

A C C O U N T S
(UN-AUDITED)
FOR THE
3rd QUARTER ENDED
March 31, 2024



SALMAN NOMAN
ENTERPRISES LIMITED

BOOK POST
PRINTED MATTER

IF UNDELIVERED PLEASE RETURN TO:-

SALMAN NOMAN ENTERPRISES LIMITED
3-K-M, BALLOKI ROAD, BHAIIPHERU
TEHSIL PATOKI DISST. KASUR

SALMAN NOMAN ENTERPRISES LIMITED

DIRECTORS REPORT FOR THE PERIOD ENDED MARCH, 2024

The Directors of your company have the pleasure to submit un-audited accounts for the Period Ended as on 31st March 2024.

During the period under review the company remains closed its operations due to unavailability of working capital.

The matters with the banking companies are under litigation with the banking companies in the court of law and there are no credit lines available to the company. However, the directors of the company are continuously making their efforts to starts its operations.

Going Concern

The Company has incurred net loss for the period ended of Rs. 19.741 million (Mar 2023: Rs. 20.906 million) resulting in accumulated losses at the end of the period of Rs. 764.998 million (Jun 2023: Rs. 752.249 million) at the close of the period ended on 31 March 2024. The Company's current liabilities exceed its current assets by Rs. 782.503 million (Jun 2023: Rs. 777.835 million). The Company is facing operational crisis and have lost key management without replacement and the commercial operations of the Company had been ceased. The Company is in severe liquidity crisis and inability of the Company to comply with the loan agreements and to pay the finances obtained. These conditions indicate the existence of material uncertainty which may cast a significant doubt about the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in normal course of business.

These financial statements have been prepared on going concern assumption as directors of the company have committed to provide financial support. Management has prepared the plan to restart operations in near future. Furthermore, management has also applied to the financial institutions for settlement and restructuring of overdue of the company. Management is confident that financial institution will respond positively to the request.

The directors are thankful to customers for their support and co-operation to the company.

For & on behalf of the Board



Director
Lahore,

Dated: April 30, 2024



Chief Executive

SALMAN NOMAN ENTERPRISES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

	Un-Audited 31/Mar/2024	Audited 30/Jun/2023
Note	Rupees	Rupees
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized share capital		
10,000,000 (30 June 2023: 10,000,000) ordinary shares of Rs. 10 each	100,000,000	100,000,000
Share capital	5 44,670,360	44,670,360
Accumulated loss	(764,998,077)	(752,249,761)
Surplus on revaluation of property, plant and equipment	266,658,926	273,652,141
	(453,668,791)	(433,927,260)
Non-current liabilities		
Long-term finances from financial institutions	6 56,670,283	68,170,283
Liabilities against assets subject to finance lease	7 -	-
Long-term finances from related parties	8 189,367,368	182,267,368
Deferred liabilities	4,074,332	4,074,332
	250,111,983	254,511,983
Current liabilities		
Trade and other payables	445,519,693	445,519,693
Mark-up accrued on borrowings	134,601,511	134,601,511
Short term borrowings	9 178,344,137	178,076,137
Current portion of long-term finances	10 173,671,910	169,271,910
Provision for taxation	10,652,251	10,652,251
	942,789,502	938,121,502
CONTINGENCIES AND COMMITMENTS		
	-	-
	739,232,694	758,706,225
ASSETS		
Non-current assets		
Property, plant and equipment	11 562,479,479	581,953,010
Long-term deposits	16,467,060	16,467,060
	578,946,539	598,420,070
Current assets		
Stores, spare parts and loose tools	30,453,008	30,453,008
Stock in trade	90,012,572	90,012,572
Trade debts	2,448,541	2,448,541
Trade deposits and prepayments	1,850,000	1,850,000
Balances due from government	35,269,523	35,269,523
Cash and bank balances	252,511	252,511
	160,286,155	160,286,155
	739,232,694	758,706,225

The annexed notes form an integral part of this condensed interim financial information.

