

**SFL/PSX/2021/07/16**

**Jul 16<sup>th</sup>, 2021**

Pakistan Stock Exchange  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

**Subject: Declaration of Right issue**

Dear Sir,

We have to inform you that the Board of Directors of the Company in their meeting held on July 16, 2021 at 1130hrs at the Registered Office of the Company has decided to increase the paid up share capital of the Company by issue of further **234,116,328** ordinary shares at par value (i.e. at Rs. 10/- each) by issue of Right Shares to be offered to the members in proportion of approximately **1486** Right Shares for every **100** ordinary shares held i.e. **1486%** Right Issue at par value of Rs. 10/- per share.

The share transfer books of the Company will be closed from **August 13, 2021** to **August 19, 2021** (both days inclusive) to determine the entitlement of the Right Shares.


Transfers received at the office of our Share Registrar **F.D. Registrar Services (SMC-Pvt.) Limited**, 1705, 17<sup>th</sup> Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi at the close of business on **August 12, 2021** will be treated in time for the purpose of entitlement of Right Shares to the transferees.

**Following details are attached:**

- **Annexure-A:** Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Company and the Shareholders, Risk Factors, under Regulation 3 of the Companies (Further Issue of Shares) Regulation, 2020.
- **Annexure-B:** Certified true copy of the Extract of the Resolutions passed by the Board of Directors in their meeting held on **July 16, 2021**.
- **Annexure-C:** Draft Copy of the Notice of the Right issue and book closure to the Shareholders prior to its publication in the newspapers.
- **Annexure-D:** Business & Financial Plan of the Company

You may please inform the TRE Certificate holders of the exchange accordingly.

Sincerely,



Muhammad Usman  
Company Secretary

Enclosed as above

CC:

a) The Commissioner  
Corporate Supervision Department  
Securities and Exchange  
Commission of Pakistan  
Islamabad

b) The Director  
Surveillance Supervision  
Enforcement (SMD)  
Securities and Exchange  
Commission of Pakistan  
Islamabad

**Annexure A**

**Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Company and the Shareholders, Risk Factors, under Regulation 3 of the Companies (Further Issue of Shares) Regulation, 2020.**

**Quantum of the Right Issue (i.e. as percentage of existing paid up capital)**

The quantum of the Right Issue is approximately **1486%** of the existing paid up capital of the Company i.e. approximately **1486** right shares for every **100** ordinary shares held by the shareholders of the Company.

**Right Issue Size**

The Company shall issue **234,116,328** (Two Hundred Thirty Four Million One Hundred Sixteen Thousand Three Hundred and Twenty Eight) ordinary shares, at a price of PKRs. 10/- per share, aggregating to PKRs.**2,341,163,280/-** (Pak Rupees Two Billion Three Hundred Forty One Million One Hundred Sixty Three Thousand Two Hundred and Eighty only).

**Right Issue Price**

PKRs. 10/- per share i.e. at par value

**Purpose of the Issue**

Certain corporate actions/ decisions are taken by the Board of Directors in their meeting held on April 30, 2021 for the subsequent approval from the shareholders in their extraordinary general meeting that was held on May 29, 2021 and duly approved by the shareholders in their meeting.

The Honorable Lahore High Court, Lahore (the Court), in its order dated June 28, 2021, has disposed of the winding up petition (CO No 10 of 2016) against Service Fabrics (Company), after the receipt of no objection from SECP and approval of revival business plan of the Company by shareholders in their Extra-Ordinary General Meeting, held on May 29, 2021.

The purpose of the Issue:

- Equity Investment in Kilowatt Labs technologies Limited (KLTL) and this investment is capped at Rs. 650,000,000/- (Rupees Six Hundred and Fifty Million only); and
- Setting up of Calcium Carbide Plant in the Hattar Industrial Estate, Haripur up to Rs. 1,000,000,000/- (Rupees One Billion Only); and
- Investment up to Rs. 400,000,000/- (Rupees Four Hundred Million Only) in the Equity Shares of Ghani Chemical Industries Limited; and
- Working Capital requirement including settlement of liabilities;

Difference will be made up from bank borrowings if total funds requirements exceeds Rs. 2,341million.

