THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-165 **NOTICE** **January 12, 2009**

Reproduced hereunder letter received from ***LANDMARK SPINNING INDUSTRIES LIMITED*** *for information of members of the Exchange*

****

LANDMARK SPINNING INDUSTRIES LIMITED

No. LMSIL/KSE-GMO / 2008

09th January, 2009.

Mr. Haroon Askari,
General Manager (Operations),
The Karachi Stock Exchange (Guarantee) Ltd.,
Stock Exchange Road, Karachi-74000.
Fax : 051-2410825.

Ref: **REPLY TO SHOW CAUSE NOTICE.**

Dear Sir,

We refer to your letter No. KSE/Gen-11507 dated December 17, 2008 regarding failure to declare dividend in violation of Listing Regulation No. 32(1) (b).

In this connection, We would like to explain and apprised you of the ground realities of our problems which our management is facing for commencing commercial operations of our Unit comprising of 22848 Spindles at Winder Industrial Area, Distt: Lasbella in Balochistan owing to inadequate infrastructural facilities by LIEDA, frequent load shedding and expensive cost of transportation.

We are still struggling to get infrastructural facilities despite of assurances and commitments of the LIEDA, Government of Balochistan and the Federal Government for uninterruptible electricity supply and as an alternative measure to generate power Gas connection to Winder Industrial Estate. But it depends upon the production by KESC now, which is facing shortage of over 600 KWA per day against its demands. Even, Industrial estates in Karachi are facing load shedding problems regularly. ~~Besides, this the Cotton prices~~ have become unworkable which resulted in closure of several spinning and textile units in Pakistan now.

It is a matter of serious concern that the load shedding is a regular affair in Balochistan particularly in the area of Winder which had caused serious damage to electronic and electric machineries in Winder and to our spinning unit and would cause further financial losses in case commercial operations are re-started on Diesel Generators being unworkable in the current scenario of Cotton and Yarn prices.

We do realize that the LIEDA is also dependent on KESC in supply of electricity and that KESC having shortage of over 600 KWA per day owing to prevailing load shedding conditions has reduced its daily production on account of heavy losses on electricity generation from its Diesel generators due to meager supply against their demand from WAPDA and thus resulting in frequent break downs especially in Winder Balochistan.

We along with other Industrial units in Winder Industrial Area are vigorously approaching LIEDA, Government of Balochistan and the Federal Government for supply of Gas to Winder as electricity problems were mounting day by day.

P/2