

LANDMARK SPINNING INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCEIAL POSIITON (UNAUDITED)

FOR THE QUARTER ENDED 31st MARCH 2021

LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 31 MARCH, 2021

	Note	March 2021	Jun-30 2020
		RUPEES	
ASSETS			
Non-current assets			
Property plant and equipments		162,410,306	174,367,113
Long-term deposits		25,000	25,000
Current assets			
Bank balance		29,263	55,882
TOTAL ASSETS		162,464,569	174,447,995
SHAREHOLDERS EQUITY AND LIABILITIES			
Share capital and reserves			
AUTHORISED CAPITAL			
15,000,000 (2020: 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 (2020: 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		62,610,128	67,546,452
Revenue Reserve -Accumulated Loss		(277,118,831)	(266,495,172)
		(93,271,703)	(77,711,720)
LIABILITIES			
Non-current liabilities			
Deferred taxation		23,138,225	25,154,470
Current liabilities			
Loan from related parties	7	232,162,814	226,327,539
Accrued liabilities		435,234	677,706
		232,598,048	227,005,245
Contingencies and Commitments	8		
TOTAL EQUITY AND LIABILITIES		162,464,569	174,447,995

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 (UN-AUDITED)
(UN-AUDITED) FOR THE 3rd QUARTER ENDED MARCH 31, 2021

	Quarter Ended Mar-31 2021	Nine Months Ended Mar-31 2021 (Restated)	Quarter Ended Mar-31 2020	Nine Months Ende Mar-31 2020
	Rupees		Rupees	
Sales- Net	-	-	-	-
Direct cost	-	-	-	-
Gross (Loss)	-	-	-	-
Operating Expenses				
Administrative and General Expenses	(491,690)	(5,505,028)	(390,471)	(1,696,563)
Operating (Loss)	(491,690)	(5,505,028)	(390,471)	(1,696,563)
Other expenses	(4,029,063)	(12,070,183)		
Bank Charges	(1,017)	(1,017)		(396)
Loss) Before Taxation	(4,521,770)	(17,576,228)	(390,471)	(1,696,959)
Taxation				
Current	-	-	-	-
Deferred tax	672,082	2,016,245	-	-
(Loss) After Taxation for the period	(3,849,688)	(15,559,983)	(390,471)	(1,696,959)
Earning Per Share -Basic& diluted (Rupees)	(0.32)	(1.28)	(0.03)	(0.14)

The annexed Notes form an integral part of these accounts.

Chief Executive Officer

Chief Financial Officer

Director

LANDMARK SPINNING INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
(UN-AUDITED) AS ON MARCH 31, 2021

	March 2021	March 2020 (Restated)
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(17,576,228)	(1,696,959)
Adjustment of non-cash items		
Financial Charges	(1,017)	396
Advance income tax written off	12,070,182	
Depreciation	-	
Unwinding of discount-on Associated and Related Party Loans-reversal	12,069,165	396
	<u>(5,507,063)</u>	<u>(1,696,563)</u>
Working capital changes		
(INCREASE)/DECREASE IN CURRENT ASSETS:		
INCREASE/(DECREASE) IN CURRENT LIABILITIES:		
Trade and Other Payables	(242,473)	123,912
	<u>(242,473)</u>	<u>123,912</u>
NET CASH GENERATED FROM OPERATION	<u>(5,749,535)</u>	<u>(1,572,651)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Financial Cost Paid	1,017	(396)
Income tax paid / adjusted	-	-
	<u>1,017</u>	<u>(396)</u>
Net cash flow from Financing activities	<u>(5,748,519)</u>	<u>(1,573,047)</u>
 CASH FLOW FROM FINANCING ACTIVITIES		
Receipt of advance from related parties	5,835,275	1,592,358
Wavier of loan/markup	-	-
Purchase Of Fixed Assets	(113,375)	
Net cash flow from Financing activities	<u>5,721,900</u>	<u>1,592,358</u>
NET INCREASE/(DECREASE) IN CASH & BANK BALANCES	<u>(26,619)</u>	<u>19,312</u>
Cash and bank balanaces at the beginning of the year	55,882	30,784
Cash and cash equivalentents at the end of the period	<u>29,263</u>	<u>50,095</u>

The annexed notes form an integral part of these account

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
(UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2021

	Issued subscribed and paid up capital Rupees	Surplus omrevaluation of property plant and equipment Rupees	Accumulated loss Rupees	Total Rupees
Balance as on July 01, 2019	121,237,000	74,756,527	(256,780,219)	(60,786,692)
(Loss) for the year			(16,925,025)	(16,925,025)
Other comprehensive Income / (loss)				
Total comprehensive (loss)for the year			(16,925,025)	(16,925,025)
<i>Incremental depreciation net of deferred tax</i>		(7,210,072)		
Balance as on June 30, 2020	121,237,000	67,546,452	(266,495,172)	(77,711,720)
Total comprehensive (loss)for the period			(15,559,983)	(15,559,983)
(Loss) for the quarter		(4,936,324)	4,936,324	
Transferred to accumulated loss in respect of incremental depreciation net of deferred tax		(4,936,324)		
Balance as on December 31, 2020	121,237,000	62,610,128	(10,623,659)	(15,559,983)
		62,610,128	(277,118,831)	(93,271,702)

The annexed notes form an integral part of these accounts.


