

LANDMARK SPINNING INDUSTRIES LIMITED  
CONDENCED QUATERLY INTERIM STATEMENT OF FINANCIAL POSIITON  
UN AUDITED  
FOR THE QUARTER ENEDED 30TH SEPTEMBER 2020

## Directors' Review

The Board of Directors would like to present the condensed, un-audited financial statements of the Company for the 1<sup>st</sup> Quarter ended September 30, 2020.

### Business Review

Your Company has sustained a net loss after tax amounting to Rs 3.784 million in the period ended September 30, 2020 compared to a loss after tax of Rs. 3.772 million in the corresponding period. The operation of the Company, have been in suspension for a considerable period of time, it mainly because of non-availability of proper industrial infrastructure and viable energy source, moreover, during current / present year situation further worsen owing to the COVID pandemic. Hence the loss for the period was mainly because of administrative expenses and depreciation.

### Financial Highlights

The comparative financial highlights of your Company for the three months period ended Sept 30, 2020 and Sept 30, 2019 are as follows:

	2020	2019 (Restated)
	.....Rupees .....	
Cost of Sales		
Administrative Expenses	(275,186)	(484,708)
Other Expenses	(4,015,074)	(4,145,954)
Loss Before Taxation	(4,290,260)	(4,630,662)
Deferred tax	506,598	858,342
Loss After Taxation	(3,783,662)	(3,772,320)
Loss per Shares basic	(0.31)	(0.31)

### Future Plan

The management exercising all efforts to minimize losses. Now improvement is anticipated in view of easing COVID condition which will enable us to expedite all pending matters that are in the pipeline. The management of your company will make efforts and do all necessary steps which deem fit for better prospects.

### Acknowledgement

The Board of Directors would like to express its sincere appreciation to the Company's shareholders, business partners and other stakeholders, and especially thankful to 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.

(AMIN. HASHWANI)

(Chief Executive Officer)

Dated; October 29, 2020.

Karachi.

Nizam Akber Ali Hashwani

CHAIRMAN

## ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز 30 ستمبر 2020 کو ختم ہونے والے پہلے سہ ماہی کے لئے کمپنی کے غیر آڈٹ مالی بیانات مسرت کے ساتھ پیش کرتے ہیں۔

کاروباری جائزہ:

آپ کی کمپنی کو 30 ستمبر 2020 کو ختم ہونے والے عرصے میں ٹیکس کے بعد خالص نقصان 3,784 ملین روپے کا برداشت کرنا پڑا جب کہ پچھلے سال اسی عرصے میں 3,772 ملین کا نقصان ہوا تھا۔ کمپنی کا کام کافی عرصے سے معطل رہا ہے، اس کی بنیادی وجہ مناسب صنعتی انفراسٹرکچر کی عدم فراہمی اور قابل عمل توانائی وسائل کی عدم موجودگی ہے، اس کے علاوہ، موجودہ سال کے دوران COVID وبائی مرض کی وجہ سے صورتحال مزید خراب ہونی ہے۔ لہذا اس مدت کے لئے نقصان بنیادی طور پر انتظامی اخراجات اور فرسودگی کی وجہ سے تھا۔

مالی جھلکیاں:

30 ستمبر، 2020 اور 30 ستمبر، 2019 کو ختم ہونے والی تین ماہ کی مدت کے لئے آپ کی کمپنی کی تقابلی مالی جھلکیاں درج ذیل ہیں:

2019  
(Restated)  
.....Rupees in '000.....

2020

2019 (Restated) .....Rupees in '000.....	2020	کاسٹ آف سیل
(484,708)	(275,186)	انتظامی و عام اخراجات
(4,145,954)	(4,015,074)	دوسرے اخراجات
(4,630,662)	(4,290,260)	ٹیکس سے پہلے نقصانات
858,342	506,598	موخر ٹیکس
(3,772,320)	(3,783,662)	ٹیکس کے بعد نقصانات
(0.31)	(0.31)	فی شیئر نقصان (پیسک)

مستقبل کا منصوبہ:

انتظامیہ نقصانات کو کم کرنے کے لئے تمام کوششوں کا استعمال کر رہی ہے۔ آپ کو ویڈ کی حالت میں بہتری کے پیش نظر بہتری کی توقع کی جارہی ہے جو کہ پلمپ لان میں موجود تمام زیر التوا معاملات میں تیزی لانے کے قابل بنائے گی۔ آپ کی کمپنی کی انتظامیہ کوششیں کرے گی اور وہ تمام ضروری اقدامات کرے گی جو بہتر نتائج کے لئے ضروری ہیں۔

اعتراف:

بورڈ آف ڈائریکٹرز کمپنی کے شیئرز بولٹرز، کاروباری شراکت داروں اور دیگر اسٹیک ہولڈرز سے دل سے شکریہ ادا کرتے ہیں، اور خاص طور پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج اور سنٹرل ڈپازٹری کمپنی کا ان کی مسلسل رہنمائی اور بیٹھ وراثہ مند پر ان کا شکریہ ادا کرتا ہوں۔