Business & Financial Plan is attached herewith as Annexure - D

**Utilization of Proceeds of the Right issue and Benefits to the Company and its Shareholders**

The funds generated from the further issue of capital will be utilized as aforementioned and Management of the Company believes that such mode of financing/investment plans will contribute not only towards increased profitability that ultimately be translated into increased shareholders value.



<b>Utilization of Proceeds</b>	<b>Rs.</b>
Supercapacitor Project	650,000,000
Calcium Carbide Project	1,000,000,000
Investment in Equity Shares of Ghani Chemical Industries Limited	400,000,000
Working Capital	291,163,280
	<b>2,341,163,280</b>

**Risk Factors associated with the Right issue**

The Right Issue has been announced at well below current market price and also underwritten as per requirements of the applicable regulations. Thus there is minimal investment risk associated with the Right Issue.

**Extract of the Resolutions passed by the Board of Directors of the Company at their meeting on July 16, 2021 at its Registered Office: Office No 505, 5th Floor, LSE Plaza, Khayaban e Aiwan e Iqbal, Lahore.**

**RESOLVED THAT** the ordinary paid up share capital of the Company be and is hereby increased from **PKRs. 157,548,000/-** (Pak Rupees One Hundred Fifty Seven Million Five Hundred Forty Eight Thousand only) to **PKRs. 2,498,711,280/-** (Pak Rupees Two Billion Four Hundred Ninety Eight Million Seven Hundred Eleven Thousand and Two Hundred & Eighty Only) by issue of further **234,116,328** (Two Hundred Thirty Four Million One Hundred Sixteen Thousand Three Hundred and Twenty Eight) ordinary shares of the Company of Pak Rs. 10/- (Pak Rupees Ten only) per share, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder (i.e. as a right entitlement) in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKRs. 10/- (Pak Rupees Ten only) per share (i.e. at par value), in the ratio of approximately **1486** right ordinary shares for every **100** existing ordinary shares of PKRs. 10/- each (i.e. **1486%**), against payment to the Company of the price of the share subscribed, which shares shall rank *pari passu* in all respects with the existing ordinary shares of the Company (the "Right Issue").

**FURTHER RESOLVED THAT** the following are the quantum, size, and purpose of the Right Issue, along with the utilization of proceeds, benefits of the same to the Company and the shareholders of the Company and risk factors associated with the Right issue in accordance with the Regulations 3(l)(iii) of the Companies (Further Issue of Shares) Regulations, 2020:

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## SERVICE FABRICS LIMITED

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**FURTHER RESOLVED THAT** the letter of offer may be issued/signed by the Chief Executive and Company Secretary in compliance with the applicable laws.

**FURTHER RESOLVED THAT** the draft of the circular to accompany the letter of offer, pursuant to Section 83(3) of the Companies Act, 2017, as placed before the directors be and is hereby approved and Chief Executive and Company Secretary be and is hereby authorized singly to finalize and sign the circular on behalf of all the directors.

**FURTHER RESOLVED THAT** all fractional entitlements will be consolidated in the name of the Company Secretary (under trust) and unpaid letter of right in respect thereof shall be sold on Pakistan Stock Exchange Limited, the net proceeds from which sakes, once realized, shall be distributed/ paid to the entitled shareholders in accordance with their respective entitlements as per applicable laws.

**FURTHER RESOLVED THAT** that any unsubscribed shares may be offered and allotted to such persons and in manner as the directors may deem fit in accordance with the Section 83(1)(a)(iv) of the Companies Act, 2017, including the sponsors, directors or associated undertaking of the



Company or any third party before calling upon the underwriters to subscribe to any unsubscribed shares.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to close its share transfer books **August 13, 2021 to August 19, 2021** (both days inclusive) to determine the entitlements of the shareholders of the Company with respect to the Right Issue.

