

**LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED QUARTERLY INTERIM STATEMENTS OF
FINANCIAL POSITION (UN-AUDITED) AS ON SEPTEMBER 30, 2018**

	Note	Sep 30, 2018 Rupees	Jun 30, 2018 Rupees
ASSETS			
Property , Plant and Equipment (At net realizable value)		176,751,296	176,751,296
DEPOSITS			
		25,000	25,000
Advance Income Tax		-	-
Cash and Bank Balances		110,097	16,375
		<u>176,886,392</u>	<u>176,792,671</u>
SHAREHOLDER EQUITY AND LIABILITIES			
SHARE CAPITAL			
AUTHORISED CAPITAL			
15,000,000 (2011: Rs. 15,000,000) Ordinary Shares of Rs.10/- each			
		<u>150,000,000</u>	<u>150,000,000</u>
ISSUED SUBSCRIBED & PAID UP CAPITAL			
12,123,700 (2017: 12,123,700) Ordinary Shares of Rs.10/- each fully paid in cash			
		121,237,000	121,237,000
Capital Reserve			
Surplus on Revaluation of Property,Plant ,Equipment		45,829,910	45,829,910
Revenue Reserve			
Accumulated Loss		(229,721,004)	(229,375,809)
		<u>(62,654,094)</u>	<u>(62,308,899)</u>
LIABILITIES			
Deffered Taxation		16,324,107	16,324,107
Long Term Loans - Unsecured , Interest Free		222,927,456	222,573,817
Settlement Amount			
Trade and Other Payables		288,923	203,646
Provision for Taxation			
		288,923	203,646
Contingencies and Commitments			
	5		
		<u>176,886,392</u>	<u>176,792,671</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 STATEMENT OF PROFIT & LOSS
ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED
SEPTEMBER 30, 2018**

	Sep 30, 2018 Rupees	Sep 30, 2017 Rupees
Sales- Net	-	-
Cost of Sales	(41,640)	(5,579,270)
Gross (Loss)	(41,640)	(5,579,270)
Operating Expenses		
Administrative and General Expenses	(302,933)	(1,110,544)
Operating (Loss)	(344,573)	(6,689,814)
Finance Cost		
Bank Charges and Commission	622	1,652
Unwinding of discount-on Associated and Related Party Loans-reversal	-	3,938,620
	622	3,940,272
(Loss) Before Taxation	(345,195)	(10,630,086)
Taxation		
Current	-	-
Deferred tax	-	590,416
	-	590,416
(Loss) After Taxation for the year	(345,195)	(10,039,670)
Loss Per Share -Basic	(0.03)	(0.83)

The annexed Notes form an integral part of these accounts.

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED) FOR THE
QUARTER ENDED SEPTEMBER 30, 2018**

	Sep 30 2018 Rupees	Sep 30 2017 Rupees
(Loss) for the period	(345,195)	(10,039,670)
Other comprehensive income	-	-
Transfer from surplus on revaluation of property plant and equipment in respect of :		
Incremental Depreciation	-	1,904,567
Related Deferred Tax	-	(590,416)
	-	1,314,151
Total Comprehensive income \ (loss) for the period	<u>(345,195)</u>	<u>(8,725,519)</u>

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 INTERIM STATEMENT OF CASH FLOW (UN-
AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	Sep 30, 2018 Rupees	Sep 30, 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(345,195)	(10,630,086)
Adjustment of non-fund items:		
Financial Charges	622	1,652
Depreciation	-	5,084,388
Unwinding of discount-on Associated and Related Party Loans-reversal	-	3,938,620
	622	9,024,660
	<u>(344,573)</u>	<u>(1,605,426)</u>
Working capital charges		
(INCREASE)/DECREASE IN CURRENT ASSETS:		
Stores and spares	-	(318,490)
INCREASE/(DECREASE) IN CURRENT LIABILITIES:		
Trade and Other Payables	85,277	(3,800)
	85,277	(322,290)
Cash generated from operations	(259,296)	(1,927,716)
Financial Cost Paid	(622)	(1,652)
NET CASH GENERATED FROM OPERATING ACTIVITIES	(259,918)	(1,929,368)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Long term deposits	-	-
NET CASH GENERATED FROM IN INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans	353,640	1,941,003
Net cash flow from investing activities	353,640	1,941,003
NET INCREASE/ (DECREASE) IN CASH & BANK BALANCES	93,722	11,635
Cash and bank balances at the beginning of the quarter	16,375	15,800
CASH AND BANK BALANCES AT THE END OF THE QUARTER	110,097	27,435

