

LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
(UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2020

LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
(UN-AUDITED) AS AT MARCH 31, 2020

	Note	March 2020	Jun-30 2019
RUPEES			
<u>ASSETS</u>			
Non current assets			
Long term deposits		25,000	25,000
Current assets			
Property, Plant and Equipments	5	192,266,396	192,266,396
Bank balances		50,095	30,784
		192,341,490	192,322,180
 <u>SHAREHOLDERS EQUITY AND LIABILITIES</u>			
<u>SHARE CAPITAL</u>			
AUTHORISED CAPITAL			
15,000,000 (2019: Rs. 15,000,000) Ordinary Shares of Rs. 10/-each		150,000,000	150,000,000
Issued Subscribed and Paid UP Capital			
12,123,700 (2019: 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 and Equipment		58,231,494	58,231,494
Revenue reserve -accumulated Loss		(233,115,149)	(231,418,188)
		(53,646,655)	(51,949,694)
 <u>LIABILITIES</u>			
Non current liabilities			
Deferred Taxation		19,437,624	19,437,624
Current liabilities			
Due to related parties		226,006,714	224,414,356
Accrued liabilities		543,806	419,894
		226,550,520	224,834,250
		245,988,144	244,271,874
Contingencies and Commitments	8		
TOTAL EQUITY AND LIABILITIES		192,341,490	192,322,180

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



Chief Executive Officer



Chief Financial Officer



Director

LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT
 (UN-AUDITED) FOR THE 3rd QUARTER ENDED MARCH 31, 2020

	Quarter Ended Mar-31 2020	Nine Months Ended Mar-31 2020	Quarter Ended Mar-31 2019	Nine Months Ended Mar-31 2019
	Rupees		Rupees	
Sales- Net		-		
Cost of Sales		-	-	91,640
Gross (Loss)		-	-	(91,640)
Administrative and General Expenses	(390,471)	(1,696,563)	(360,413)	(1,420,606)
Operating (Loss)	(390,471)	(1,696,563)	(360,413)	(1,512,246)
Bank Charges	-	(396)	(500)	(2,514)
(Loss) Before Taxation	(390,471)	(1,696,959)	(360,913)	(1,514,760)
Taxation	-	-	-	-
(Loss) After Taxation	(390,471)	(1,696,960)	(360,913)	(1,514,760)
Loss per share - basic & diluted	(0.03)	(0.14)	(0.03)	(0.12)

The annexed Notes form an integral part of these accounts.



Chief Executive Officer



Chief Financial Officer



Director

LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIUM STATEMENT OF CASH FLOWS
(UN-AUDITED)AS ON MARCH 31, 2020

	March 2020 Rupees	March 2019 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(1,696,959)	(1,514,760)
Adjustment of non-cash items		
Bank charges	396	2,514
	(1,696,563)	(1,512,246)
Working capital changes		
Accrued liabilities	123,912	38,200
Net cash used for operations	(1,572,651)	(1,474,046)
Bank charges	(396)	(2,514)
Net cash used for operating activities	(1,573,047)	(1,476,560)
CASH FLOW FROM FINANCING ACTIVITIES		
Net cashinflow from financing activities-due to related parties	1,592,358	1,507,928
Net increase in cash and cash equivalents	19,312	31,368
Cash and bank balanaces at the beginning of the year	30,784	16,375
Cash and cash equivalents at the end of the period	50,095	47,744

