refunds due from Government	6	19,652,607	19,652,607
Cash and bank balances	7	24,800,003	23,998,178
TOTAL ASSETS		1,683,444,309	1,695,517,974
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
30,000,000 (June 30, 2020 : 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		910,658,520	910,658,520
Sub-Ordinated Loan		423,800,000	423,800,000
Accumulated losses		(11,202,158,822)	(11,191,606,158)
Total equity		(9,101,112,597)	(9,090,559,933)
LIABILITIES			
Payable to banking companies under scheme of arrangements	9	10,146,834,000	10,146,834,000
Loan from associates and others		251,169,251	252,654,251
Post employment benefits payables		131,323,536	131,323,536
Trade and other payables	10	254,929,178	254,965,178
Unclaimed dividend		300,942	300,942
CONTINGENCIES AND COMMITMENTS	12		
TOTAL EQUITY & LIABILITIES		1,683,444,309	1,695,517,974

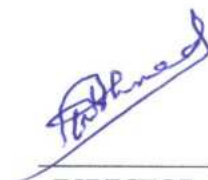
The annexed notes form an integral part of this condensed interim financial information.



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, 2024

NOTE	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended
	March 31, 2024		March 31, 2023	
-----Rupees-----				
Sales and processing income	-	-	-	-
Operating cost / Cost of sales	-	-	-	-
Gross loss	-	-	-	-
Other operating income	-	-	1,930,330	5,685,518
Administrative expenses	(4,290,743)	(10,542,253)	(3,503,486)	(7,872,105)
Other operating expenses	-	-	-	-
Finance cost	(4,333)	(10,411)	(1,340)	(6,989)
	(4,295,076)	(10,552,664)	(1,574,496)	(2,193,576)
Loss for the period before taxation	(4,295,076)	(10,552,664)	(1,574,496)	(2,193,576)
Taxation	-	-	-	-
Loss for the period	(4,295,076)	(10,552,664)	(1,574,496)	(2,193,576)
Earnings / (loss) per share - basic and diluted	(0.23)	(0.56)	(0.08)	(0.12)

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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

NOTE	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended
	March 31, 2024		March 31, 2023	
	-----Rupees-----			
Profit/(Loss) for the period	(4,295,076)	(10,552,664)	(1,574,496)	(2,193,576)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	(4,295,076)	(10,552,664)	(1,574,496)	(2,193,576)

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, 2024

	Nine Months Period Ended	
	March 31, 2024	March 31, 2023
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit/(loss) before taxation	(10,552,664)	(2,193,576)
Adjustments for :		
Depreciation	339,617	400,645
Finance cost	10,411	6,989
(Profit) before working capital changes	(10,202,636)	(1,785,942)
Change in working capital		
(Increase) / decrease in current assets		
Trade debts	12,535,870	1,782,000
Increase / (decrease) in current liabilities	12,535,870	1,782,000
Loan from associates and others	(1,485,000)	-
Trade and other payables	(36,000)	(211,248)
Cash generated from operating activities	812,234	(215,190)
(Payments)/Receipts for:		
Finance cost paid	(10,411)	(6,989)
Net cash generated from (used in) operating activities	801,823	(222,179)
Net decrease in cash and cash equivalents	801,823	(222,179)
Cash and cash equivalents at beginning of the period	23,998,180	23,870,926
Cash and cash equivalents at end of the period	24,800,003	23,648,748
Cash and cash equivalents comprise of the following :-		
Cash and bank balances	24,800,003	23,648,748
	24,800,003	23,648,748

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GULISTAN TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	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, 2022	189,838,990	379,080,000	(6,252,679)	910,658,520	203,921,394	(11,418,379,928)	423,800,000	(9,317,333,703)
Loss for the nine months ended	-	-	-	-	-	(2,193,576)	-	(2,193,576)
Balance as at March 31, 2023	189,838,990	379,080,000	(6,252,679)	910,658,520	203,921,394	(11,420,573,504)	423,800,000	(9,319,527,279)
Balance as at July 01, 2023	189,838,990	379,080,000	(6,252,679)	910,658,520	203,921,394	(11,191,606,158)	423,800,000	(9,090,559,933)
Loss for the nine months ended	-	-	-	-	-	(10,552,664)	-	(10,552,664)
Balance as at March 31, 2024	189,838,990	379,080,000	(6,252,679)	910,658,520	203,921,394	(11,202,158,822)	423,800,000	(9,101,112,597)

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


 CHIEF EXECUTIVE


 CHIEF FINANCIAL OFFICER


 DIRECTOR

GULISTAN TEXTILE MILLS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
AS AT MARCH 31, 2024 (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 has signed a "Scheme of Arrangement" under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). During the year the Court through its order dated 24.11.2021, has sanctioned the scheme. The Scheme after its sanction from the Court is now binding on the Company, along with all the shareholders, creditors – secured or otherwise, stakeholders and any other regulatory / statutory bodies of/ or with respects to the Company. 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.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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, 2023.

2.2 Assets classified as disposal group

Assets held for disposal are classified as disposal group if there 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.

2.3 Summary of significant accounting policies

The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of preceding audited annual financial statements of the Company for the year ended June 30, 2023.

2.4 Accounting Estimates and Judgements

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

		March	31, 2024	June 30, 2023
	Note	Rupees		Rupees
3	PROPERTY, PLANT AND EQUIPMENT			
	Property, plant and equipment		3,145,678	3,485,298
	3.2 Depreciation charge has been allocated as follows;			
	Cost of goods manufactured		-	-
	Administrative expenses		339,618	534,194
			339,618	534,194
4	DISPOSAL GROUP UNDER SCHEME OF ARRANGEMENT			
	Owned			
	Freehold land		374,271,115	374,271,115
	Lease hold land		70,720,000	70,720,000
	Building on Freehold land		566,020,043	566,020,043
	Building on Lease hold land		151,942,343	151,942,343
	Plant and machinery		371,564,218	371,564,218
	Power houses		60,975,767	60,975,767
	Tools and equipment		1,673,511	1,673,511
	Leased			
	Plant and machinery		166,081,431	166,081,431
	Power houses		14,358,934	14,358,934
	Impairment Loss		(153,137,794)	(153,137,794)
			1,624,469,568	1,624,469,568

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, 2024	June 30, 2023
	Note	Rupees		Rupees
9	PAYABLE TO BANKING COMPANIES UNDER SCHEME OF ARRANGMENT			
	Principal payable to banking companies under scheme of arrangement		7,570,188,000	7,570,188,000
	Mark up payables under scheme of arrangement		2,576,646,000	2,576,646,000
			10,146,834,000	10,146,834,000

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 was filed before the Honorable High Court of Sindh for an order passed in this respect. The Scheme 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, 2023..

12 CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in the matter detailed in note 20.1.1 to 20.1.11, 20.2.1 to 20.2.5 & 20.3.1 to 20.3.2 to the Company's published annual financial statements for the year ended June 30, 2023.

Commitments

There is no change in the matter detailed in note 20.4 to the Company's published annual financial statements for the year ended June 30, 2023.

13 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 26/4/26 by the Board of Directors of the Company.

GENERAL

All figures except June 30, 2023 figures appearing in the financial statements are un audited. Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR