



# Gulshan Spinning Mills Limited

1st Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore, Pakistan.  
 UAN: +92-42-111-200-000, Fax: +92-42-35941737-38  
 E-mail: info@gulshangroup.com.pk, G.N. Context: A21PK002



26 February 2014

The General Manager  
 Karachi Stock Exchange (G) Ltd  
 Stock Exchange Building  
 Stock Exchange Road  
 Karachi

**CORRECTED**

## SUB: FINANCIAL RESULTS FOR THE HALF YEAR ENDED DECEMBER 31, 2013

Dear Sir

We have to inform you that the Board of Directors of our Company in their meeting held on Wednesday, February 26, 2014 at 04:00 P.M. at the Lahore Office of the Company at 2nd Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore, recommend the following:

- |       |                      |            |
|-------|----------------------|------------|
| (i)   | <b>CASH DIVIDEND</b> | <b>NIL</b> |
| (ii)  | <b>BONUS SHARES</b>  | <b>NIL</b> |
| (iii) | <b>RIGHT SHARES</b>  | <b>NIL</b> |

The Financial Results of the Company are as follows:

	Gulshan Spinning Mills Limited			
	Quarter ended		Six months ended	
	31-Dec-13 RUPEES	31-Dec-12 RUPEES	31-Dec-13 RUPEES	31-Dec-12 RUPEES
Sales - net	373,677,680	302,594,784	659,725,825	707,347,269
Cost of sales	528,948,827	332,886,849	845,321,182	795,076,725
<b>Gross (Loss)/Profit</b>	<b>(155,271,147)</b>	<b>(30,292,065)</b>	<b>(185,595,357)</b>	<b>(87,729,456)</b>
Selling and distribution expenses	2,845,777	7,965,094	5,021,932	24,183,850
Administrative and general expenses	11,606,218	16,221,282	25,550,921	30,579,505
Other operating expenses	3,027,264	2,290,216	3,027,264	2,290,216
Net other income	(181,017,097)	(17,089,155)	(182,444,702)	(26,854,257)
<b>Operating (loss) / profit</b>	<b>8,266,691</b>	<b>(39,679,502)</b>	<b>(36,750,772)</b>	<b>(118,928,770)</b>
Finance cost	1,305,076	14,775,808	1,860,125	23,400,961
Share of (loss) / profit of associated companies	(1,278,950)	(18,256,124)	(1,658,029)	(26,657,075)
<b>(Loss)/Profit before Taxation</b>	<b>5,682,665</b>	<b>(72,711,434)</b>	<b>(40,268,926)</b>	<b>(168,986,806)</b>
Taxation	3,192,588	20,865,139	5,378,264	21,665,290
<b>(Loss)/Profit after taxation</b>	<b>2,490,077</b>	<b>(93,576,573)</b>	<b>(45,647,190)</b>	<b>(190,652,096)</b>
<b>(Loss)/Earnings per share</b>	<b>0.12</b>	<b>(4.21)</b>	<b>(2.05)</b>	<b>(8.58)</b>

### The auditors have issued qualified opinion on the following matters :

Due to pending litigations in the court mark-up / interest has not been accrued and balance confirmation letters from financial institutions have not been received.

Value of investments in Gujranwala Energy Limited (GEL) under equity method has been determined based on the un-audited financial statements of GEL.

### Auditors in their report have also drawn attention to the following matter :

The auditors in their audit report without qualifying their opinion have drawn attention to the financial statements that due to net losses net current liabilities position and uncertainty related to the outcome of the law suits filed by and against the company indicate existence of material uncertainty about its ability to continue as a going concern. These financial statements have been prepared on going concern basis on the assumptions as detailed in financial statements.

We will be sending you 300 copies of printed audited accounts for distribution amongst the members of the Exchange separately.

Yours Faithfully,  
 For Gulshan Spinning Mills Limited

Javaid Iqbal  
 COMPANY SECRETARY