 Chief Executive Officer


 Chief Financial Officer


 Director

LANDMARK SPINNING INDUSTRIES LTD
CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021

	Note	March 2021 Rupees	March 2020 Rupees
for the year		(15,559,983)	(1,696,960)
Comprehensive income \ (loss) for the period		(15,559,983)	(1,696,960)

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, 2021

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. The principal activity of the Company is trading, manufacturing and selling of yarn.

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. 279,436,354 (June 30, 2020: Rs. 266,495,172) 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

- 2.1** Since the Company is not considered to be a going concern entity, these condensed interim financial statements have been prepared on a basis other than going concern. All assets and liabilities are stated at their net realisable values / settlement amounts.

Further, 'Guideline on the basis of preparation of financial statements for companies that are not considered going concern' issued by The Institute of Chartered Accountants of Pakistan (ICAP) is followed in this request.

2.2 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 (IASB) as notified under the Companies Act, 2017; and
- 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.

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with company's annual audited financial statements for the year ended June 30, 2020.

The condensed interim financial statements is being submitted to the shareholders as required by the listing regulation of PSX vide section 237 of the Companies Act, 2017.

The figures included in condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 31, 2019 and the notes forming part thereof have not been reviewed by the auditors of the Company, as

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, 2020, except for the adoption of IFRS-16 "Lease". The application of IFRS-16 does not have any impact on the Company's condensed interim

		March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
	Note	----- (Rupees) -----	
4.	LONG-TERM DEPOSITS		
	- At realisable value		
	Deposit with Central Depository (<u>25,000</u>	<u>25,000</u>
5.	PROPERTY PLANT AND EQUIPMENT		
	- At realisable value		
	Property, plant and eq	5.1 <u>162,410,306</u>	<u>174,367,113</u>
5.1	Particular of property, plant and equipments		
	Leasehold land	5.1.1 13,545,000	13,545,000
	Factory building on le	5.1.1 93,923,150	101,538,540
	Plant and machinery	5.1.1 54,634,579	59,064,410
	Other assets	<u>307,577</u>	<u>219,163</u>
		<u>162,410,306</u>	<u>174,367,113</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

5.1.2 As on June 30, 2019, the Company revalued its leasehold land, building on leasehold land and plant & machinery from Pakistan Bankers Association's (PBA) approved independent professional valuator, M/s Sipra & Company

5.1.3 During the period Electrical installaion of Rs. 113,375 has been added in property , plant and equipment.

	March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
	----- (Rupees) -----	
6. BANK BALANCE		
- At realisable value		
Cash at bank - in current account	<u>29,263</u>	<u>55,882</u>
7. DUE TO RELATED PARTIES		
- At settlement amount		
Unsecured - interest fr 7.1	<u>232,162,814</u>	<u>226,327,539</u>
7.1 Related parties		
Hassan Ali Rice Export Company	211,614,540	205,779,265
Syndicate Minerals Export	<u>20,548,274</u>	<u>20,548,274</u>
	<u>232,162,814</u>	<u>226,327,539</u>
7.1.1	This represents unsecured, interest free loan obtained from related parties which are repayable on December 31, 2021.	

8. CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies and commitments as reported in the annual financial statements for the year ended June 30, 2020.

02A73:H100A73:H99A73:H98A73:H97A73:MARCH 31, 2021 - MARCH 31, 2020
(Un-Audited) (Un-Audited)
----- (Rupees) -----

9. RELATED PARTY TRANSACTIONS

Name of related part Nature of transaction
basis of relationship

Hassan Ali Rice Export Co Fund received	<u>5,835,275</u>	<u>1,592,358</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, 2020: 6) and average number of employees during the period were 6 (June 30, 2020: 6).

11. **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.

12. **AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on 28th April 2021.

13. **GENERAL**

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

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, 2021.

Business Review

During the period under review no operational activity has taken place mainly because of non-availability of viable energy supply to the factory. The loss for the quarter was mainly because of Administrative / Depreciation / other expenses.

Your Company has sustained a net loss after tax amounting to Rs.15,560 million in the nine months period ended March 31, 2021 compared to a loss after tax of Rs.1,697 million in the corresponding period. Management of your Company is making concerted efforts and continues to endeavor to achieve improved performance in the future. Moreover, during current period situation further worsen owing to the COVID pandemic.

