

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

FOR THE
1st QUARTER ENDED
September 30, 2024



SALMAN NOMAN
ENTERPRISES LIMITED

SALMAN NOMAN ENTERPRISES LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of your company have the pleasure to submit un-audited accounts for the first quarter ended as on 30th September 2024

Financial Performance

During the period, the company incurred a loss of Rs. 5.887 million, showing a modest improvement from the previous year's loss of Rs. 6.202 million for the period ended September 30, 2023. This reduction in loss is attributed to our continued efforts to manage costs and optimize available resources, despite facing significant challenges.

Operational Challenges

The company continues to face severe working capital constraints, which have restricted our ability to initiate operations as planned. Our financial position remains under pressure due to ongoing litigation with banking institutions, affecting our access to necessary capital and liquidity to support business activities. We are actively working to resolve these issues and are pursuing all possible avenues to secure adequate financing.

Future Outlook

While the current financial and operational landscape remains challenging, the company is committed to exploring alternative strategies and engaging with relevant stakeholders to navigate through this period. We remain hopeful that, upon resolution of the banking litigation and securing of working capital, the company will be in a better position to resume operations and work towards financial stability.

Acknowledgment

We would like to thank our shareholders for their patience and continued support during this challenging period. The Board and management are focused on stabilizing the company's financial footing and are dedicated to restoring operational viability.

For & on behalf of the Board



Chief Executive



Director

Lahore,

Dated: October 30, 2024

SALMAN NOMAN ENTERPRISES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 30 SEPTEMBER 2024

		Un-Audited 30/Sep/2024	Audited 30/Jun/2024
	Note	Rupees	Rupees
EQUITY AND LIABILITIES			
Share capital	5	44,670,360	44,670,360
Accumulated loss		(772,512,975)	(768,388,073)
Surplus on revaluation of property, plant and equipment		263,031,711	264,794,072
		<u>(464,810,904)</u>	<u>(458,923,641)</u>
Non-current liabilities			
Long-term finances from financial institutions	6	64,370,283	64,370,283
Liabilities against assets subject to finance lease	7	-	-
Long-term finances from related parties	8	189,167,368	189,167,368
Deferred liabilities		4,074,332	4,074,332
		257,611,983	257,611,983
Current liabilities			
Trade and other payables		445,719,693	445,719,693
Mark-up accrued on borrowings		134,601,511	134,601,511
Short term borrowings	9	168,690,537	168,690,537
Short-term borrowings from related parties		9,595,600	9,550,600
Current portion of long-term finances	10	166,171,909	166,171,909
Provision for taxation		10,652,251	10,652,251
		935,431,501	935,386,501
CONTINGENCIES AND COMMITMENTS			
		-	-
		<u>728,232,580</u>	<u>734,074,843</u>
ASSETS			
Non-current assets			
Property, plant and equipment	11	551,479,365	557,321,628
Long-term deposits		16,467,060	16,467,060
		567,946,425	573,788,688
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
		<u>728,232,580</u>	<u>734,074,843</u>

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

Lahore:

Dated: October 30, 2024


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 THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2024

	Quarter ended	
	30/Sep/2024	30/Sep/2023
Note	Rupees	
Operating expenses		
Administrative and selling expenses	(45,000)	(45,000)
Other operating expenses	(5,842,263)	(6,157,844)
	(5,887,263)	(6,202,844)
Finance cost	-	-
Loss before taxation	(5,887,263)	(6,202,844)
Taxation	-	-
Loss after taxation	(5,887,263)	(6,202,844)
Total comprehensive loss	(5,887,263)	(6,202,844)
Loss per share (basic and anti-dilutive)	(1.32)	(1.39)

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

Lahore:

Dated: October 30, 2023


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

SALMAN NOMAN ENTERPRISES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2024

	Share capital	Accumulated loss	Revaluation surplus on Property, plant and equipment	Total Equity
-----Rupees-----				
Balance as at 30 June 2023	44,670,360	(752,249,761)	273,652,141	(433,927,260)
Total comprehensive income for the year ended 30 June 2023				-
Loss for the period	-	(24,996,381)		(24,996,381)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	8,858,069	(8,858,069)	-
Balance as at 30 June 2024	44,670,360	(768,388,073)	264,794,072	(458,923,641)
Total comprehensive income for the three months period ended 30 September 2024				-
Loss for the period	-	(5,887,263)		(5,887,263)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	1,762,361	(1,762,361)	-
Balance as at 30 September 2024	44,670,360	(772,512,975)	263,031,711	(464,810,904)

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

Lahore:

Dated: October 30, 2024


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2024

	---- Three months ended ----	
	30/Sep/2024	30/Sep/2023
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(5,887,263)	(6,202,844)
Adjustments for non-cash charges / items:		
Depreciation of property, plant and equipment	5,842,263	6,157,844
Finance cost	-	-
	5,842,263	6,157,844
Loss before working capital changes	(45,000)	(45,000)
Working capital changes		
(Increase) / Decrease in current assets	-	-
(Decrease) in trade and other payables	-	-
	-	-
Cash used in operations	(45,000)	(45,000)
Net cash used in operating activities	(45,000)	(45,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short term finances	45,000	45,000
Net cash in flow from financing activities	45,000	45,000
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: October 30, 2024


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

SALMAN NOMAN ENTERPRISES LIMITED

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 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. 5,887,263 (Sep 2023: Rs. 6,202,844) resulting in accumulated losses at the end of the period of Rs. 772,512,975 (June 2024: Rs. 768,388,073). The Company's current liabilities exceed its current assets at reporting date by Rs. 775,145,346 (June 2024: Rs. 775,100,346).