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, 2018**

	Share Capital Rupees	Capital Reserve Revaluation Surplus on Plant Property and Equipment Rupees	Revenue Reserve Accumulated Loss Rupees	Total
Balance as on June 30, 2017	121,237,000	67,799,522	(172,849,414)	16,187,108
(Loss) for the year	-	-	(56,526,395)	(56,526,395)
Total comprehensive Income / (loss)	-	3,317,450	-	3,317,450
Total comprehensive (loss) for the year	-	3,317,450	(56,526,395)	(53,208,945)
Deficit arising due to Accounts restated on realizable value/Forced sales value - net of deferred tax (reversal)	-	(25,287,063)	-	(25,287,063)
Balance as on June 30, 2018	121,237,000	45,829,909	(229,375,809)	(62,308,900)
Total comprehensive (loss) for the year	-	45,829,909	(345,195)	(345,195)
Balance as on September 30, 2018	121,237,000	45,829,909	(229,721,004)	(62,654,095)

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 at 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 production will be expected to commence in future.**
- 2. Statement of Compliance**
These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of: International Financial Reporting Standard issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- 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, 2018.
- 4. Basis of Preparation**
As approved by the Board the financial Statements is prepared on the realizable value Assumption (Assets are valued at Force Sales Value Determined by the independent valuer same used in this period), hence the and Liabilities are stated at their Settlement amounts, unless an accounting policy herein states otherwise. The financial statements, except for the Land, Building and Plant and Machinery which are stated at revalued / Force Sales value amounts adopted same as presented in 30th June 2018 financial statements, it has decided by the management to prepare accounts on non going concern basis. Up to the year ended June 30, 2017 the accounts had been Prepared on the historical Cost Basis.
- 5. Contingencies**
The assessment of the contingencies inherently involves the exercise of significant judgment as the out come of the future events cannot be predicted with certainty. The company, based on the availability of the latest informatio, estimates at the value of contingent assets and liabilities which may differ on the occurrence/non occurrence of the uncertain future events.
- 6. Non Going Concern Assumption**
After taking Effects of the accounts are prepared on non going concern basis / realizable values and Settlements amounts, the Company has incurred a net loss, after tax of Rs. 345,195, during the Quarter ended Sep 30, 2018, and as of that date it has accumulated losses of Rs. 229,721,004 and its current liabilities exceeded its current assets by Rs. 178,826. Further the operation of the Company are, and have been in recession for a considerable period of time. During the period under review the production remain suspended owing to non availability of viable power supply and lack of infrastructure facilities at Winder Industrial Area.
The plant and machinery is being kept in operating condition as the company is spending significant amount on up-keeping the plant in operational condition. Suffice is to say that the management of the Company have shown serious intention to continue to find ways & means to remain it a going concern.
- 7. The interest free loans are repayable in lump sum on June 30, 2020. This has been Obtained for the Working Capital Requirements due financial Crunch and Company's operations has been Closed since Long.**
Up to the last year June 30, 2017 the Loans were amortized as required by IAS 39, Since June 2018 the Company has been Preparing Financial Statement on Realizable amounts and the Liabilities / Loans was restated at their Settlement amounts therefore the Reversal of the amortized amount been made in the account through Profit and Loan Account.
- 8. 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, 2018	Sep 30, 2017
Interest free loan received from related parties	353,640	1,941,003
- 9. Reason for Suspension of Operation**
The Production remain Suspended during the Three month Period Ended Sep 30, 2018 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 preparation to commence production activities in near future as and when Gas supplies or any viable energy source are made available by SSGC in Winder Baluchistan.
- 10. Date of Authorization for issue**
These Financial Statements were authorized for issue on October 30, 2018 by the Board of Directors of the Company.
- 11. General:**
Figures have been rounded off to the nearest of Rupee.

