

**LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED QUARTERLY BALANCE SHEET (UN-
AUDITED) AS ON SEPTEMBER 30, 2017**

Note	Sep 30, 2017 Rupees	Sep 30, 2016 Rupees
NON CURRENT ASSETS		
FIXED ASSETS		
Property, Plant and Equipment (At Cost)	207,773,068	212,857,457
Less Accumulated Depreciation		
LONG TERM DEPOSITS	25,000	25,000
CURRENT ASSETS		
Stores & Spares	318,490	0
Advance Income Tax	38,688	38,688
Cash and Bank Balances	27,435	15,800
	384,613	54,488
CURRENT LIABILITIES		
Trade and Other Payables	448,751	452,551
	448,751	452,551
	(64,138)	(398,063)
	<u>207,733,930</u>	<u>212,484,394</u>
Contingencies and Commitments	5	

SHAREHOLDER EQUITY AND LIABILITIES

SHARE CAPITAL		
AUTHORISED CAPITAL		
15,000,000 (2011: Rs. 15,000,000) Ordinary Shares of Rs.10/- each	150,000,000	150,000,000
ISSUED SUBSCRIBED & PAID UP CAPITAL		
12,123,700 (2011: 12,123,700) Ordinary Shares of Rs.10/- each fully paid in cash	121,237,000	121,237,000
Accumulated Loss	(181,574,933)	(172,849,415)
	(60,337,933)	(51,612,415)
Surplus on Revaluation of Property, Plant & EQP	66,485,371	67,799,523
NON CURRENT LIABILITIES		
Deferred Taxation	29,870,239	30,460,655
Long Term Loans - Unsecured, Interest Free	171,716,253	165,836,631
	<u>207,733,930</u>	<u>212,484,394</u>

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

 AMIN A. HASHWANI
Chief Executive

 YOUSUF NOORANI
CFO

 ABDULLAH A. HASHWANI
Director

**LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED QUARTERLY PROFIT & LOSS ACCOUNT (UN-
AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017**


	Sep 30, 2017 Rupees	Sep 30, 2016 Rupees
Sales- Net	-	-
Cost of Sales	(5,579,270)	(5,227,935)
Gross Profit/(Loss)	(5,579,270)	(5,227,935)
Operating Expenses		
Administrative and General Expenses	(1,110,544)	(263,363)
Operating (Loss)	(6,689,814)	(5,491,298)
Finance Cost	(1,652)	(339)
Bank Charges and Commission	(3,938,620)	(3,513,240)
Unwinding of discount-on Associated and Related Party Loans-reversal	(3,940,272)	(3,513,579)
(Loss) Before Taxation	(10,630,086)	(9,004,877)
Taxation		
Current	590,416	677,790
Deferred tax	590,416	677,790
(Loss) After Taxation for the year	(10,039,670)	(8,327,087)
(Loss)/ Earning Per Share -Basic	(0.83)	(0.69)


The annexed Notes form an integral part of these accounts.


**STATEMENT OF COMPREHENSIVE INCOME(UN-
AUDITED) CONDENSED QUARTERLY FOR THE QUARTER
ENDED SEPTEMBER 30, 2017**

	Sep 30, 2017 Rupees	Sep 30, 2016 Rupees
Profit/(Loss) for the period	(10,039,670)	(8,327,087)
Other comprehensive income		
Transfer from surplus on revaluation of property plant and equipment in respect of:		
Incremental Depreciation	1,904,567	2,118,094
Related Deferred Tax	(590,416)	(677,790)
	1,314,151	1,440,304
Total Comprehensive income \ (loss) for the period	(8,725,519)	(6,886,784)

The annexed Notes form an integral part of these accounts.