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 2024.

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, 2024.

	Un-Audited 30/Sep/2024 Rupees	Audited 30/Jun/2024 Rupees
5 SHARE CAPITAL		
Authorized capital		
10,000,000 (June 30, 2024: 10,000,000) Ordinary shares of Rs. 10 each	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up share capital		
4,467,036 (June 30, 2024: 4,467,036) ordinary shares of Rs 10/- each fully paid in cash	<u>44,670,360</u>	<u>44,670,360</u>
6 LONG-TERM FINANCES FROM FINANCIAL INSTITUTIONS		
Mark-up bearing secured finances from financial institutions		
Soneri Bank Limited	71,870,283	71,870,283
National Bank of Pakistan	<u>27,158,199</u>	<u>27,158,199</u>
	<u>99,028,482</u>	<u>99,028,482</u>
Less: Long-term finances transferred to current liabilities		
Current Maturity	7,500,000	7,500,000
Overdue portion of long-term finances	<u>27,158,199</u>	<u>27,158,199</u>
	<u>34,658,199</u>	<u>34,658,199</u>
	<u>64,370,283</u>	<u>64,370,283</u>

SALMAN NOMAN ENTERPRISES LIMITED

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2024

	Un-Audited 30/Sep/2024	Audited 30/Jun/2024
	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

From related parties - unsecured

Loan from related parties	189,167,368	189,167,368
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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, 2024: 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, 2024: Rs. 138.683 million) as subordinated to the loans from banking companies.

	Un-Audited 30/Sep/2024	Audited 30/Jun/2024
	Rupees	Rupees
9 SHORT TERM BORROWINGS		
Secured - from banking companies		
Running finance	151,500,976	151,500,976
Forced demand draft-Guarantee	17,189,561	17,189,561
	168,690,537	168,690,537

10 CURRENT PORTION OF LONG-TERM FINANCES

Long-term finances	34,658,199	34,658,199
Liabilities against assets subject to finance lease	81,855,397	81,855,397
Long term loans from others	49,658,313	49,658,313
	166,171,909	166,171,909

11 PROPERTY, PLANT AND EQUIPMENT

Opening WDV	557,321,628	581,953,009
Less: Depreciation	(5,842,263)	(24,631,381)
Book value as at period end	551,479,365	557,321,628

12 AUTHORIZATION FOR ISSUE

These financial statements have been approved by the board of directors of the Company and authorized for issue on October 30, 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: October 30, 2024


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

SALMAN NOMAN ENTERPRISES LIMITED

ڈائریکٹر کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کو 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے لئے غیر آڈٹ شدہ اکاؤنٹس جمع کرانے کی خوشی ہے۔

مالی کارکردگی

اس عرصے کے دوران کمپنی کو 5.887 ملین روپے کا نقصان ہوا جو 30 ستمبر 2023 کو ختم ہونے والی مدت کے لئے پچھلے سال کے 6.202 ملین روپے کے نقصان کے مقابلے میں معمولی بہتری ظاہر کرتا ہے۔ نقصان میں یہ کمی اہم چیزوں کا سامنا کرنے کے باوجود اخراجات کا انتظام کرنے اور دستیاب وسائل کو بہتر بنانے کی ہماری مسلسل کوششوں سے منسوب ہے۔

آپریٹنگ چیلنجز

کمپنی کو ورکنگ کپینٹل کی شدید رکاوٹوں کا سامنا ہے، جس نے منصوبہ بندی کے مطابق آپریشن شروع کرنے کی ہماری صلاحیت کو محدود کر دیا ہے۔ بینکاری اداروں کے ساتھ جاری قانونی چارہ جوئی کی وجہ سے ہماری مالی حالت دباؤ میں رہتی ہے، جس سے کاروباری سرگرمیوں کی حمایت کے لئے ضروری سرمائے اور لیکویڈیٹی تک ہماری رسائی متاثر ہوتی ہے۔ ہم فعال طور پر ان مسائل کو حل کرنے کے لئے کام کر رہے ہیں اور مناسب فنانسنگ حاصل کرنے کے لئے تمام ممکنہ راستوں کی پیروی کر رہے ہیں۔

مشقبل کا نقطہ نظر

اگرچہ موجودہ مالیاتی اور آپریٹنگ منظر نامہ چیلنجنگ ہے، کمپنی متبادل حکمت عملی تلاش کرنے اور اس مدت سے گزرنے کے لئے متعلقہ اسٹیک ہولڈرز کے ساتھ مشغول ہونے کے لئے پرعزم ہے۔ ہمیں امید ہے کہ دیکھنا تک قانونی چارہ جوئی کے حل اور ورکنگ کپینٹل کے تحفظ کے بعد کمپنی آپریٹنگ دوبارہ شروع کرنے اور مالی استحکام کی جانب کام کرنے کی بہتر پوزیشن میں ہوگی۔

احتراف

ہم اس مشکل وقت کے دوران اپنے شیئر ہولڈرز کے سہراور مسلسل حمایت کے لئے ان کا شکر یہ ادا کرنا چاہتے ہیں۔ بورڈ اور انتظامیہ کمپنی کی مالی بنیادوں کو مستحکم کرنے پر توجہ مرکوز کر رہے ہیں اور آپریٹنگ قابلیت کو بحال کرنے کے لئے وقف ہیں۔

بورڈ کے لیے اور اس کی جانب سے

M. R. Jafar
ڈائریکٹر

Naeem
چیف ایگزیکٹو

لاہور،

بتاریخ: 30 اکتوبر 2024



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