AMIN A. HASHWANI YOUSUF NOORANI ABDULLAH A. HASHWANI
Chief Executive CFO Director

ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 30 ستمبر 2018ء کی پہلی سہ ماہی کی اختتامی مدت کیلئے غیر آڈٹ شدہ مالیاتی اہلیٹس پیش کرتے ہیں۔
کاروباری جائزہ:

زیر نظر مدت کے دوران کوئی عملی سرگرمی نہیں کی گئی ہے اور یہ بنیادی طور پر توانائی کی عدم فراہمی کی وجہ سے ہوا۔ دوران مدت آپ کی کمپنی کو بعد از ٹیکس ٹرانس نقصان مبلغ 345,195 روپیے پہنچا ہے یہ بنیادی طور پر اسٹاف کی تنخواہ اور دیگر بیٹی ٹیکس اخراجات سے متعلق ہے۔ اسی مدت میں سہ ماہی کیلئے نقصان بنیادی طور پر ڈیپریسی ایشن چارج اور قرضہ جات بڑھانے اور مہینوں کی بحالی پر خرچ ہونے والے اخراجات کے اثر کی وجہ سے تھا۔

دوران مدت بورڈ نے فیصلہ کیا ہے کہ قابل قدر قیمت (اٹاڈ جات تحقیق شدہ وہیلوئریک جیاب سے جاری کردہ فروخت کی قدر پر قابل قدر ہیں جسے 30 جون 2018ء کے مالیاتی حسابات میں اپنایا گیا ہے) کی بنیاد پر مالیاتی حسابات مرتب کئے جائیں اور قرضہ جات کو ان کی تصفیہ کی گئی رقم میں بیان کیا جائے۔ اور یہ تجویز نامہ بیٹی خدشات کی بنیاد پر ایک ڈینس تیار کرنے کیلئے ہوگا۔ لہذا SECP کا آرڈر نمبر 12 ستمبر 2017ء ملا خطا کیا جائے۔

مستقبل کی سکت عملی:
کمپنی کا آپریشن کچھ وجوہات کی بنا پر شروع نہیں کیا گیا ہے جو کہ ہماری دسترس سے باہر ہے۔ ہم یہ بتانا چاہتے ہیں کہ ہم نے نیکیٹل اسٹاف، پلیرز وغیرہ کے انتظامات کے سلسلے میں کافی اخراجات صرف کئے ہیں تاکہ آئل اور لیبر کینٹ کے استعمال کے حوالے سے مشینری کو سچھ چلایا جاسکے اس کے علاوہ متاثرہ پارٹس کی پمپنگ اور تبدیلی کی جاسکے۔ کمپنی نے انرجی کی دستیابی پر اپنی نظریں مرکوز کی ہوئی ہیں۔ بصورت دیگر ہم اس سلسلے میں مزید اخراجات استعمال نہیں کریں گے۔

ہم حکومت سے ٹیکسٹائل اور دیگر کاروبار کی بحالی اور غیر آڈٹ شدہ پیمائش کیلئے اچھی منسو بہ بندی کے نقطہ نظر کا مشاہدہ کرتے ہیں اور اس کے سبب ہمیں امید ہے کہ مستقبل قریب میں ہم بونٹ کو دوبارہ شروع کرنے کے قابل ہو جائیں گے۔
مالیاتی نتائج:

30 ستمبر 2018ء اور 30 ستمبر 2017ء کو ختم ہونے والی پہلی سہ ماہی کیلئے آپ کی کمپنی نے مالیاتی تقابیل درج ذیل پیش کی ہیں:

