

**LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM BALANCE SHEET
(UN-AUDITED) AS ON MARCH 31, 2017**

Note	Mar 31, 2017	June 30, 2016
	Rupees	Rupees
NON CURRENT ASSETS		
FIXED ASSETS		
Property, Plant and Equipments - (At Cost less: Accumulated Depreciation)	202,876,732	218,564,510
LONG TERM DEPOSITS	25,000	25,000
CURRENT ASSETS		
Advance Income Tax	38,688	38,688
Cash and Bank Balances	34,513	31,461
CURRENT LIABILITIES		
Trade and Other Payables	73,201	70,149
	728,751	261,600
	728,751	261,600
Contingencies	(655,550)	(191,451)
	202,246,182	218,398,059
	<u>150,000,000</u>	<u>150,000,000</u>

SHAREHOLDERS EQUITY AND LIABILITIES

SHARE CAPITAL	
AUTHORISED CAPITAL	
15,000,000 (June 30, 2016: Rs. 15,000,000) Ordinary Shares of Rs.10/- each	150,000,000
ISSUED SUBSCRIBED & PAID UP CAPITAL	
12,123,700 (2016: 12,123,700) Ordinary Shares of Rs. 10/- each fully paid in cash	121,237,000
Accumulated Loss	(165,413,119)
	(44,176,119)
	<u>57,850,893</u>
Surplus On Revaluation Of Property, Plant And Equipments	62,235,347
NON CURRENT LIABILITIES	
Deferred Taxation	27,317,395
LONG TERM LOANS - Unsecured, Interest Free	161,254,012
	<u>202,246,182</u>
	<u>218,398,059</u>

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

AMIN A. HASHWANI
Chief Executive

ABDULLAH A. HASHWANI
Director

**LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM PROFIT & LOSS ACCOUNT
(UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2017**

Note	Quarter Ended March 31, 2017	Nine Months March 31, 2017	Quarter Ended March 31, 2016	Nine Months March 31, 2016
	Rupees	Rupees	Rupees	Rupees
SALES- NET				
Cost of Sales	5,227,935	15,683,805	-	-
Gross Profit/(Loss)	(5,227,935)	(15,683,805)	-	-
OPERATING EXPENSES				
Administrative and General Expenses	2,218,349	3,608,024	232,909	935,393
Operating (Loss)	(7,446,284)	(19,291,829)	(232,909)	(935,393)
Finance Cost				
Bank Charges and Commission	-	1,093	(180)	(1,662)
Reversal of amortization of Associated Companies Loan	3,885,435	10,911,914	-	1,662
(Loss) Before Taxation	(11,331,719)	(30,204,836)	(233,089)	(937,055)
Taxation				
Current	656,609	1,969,827	-	-
Deferred Tax	656,609	1,969,827	-	-
(Loss) After Taxation for the year	(10,675,110)	(28,235,009)	(233,089)	(937,055)
(Loss)/ Earning Per Share -Basic	(0.88)	(2.33)	(0.02)	(0.08)

The annexed Notes form an integral part of these accounts.

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED) FOR THE
3RD QUARTER ENDED MARCH 31, 2017**

	March 31, 2017	Mar 31, 2016
	Rupees	Rupees
Profit/(Loss) for the period	(28,235,009)	(937,055)
Other comprehensive income	-	-
Transfer from surplus on revaluation of property plant and equipment in respect of: Incremental Depreciation Related Deferred Tax	6,354,281	-
	(1,969,827)	-
	4,384,454	-
Total Comprehensive income \ (loss) for the period	(23,850,554)	(937,055)

The annexed Notes form an integral part of these accounts.