The annexed notes form an integral part of these account



Chief Executive Officer



Chief Financial Officer



Director

LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2020

	Issued subscribed and paid up Capital Rupees	Surplus on Revaluation of Property and plant Rupees	Accumulated (Loss) Rupees	Total Rupees
Balance as on July 01,2018 - Restated	121,237,000	45,829,909	(229,375,809)	(62,308,899)
(Loss) for the year	-		(2,042,380)	(2,042,380)
Surplus arising due to Account restated on realizable value on Forced Sales value - net of deferred tax		11,857,446		11,857,446
Other comprehensive Income / (loss)		544,138		544,138
	-	12,401,584	(2,042,380)	10,359,204
Balance as on June 30 30, 2019	<u>121,237,000</u>	<u>58,231,493</u>	<u>(231,418,189)</u>	<u>(51,949,695)</u>
<u>Total comprehensive (loss)for the period</u>				
(Loss) for the period			(1,696,960)	(1,696,960)
Other comprehensive Income / (loss)		-		-
		-	(1,696,960)	(1,696,960)
Balance as on March 31,2020	<u>121,237,000</u>	<u>58,231,493</u>	<u>(233,115,149)</u>	<u>(53,646,655)</u>

The annexed notes form an integral part of these accounts.



Chief Executive Officer



Chief Financial Officer



Director

LANDMARK SPINNING INDUSTRIES LTD
STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Note	March <u>2020</u> Rupees	March <u>2019</u> Rupees
Loss for the year		(1,696,960)	(1,514,760)
Other comprehensive income		-	-
		-	-
Total Comprehensive income \ (loss) for the period		(1,696,960)	(1,514,760)

The annexed notes form an integral part of these accounts.



Chief Executive Officer



Chief Financial Officer



Director

LANDMARK SPINNING INDUSTRIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE 3RD QUARTER ENDED MARCH 31, 2020

1. STATUS AND NATURE OF BUSINESS

Landmark Spinning Industries Limited (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 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and its shares are listed on Pakistan Stock Exchange Limited.

Registered office of the Company is located at 1st floor, Cotton Exchange Building, I.I. Chundrigar Road, Karachi, Pakistan while its manufacturing facility is located at plot no. C-1, Winder Industrial Estate, Sector "C" district Lesbella, Balochistan, Pakistan.

1.1 The Company commenced its commercial operation in year ended 2001 after reactivation of its plant which remained idle for the seven years, however, the operations were again suspended on November 29, 2002 to forestall the recurring losses on account of electricity breakdowns and frequent load shedding. The operation of the Company are, and have been in suspension 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. Moreover, the accumulated losses stood at Rs. 233,115,149 (June 30, 2019: Rs. 231,418,188) and its current liabilities exceeded its current assets significantly as at reporting date. Therefore, these financial statements are prepared on a non-going concern basis and the assets and liabilities of the Company are reported at approximate realisable and settlement values in these financial statements.

Accordingly, these financial statements are prepared on a non-going concern basis. Therefore, the assets and liabilities of the Company are reported at approximate net realisable and settlement values in these financial statements.

2. BASIS OF PREPARATION

The management has prepared these condensed interim financial statements on a non-going concern basis. The assets are stated at realisable values while the liabilities at their approximate settlement amounts.

Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by International Accounting Standard Board
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2019, except for the adoption of IFRS-16 “Lease”. The application of IFRS-16 does not have any impact on the Company’s condensed interim financial statements.

	Note	March 31, 2020 (Un-Audited)	June 30, 2019 (Audited)
		----- (Rupees) -----	
4. LONG-TERM DEPOSITS			
<i>- At realisable value</i>			
Deposit with Central Depository Company		<u>25,000</u>	<u>25,000</u>
5. PROPERTY PLANT AND EQUIPMENT			
<i>- At realisable value</i>			
Property, plant and equipmen	5.1	<u>192,266,396</u>	<u>192,266,396</u>
5.1 Particular of property, plant and equipments			
Leasehold land	5.1.1	13,545,000	13,545,000
Factory building on leasehold	5.1.1	112,820,600	112,820,600
Plant and machinery	5.1.1	65,600,000	65,600,000
Other assets		<u>300,796</u>	<u>300,796</u>
		<u>192,266,396</u>	<u>192,266,396</u>

5.1.1 Freehold land approximately represents 10.6 acres of land situated at Plot No. C-1, Winder Industrial Estate, Sector C, District Lasbella, Baluchistan on which factory buildings are constructed. The property was utilised as manufacturing facility by the Company.

