

SALMAN NOMAN ENTERPRISES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31,2013

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 3 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, 2012.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad 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, 2013 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, 2013

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, 2012.

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

There is no major changes in contingencies as have been disclosed in the audited financial statements for the year ended June 30, 2012. The change in commitments is as follows :

	(Unaudited)	(Audited)
	March 31,	June 30,
	2013	2012
	-----Rupees-----	
COMMITMENTS:- Letter of credit for other than capital expenditure	26,937,257	90,146,438

	Quarter ended		Nine months period ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	-----Rupees-----		-----Rupees-----	
5 COST OF GOODS SOLD				
Raw material consumed	212,583,374	299,303,312	651,841,743	908,187,626
Cost of raw material sold	11,198,178	1,226,474	37,258,301	3,511,997
Packing material consumed	3,837,123	4,594,954	11,561,343	13,240,466
Stores and spares consumed	15,293,880	6,817,613	34,696,891	20,685,843
Salaries, wages and benefits	18,892,569	23,062,811	73,347,387	67,918,756
Fuel and power	41,900,319	46,197,052	125,886,096	125,825,672
Insurance	-	943,533	1,972,687	3,259,973
Depreciation	8,698,829	8,699,004	25,445,615	26,187,408
Repairs and maintenance	2,024,956	2,418,285	6,251,841	5,212,769
Other manufacturing overheads	2,385,213	2,992,264	6,496,750	6,857,026
	<u>316,814,441</u>	<u>396,255,302</u>	<u>974,758,654</u>	<u>1,180,887,536</u>
Work in process				
Opening stock	10,375,314	11,855,996	10,378,661	10,248,729
Closing stock	(9,611,753)	(11,036,586)	(9,611,753)	(11,036,586)
	<u>763,561</u>	<u>819,410</u>	<u>766,908</u>	<u>(787,857)</u>
Cost of goods manufactured	<u>317,578,002</u>	<u>397,074,712</u>	<u>975,525,562</u>	<u>1,180,099,679</u>
Finished goods				
Opening stock	4,623,797	22,672,921	14,028,372	14,311,164
Closing stock	(22,869,785)	(30,581,393)	(22,869,785)	(30,581,393)
	<u>(18,245,988)</u>	<u>(7,908,472)</u>	<u>(8,841,413)</u>	<u>(16,270,229)</u>
	<u><u>299,332,014</u></u>	<u><u>389,166,240</u></u>	<u><u>966,684,149</u></u>	<u><u>1,163,829,450</u></u>

6 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on April 30, 2013 by the board of directors of the company.

7 GENERAL

Figures have been rounded off to the nearest rupees.

Lahore:

Dated: April 30, 2013

CHIEF EXECUTIVE

DIRECTOR