	2018	2017	
فروخت کے اخراجات	41,640	5,579,270	روپیے
انتظامی اخراجات	302,933	1,110,544	
مالیاتی اخراجات	622	1,652	
منگہ COS قرضہ جات کا مقابلہ (IAS-39)	0000	3,938,620	
ٹیکس سے قبل خسارہ	345,195	10,630,086	
ٹیکس کی بعد از ادا بیٹی	0000	590,416	
بعد از ٹیکس خسارہ	345,195	10,039,670	
(خسارہ) فی شیئر بنیادی اور کی	(0.03)	(0.83)	

انظہار نظر:
بورڈ آف ڈائریکٹرز کمپنی کے محترم کلارکس کاروباری شراکت دار اور دیگر اینک ہولڈرز کو مخلصانہ خراج تحسین پیش کرنا چاہے گی اس کے علاوہ بورڈ سکیورٹیز اینڈ انویسٹمنٹ کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج اور سینٹرل ڈیپازٹری کمپنی کا بھی ان کے مستقل ہدایات اور پیسہ وراثت سپورٹ پر شکر یہ ادا کرنا چاہتے ہیں۔

بورڈ کی جانب سے

امین اے ہاشوانی

چیف ایگزیکٹو آفیسر

نظام اے ہاشوانی

چیرمین

تاریخ 130 ستمبر 2018ء

کراچی

BOOK POST
CONDENSED QUARTERLY ACCOUNTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017
If undelivered please return to:
LAND MARK SPINNING INDUSTRIAL LTD.
1ST FLOOR, COTTON EXCHANGE BUILDING,
I. I. CHUNDRIGAR ROAD, KARACHI.

LANDMARK SPINNING INDUSTRIES LIMITED.

DIRECTORS REVIEW

The Board of Directors would like to present the condensed, un-audited financial statements of the Company for the 1st Quarter for the period ended September 30, 2018.
Business Review

During the period under review operational activity could not initiated mainly because of non-availability of viable energy supply to Winder. Your company has sustained a net loss after tax amounting to Rs. 345,195/= in this quarter it mainly pertain to staff salaries and other maintenance expenses The loss for the Quarter in corresponding period was mainly because of Depreciation charged and the effect of Amortization of loan and the expenses incurred for the Machine revamping.

During the period the Board has decided the financial statements prepared on the realizable value base (Assets are valued at Forced sales value ascertained by the independent valuer same as adopted in the financial accounts of 30th June 2018) and the Liabilities are stated at their settlement amounts. It will be in order to prepare accounts on non-going concern bases so as to meet the SECP order dated September 12, 2017.

Future Plan

The Company's operation has not started due to reasons beyond its control, however, we would like to state that we have incurred expenses for the revival of plant by arranging technical staff, helpers to maintain the machineries by applying oil and lubricants, and by interchanging and repairing the effected parts. We are expecting the power crises will be overcome and therefore we are well prepared for operation. However, we keep eyes on the issue of energy alternatives provided the cost involve do not affect the viability.

We observe good planning approach from government for textile and other business for revival of sick and inoperative units and hence anticipate that in near future we will be in a position to re-start the unit.

Financial Highlights

The comparative financial highlights of your Company for the first quarter ended Sept 30, 2018 and Sept 30, 2017 are as follows:

	SEPT 30, 2018	SEPT 30, 2017
Cost of sales	41,640	(5,579,270)
Administrative Expenses	302,933	(1,110,544)
Financial Cost	622	1,652
Amortization of Associated Cos, Loan (IAS-39)	0000	(3,938,620)
Loss before Taxation	345,195	10,630,086
Deferred Tax	00000	590,416
Loss after Taxation	345,195	10,039,670

Loss PER Shares Basic & Diluted (0.03) (0.83)

Acknowledgement

The Board of Directors would like to express its sincere appreciation to the Company's valued clients, business partners and other stakeholders. The Board would also like to thank the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange and the Central Depository Company for their continued guidance and professional support.

Dated. 30th October, 2018

Karachi.

(NIZAM A. HASHWANI)
Chairman

By order of the Board.

(AMIN A. HASHWANI)
Chief Executive.