Lahore:
Dated: April 30, 2024


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

SALMAN NOMAN ENTERPRISES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024

Note	Nine months ended		Quarter ended	
	31/Mar/2024	31/Mar/2023	31/Mar/2024	31/Mar/2023
	Rupees		Rupees	
Operating expenses				
Administrative and selling expenses	(268,000)	(376,300)	(55,000)	(123,500)
Other operating expenses	(19,473,531)	(20,530,142)	(6,491,177)	(6,843,381)
	(19,741,531)	(20,906,442)	(6,546,177)	(6,966,881)
Finance cost	-	-	-	-
Loss before taxation	(19,741,531)	(20,906,442)	(6,546,177)	(6,966,881)
Taxation	-	-	-	-
Loss after taxation	(19,741,531)	(20,906,442)	(6,546,177)	(6,966,881)
Total comprehensive loss	(19,741,531)	(20,906,442)	(6,546,177)	(6,966,881)
Loss per share - basic and diluted	(4.42)	(4.68)	(1.47)	(1.56)

The annexed notes form an integral part of this condensed interim financial information.

Lahore:

Dated: April 30, 2024


 CHIEF FINANCIAL OFFICER


 DIRECTOR


 CHIEF EXECUTIVE OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Share capital	Accumulated loss	Revaluation surplus on property, plant and equipment	Total Equity
	-----Rupees-----			
Balance as at 30 June 2022	44,670,360	(735,079,538)	282,976,426	(407,432,752)
Total comprehensive loss for the nine months period ended 31 March 2023				
Loss for the period	-	(20,906,442)	-	(20,906,442)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	7,361,278	(7,361,278)	-
Balance as at 31 March 2023	44,670,360	(748,624,702)	275,615,148	(428,339,194)
Total comprehensive income for the three months period ended 30 June 2023				
Loss for the period	-	(5,588,066)	-	(5,588,066)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	1,963,007	(1,963,007)	-
Balance as at 30 June 2023	44,670,360	(752,249,761)	273,652,141	(433,927,260)
Total comprehensive income for the nine months period ended 31 March 2024				
Loss for the period	-	(19,741,531)	-	(19,741,531)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	6,993,215	(6,993,215)	-
Balance as at 31 March 2024	44,670,360	(764,998,077)	266,658,926	(453,668,791)

The annexed notes form an integral part of this condensed interim financial information.

Lahore:

Dated: April 30, 2024


 CHIEF FINANCIAL OFFICER


 DIRECTOR


 CHIEF EXECUTIVE OFFICER

SALMAN NOMAN ENTERPRISES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024

	----- Nine months ended -----	
	31/Mar/2024	31/Mar/2023
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(19,741,531)	(20,906,442)
Adjustments for non-cash charges / items:		
Depreciation of property, plant and equipment	19,473,531	20,530,142
Finance cost	-	-
	19,473,531	20,530,142
Loss before working capital changes	(268,000)	(376,300)
Working capital changes		
(Increase) / Decrease in current assets	-	-
(Decrease) in trade and other payables	-	-
	-	-
Cash used in operations	(268,000)	(376,300)
Net cash used in operating activities	(268,000)	(376,300)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short term finances	268,000	376,300
Net cash in flow from financing activities	268,000	376,300
Net decrease in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of period	252,511	252,511
Cash and cash equivalents at end of period	252,511	252,511

The annexed notes form an integral part of this condensed interim financial information.

Lahore:

Dated: April 30, 2024


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

SALMAN NOMAN ENTERPRISES LIMITED

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024

1 STATUS AND ACTIVITIES

1.1 Salman Noman Enterprises Limited ('the Company') is a public limited company incorporated under the Companies Ordinance, 1984 (now Companies Act, 2017) and listed at Pakistani Stock Exchange (formerly Karachi and Lahore Stock Exchanges). The registered office of the Company is situated at 03 Kilometer Bhai Pheru, Tehsil Chuniyan, District Kasur. The Company was engaged in manufacturing and sale of yarn. The Company had ceased its operations since February 2018.

1.2 Going concern assumption

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

The Company incurred a net loss for the period ended of Rs. 19,741,531 (Mar 2023: Rs. 20,906,442) resulting in accumulated losses at the end of the period of Rs. 764,998,077 (June 2023: Rs. 752,249,761). The Company's current liabilities exceed its current assets at reporting date by Rs. 782,503,347 (June 2023: Rs. 777,835,347).