**FURTHER RESOLVED THAT** the Chief Executive and the Company Secretary be and are hereby singly authorized to do the following acts on behalf of the Company:

- i. Appoint/negotiate with consultants/advisors/ auditors and underwriters to the Right Issue, to finalize terms and conditions and sign underwriting agreements, other documents and settle/ finalize fees, underwriting commission, take-up commission and third party expenses and/or any other expenses relating to the Right issue;
- ii. To prepare the schedule for the issue of right shares including date of payment, and to make any amendments in the said schedule, appointment of banker(s) to the issue, announce the book closure dates, and to take all necessary actions, in respect of the Right issue and ancillary matters thereto, and as required by the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, Central Depository Company of Pakistan Limited (CDC), including but not limited to induction of the offer for right shares in the Central Depository System of the CDC or any other authority;
- iii. To open, maintain, operate and close bank accounts for the purpose of amounts received from subscription of shares;
- iv. To make necessary corrections, amendments and file necessary documents in case of any mistake or omission is pointed out by any regulatory authorities;
- v. To allot /credit right shares and file return as required by the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, Central Depository Company of Pakistan Limited (CDC) along with the auditors' certificates; and
- vi. To take all other necessary steps, and do all other acts, deeds and things, to prepare the offer letter, circular and schedule for right issue and any other documents and to make any amendments in the aforementioned documents and schedule and to take all necessary actions as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions."

**Certified that the above mentioned is as true and valid extract from the meeting of the Board of Directors of Service Fabrics Limited held at its Registered Office: Office No 505, 5th Floor, LSE Plaza, Khayaban e Aiwan e Iqbal, Lahore.**

**NOTICE OF RIGHT ISSUE AND BOOK CLOSURE**

Members are hereby notified that the Board of Directors of Service Fabrics Limited (the "Company") in their meeting held on July 16, 2021 has decided to issue further capital by offering **234,116,328** ordinary shares by way of Right at price of Rs. 10/- (Pak Rupees Ten only) per share, aggregating to **PKRs. 2,498,711,280/-** (Pak Rupees Two Billion Four Hundred Ninety Eight Million Seven Hundred Eleven Thousand and Two Hundred Eighty Only) in the ratio of **1486** right ordinary shares for every **100** existing ordinary shares of Rs. 10/- each, against payment to the Company of the price of the shares subscribed by the shareholders, which shares rank *pari passu* in all respect with the existing ordinary shares of the Company.

The Share Transfer Books of the Company will remain close from **August 13, 2021** to **August 19, 2021** (both days inclusive) to determine the entitlements of the shareholders of the Company. Physical transfers/CDS Transaction IDs received at the Company's share registrar **F.D. Registrar Services (SMC-Pvt.) Limited**, 1705, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi at the close of business on **August 12, 2021** will be treated in time for the purpose of entitlement of Right Shares.

Company Secretary

Date: July 16, 2021

## Revival Business Plan

Service Fabrics Limited

### Situation Analysis

**Service Fabrics Limited** (the Company) was incorporated in Pakistan on December 01, 1987 as a Public Limited Company under the Companies Ordinance, 1984.

The shares of the Company are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Office No 505, 5th Floor, LSE Plaza, Khayaban e Aiwan e Iqbal, Lahore. Principal business of the Company was manufacturing and selling of fabrics. The Company has ceased its operating activities since October 2004.

### Balance sheet as on March 31, 2021 depicts the following financial position

	March 31, 2020
	Rs.
Cash and bank balances	202,142
Long term financing	(162,114,011)
Current Liabilities	(48,331,117)
Net Assets	(210,242,986)
<b>Represented by:</b>	
Issued, subscribed and paid up capital	157,548,000
Accumulated loss	(367,790,986)
	(210,242,986)

Share Capital position as on March 31, 2021 is as follows:

	Ordinary Shares Nos.	Par Value Rs./Share	Ordinary Shares Rs.
<b>Authorized Capital</b>	16,000,000	10.00	160,000,000
Issued, subscribed and paid up capital	15,754,800	10.00	157,548,000

### Pattern of Shareholding

With Public	157,544,500
Directors	3,500

Financial position of the Company is very weak and net worth is negative and liabilities of more than **Rs. 210 million** are outstanding. Almost 100% outstanding shares are lying with the public that is creating the ownership issue i.e. entrepreneurial stakes arising from majority ownership is absent in the Company.





SWOT analysis of the Company is presented below:

### SWOT Analysis

#### Strength

- Listed Company having share price above par value (e.g. Rs. 20.89 as on June 10, 2021) .
- Widely spread free float of the Company.
- Assets and liabilities are cleaned i.e. assets are disposed of and secured liabilities are paid off except Rs. 2.25 million (excluding accrued markup) payable to National Bank of Pakistan).

