

LANDMARK SPINNING INDUSTRIES LIMITED

The Secretary
Pakistan Stock Exchange Ltd.
Stock Exchange Building,
Karachi

Dear Sir,

**SUBJECT: ANNOUNCEMENT OF 96th BOARD OF DIRECTORS
MEETING HELD ON MONDAY 27th FEBRUARY 2017, AT 04:30 PM.**

With reference to caption Board of Directors meeting, the board has decided the following:

1. Minutes of 95th Board of Directors meeting adopted, approved and signed by the Chairman.
2. The Board of Directors in their meeting held on 27th February 2017, at 04.30 P.M. at 108 Cotton Exchange Building I.I.Chundrigar Road Karachi approved the Financial Statements for the half year ended 31st December 2016.

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 condensed interim financial information of the company for the period ended December 31, 2016, reflects loss after taxation of Rs. 17,559,899 and as of that date it has accumulated losses of Rs. 156,628,227 which resulted in net capital deficiency of Rs. 35,391,227 and its current liabilities exceeded its current assets by Rs. 337,340 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 as fully disclosed in note 1.1, 1.2, 5.1 and 9 to the condensed interim financial statements. The operations of the company were closed from November 29, 2002 and the company has not started its production for last many years despite representation made by the management to revive the production. Further, the winder industrial estate still not provided the gas connection and basic infrastructure facilities. These conditions lead us to believe that the going concern assumption used in preparation of these condensed interim financial Statements is inappropriate; consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.
- b) Up to June 30, 2015, the company has not Charged Depreciation on its fixed assets except on Vehicle and Hut at sandpit since the date of commercial operation has suspended by the company in 2002-2003 as fully disclosed in note 4.1 to the condensed Interim financial Statements, Had the company charged depreciation on all the assets of the company without taking impact of revaluation the written down value of the fixed assets (without revaluation) would have been reduced by Rs. 94,979,417 and

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Consequently Accumulated Losses of the Company as of Balance sheet date would have been increased by Rs. 94,979,417 , 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. 153,223,690 and Consequently Accumulated Losses of the Company as of Balance sheet date would have been increased by Rs. 153,223,690.

Adverse conclusion

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

3. Mr. Amin A. Hashwani informed to the Board that the company is not generating any fund so, the proprietor ship concern of Mr.Nizam Hashwani manage to provide fund to meet the necessary expenses free of interest.
4. With the permission of the Chairman ,The Company Secretary informed the Board that the Half Yearly Accounts for the period ended 31st December 216, as approved by the Board , be transmitted to the members through website, by post and requisite copies also be submitted to relevant authorities.
5. Mr. Amin A Hashwani informed the Board that due to resignation by Mrs. Fariha A. Hashwani from Board of Director , the Board has to fill the casual vacancy of director in accordance to the Companies Ordinance 1984. With the permission of Chairman, Company Secretary informed the board that Mr. Anwer Ali submitted his consent to act as director. The Board on proposal of Mr. Abdullah A Hashwani seconded by Mr. Nizam A. Hahswani passed following resolution

RESOLUTION;

"Resolved that Mr. Anwer Ali be and is hereby appointed as director of the company for the remaining term"

With the permission of the Chairman, Mr. Abdullah A. Hashwani informed the Board that the filling of Casual Vacancy of Director is for the remaining term of 3 years, as defined by the Companies Ordinance 1984. Furthermore, there will be no change in the remuneration policy. And Under the Corporate Governance , the Audit committee be and is hereby re-constitute by inducting an independent Director, Mr. Anwer Ali along with two other directors namely' (2). Mr.Abdullah A. Hashwani, and (3) Mrs. Shahrina Hashwani.

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6. In order to commence operational activity at Vinder Balochistan , The Board has Approved Firstly initiate Repair and maintenance of the machinery for which Mr. Amin A. Hashwani be and is hereby authorized to appoint technical staff team for the repair and maintenance of the machinery and such cost competitive as per market rate meanwhile the factory shall be kept in running condition so that upon availability of energy / gas supply the running will take place for commercial activity.

7. There was no other business and the meeting was concluded with a vote of thanks to the Chair.


Thanking you.
Yours truly,
For Landmark Spinning Industries Limited
Company Secretary
Dated 27/02/2016

LANDMARK SPINNING INDUSTRIES LIMITED

LANDMARK SPINNING INDUSTRIES LIMITED CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2016

	December 31, 2016
	<u>Rupees</u>
SALES - Net	-
Cost of Sales	10,455,870
Gross (Loss)	(10,455,870)
 <u>OPERATING EXPENSES</u>	
Administrative Expenses	1,389,675
Operating (Loss)	(11,845,545)
Financial Cost	
Bank charges and commission	1,093
Unwinding of discount - on Associated and Related Party Loans- reversal	7,026,479
	7,027,572
(Loss) Before Taxation	(18,873,117)
Taxation	
Current	-
Deferred tax	1,313,218
	1,313,218
(Loss) After Taxation	(17,559,899)
 (Loss) Per Share -Basic	 (1.45)

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