Future Plan

Our main hurdle is non-availability of proper industrial infrastructure and viable energy source. In the absence of these, the production activity would not be initiated in this period.

Financial Highlights

The comparative financial highlights of your Company for the nine months period ended March 31, 2021 and March 31, 2020 are as follows:

	2021	2020
Rupees in '000.....	
Administrative & General Expenses	(5,505)	(1,697)
Other Expenses (Depreciation)	(12,070)	(0)
Loss before Taxation	(17,576)	(1,697)
Deferred Tax	(2,016)	(0)
Loss after Taxation	(15,560)	(1,697)
Accumulated losses carried over to Balance Sheet	(277,119)	(233,115)
(Loss) per share – basic & diluted	(1.28)	(0.14)

Other Matters

The Company has received intention to acquire more than 51% of the issued and paid up share capital by GAZPAK (Private) Limited through its manager to the Offer on March 26, 2021 under Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017

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.

For and on behalf of the Board

Director / CEO

Karachi: April 28, 2021

Director

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز 3 مارچ 2021 کو ختم ہونے والی نو ماہ کی مدت کے لیے کمپنی کے کنڈینسڈ، غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنا چاہے گا۔

کاروباری جائزہ

زیر جائزہ مدت کے دوران کوئی آپریشنل سرگرمی نہیں ہوئی ہے جس کی بنیادی وجہ فیکٹری کو قابل عمل توانائی کی فراہمی کی عدم دستیابی ہے۔ سہ ماہی کے لیے نقصان بنیادی طور پر انتظامی / قدر میں کمی / دیگر اخراجات کی وجہ سے تھا۔

31 مارچ 2021 کو ختم ہونے والے نو ماہ کے عرصے میں 15.560 ملین روپے کے ٹیکس کے بعد آپ کی کمپنی کو خالص نقصان ہوا ہے جبکہ اسی مدت میں 1.697 ملین روپے کے ٹیکس کے بعد نقصان ہوا تھا۔ آپ کی کمپنی کا انتظام تھوس کوششیں کر رہا ہے اور مستقبل میں بہتر کارکردگی کے حصول کی کوشش جاری رکھے ہوئے ہے۔ مزید برآں، موجودہ دور میں کوویڈ وبا کی وجہ سے صورتحال مزید خراب ہوتی جا رہی ہے۔

مستقبل کا منصوبہ

ہماری بنیادی رکاوٹ مناسب صنعتی بنیادی ڈھانچے اور قابل عمل توانائی کے ذرائع کی عدم دستیابی ہے۔ ان کی عدم موجودگی میں اس مدت میں پیداواری سرگرمی شروع نہیں کی جائے گی۔

مالی جھلکیاں

31 مارچ 2021 اور 31 مارچ 2020 کو ختم ہونے والے نو ماہ کی مدت کے لیے آپ کی کمپنی کی تقابلی مالی جھلکیاں درج ذیل ہیں:

2020	2021	
..... روپے میں '000 میں		
(1,697)	(5,505)	انتظامی اور عمومی اخراجات
(0)	(12,070)	دیگر اخراجات (قدر میں کمی)
(1,697)	(17,576)	ٹیکس سے پہلے نقصان
(0)	(2,016)	موخر ٹیکس
(1,697)	(15,560)	ٹیکس یشن کے بعد نقصان
(233,115)	(277,119)	جمع شدہ نقصانات بیلنس شیٹ تک لے گئے
(14.0)	(28.1)	

(نقصان) فی حصص - بنیادی اور پتلا

دیگر معاملات

کمپنی کو سکیورٹیز ایکٹ 2015 اور لسٹڈ کمپنیوں (ووٹنگ حصص اور ٹیک اوورز کا خاطر خواہ حصول) ضوابط 2017 کے تحت 26 مارچ 2021 کو اپنے منیجر کے ذریعے گزریا (نجی) لمیٹڈ کی جانب سے جاری کردہ اور ادا کردہ حصص کی سرمایہ کا 51 فیصد سے زائد حاصل کرنے کا ارادہ حاصل ہوا ہے۔

اعتراف

بورڈ آف ڈائریکٹرز کمپنی کے قابل قدر کلانٹنس، کاروباری شراکت داروں اور دیگر اسٹیک ہولڈرز کی مخلصانہ تعریف کا اظہار کرنا چاہتا ہے۔ بورڈ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج اور سینٹرل ڈپازٹری کمپنی کا بھی ان کی مسلسل رہنمائی اور پیشہ ورانہ معاونت پر شکریہ ادا کرنا چاہے گا۔

بورڈ کے لیے اور اس کی طرف سے۔

ڈائریکٹر

ڈائریکٹر / سیکریٹری
کراچی 28 اپریل 2021