5.2 Leasehold land, factory building on leasehold land and plant & machinery of the Company were revalued on June 30, 2019 by PBA approved independent professional valuator M/s. Sipra & Company (Private) Limited. The revaluation resulted in surplus of Rs. 15.515 million which was incorporated in the financial statements for the year ended June 30, 2019. The surplus arose was determined on the basis of difference between carrying amount and forced sales values (FSV) as the financial statements were prepared on a non-going concern basis and the management considered FSV as determined by the professional valuator approximate to be realisable values. For other assets, net book values are taken as approximate realisable values.

5.3 The Company has not charged depreciation on property, plant and equipments since July 01, 2017 as the financial statements were prepared on a non-going concern basis.

		March 31, 2020 (Un-Audited)	June 30, 2019 (Audited)
		----- (Rupees) -----	
6.	BANK BALANCE		
	<i>- At realisable value</i>		
	Cash at bank - in current account	<u>50,095</u>	<u>30,784</u>
7.	DUE TO RELATED PARTIES		
	<i>- At settlement amount</i>		
	Unsecured - interest free	7.1 <u>226,006,714</u>	<u>224,414,356</u>
7.1	Related parties		
	Hassan Ali Rice Export Company	<u>205,458,440</u>	203,866,082
	Syndicate Minerals Export	<u>20,548,274</u>	<u>20,548,274</u>
		<u>226,006,714</u>	<u>224,414,356</u>

7.1.1 This represents unsecured, interest free loan obtained from related parties which are repayable on December 31, 2021.

7.1.1 As a result of preparation of Company's financial statements on a non-going concern basis, the loan has been stated at settlement amount (face value) by reversal of amortisation (difference between face value and present value) which has been charged to the statement of profit or loss for the year ended June 30, 2018.

8. CONTINGENCIES AND COMMITMENTS

The Securities and Exchange Commission (SECP) in a order dated March 20, 2019 granted sanction to the Registrar, Company Registration Office (CRO), Karachi, to present winding up petition against the Company before the Court under clause (b) of section 304 of the Companies Act, 2017. The Company filed an appeal against the said order, however, the same has been refused to register by the Commission vide letter No. 5(10) Misc/ABR/19 dated April 22, 2019.

		MARCH 31, 2020 (Un-Audited)	- MARCH 31, 2019 (Un-Audited)
		----- (Rupees) -----	

9. RELATED PARTY TRANSACTIONS

**Name of related party & Nature of transaction
basis of relationship**

Hassan Ali Rice Export Co. Fund received	<u>1,592,358</u>	<u>1,507,927</u>
Related party		

9.1 Balances with related parties are disclosed in relevant notes to the condensed interim financial statements

10. NUMBER OF EMPLOYEES

The number of employees at the period ended were 6 (June 30, 2019: 6) and average number of employees during the period were 6 (June 30, 2019: 6).

11. CORRESPONDING FIGURES

Certain corresponding figures have been reclassified for the purpose of better presentation, however, there was no material reclassification other than the following:

Reclassification from	Reclassification to	-----Rupees-----
Non-current liabilities	Current liabilities	
Long-term loan	Due to related parties	224,414,356

12. OTHERS

The Board of Directors on March 07, 2019 has resolved to delist the Company from Pakistan Stock Exchange Limited (PSX) and to buy back 5,129,586 (42.29%) number of shares from the directors of the Company. The process has been duly initiated by the Company and is under progress as at reporting date.

13. AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on 28th February 2020

14. GENERAL

Figures have been rounded off to the nearest rupee unless otherwise stated.



Chief Executive Officer



Chief Financial Officer



Director

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 nine months period ended March 31, 2020.