بورڈ کے آرڈر کے ذریعے

نظام انجنیئر علی ہاشمی



امین بشیر

چیف ایگزیکٹو آفیسر

کراچی: 29 اکتوبر 2020



**LANDMARK SPINNING INDUSTRIES LIMITED**  
**CONDENSED QUARTERLY INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS ON SEPTEMBER 30, 2020**

	Note	Sep-30 2020	Jun-30 2020
		RUPEES	
<b><u>ASSETS</u></b>			
<b><u>Non-current assets</u></b>			
Property plant and equipments		170,346,553	174,367,113
Long-term deposits		25,000	25,000
<b><u>Current assets</u></b>			
Bank balance		34,242	55,882
<b>TOTAL ASSETS</b>		<b>170,405,795</b>	<b>174,447,995</b>
<b><u>SHAREHOLDERS EQUITY AND LIABILITIES</u></b>			
<b><u>Share capital and reserves</u></b>			
<b>AUTHORISED CAPITAL</b>			
15,000,000 (2020: Rs. 15,000,000) Ordinary Shares of Rs. 10/- each		150,000,000	150,000,000
<b>Issued Subscribed and Paid UP Capital</b>			
12,123,700 (2020: 12,123,700) Ordinary Shares of Rs. 10/- each fully paid in cash		121,237,000	121,237,000
<b>Capital Reserve</b>			
Surplus on Revaluation of Property, Plant and Equipment		66,364,389	67,546,452
Revenue Reserve -Accumulated Loss		(269,096,771) (81,495,382)	(266,495,172) (77,711,720)
<b><u>LIABILITIES</u></b>			
<b><u>Non-current liabilities</u></b>			
Deferred taxation		24,647,872	25,154,470
<b><u>Current liabilities</u></b>			
Loan from related parties	7	226,549,239	226,327,539
Accrued liabilities		704,066	677,706
		227,253,305	227,005,245
Contingencies and Commitments	8		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>170,405,795</b>	<b>174,447,995</b>

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

Chief Executive

Chief Financial Officer

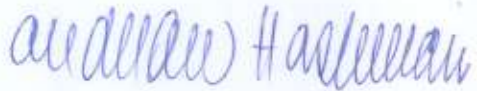
Director

**LANDMARK SPINNING INDUSTRIES LIMITED**  
**CONDENSED QUARTERLY STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Sep-30 2020	Sep-30 2019 (Restated)
	Rupees	
Sales- Net	-	-
Direct cost	-	-
Gross (Loss)	<u>-</u>	<u>-</u>
<b><u>Operating Expenses</u></b>		
Administrative and General Expenses	(275,186)	(484,708)
Operating (Loss)	<u>(275,186)</u>	<u>(484,708)</u>
Other expenses	(4,015,074)	(4,145,954)
Bank Charges	-	-
(Loss) Before Taxation	<u>(4,290,260)</u>	<u>(4,630,662)</u>
<b>Taxation</b>		
Current	-	-
Deferred tax	506,598	858,342
(Loss) After Taxation for the period	<u>(3,783,662)</u>	<u>(3,772,320)</u>
Earning Per Share -Basic& diluted (Rupees)	<u>(0.31)</u>	<u>(0.31)</u>

The annexed Notes form an integral part of these accounts.

Chief Executive  Chief Financial Officer  Director



**LANDMARK SPINNING INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Sep-30 2020	Sept 2019 (Restated)
	Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
( Loss) before taxation	(4,290,260)	(4,630,662)
<b>Adjustment of non-cash items</b>		
Financial Charges	-	-
Advance income tax written off	4,020,560	4,152,731
Depreciation	-	-
Unwinding of discount-on Associated and Related Party Loans-reversal	-	-
	<u>4,020,560</u>	<u>4,152,731</u>
	(269,700)	(477,931)
<b>Working capital changes</b>		
<b>(INCREASE)/DECREASE IN CURRENT ASSETS:</b>		
<b>INCREASE/(DECREASE) IN CURRENT LIABILITIES:</b>		
Trade and Other Payables	248,060	(109,178)
	<u>248,060</u>	<u>(109,178)</u>
	(21,640)	(587,109)
Financial Cost Paid	-	-
Income tax paid / adjusted	-	-
	<u>-</u>	<u>-</u>
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<u>(21,640)</u>	<u>(587,109)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term loans	-	619,200
<b>Net cash flow from Financing activities</b>	<u>-</u>	<u>619,200</u>
<b>NET INCREASE/(DECREASE) IN CASH &amp; BANK BALANCES</b>	<u>(21,640)</u>	<u>32,092</u>
Cash and bank balanaces at the beginning of the year	55,882	30,784
Cash and cash equivalents at the end of the period	<u>34,241</u>	<u>62,876</u>