#### Weaknesses

- Financial resources are exhaust and weak net worth position of the Company.
- Entrepreneurial interest is missing.
- Liquidation petition is filed by SECP against the Company.
- Lack of collateral to generate funding from banks.

#### Opportunities

- Capital market can act a catalyst to growth of the Company. Despite its “shell” status, Company has fund raising power to harness its future diversification plan, if any.
- Possibility to have joint venture with renowned group to go for revival of the Company and to create entrepreneurial interest.
- Company can revamp and reposition itself into emerging fields and can create value to the shareholder.

#### Threats

- Liquidation petition is materialized and Company can go into liquidation.
- Company can't find JV partner and unable to raise requisite funds.
- Intended business venture is not materialized.

### Strategy & Expected Outcome

Certain corporate actions/ decisions are taken by the Board of Directors in their meeting held on **April 30, 2021** for the subsequent approval from the shareholders in their extraordinary general meeting that was held on May 29, 2021 and duly approved by the shareholders in their meeting.

The key decisions taken by the Board of Directors and subsequently by the shareholders in the meeting are as under.

1. Adoption of **Revival Business Plan** for further submission to the SECP and to the honorable Court;

The Honorable Justice Shams Mehmood Mirza, the Judge of Lahore High Court (LHC), in the hearing on Jun 28th, 2021, has disposed off the winding up case (CO No 10 of 2016) against Service Fabrics (Company), after the receipt of no objection from SECP, to the shareholders' approved revival business plan, passed by the Company in its Extra Ordinary General Meeting, held on May 29th, 2021 (copy of LHC order is enclosed herewith).

With the above disposal, the Company's corporate status and its potential as a viable economic agent stand restored. The Board of Directors is poised to undertake swift steps for the implementation of the revival business plan.

2. Change of Name of the Company from Service Fabrics Limited to the proposed name of **G3 Technologies Limited** to represent its revised/intended business activities;

3. Increase in the Company's authorized capital from Rs. 160.00 million to **Rs. 2,500million**; Secretarial work in this regard is completed and all the relevant forms and filings are made and back-log is removed. Fee of the increased authorized capital, amounting to Rs. 10,297,355/- is deposited in SECP's account.



4. Change in Object Clause of the Memorandum of Association of the Company to accommodate intended/planned business activist;
5. Adoption/Change of Articles of Association of the Company;

Two Projects are envisaged by the Company i.e.

1. Supercapacitor Project through equity investment in the Kilowatt Labs Technologies Limited; and
2. Calcium Carbide Project to be taken by the Company;

### Super Capacitor Project:

**Joint Venture Agreement** is being made with **Ghani Global Holdings Limited (GGL)** to make joint investment in “**Supercapacitor Project**” to enter into green technology business by way of manufacturing and sale of supercapacitors and to provide long term energy storage solutions for electric vehicles, solar & UPS battery solutions, telecom, micro-grid, locomotives, industrial equipment, energy harvesting and green technology etc. in Pakistan and export to other countries. The said project will be executed through **Kilowatt Labs Technologies Limited (KLTL)**. **KLTL** will establish manufacturing facilities in Allama Iqbal, Industrial City, Faisalabad and will carry out sales, marketing and R&D activities in Pakistan.