Business Review

The operation of the Company has been in remained under suspension. During the period under review, the management has prepared the financial statements on non-going concern basis.

Your Company has sustained a net loss after tax amounting to Rs.1.70 million in the nine months period ended March 31, 2020, compared to a loss after tax of Rs.1.51 million in the corresponding period mainly on account of administrative expenses.

Financial Highlights

The comparative financial highlights of your Company for the nine months period ended March 31, 2020 and March 31, 2019 are as follows:

	2020	2019
Rupees in '000.....	
Costs of sales (Depreciation)	(0)	(92)
Administrative expenses	(1,697)	(1,421)
Financial cost	(0)	(3)
Lost before taxation	(1,697)	(1,515)
Lose after taxation	(1,697)	(1,515)
Accumulated losses c/o to Balance Sheet	(233,115)	(231,418)
(Loss) per share-basic & diluted	(0.14)	(0.12)

Acknowledgment

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, and appreciate under the current condition the relief to all corporate sectors by their supervision Department issued in their circular No.10 of 2020 dated 1st April 2020.

Dated: April 28, 2020
Karachi.



Director



Chief Executive Officer

لینڈمارک اسپننگ انڈسٹری لمیٹڈ

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز 31 مارچ 2020 کو ختم ہونے والی نو ماہ کی مدت کے لئے کمپنی کے متنازعہ، غیر آڈٹ مالیاتی بیانات پیش کرنا چاہے گا۔

کاروباری جائزہ

کمپنی کا آپریشن معطل رہا۔ زیر جائزہ مدت کے دوران، انتظامیہ نے غیر تشویش کی بنیاد پر مالی بیانات تیار کیے ہیں۔

آپ کی کمپنی کو 31 مارچ 2020 کو ختم ہونے والے نو ماہ کے عرصے میں 1 لاکھ 70 لاکھ روپے ٹیکس دینے کے بعد خالص نقصان برداشت کرنا پڑا ہے، اس کے مقابلے میں بنیادی طور پر انتظامی اخراجات کی وجہ سے اسی عرصے میں 1 کروڑ 21 لاکھ روپے ٹیکس وصول ہوا ہے۔

مالی جھلکیاں

آپ کی کمپنی کی 31 مارچ، 2020 اور 31 مارچ، 2019 کو ختم ہونے والی نو ماہ کی مدت کی تقابلی مالی جھلکیاں درج ذیل ہیں:

2019 2020

.....Rupees in '000.....

(92)	(0)	فروخت کی لاگت (فرسودگی)
(1,421)	(1,697)	انتظامی اخراجات
(3)	(0)	مالی لاگت
(1,515)	(1,697)	ٹیکس لگانے سے پہلے نقصان
(1,515)	(1,697)	ٹیکس لگانے کے بعد نقصان
(230,891)	(233,115)	بیلنس شیٹ کو جمع شدہ نقصان
(0.12)	(0.14)	(نقصان) فی شیئر - بنیادی اور کمزور

اعتراف

بورڈ آف ڈائریکٹرز کمپنی کے قابل قدر موقوفوں، کاروباری شراکت داروں اور دیگر اسٹیک ہولڈرز کے لئے اپنی مخلصانہ تعریف کا اظہار کرنا چاہے گا۔ بورڈ سیکوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان کا بھی شکریہ ادا کرنا چاہتا ہے، اور موجودہ حالات کے تحت تمام کارپوریٹ سیکٹروں کو ان کے نگران محکمہ کی طرف سے یکم اپریل 2020ء کے اپنے سرکلر نمبر 10 میں جاری کردہ تمام کارپوریٹ سیکٹرز کو ریلیف کی تعریف کرتا ہے۔

بجانب بورڈ

مورخہ: 28 اپریل 2020

عبداللہ۔ اے۔ ہاشوائی

ایم۔ اے۔ ہاشوائی

ڈائریکٹر

چیف ایگزیکٹو