

LANDMARK SPINNING INDUSTRIES LIMITED

The Deputy Manager
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: FINANCIAL RESULT FOR THE HALF-YEAR ENDED 31ST DECEMBER 2015.

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on 26TH February 2016, at 03.30 P.M. at 108 Cotton Exchange Building I.I.Chundrigar Road Karachi approved the Financial Statements for the half year ended 31ST December 2015.

No dividend has been declared.

Profit & Loss account with comparative figures are attached herewith.

Following points indicated by Auditors' in their Auditors' Review report for the half yearly accounts under review:

Bases for adverse conclusion

- a) The company has incurred a net loss of Rs. 703,966/- during the period ended December 31, 2015, and as of that date it has accumulated losses of Rs. 192,618,624 which have eroded its capital, its total liabilities exceeded its total assets by Rs. 71,381,624/=-, and its current liabilities exceeded its current assets by Rs. 181,311/=-the company has not started its production for last many years despite representation made by the management to revive the production as fully disclosed in note 1.2 to these condensed interim financial Statements moreover, 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 passed the order directing to file the winding up petition as fully disclosed in note 5.2 to these condensed interim financial Statements. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.
- b) Depreciation on fixed assets has not been charged except on Vehicle and Hut at sandpit since the date commercial operation was suspended by the company in 2002-2003, Had the company charged depreciation on all the assets of the company with out taking impact of revaluation the written down value of the fixed assets (without revaluation) would have been reduced by Rs. 97,178,389 and consequently accumulated losses of the company as of balance sheet date would have been increased by Rs. 97,178,389 , Furthermore the company has made revaluation on its fixed assets Land, Building and Plant and Machinery in the year 2008, Had the company charged depreciation on all the assets of the company taking impact of revaluation the written down value of the fixed assets (revalued) would have been reduced by Rs. 157,225,025 and Consequently Accumulated Losses of the Company as of Balance sheet date would have been increased by Rs. 157,225,052.
- c) The company has not accounted for Loans received from associated concerns and directors as disclosed in note 6.1.to the Condensed interim financial Statements on amortized cost as required by IAS-39 due to unavailability of tenure of loan we therefore unable to quantify effect of the same.

Adverse conclusion

Our view indicates that because of the significance of the matter discussed in paragraph (a) coupled with financial impact of matters discussed in paragraph (b) and (c) above, this interim condensed financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

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Yours Sincerely,
For Land Mark Spinning Industries Ltd
Yousuf Noorani
Company Secretary
Dated 27/02/2016

1st Floor, Cotton Exchange Bldg., I. I. Chundrigar Road, Karachi, (PAKISTAN).
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LANDMARK SPINNING INDUSTRIES LIMITED

LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	<u>For the Half Year Ended</u>		<u>For the Quarter Ended</u>	
	December 31, 2015 Rupees	December 31, 2014 Rupees	December 31, 2015 Rupees	December 31, 2014 Rupees
Sales- Net	-	-		
Cost of Sales	-	-		
Gross Profit/(Loss)	-	-		
<u>Operating Expenses</u>				
Administrative and General Expenses	702,484	666,077	281,699	399,723
Operating (Loss)	(702,484)	(666,077)	(281,699)	(399,723)
Financial Cost	(1,482)	(1,455)	(1,182)	(880)
(Loss) Before Taxation	(703,966)	-	(282,881)	-
Taxation		(667,532)	-	(400,603)
Current	-	(0)	-	(0)
(Loss) After Taxation for the year	(703,966)	(667,532)	(282,881)	(400,603)
Earning Per Share -Basic	(0.06)	(0.06)	(0.02)	(0.03)

The annexed Notes form an integral part of these accounts.