### Summary of the Project

<b>Implementing Entity</b>	<b>Kilowatt Labs Technologies Limited</b>
<b>Project title</b>	Manufacturing, sales, marketing and R&D of Super Capacitor in Pakistan (“the Super Capacitor Project”)
<b>Duration</b>	12~18 calendar months
<b>Total budget</b>	PKRs. <b>1.00 billion in first phase extendable to PKRs. 3.2 billion in three phases</b>
<b>Overall goal</b>	Manufacturing plant of the <b>Technological Products</b> in Pakistan with selling and distribution rights initially in Pakistan and gradually expanded to rest of the world.
<b>Project sustainable output</b>	Manufacturing of “ <b>Technological Products</b> ” that initially means: <ol style="list-style-type: none"><li>1. Sirius supercap storage which is a degradation free, longer-life, faster charging, safer, cheaper and more environmentally friendly alternative to chemical batteries;</li><li>2. Centauri energy server which is a stand-alone, integrated power electronics hardware + software platform enabling fossil fuel free micro-grids and eliminating the need to configure solutions by deploying disparate components in cumbersome configurations;</li></ol>
<b>Applications</b>	Electric vehicles, solar & UPS battery solutions, telecom, micro-grid, locomotives, industrial equipment, energy harvesting and green technology e
<b>Partners</b>	<ol style="list-style-type: none"><li>1. Ghani Global Holdings Limited</li><li>2. G3 Technologies Limited</li><li>3. Kilowatt Labs Inc., USA (along with its associates)</li></ol>
<b>Target group/area</b>	The research and development, manufacture, distribution, sales, marketing and support of Technological Products and related Services in Pakistan and rest of the world.

### Collaboration

1. **Kilowatt Labs Inc., USA (KWL)** along with its associates has expertise in the research, development, manufacture and sale of Sirius and Centauri and the provision of related marketing, distribution, technical and administrative services, and also possesses certain intellectual property that could be used or useful in the development and production of the technological products.
2. **GGL** has financial resources and engaged in manufacturing and sale & marketing of diversified products in Pakistan and has the required know-how of the local market, and administrative skills to operate in Pakistan. GGL Group is operating following Companies in Pakistan;
  - a. Ghani Global Holdings Limited
  - b. Ghani Global Glass Limited
  - c. Ghani Chemical Industries Limited

G3, KWL (along with its associates), and GGL intend to set-up the manufacturing plant of the Technological Products in Pakistan with selling and distribution rights initially in Pakistan and gradually expanded to rest of the world under territorial arrangements.

G3, KWL (along with its associates) and GGL desire to establish a joint venture through the formation of Kilowatt Lab Technologies Limited, a public limited liability company, with the intention that the Company shall become a global leader in the Business.

KWL along with its associates hereinafter collectively being referred as “JV Partner” and G3 and GGL collectively being referred as “Collaborating Partner”

GGL will make investment in **G3 Technologies Limited (G3)** and G3 will make joint venture agreement with the JV Partner. Organizational arrangement will be as follows:

1. Collaboration agreement between G3 and GGL to make investment in **KLTL**;
2. Joint venture agreement between G3 & JV Partner to setup the Super Capacitor Project in **KLTL**;
3. Number of directors and representation from JV Partner (including appointment of CEO and Chairman) in **KLTL** will be deliberated in joint venture agreement;
4. Functions/Department will be handled and operated as would be elaborated in joint venture agreement;
5. Under Collaboration Agreement between G3 and GGL, G3 will transfer irrevocably its voting rights (attached to its entitled shares of **KLTL**, present and future) to the **voting trust** to be formed for the purpose in favor of GGL as a beneficiary. Voting rights will be exercised by GGL (or its nominee as appointed and authorized through BoD resolution by the GGL) on behalf of G3 as they deem fit and necessary.

### Financial Structure

**First Phase:** - Rs. 1,000 million is the project cost (excluding working capital requirement) of the Super Capacitor Project.

**Second and Third Phase:** - Manufacturing processes and new product lines will be added in the 2<sup>nd</sup> and 3<sup>rd</sup> phases.

Contribution in Rs. and %shareholding in **KLTL** will be as follows:

Name of Party	Amount (Rs.)	%Holding	Remarks
G3	650,000,000	50%	



JV Partner	350,000,000	50%	JV Partner has the required expertise, technology, intellectual property rights, territorial rights
Total	1,000,000,000	100%	

1. Stake in the Company (**KLTL**) will be equal between G3 and JV Partner.

### Right Issue and Fund Raising

**2. G3 will raise funds through right issue as follows:**

Shares Outstanding	Nos.	15,754,800
Right Issue	%	1486%
Right Price	Rs./Share	10.00
Shares to be Issue against Right	Nos.	234,116,328
Right Proceeds	Rs.	2,341,163,280

3. Utilization of Proceeds will be as follows:

**Utilization of Proceeds**

The Supercapacitor Project	Rs.	650,000,000
The Calcium Carbide Project*	Rs.	1,000,000,000
Investment in Ghani Chemicals Industries Limited	Rs.	400,000,000
Cash and Bank**	Rs.	291,163,280
		<hr/>
		2,341,163,280

\*Detail is given in the “Calcium Carbide Project” Section

\*\*for working capital, repayment of Liabilities and issue expenses.

