



Paramount Spinning Mills Limited

1st Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore, Pakistan.
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26 February 2014

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

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 03:00 P.M. at the Lahore Office of the Company at 2nd Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore, recommend the following:

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|-------|---------------|-----|
| (i) | CASH DIVIDEND | NIL |
| (ii) | BONUS SHARES | NIL |
| (iii) | RIGHT SHARES | NIL |

The Financial Results of the Company are as follows:

	Paramount 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	746,006,894	573,294,756	1,429,857,546	1,234,900,733
Cost of sales	824,804,141	585,921,214	1,492,350,672	1,369,622,914
Gross (Loss)/Profit	(78,797,247)	(12,626,458)	(62,493,126)	(134,722,181)
Selling and distribution expenses	39,594,124	27,262,161	60,005,476	52,679,758
Administrative and general expenses	21,801,486	19,907,764	40,003,706	41,048,102
Other operating expenses	4,466,165	-	4,466,165	17,555,474
Net other income	(793,037,171)	(62,549,823)	(793,116,236)	(63,159,392)
Operating (loss) / profit	648,378,149	2,753,440	626,147,763	(182,846,123)
Finance cost	10,156,235	10,701,225	16,760,620	25,334,978
Share of (loss) / profit of associated companies	(9,659,118)	(85,419,585)	(15,254,118)	(121,242,111)
(Loss)/Profit before Taxation	628,562,796	(93,367,370)	594,133,025	(329,423,212)
Taxation	15,450,658	6,975,120	17,985,238	13,247,603
(Loss)/Profit after taxation	613,112,138	(100,342,490)	576,147,787	(342,670,815)
(Loss)/Earnings per share	35.33	(5.78)	33.20	(19.75)

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.

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 Paramount Spinning Mills Limited

Javari Iqbal
Javari Iqbal
COMPANY SECRETARY