 AMIN A. HASHWANI
Chief Executive

 YOUSUF NOORANI
CFO

 ABDULLAH A. HASHWANI
Director

**LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED QUARTERLY CASH FLOW STATEMENT
(UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	Sep 30, 2017 Rupees	Sep 30, 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(10,630,086)	(9,004,877)
Adjustment of non-fund items:		
Financial Charges	1,652	339
Depreciation	5,084,388	5,229,243
Unwinding of discount-on Associated and Related Party Loans-reversal	3,938,620	3,513,240
	9,024,660	8,742,822
(1,605,426)	(262,056)	
Working capital charges		
(INCREASE)/DECREASE IN CURRENT ASSETS:		
Stores and spares	(318,490)	-
Trade and Other Payables	(3,800)	424,045
	(322,290)	424,045
Cash generated from operations	(1,927,716)	161,990
Financial Cost Paid	(1,652)	(339)
	(1,652)	(339)
NET CASH GENERATED FROM OPERATING ACTIVITIES	(1,929,368)	161,651
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans	1,941,003	-
Net cash flow from investing activities	1,941,003	-
NET INCREASE/(DECREASE) IN CASH & BANK BALANCES	11,635	161,651
Cash and bank balances at the beginning of the year	15,800	31,461
CASH AND BANK BALANCES AT THE END OF THE YEAR	27,435	193,112

The annexed Notes form an integral part of these account.

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	Share Capital Rupees	Unappropriated (Loss) Rupees	Total Rupees
Balance as on July 01, 2016 - Restated	121,237,000	(142,287,386)	(21,050,386)
Amortization of Associated and Related Party Loan		1,207,229	1,207,229
Total comprehensive Income / (loss)		(31,769,258)	(31,769,258)
Balance as on June 30, 2017 - Restated	121,237,000	(172,849,414)	(51,612,414)
Amortization of Associated and Related Party Loan		(8,725,519)	(8,725,519)
Total comprehensive Income / (loss)		(8,725,519)	(8,725,519)
Balance as on September 30, 2017	121,237,000	(181,574,933)	(60,337,933)

The annexed notes form an integral part of these accounts.

 AMIN A. HASHWANI
Chief Executive

 YOUSUF NOORANI
CFO

 ABDULLAH A. HASHWANI
Director

NOTES TO THE ACCOUNTS (UN-AUDITED)

- 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 is Listed in Pakistan 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 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 operations 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.G.C. Limited, which is in progress the same is also disclosed in note 05 to the financial statements, the production will be expected to commence in future.
- 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 237 of the Companies Act 2017.
- 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, 2017.
- Depreciation
The Company has started to charge depreciation on all of its Asset from the year ended June 30, 2016 as approved by the board of Director of the company.
- 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 Iron 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 December 21, 2016.
- 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 Instrument: Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 9.50% per annum.
- 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:

	Sep 30, 2017	Sep 30, 2016
Interest free loan received from related parties	1,941,003	256,425
- Reason for Suspension of Operation
The Production remain Suspended during the Three month Period Ended Sep 30, 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 company is now ready to restart the factory in due course of time as soon as the viable power situation improvement in Winder Baluchistan.
- Date of Authorization for issue
These Financial Statements were authorized for issue on October, 27th 2017 by the Board of Directors of the Company.
- General:
Figures have been rounded off to the nearest of Rupee.



AMIN A. HASHWANI
Chief Executive



YOUSUF NOORANI
CFO

ABDULLAH A. HASHWANI
Director

ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز ہفت روزہ کو ارازا کاوش سال سے سال 30 ستمبر 2017 پیش کر رہے ہیں۔ تفصیلی رپورٹ آپ کے ایس کے ہاتھ میں کیا گئی اور ستمبر 2017 سیکشن 237 کے تحت پیش کیا جا رہا ہے۔
کمپنی نے اپنا عملیاتی نتائج گہری نظر کرنے کے بعد 10,039,670 روپے کا واپس لے کر 30 ستمبر 2017 پر شدت سے آ رہا ہے۔