The Company had ceased its operations since February 2018 due to working capital. However, subsequent to the balance sheet date, the management is taking steps to recommence operations and the Company is in negotiations with financial institutions / sponsors of the Company for borrowing of funds to manage working capital requirements. The Company managed its liquidity constraints largely thru financing from its sponsors. The Company's ability to continue as a going concern is dependent on continued financing from sponsors. Management's efforts for obtaining finances from financial institutions are not so far materialized, however, management is confident that efforts will be realized and that the Company will be able to continue as a going concern.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 – Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IAS 34 and IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information has, however, been subjected to limited scope review by the auditors, as required by the Code of Corporate Governance, and should be read in conjunction with the audited annual financial statements of the Company for the year ended 30 June 2023.

3 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention modified by adjustment of revaluation of certain assets. In this condensed interim financial information, except for the cash flow statements, all the transactions have been accounted for on accrual basis.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method for computation adopted for the preparation of this condensed interim financial information is the same as those applied in preparation of the financial statements for the year ended June 30, 2023.

5 SHARE CAPITAL

Authorized capital

10,000,000 (June 30, 2023: 10,000,000) Ordinary shares of Rs. 10 each

Un-Audited	Audited
31/Mar/2024	30/Jun/2023
Rupees	Rupees

100,000,000 100,000,000

Issued, subscribed and paid-up share capital

4,467,036 (June 30, 2023: 4,467,036) ordinary shares of Rs 10/- each fully paid in cash

44,670,360 44,670,360

6 LONG-TERM FINANCES FROM FINANCIAL INSTITUTIONS

Mark-up bearing secured finances from financial institutions

Soneri Bank Limited

71,670,283 78,770,283

National Bank of Pakistan

27,158,199 27,158,199

98,828,482 105,928,482

Less: Long-term finances transferred to current liabilities

Current Maturity

15,000,000 10,600,000

Overdue portion of long-term finances

27,158,199 27,158,199

42,158,199 37,758,199

56,670,283 68,170,283

SALMAN NOMAN ENTERPRISES LIMITED

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024

	Un-Audited 31/Mar/2024	Audited 30/Jun/2023
	Rupees	Rupees
7 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Present value of minimum lease payments	81,855,397	81,855,397
Less: Current portion of obligation	81,855,397	81,855,397
	-	-
8 LONG-TERM FINANCES FROM RELATED PARTIES		
<i>From related parties - unsecured</i>		
Loan from related parties	8.1 189,367,368	182,267,368
Less: Current portion	-	-
	189,367,368	182,267,368
8.1 Loan from related parties		
As at June 30, 2015, the management of the Company has entered into agreement with director and decided repayment terms of unsecured loan (previously repayment of the loan were not determined). According to the agreement, the tenure of loans is fifteen years with grace period of five years. These loans are unsecured and carrying markup of one month Kibor plus 0.5 percent (June 30, 2023: one month Kibor plus 0.5 percent) payable annually from July 1, 2015. The outstanding amount will be repayable in 10 equal annual installments of Rs. 13.868 million each (Starting from June 30, 2021 and ending on June 30, 2030). These includes amount of Rs. 138.683 million (June 30, 2023: Rs. 138,683,905) as subordinated to the loans from banking companies.No repayment is made during the period. (2023: Nil)		
	Un-Audited 31/Mar/2024	Audited 30/Jun/2023
	Rupees	Rupees
9 SHORT TERM BORROWINGS		
<i>Secured - from banking companies</i>		
Running finance	151,500,976	151,500,976
Forced demand draft-Guarantee	17,189,561	17,189,561
	168,690,537	168,690,537
<i>Unsecured - from related parties</i>		
Borrowings from related parties	9,653,600	9,385,600
	178,344,137	178,076,137
10 CURRENT PORTION OF LONG-TERM FINANCES		
Long-term finances from financial institutions	42,158,199	37,758,199
Liabilities against assets subject to finance lease	81,855,397	81,855,397
Long term finances from related parties	-	-
Long term loans from others	49,658,313	49,658,313
	173,671,909	169,271,909
11 PROPERTY, PLANT AND EQUIPMENT		
Opening WDV	581,953,010	607,917,718
Less: Depreciation	(19,473,531)	(25,964,708)
Book value as at period end	562,479,479	581,953,010
12 AUTHORIZATION FOR ISSUE		
These financial statements have been approved by the board of directors of the Company and authorized for issue on 30th April, 2024.		
13 CORRESPONDING FIGURES		
13.1	Corresponding figures have been re-arranged, wherever necessary to the facilitation of comparison.	
13.2	Figures have been rounded off to the nearest of rupees.	

Lahore:

Dated: April 30, 2024


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

