

**A C C O U N T S**  
(UN-AUDITED)

**FOR THE**  
**3<sup>rd</sup> QUARTER ENDED**  
*March 31, 2023*



**SALMAN NOMAN**  
**ENTERPRISES LIMITED**

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**BOOK POST**  
**PRINTED MATTER**

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IF UNDELIVERED PLEASE RETURN TO:-

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

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# SALMAN NOMAN ENTERPRISES LIMITED

## DIRECTORS REPORT FOR THE PERIOD ENDED MARCH, 2023

The Directors of your company have the pleasure to submit un-audited accounts for the Period Ended as on 31<sup>st</sup> March 2023.

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. 20.906 million (Mar 2022: Rs. 21.953 million) resulting in accumulated losses at the end of the period of Rs. 748.624 million (Jun 2022: Rs. 735.079 million) at the close of the period ended on 31 March 2023. The Company's current liabilities exceed its current assets by Rs. 840.929 million (Jun 2022: Rs. 840.553 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 AND ON BEHALF OF THE BOARD

Lahore:  
Dated: April 28, 2023

  
( NAUMAN ALMAS )  
Chief Executive

**SALMAN NOMAN ENTERPRISES LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2023**

	Un-Audited 31/Mar/2023	Audited 30/Jun/2022
Note	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Authorized share capital		
	10,000,000 (30 June 2022: 10,000,000) ordinary shares of Rs. 10 each	100,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
5	Share capital 44,670,360	44,670,360
	Accumulated loss (748,624,702)	(735,079,538)
	Surplus on revaluation of property, plant and equipment 275,615,148	282,976,426
	<u>(428,339,194)</u>	<u>(407,432,752)</u>
<b>Non-current liabilities</b>		
6	Long-term finances from financial institutions 48,505,746	48,505,746
7	Liabilities against assets subject to finance lease -	-
8	Long-term finances from related parties 138,683,905	138,683,905
	Deferred liabilities 4,074,332	4,074,332
	<u>191,263,983</u>	<u>191,263,983</u>
<b>Current liabilities</b>		
	Trade and other payables 445,519,693	445,519,693
	Mark-up accrued on borrowings 134,601,511	134,601,511
9	Short term borrowings 177,922,637	177,546,337
10	Current portion of long-term finances 232,519,910	232,519,910
	Provision for taxation 10,652,251	10,652,251
	<u>1,001,216,002</u>	<u>1,000,839,702</u>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	-	-
	<u>764,140,791</u>	<u>784,670,933</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
11	Property, plant and equipment 587,387,576	607,917,718
	Long-term deposits 16,467,060	16,467,060
	<u>603,854,636</u>	<u>624,384,778</u>
<b>Current assets</b>		
	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
	<u>160,286,155</u>	<u>160,286,155</u>
	<u>764,140,791</u>	<u>784,670,933</u>

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

Lahore:

Dated: April 28, 2023

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL 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 2023

Note	Nine months ended		Quarter ended	
	31/Mar/2023	31/Mar/2022	31/Mar/2023	31/Mar/2022
	Rupees		Rupees	
Operating expenses				
Administrative and selling expenses	(376,300)	(306,000)	(123,500)	(136,000)
Other operating expenses	(20,530,142)	(21,647,020)	(6,843,381)	(7,215,673)
	(20,906,442)	(21,953,020)	(6,966,881)	(7,351,673)
Finance cost	-	-	-	-
Loss before taxation	(20,906,442)	(21,953,020)	(6,966,881)	(7,351,673)
Taxation	-	-	-	-
Loss after taxation	(20,906,442)	(21,953,020)	(6,966,881)	(7,351,673)
<b>Total comprehensive loss</b>	<b>(20,906,442)</b>	<b>(21,953,020)</b>	<b>(6,966,881)</b>	<b>(7,351,673)</b>
<b>Loss per share - basic and diluted</b>	<b>(4.68)</b>	<b>(4.91)</b>	<b>(1.56)</b>	<b>(1.65)</b>

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

Lahore:

Dated: April 28, 2023 CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Share capital	Accumulated loss	Revaluation surplus on property, plant and equipment	Total Equity
	-----Rupees-----			
Balance as at 30 June 2021	44,670,360	(717,081,052)	292,791,463	(379,619,229)
<b>Total comprehensive loss for the nine months period ended 31 March 2022</b>				
Loss for the period	-	(21,953,020)	-	(21,953,020)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	7,748,714	(7,748,714)	-
<b>Balance as at 31 March 2022</b>	<b>44,670,360</b>	<b>(731,285,358)</b>	<b>285,042,749</b>	<b>(401,572,249)</b>
<b>Total comprehensive income for the three months period ended 30 June 2022</b>				
Loss for the period	-	(5,860,503)	-	(5,860,503)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	2,066,323	(2,066,323)	-
<b>Balance as at 30 June 2022</b>	<b>44,670,360</b>	<b>(735,079,538)</b>	<b>282,976,426</b>	<b>(407,432,752)</b>
<b>Total comprehensive income for the nine months period ended 31 March 2023</b>				
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)	-
<b>Balance as at 31 March 2023</b>	<b>44,670,360</b>	<b>(748,624,702)</b>	<b>275,615,148</b>	<b>(428,339,194)</b>

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

Lahore:

Dated: April 28, 2023 CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

**SALMAN NOMAN ENTERPRISES LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023**

	---- Nine months ended ----	
	31/Mar/2023	31/Mar/2022
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(20,906,442)	(21,953,020)
Adjustments for non-cash charges / items:		
Depreciation of property, plant and equipment	20,530,142	21,647,020
Finance cost	-	-
	20,530,142	21,647,020
Loss before working capital changes	(376,300)	(306,000)
Working capital changes		
(Increase) / Decrease in current assets	-	-
(Decrease) in trade and other payables	-	-
	-	-
Cash used in operations	(376,300)	(306,000)
<b>Net cash used in operating activities</b>	(376,300)	(306,000)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short term finances	376,300	306,000
<b>Net cash in flow from financing activities</b>	376,300	306,000
<b>Net decrease in cash and cash equivalents</b>	-	-
<b>Cash and cash equivalents at beginning of period</b>	252,511	252,511
<b>Cash and cash equivalents at end of period</b>	252,511	252,511

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

Lahore:

Dated: April 28, 2023

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# SALMAN NOMAN ENTERPRISES LIMITED

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

### 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 Chunian, 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. 20,906,442 (Mar 2022: Rs. 21,953,020) resulting in accumulated losses at the end of the period of Rs. 748,624,702 (June 2022: Rs. 735,079,538). The Company's current liabilities exceed its current assets at reporting date by Rs. 840,929,847 (June 2022: Rs. 840,553,547).

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 2022.

### 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, 2022.

	Un-Audited 31/Mar/2023 Rupees	Audited 30/Jun/2022 Rupees
<b>5 SHARE CAPITAL</b>		
<b>Authorized capital</b>		
10,000,000 (June 30, 2022: 10,000,000) Ordinary shares of Rs. 10 each	100,000,000	100,000,000
<b>Issued, subscribed and paid-up share capital</b>		
4,467,036 (June 30, 2022: 4,467,036) ordinary shares of Rs 10/- each fully paid in cash	44,670,360	44,670,360
<b>6 LONG-TERM FINANCES FROM FINANCIAL INSTITUTIONS</b>		
<b>Mark-up bearing secured finances from financial institutions</b>		
Soneri Bank Limited	122,353,746	122,353,746
National Bank of Pakistan	27,158,199	27,158,199
	149,511,945	149,511,945
Less: Long-term finances transferred to current liabilities		
Current Maturity	101,006,199	101,006,199
Overdue portion of long-term finances	101,006,199	101,006,199
	48,505,746	48,505,746

