



# Gulshan Spinning Mills Limited

1st Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore, Pakistan.  
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10 March 2015

The General Manager  
Karachi Stock Exchange Ltd  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**SUB: FINANCIAL RESULTS FOR THE HALF YEAR ENDED DECEMBER 31, 2014**

Dear Sir

We have to inform you that the Board of Directors of our Company in their meeting held on Tuesday, March 10, 2015 at 06:00 P.M. at the Lahore Office of the Company at 4th Floor, The Enterprise, Building No. 1, 1-KM, Thokar Niaz Baig, Multan Road, 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-14 RUPEES	31-Dec-13 RUPEES	31-Dec-14 RUPEES	31-Dec-13 RUPEES
Sales - net	(3,886,421)	373,877,680	5,790,937	659,725,825
Cost of sales	5,123,299	528,948,827	59,139,272	845,321,182
<b>Gross (Loss)/Profit</b>	(8,809,720)	(155,271,147)	(53,348,335)	(185,595,357)
Selling and distribution expenses	2,171,478	2,845,777	3,327,238	5,021,932
Administrative and general expenses	12,213,703	11,606,218	28,363,412	25,550,921
Other operating expenses	(1,312,372)	3,027,264	666,328	3,027,264
Net other income	(4,079,476)	(181,017,097)	(13,818,775)	(182,444,702)
<b>Operating (loss) / profit</b>	(17,803,053)	8,266,691	(71,785,537)	(36,750,772)
Finance cost	1,567,787	1,305,076	6,798,374	1,860,125
Share of (loss) / profit of Joint Venture	314,007	(1,278,950)	(128,649)	(1,658,029)
<b>(Loss)/Profit before Taxation</b>	(19,058,833)	5,682,865	(78,712,560)	(40,268,926)
Taxation	(11,291,622)	3,192,587	(10,226,738)	5,378,263
<b>(Loss)/Profit after taxation</b>	(7,766,212)	2,490,078	(68,465,822)	(45,647,189)
<b>(Loss)/Earnings per share</b>	(0.35)	0.11	(3.08)	(2.05)

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 :**

Due to net losses, net current liabilities position and uncertainty related to the outcome of the law suits filed against the company indicate existence of material uncertainty about its ability to continue as going concern. However, these financial statements have been prepared on going concern basis on the assumptions as detailed in financial statements. Due to pending litigations in the court mark-up/interest has not been accrued and balance confirmation letters from the financial institutions have not been received.

We will be sending you 200 copies of printed unaudited reviewed accounts for distribution amongst the members of the Exchange separately.

Yours Faithfully,

For Gulshan Spinning Mills Limited

Javed Iqbal  
COMPANY SECRETARY