AMIN A. HASHWANI
Chief Executive

ABDULLAH A. HASHWANI
Director

**LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
(UN-AUDITED) AS ON MARCH 31, 2017**

	Mar 31, 2017	Mar 31, 2016
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(30,204,836)	(937,055)
Adjustment of non-fund items:		
Financial Charges	1,093	1,662
Depreciation	15,683,805	2,022
Reversal of amortization of Associated Companies Loan	10,911,914	-
	26,600,785	3,684
	(3,604,051)	(933,371)

CASH FLOWS FROM OPERATING ACTIVITIES

Working capital charges (INCREASE)/DECREASE IN CURRENT ASSETS: Trade Deposits and Prepayments	467,151	(93,440)
Trade and Other Payables	467,151	(93,440)
Cash generated from operations	(3,136,900)	(1,026,811)
Financial Cost Paid	(1,093)	(1,662)
	(1,093)	(1,662)
	(3,137,993)	(1,028,473)

NET CASH GENERATED FROM OPERATING ACTIVITIES

CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans	3,141,044	1,021,162
Net cash flow from investing activities	3,141,044	1,021,162
NET INCREASE/(DECREASE) IN CASH & BANK BALANCES	3,052	(7,311)
Cash and bank balances at the beginning of the year	31,461	38,772
CASH AND BANK BALANCES AT THE END OF THE PERIOD	<u>34,513</u>	<u>31,461</u>

The annexed notes form an integral part of these account

AMIN A. HASHWANI
Chief Executive

ABDULLAH A. HASHWANI
Director

**LAND MARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM NOTES TO THE ACCOUNTS
(UN-AUDITED) FOR THE 3RD QUARTER ENDED
MARCH 31, 2017**

1. Nature and Status of Business

The Company was incorporated in Pakistan as a Private Limited Company on October 21, 1991 and was converted into a Public Limited Company on April 30, 1992. The Company was Listed at Karachi & Lahore Stock Exchanges.

1.1 The company commenced its commercial operation from 2001 after reactivation of plant which remained idle for the seven years. However, the company again has suspended its production on November 29, 2002 to forestall the recurring losses on account of electricity breakdowns and frequent load shedding stop gap arrangement was made to suspend operation for the time being until the market trends becomes conducive for positive results. The management feels that immediately upon the utility provision of gas supplies to winder Baluchistan industrial zone by S.S.C.C. Limited, which is in progress, the production will be expected to commence in near future.

2. Statement of Compliance

These interim financial statements have been prepared in accordance with the requirements of International Accounting standard-34 (IAS-34) "Interim Financial Reporting", and have been reviewed by the auditors as required by the code of Corporate Governance and being submitted to the shareholders under section 245 of the Companies Ordinance, 1984.

3. Summary of Significant Accounting Policies

The Accounting Policies adopted for the preparation of quarterly Financial Statements are the same as those applied in the preparation of the annual financial statements of the Company for the preceding period ended June 30, 2016.

4. Depreciation

The Company has started to charge depreciation on all of its Assets from the year ended June 30, 2016 as approved by the board of Director of the company.

5. Contingencies

The Securities and Exchange Commission of Pakistan issued notice under section 305 (c) of the companies ordinance 1984 regarding the winding up petition to be filed against the Company and the Deputy Director Enforcement Wing of SECP has passed the order directing to file the winding up petition vide their order dated May 07, 2013. The company filed a revision petition against the said order under section 484 of the Companies Ordinance 1984 in which the company requested SECP to allow time for commencing business operation of factory up to December 31, 2014 as at that time supply of Iran Gas will commence to Pakistan, which onward will be supplied to M/s. Landmark Spinning Mills Limited enabling the Company to start the commercial production. Therefore the SECP after considering this fact granted the time till December 31, 2014, which period is now extended by SECP for one year vide Order dated January 04, 2017.

6. These interest free loans are repayable in lump sum on June 30, 2020. The loan from associated and related parties has been measured at amortized cost in accordance with International Accounting Standard 39. Financial Instruments, Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 9.50% per annum.