4. Right issue will be made to the existing shareholders. However, GGL will make sure the following:
- At least 15% of the Letter of Right (LoR) i.e. **35,117,449** will be purchased by GGL from the market (PSX), provided market price of LoR is not exceeded by Rs. 2.00 per LoR and purchased LoR will duly be subscribed by GGL;
  - Issue will 100% be underwritten;
  - Unsubscribed shares will be offered and allotted to such persons and in manner as the directors may deem fit in accordance with the Section 83(1)(a)(iv) of the Companies Act, 2017, including the GGL, directors or any third party before calling upon the underwriters to subscribe to any unsubscribed shares;
  - GGL and its associates may invest in the Company’s right up to **30%** i.e. up to **70,234,898** shares (including both LoR purchased from PSX as described above and out of unsubscribed portion);

### The Super Capacitor Project Project Scope and Key Activities

The land that is to be acquired for the Supercapacitor Project is 10acre in Allama Iqbal Industrial Estate, Faisalabad which will horizontally be developed. The said land has easy accessibility via established road network. The infrastructural requirements of the project mainly comprises of the construction of 80,000sqft of manufacturing/ assembly, administration area, parking space and open space, etc.

Total Area Available (10 acre)  $10 \times 8 \times 20 \times 272 = 435,200$  Sqft to cater present and future needs of the Company (**KLTL**).



Departments and Functions

1. Capacitor Manufacturing
2. Housing/Case Making
3. Mechanical
4. Assembly
5. Stores (Inbound and outbound)
6. Office Building
7. Time Office, Mosque, Cafeteria, Parking
8. Guest House
9. Horticulture

Following Process will be added in the 2<sup>nd</sup> Phase

10. PCB Manufacturing

New product lines will be added in second and third phases.

**Utilization of Proceeds**

	Rs.
Project Cost	950,000,000
Working Capital	1,239,763,096
	2,189,763,096

**Sources of Funds**

Equity Issue	1,000,000,000
- JV Partner	350,000,000
- G3 Technologies Limited	650,000,000
Bank Borrowings/Internal Generation	1,189,763,096
	2,189,763,096

**Project Oversight and Assurance**

Project Board will be established to undertake Project oversight and assurance. The Project Board is responsible for making management decisions for the Project when the Project Manager requires guidance, including recommendations for approval of Project revisions. Project reviews by the Board are made at designated decision points during the duration of the project, or as necessary when raised by the Project Manager. The Board will be consulted by the Project Manager for decisions when Project tolerances (i.e. constraints normally in terms of time and budget) need to be revised.

**Project Cost Composition**

	Rs.
Land	120,000,000
Building	200,000,000
Plant & Machinery	495,000,000
Computer	50,000,000
Furniture & Fixture	30,000,000
Office Equipment	30,000,000
Vehicle	25,000,000
	950,000,000



**Within the Project cycle**

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria.
- The Project Manager shall submit a Project Progress Reports to the Project Steering Committee on quarterly basis.
- The Project Manager will prepare annual and completion reports including financial statement of the Project and submit them to the Project Steering Committee
- A Project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the Project.
- Availability of professional staff and know-how play a major role in the success of this project. JV Partner will ensure the training of local staff, transfer of technology and research and development.

**Installed & Operational Capacity**

**External Storage Device**

Capacity per Shift	KWh	150,000	per Year
No. of Days		330	
No. of Workforce		300	
Electricity Load Requirement	KW	1,200	

External Storage Device	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
No. of Hours to be Worked	8	8	8	8	8
Capacity per annum in KWh	150,000	150,000	150,000	150,000	150,000
Expected Production per annum in KWh	100,000	110,000	121,000	133,100	146,410

\*Projections are based on capacities available in the first Phase. Phase 2 and Phase 3 are not accounted for.