2016 30 ستمبر	2017 30 ستمبر	2016 30 ستمبر	2017 30 ستمبر
(5,227,935)	(5,579,270)	مالیاتی نیکو (ڈیپریسیشن)	(5,227,935)
(263,363)	(1,110,544)	انتظامی اخراجات	(263,363)
(339)	(1,652)	فائننشل کاسٹ	(339)
(3,513,240)	(3,938,620)	لیویزیشن لوں (IAS-39)	(3,513,240)
(9,004,877)	(10,630,086)	ٹیکسیشن کے پیلے (تقصانات)	(9,004,877)
677,790	590,416	ڈیفرڈ ٹیکسیشن	677,790
(8,327,087)	(10,039,670)	ٹیکسیشن کے بعد (تقصانات)	(8,327,087)
(0.69)	(0.83)	تقصانات فی شیئر	(0.69)

زیر چارہ صورت کے دوران کوئی آپریشن سرگرمی عمل میں نہیں آئی کیونکہ بجلی کی فراہمی اور متبادل توانائی بجلی کی فراہمی میں عدم دستیابی۔ نقصان خاص طور پر پتھر پتھر ٹیکسٹائل لگانے اور IAS39 کے لوں کا اثر کرنے اور مشینوں کے اخراجات جو اسے چالو حالت میں رکھنے کے لئے لگے ان وجوہات کی بنا پر کمپنی نقصان میں گئی۔ ہمیں یہ امید ہے کہ پتھر پتھر کی توانی کے لئے جانے والے مشینوں میں پورا کر سکیں گے۔ جاری مشینوں کی تکمیل کا کام بالکل مکمل ہے اور اب ہم اس قابل ہے کو کوئی بھی ازبجی جو ہمیں میسر ہوگی ہم اپنی مشینوں کو چلائیں گے۔ LPG کے لئے تیار بلک کی معیشت اور تیار طور پر پتھر پتھر ٹیکسٹائل میں خاص بہتر حالت ہوجانے کے امکانات ہیں۔ اس طرح ہونے سے آگیا تھا نتیجاً آپ سے وعدہ کرتی ہے کہ اس سال کے آخر تک پروڈکشن (Production) شروع کر دے گی۔

آپ کے ڈائریکٹرز اعانت کی خدمات اور کام کو سراہتے ہیں۔

بورڈ کی جانب سے



امین اے ہاشوانی

چیف ایگزیکٹو

کراچی

تاریخ 27 اکتوبر 2017

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LAND MARK SPINNING INDUSTRIES LIMITED
CONDENSED QUARTERLY ACCOUNTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017

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DIRECTORS REPORT

The Directors of your Company are presenting the 1st Quarterly Accounts for the period ended 30th September 2017. The Financial Statements have been prepared in compliance with IAS, and are submitted under section 237 of the Companies Act 2017.

Your Company has sustained a net loss after tax amounting to Rs 10,039,670/= in the 1st Quarter ended 30th September 2017, as detailed below;

	SEPT 30, 2017	SEPT 30, 2016
Cost of sales (Depreciation)	(5,579,270)	(5,227,935)
Administrative Expenses	(1,110,544)	(263,363)
Financial Cost	(1,652)	(339)
Amortization of Associated Cos, Loan (IAS-39)	(3,938,620)	(3,513,240)
Loss before Taxation	(10,630,086)	(9,004,877)
Deferred Tax	590,416	677,790
Loss after Taxation	(10,039,670)	(8,327,087)
(Loss)per Shares	(0.83)	(0.69)

During the period under review no operational activity has taken place mainly because of non-availability of viable 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 as to make ready for the operational activity.

We are expecting the power crises will be overcome in the coming months. Our machineries maintenance works has progressed well for operation purpose. The LPG infrastructure will change the economic situation in country specially in Winder Industrial area. Your management is keen to full fill their commitment to initiate production activity by end of this year, despite the textile crises and closure of many textile spinning unit in the country.

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

Dated. 27th October, 2017
Karachi.

By order of the Board.



(AMIN A. HASHWANI)
Chief Executive.