7. Transaction with Related Parties

Related parties transaction are carried out in the normal course of business with various related parties during the period are given below:

	March 31, 2017	March 31, 2016
Interest free loan received from related parties	3,141,044	1,021,162

8. Reason for Suspension of Operation

The Production remain Suspended during the nine month Period Ended March 31, 2017 under review due to the state of affairs including unfavorable market conditions due to overall crises on textile industries in Pakistan the same crises resulted closure of many textile units during the last few years, higher prices of raw Cotton and increase in overhead Costs due to non availability of gas to the industrial state and repeated power break downs in winder (Baluchistan) causing damage to the machinery. The company is in process to commence production activities in near future as and when Gas / alternative energy supplies are made available in Winder Baluchistan.

9. Date of Authorization for issue

These Financial Statements were authorized for issue on April 27, 2017 by the Board of Directors of the Company.

10. General:

Figures have been rounded off to the nearest of Rupee.

AMIN A. HASHWANI
Chief Executive

ABDULLAH A. HASHWANI
Director

**LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2017**

	Share Capital	Unappropriated (Loss)		Total
		Rupees	Rupees	
Balance as on July 01, 2015 - Restated	121,237,000	(114,815,040)	6,421,960	
Amortization of Associated and Related Party Loan	-	396,846	396,846	
Total comprehensive Income / (loss)	-	(27,869,193)	(27,869,193)	
Balance as on June 30, 2016 - Restated	121,237,000	(142,287,386)	(21,050,386)	
Amortization of Associated and Related Party Loan	-	724,821	724,821	
Total Loss for Nine Months	-	(23,850,554)	(23,850,554)	
Balance as on MARCH 31, 2017	121,237,000	(165,413,119)	(44,176,119)	

The annexed notes form an integral part of these accounts.

(Signature)

AMIN A. HASHWANI
Chief Executive

(Signature)

ABDULLAH A. HASHWANI
Director

ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز مدت s31 مارچ 2017 مالیاتی بیانات آپ کے اس کے ساتھ عمل میں تیار کیا گیا ہے ختم ہونے کے لئے rd3 سے ماہی کے اکاؤنٹس پیش کر رہے ہیں، اور کمپنیز آرڈیننس 1984 کے سیکشن 245 تحت پیش کر رہے ہیں۔

آپ کی کمپنی ایک نیٹ rd3 کی کوارٹر، s31 مارچ 2017 کو ختم ہونے کے طور پر ذیل میں تفصیلات لئے

	مارچ 31-2017	مارچ 31-2016
برائس	(5,227,935)	----
انتظامی اخراجات	(2,218,349)	(232,909)
مالیاتی لاگت	(0)	(180)
ایسوسی کیونڈ، قرض (آئی اے ایس-39) کی کساد بازاری	(3,885,435)	---
ٹیکسیشن سے پہلے نقصان	(11,331,719)	(233,089)
آئینڈگ ٹیکس	656,609	---
ٹیکسیشن بعد نقصان	(10,675,110)	(233,089)
(نقصان) حصص فی / آئینی	(0.88)	(0.02)

زیر جائزہ مدت کے دوران کوئی آپریٹنگ سرگرمی بنیادی طور پر کیونکہ نہ تو والٹر کو کسی دوسرے قابل عمل متبادل ٹرانزیکشن کی فراہمی کی فراہمی کی عدم دستیابی، کی جگہ لے لی ہے۔ بنیادی طور پر کیونکہ الزام عائد ہوا اس کی سہ ماہی کے لئے نقصان اور ضرورت کے طور پر قرض کی کساد بازاری کا اثر آپ کے اس کے 39 کے تحت ظاہر کرنا اور باقی اخراجات مثبت بھری کے لئے جانے والے کر رہے ہیں۔

اس سہ ماہی میں، ہم ٹیکسی علیے، سٹیک اور صفائی سفیرانی کے مواد کی تنخواہوں پر 2,218.Rs ملین خرچ کر دیا ہے۔ یہ بجالی کا کام بنیادی طور پر مشینوں پر حصوں کو تبدیل یا ہوت کر کے کی ضرورت اور بجلی کارڈنگ موڈوں میں تبدیلیوں کا چلارہ لینے کے ساتھ تمام پیمانہ اور محکموں کے نقصانوں کو تیار کرنے کے لئے اور توانائی کی قیمت کم سے کم کرنے اور اثر شامل کرنے کے لئے تفویض کر رہے ہیں۔

ملک کی ٹیکسٹائل سیکٹر -Pig کے قلع کے ساتھ اس رجحان کے تحت پہلے سے ہی ہے، پیادار اور اقوام متحدہ فیڈرل بجلی / گیس کی لوڈ شیڈنگ کے اعلی قیمت تاہم مینجمنٹ کی زمین تیار کر رہا ہے اس ماہ کے آخر کی طرف سے آپریٹنگ سرگرمیوں کو دوبارہ شروع کرنے اور اس وجہ سے، ہم تجارتی پیادار کے لئے فیکٹری چلاتے ہیں اور ہماری طویل مدتی سرمایہ کاری کو استعفاء کرنے کے لئے ٹاک پلانٹ اور مشینوں کی بھری کے لئے پہا کی ہے۔ ہم سال کے آخر تک اچھا کیا اس کی فصل نتیجہ، اخذ اور بھی کرنے کے لئے توانائی کے بحران امید کر رہے ہیں۔

ان کے اپنے وسائل سے کمپنی کے ڈائریکٹرز کارپوریٹ گورننس کے کوڈ کو شرط کے تحت پورٹ آف ڈائریکٹرز کی جانب سے منظور کے طور پر مشینوں اور دیگر اخراجات کی موجودہ بجلی کی لاگت کو پورا کرنے کے لئے منظور قلمی کر رہے ہیں۔

آپ ڈائریکٹرز کے عملے کی طرف سے پیش کی گئی خدمات کے لئے ان کی تعریف کرتے ہیں۔

(Signature)

AMIN A
چیف ایگزیکٹو

27th April 2017ء

کراچی

LANDMARK SPINNING INDUSTRIES LIMITED.

DIRECTORS REPORT

The Directors of your Company are presenting the 3rd Quarterly Accounts for the period ended 31st March 2017. The Financial Statements have been prepared in compliance with IAS, and are submitted under section 245 of the Companies Ordinance 1984.

Your Company has sustained a net loss after tax amounting to Rs.10,675,110/= for the 3rd Quarter ended 31st March 2017, as detailed below;

	March 31, 2017	March, 31-2016
Depreciation	(5,227,935)	----
Administrative Expenses	(2,218,349)	(232,909)
Financial Cost	(0)	(180)
Amortization of Associated Cos,	(3,885,435)	---
Loan (IAS-39)	(11,331,719)	(233,089)
Loss before Taxation	656,609	---
Deferred Tax	(10,675,110)	(233,089)
Loss after Taxation	(0.88)	(0.02)

During the period under review no operational activity has taken place mainly because of non-availability of energy supply, neither any other viable alternate energy supply to Winder. The loss for the Quarter mainly because of Depreciation charged and the effect of Amortization of loan as required to disclose under IAS 39 and the remaining expenses are incurred for the Machine revamping.

In this quarter, we have incurred Rs.2,218 Million on salaries of technical staff lubricant and cleaning materials. These maintenance works are mainly assigned to prepare the requirement of all production departments with assessing the machineries parts required to replace or repair and the changes in electrical carding motors and to add invertors to minimize the energy cost.

The Textile Sector of the country is already under depressed trend with the shortage of raw-cotton, high cost of production and un scheduled electricity/ gas load shedding. However the management is preparing ground to restart operational activities by this year end and therefore, we have taken initiative for revamping of the plant and machinery so as to run the factory for commercial production and utilize our long-term investments. We are hoping the energy crises to conclude by year end and also a good cotton crop.

The directors of the company from their own resources are advancing the funds to meet the cost of current maintenance of the machineries and other expenses as approved by the Board of Directors under the proviso to Code of Corporate Governance.

Your directors express their appreciation for the services rendered by the staff.

Dated 27th April 2017.

Dated 27th April, 2017
Karachi.

On Behalf of the Board.

(Signature)

(AMIN A. HASHWANI)
Chief Executive.

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