**Critical factors**

1. **Allama Iqbal Industrial Estate, Faisalabad comes under clause 126E of the Second Schedule of the Income Tax Ordinance, 2001, thus it enjoys tax exemption for 10years.**
2. Demand of the Energy Storage Devices (Technological Products) is derived demand stemming from industrial and economic growth of the Country. Thus, economic growth rate is crucial to the success of the Supercapacitor project.
3. Resumption of the world economic activities is also very important in development of export markets.
4. **KLTL** vision is to transition energy storage to a non-chemical future and to enable global energy access by expanding delivery of electricity through renewable generation based micro-grids. Thus, initial outlay on the product is relatively higher but in terms of life cycle and clean energy, Technological Products are cheaper to its peer products. But initial outlay (initial price to the consumer) may play vital role in buying decision for price sensitive market.

**Projected Financial Statements****Profit and Loss Statement**

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Sales		4,200,000	5,082,000	6,149,220	7,440,556	9,003,073
Material Costs		(2,146,817)	(2,504,069)	(2,920,809)	(3,406,951)	(3,974,064)
Other Material	10%	(420,000)	(508,200)	(614,922)	(744,056)	(900,307)
Utilities		(68,016)	(78,999)	(91,959)	(107,278)	(125,414)
Salaries		(352,800)	(426,888)	(516,534)	(625,007)	(756,258)
Transportation		(80,000)	(96,800)	(117,128)	(141,725)	(171,487)
Others	18%	(756,000)	(914,760)	(1,106,860)	(1,339,300)	(1,620,553)
Depreciation		(89,000)	(93,025)	(83,431)	(75,397)	(68,624)
Financial Charges		(97,200)	(87,480)	(78,732)	(70,859)	(63,773)
Taxation		-	-	-	-	-
		190,167	371,779	618,845	929,984	1,322,592
Material Costs		61%	59%	57%	56%	54%
Utilities		2%	2%	1%	1%	1%
Others		37%	39%	41%	43%	44%





## SERVICE FABRICS LIMITED

### Balance Sheet

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Fixed Assets		861,000	927,975	864,544	809,147	760,523
		861,000	927,975	864,544	809,147	760,523
<b>Current Assets</b>						
Debtors		690,411	835,397	1,010,831	1,223,105	1,479,957
Stock in Trade		705,803	823,255	960,266	1,120,094	1,306,542
Stores & Spares		34,521	41,770	50,542	61,155	73,998
Advances, Prepayments		60,000	66,000	72,600	79,860	87,846
Cash & Bank		169,404	131,132	435,817	999,152	1,892,287
		1,660,138	1,897,555	2,530,055	3,483,366	4,840,629
<b>Total Assets</b>		<b>2,521,138</b>	<b>2,825,530</b>	<b>3,394,599</b>	<b>4,292,514</b>	<b>5,601,152</b>
<b>Current Liabilities</b>						
Trade Creditors		210,971	247,584	290,608	341,179	400,633
Other Liabilities		40,000	44,000	48,400	53,240	58,564
Bank Borrowings		1,080,000	972,000	874,800	787,320	708,588
		1,330,971	1,263,584	1,213,808	1,181,739	1,167,785
Share Capital		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Share Premium		-	-	-	-	-
Retained Earnings		190,167	561,946	1,180,791	2,110,775	3,433,367
		1,190,167	1,561,946	2,180,791	3,110,775	4,433,367
<b>Total Liabilities &amp; Equity</b>		<b>2,521,138</b>	<b>2,825,530</b>	<b>3,394,599</b>	<b>4,292,514</b>	<b>5,601,152</b>

### Cash flow Statement

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Net Profit before Tax and Financial Charges		287,367	459,259	697,577	1,000,843	1,386,365
Depreciation		89,000	93,025	83,431	75,397	68,624
Financial Charges		(97,200)	(87,480)	(78,732)	(70,859)	(63,773)
Taxation		-	-	-	-	-
Change in Working Capital		(1,239,763)	(235,076)	(280,391)	(334,565)	(399,350)
<b>Cashflow from Operating Activities</b>		<b>(960,596)</b>	<b>229,728</b>	<b>421,885</b>	<b>670,816</b>	<b>991,866</b>
Capital Expenditures		(950,000)	(160,000)	(20,000)	(20,000)	(20,000)
Proceeds from Shares		1,000,000	-	-	-	-
		(910,596)	69,728	401,885	650,816	971,866
Opening Cash & Bank Borrowings		-	(910,596)	(840,868)	(438,983)	211,832
Cashflow during the Period		(910,596)	69,728	401,885	650,816	971,866
Closing Cash and Bank Borrowings		(910,596)	(840,868)	(438,983)	211,832	1,183,699