# SALMAN NOMAN ENTERPRISES LIMITED

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

7	<b>LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>		
	Present value of minimum lease payments	81,855,397	81,855,397
	Less: Current portion of obligation	<u>81,855,397</u>	<u>81,855,397</u>
		-	-
8	<b>LONG-TERM FINANCES FROM RELATED PARTIES</b>		
	<i>From related parties - unsecured</i>		
	Loan from related parties	8.1 138,683,905	138,683,905
	Less: Current portion	-	-
		<u>138,683,905</u>	<u>138,683,905</u>
8.1	<b>Loan from related parties</b>		
	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, 2022: 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, 2022: Rs. 138,683,905) as subordinated to the loans from banking companies.No repayment is made during the period. (2022: Nil)		
		<u>Un-Audited</u>	<u>Audited</u>
		<u>31/Mar/2023</u>	<u>30/Jun/2022</u>
		<u>Rupees</u>	<u>Rupees</u>
9	<b>SHORT TERM BORROWINGS</b>		
	<i>Secured - from banking companies</i>		
	Running finance	151,500,976	151,500,976
	Forced demand draft-Guarantee	17,189,561	17,189,561
		<u>168,690,537</u>	<u>168,690,537</u>
	<i>Unsecured - from related parties</i>		
	Borrowings from related parties	9,232,100	8,855,800
		<u>177,922,637</u>	<u>177,546,337</u>
10	<b>CURRENT PORTION OF LONG-TERM FINANCES</b>		
	Long-term finances from financial institutions	101,006,199	101,006,199
	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
		<u>232,519,909</u>	<u>232,519,909</u>
11	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Opening WDV	607,917,718	635,291,241
	Less: Depreciation	(20,530,142)	(27,373,523)
	Book value as at period end	<u>587,387,576</u>	<u>607,917,718</u>
12	<b>AUTHORIZATION FOR ISSUE</b>		
	These financial statements have been approved by the board of directors of the Company and authorized for issue on 28th April, 2023.		
13	<b>CORRESPONDING FIGURES</b>		
	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 28, 2023

 CHIEF EXECUTIVE OFFICER

 DIRECTOR

 CHIEF FINANCIAL OFFICER

# SALMAN NOMAN ENTERPRISES LIMITED

## ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کو 31 مارچ 2023 کو ختم ہونے والی سہ ماہی کیلئے غیر آڈٹ شدہ اکاؤنٹس جمع کرواتے ہوئے خوشی محسوس کرتے ہیں۔

زیر جائزہ مدت کے دوران ورکنگ سرمایہ کی عدم دستیابی کی وجہ سے کمپنی بند رہی۔

بینکنگ کمپنیوں کے ساتھ معاملات قانونی عدالت میں زیر بحث ہیں اور کمپنی کے پاس کریڈٹ لائن دستیاب نہیں ہے۔ تاہم کمپنی کے ڈائریکٹرز اپنے آپریٹرز کے آغاز کیلئے مسلسل کوشش جاری رکھے ہوئے ہیں۔

### کاروبار جاری رکھنے کی صلاحیت

زیر جائزہ مدت کے دوران کمپنی کو 20.906 ملین روپے (مارچ 2022: 21.953 ملین روپے) خالص خسارہ کا سامنا رہا۔ جس کے نتیجے میں 31 مارچ 2023 کو اختتام پذیر مدت پر 748.624 ملین روپے (جون 2022: 735.079 ملین روپے) کا مجموعی خسارہ ہوا۔ کمپنی کے حالیہ واجبات حالیہ اثاثہ جات سے 840.929 ملین روپے (جون 2022: 840.553 ملین روپے) زائد ہیں۔ کمپنی کو آپریٹرز، بحران کا سامنا ہے اور بغیر متبادل کے اپنی بنیادی انتظامیہ سے محروم ہو چکی ہے، اور کمپنی کے تجارتی آپریٹرز بند ہو چکے ہیں۔ کمپنی ایصالیت کے بحران سے دوچار ہے اور کمپنی قرضوں کے معاہدہ پر عمل درآمد اور قرضوں کی واپسی کی صلاحیت کھو چکی ہے۔

یہ حالات غیر یقینی صورت حال کا اشارہ کرتے ہیں، جس سے کمپنی کی کاروبار جاری رکھنے کی صلاحیت پر نمایاں ابہام موجود ہے لہذا کمپنی اپنے اثاثہ جات اور واجبات میں توازن رکھنے میں ناکام ہو چکی ہے۔ یہ مالیاتی اسٹیٹمنٹس جاری کاروبار کے مفروضہ پر تیار کی گئی ہے کیونکہ کمپنی کے ڈائریکٹرز نے مالی مدد فراہم کرنے کا وعدہ کیا ہے۔ انتظامیہ نے مستقبل قریب میں آپریٹرز کے دوبارہ آغاز کا منصوبہ بنایا ہے۔ مزید برآں انتظامیہ نے کمپنی کے واجبات کی ادائیگی اور ری سٹرکچرنگ کے لیے مالی اداروں سے درخواست کی ہے۔ انتظامیہ پر عزم ہے کہ مالی ادارے اس درخواست پر مثبت جواب دیں گے۔

ڈائریکٹرز کمپنی کے ساتھ صارفین کی حمایت اور تعاون کے شکر گزار ہیں۔

منجانب برائے پورڈ

(نعمان الماس)

چیف ایگزیکٹو

لاہور: اپریل 28، 2023