The annexed notes form an integral part of these account

Chief Executive

Chief Financial Officer

Director

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**LANDMARK SPINNING INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Issued subscribed and paid up capital Rupees	Surplus omrevaluation of property plant and equipment Rupees	Accumulated loss Rupees	Total Rupees
<b>Balance as on July 01, 2019</b>	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 deoreciation net of deferred tax</i>		(7,210,072)	7,210,072	-
<b>Balance as on June 30, 2020</b>	121,237,000	67,546,455	(266,495,172)	(77,711,717)
<b>Total comprehensive (loss) for the period</b>			(3,783,662)	(3,783,662)
(Loss) for the quarter				-
Transferred to accumulated loss in respect of incremental depreciation net of deferred tax		(1,182,063)	1,182,063	-
		(1,182,063)	(2,601,599)	(3,783,662)
<b>Balance as on September 30, 2020</b>	121,237,000	66,364,392	(269,096,771)	(81,495,379)

The annexed notes form an integral part of these accounts.

Chief Executive  Chief Financial Officer 

Director



**LANDMARK SPINNING INDUSTRIES LTD**  
**CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

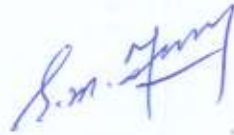
	Note	Sep-30 2020 Rupees	Sept 2019 Rupees
Loss for the year		(3,783,662)	(3,772,320)
		-	-
		-	-
		-	-
		-	-
Total Comprehensive income \ (loss) for the period		(3,783,662)	(3,772,320)

The annexed notes form an integral part of these accounts.

Chief Executive



Chief Financial Officer



Director





**LANDMARK SPINNING INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 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. 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. 270,785,432 (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.

- 1.2 Further, the Securities and Exchange Commission (SECP) in its order dated March 20, 2019 granted sanction to the Registrar, Company 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 by the Commission vide letter No. 5(10) Misc/ABR/19 dated April 22, 2019.

## 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 (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.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### 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.

	Note	Sep 30, 2020 (Un-Audited)	June 30, 2020 (Audited)
----- (Rupees) -----			
<b>4. LONG-TERM DEPOSITS</b>			
<i>- At realisable value</i>			
Deposit with Central Depository Company		<u>25,000</u>	<u>25,000</u>
		Dec 31, 2019 (Un-Audited)	June 30, 2019 (Audited)
----- (Rupees) -----			
<b>5. PROPERTY PLANT AND EQUIPMENT</b>			
<i>- At realisable value</i>			
Property, plant and equipment	5.1	<u>170,346,553</u>	<u>174,367,113</u>
<b>5.1 Particular of property, plant and equipments</b>			
Leasehold land		13,545,000	13,545,000
Factory building on leasehold land		99,000,077	101,538,540
Plant and machinery		57,587,800	59,064,410
Other assets		<u>213,677</u>	<u>219,163</u>
		<u>170,346,554</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 manufacturing facility by the Company.

5.2 As on June 30, 2019 the Company has revalued its leasehold land, building on leasehold land and plant & machinery from Pakistan Bankers Association (PBA) approved independent professional valuator M/s. Sipra & Company (Private) Limited. The revaluation resulted in net surplus amounting to Rs. 32,095,900 determined on the basis of forced sales values.

	Sept 30, 2020 (Un-Audited)	June 30, 2020 (Audited)
	----- (Rupees) -----	
<b>6. BANK BALANCE</b>		
<i>- At realisable value</i>		
Cash at bank - in current account	<u>34,242</u>	<u>55,882</u>

	Dec 31, 2019 (Un-Audited)	June 30, 2019 (Audited)
	----- (Rupees) -----	
<b>7. DUE TO RELATED PARTIES</b>		
<i>Unsecured - interest free</i>		
Loan from related parties	7.1 <u>226,549,239</u>	<u>226,327,539</u>
Classified as current liability	<u>(226,549,239)</u>	<u>(226,327,539)</u>
	<u>-</u>	<u>-</u>
<b>7.1 Related parties</b>		
Hassan Ali Rice Export Company	206,000,965	205,779,265
Syndicate Minerals Export	<u>20,548,274</u>	<u>20,548,274</u>
	<u>226,549,239</u>	<u>226,327,539</u>

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

## 8. CONTINGENCIES AND COMMITMENTS

Their was no contingencies and commitments as at Sept. 30, 2020 other than those disclosed in note

1.2 to the financial statements which states that the Company's appeal has been refused by the

9. Commission against order passed by Securities and Exchange Commission (SECP) dated March 20, 2019 which granted sanction to the Registrar, Company Registration Office (CRO), Karachi, to present windingup petition against the Company before the Court. The matter is currently pending adjudication, however, the Company and its legal advisor is of the view that they have a strong case against the said order and it will be able to revive the operations of the Company in coming year.

Sept 30 2020  
(Un-Audited)

Sept 30 2019  
(Un-Audited)

----- (Rupees) -----

## 9. RELATED PARTY TRANSACTIONS

Name of related party & basis of relationship	Nature of transaction		
Hass Fund received Related party		<u>221,700</u>	<u>619,200</u>

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 (Sept 30, 2020:).

## 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 29/10/2020.

## 13. GENERAL

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

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR