

SALMAN NOMAN ENTERPRISES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2011

1 THE COMPANY AND ITS OPERATIONS

The company is limited by shares, incorporated in Pakistan and is quoted on the Karachi and Lahore Stock Exchanges. The principal business of the company is manufacture and sale of yarn. The registered office and mills of the company are situated at 03 kilometer Bahi Pheru, Tehsil Chunian, District Kasur in the province of Punjab.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34, "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended June 30, 2010.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi and Lahore Stock Exchanges and section 245 of the Companies Ordinance, 1984.

These condensed interim financial statements comprise of condensed interim balance sheet, condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes for the nine months period ended March 31, 2011 which have been unaudited. These condensed interim financial statements also include the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended March 31, 2011.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2010

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.

4 CONTINGENCIES AND COMMITMENTS

	(Unaudited)	(Audited)
	March 31,	June 30,
	2011	2010
	-----Rupees-----	
CONTINGENCIES:- There are no changes in contingencies since June 30, 2010.	18,100,000	18,100,000
COMMITMENTS:- Letter of credit for capital expenditure	-	131,885,547
Letter of credit for other than capital expenditure	51,004,606	55,762,199

	Quarter ended		Nine months period ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
	-----Rupees-----		-----Rupees-----	
5 COST OF GOODS SOLD				
Raw material consumed	424,270,370	198,807,221	1,033,990,971	547,368,090
Cost of raw material sold	3,638,451	2,672,489	17,739,693	3,286,456
Packing material consumed	4,564,475	3,130,650	13,712,205	9,109,776
Stores and spares consumed	4,985,294	5,338,123	20,010,809	15,771,190
Salaries, wages and benefits	24,300,165	20,074,703	65,245,945	60,666,526
Fuel and power	35,683,909	32,500,196	102,681,071	66,972,427
Insurance	1,405,555	672,664	2,452,110	1,820,282
Depreciation	8,991,907	7,719,136	24,984,930	23,098,371
Repairs and maintenance	914,726	1,161,074	3,560,524	2,813,501
Other manufacturing overheads	1,462,108	1,433,862	4,901,460	3,974,015
	510,216,960	273,510,118	1,289,279,718	734,880,634
Work in process				
Opening stock	11,386,502	7,436,863	6,997,495	7,746,624
Closing stock	(11,093,782)	(7,452,752)	(11,093,782)	(7,452,752)
	292,720	(15,889)	(4,096,287)	293,872
Cost of goods manufactured	510,509,680	273,494,229	1,285,183,431	735,174,506
Finished goods				
Opening stock	15,539,742	10,381,584	6,917,614	16,568,784
Closing stock	(21,347,248)	(3,986,547)	(21,347,248)	(3,986,547)
	(5,807,506)	6,395,037	(14,429,634)	12,582,237
	504,702,174	279,889,266	1,270,753,797	747,756,743

6 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on April 29, 2011 by the board of directors of the company.

7 GENERAL

Figures have been rounded off to the nearest rupees.

Lahore:
Dated: April 29, 2011

(NAUMAN ALMAS)
CHIEF EXECUTIVE

(MRS. SHAMIM AKHTAR)
DIRECTOR