### Financial Outcome

IRR	41%
Payback Period	Five years
NPV	2,369,618 Rs. in 000
Discounted at	15%

### Calcium Carbide Project

Calcium carbide, also known as calcium acetylide, is a chemical compound with the chemical formula of  $\text{CaC}_2$ . Its main use industrially is in the production of acetylene and calcium cyanamide.

Applications of calcium carbide include manufacture of acetylene gas, and for generation of acetylene in carbide lamps; manufacture of chemicals for fertilizer; and in steelmaking.

Made from lime and coke in the electric arc furnace with graphite electrodes at temperature of 2200 - 2500°C (MP), using large amount of electric power. Carbide product produced generally contains around 80%-90% calcium carbide by weight. The carbide is crushed to produce small lumps that can range from a few mm up to 120 mm. 50 – 80 mm is widely used.

Calcium carbide is the main raw material (when reacted with water) for producing acetylene gas. In

Acetylene derivatives are used in a variety of everyday consumer products, including hair sprays, cosmetics, sun screens and lotions, antiseptics, and tartar-control toothpastes. Growing demand for acetylene from various sector is predicted to remain a main aspect for global calcium carbide market in future.

Other derivative products from calcium carbide is:

1. Precipitated Calcium Carbonate
2. Carbon Black
3. Carbon Dioxide
4. Hydrogen

### Summary of the Project

**Implementing Entity**  
**Project title**

#### **G3 Technologies Limited**

Manufacturing, sales, marketing and R&D of Calcium Carbide and its derivatives e.g. Acetylene, Calcium Carbide, Carbon Black, Carbon Dioxide and Hydrogen in Pakistan (“the Calcium Carbide Project”)

**Duration**

12~18 calendar months

**Total budget**

PKRs. **1.00 billion in first phase extendable to PKRs. 3.0 billion in three phases**

**Overall goal**

Manufacturing plant of the **Calcium Carbide Products** in Pakistan and gradually expanded to rest of the world.

**Project sustainable output**

Manufacturing of “**Calcium Carbide and derivative Products**” that initially means:

1. CAC- A grade
2. CAC – B grade
3. Carbon Black
4. Precipitated Calcium Carbide
5. Hydrogen

**Applications**

1. Acetylene is used for welding and cutting. The welding process that uses acetylene is known as oxy-fuel cutting or gas cutting.
2. Fruit Ripening Catalyst
3. Desulfurizer



4. Production of Vinyl (PVC) and Derivatives
5. Construction & Building Material Industry
6. Chemical Industry
7. Iron & Steel
8. Paint
9. Cosmetics and Pharmaceuticals
10. Plastic, Sealant and Adhesives
11. Rubber Reinforcement
12. Coloring Agent for Ink and Paints
13. Conducive Components

**Partners**

1. Ghani Global Holdings Limited
2. G3 Technologies Limited

**Target group/area**

The research and development, manufacture, distribution, sales, marketing and support of Calcium Carbide Products and related Services in Pakistan and rest of the world.

**Financial Structure**

**Rs. 1,000 million** is the project cost (excluding working capital requirement) of the Super Capacitor Project.

**The Calcium Carbide Project  
Project Scope and Key Activities**

The land that is to be acquired for the Calcium Carbide Project is 12acre in Hattar Industrial Estate, Hattar, Haripur which will horizontally be developed. The said land has easy accessibility via established road network. The infrastructural requirements of the project mainly comprises of the construction of 100,000sqft of manufacturing, administration area, parking space and open space, etc.

**Utilization of Proceeds**

	<b>Rs.</b>
Project Cost	1,070,000,000
Working Capital	330,000,000
Bank Borrowings	<u>(400,000,000)</u>
	<u>1,000,000,000</u>



### Project Oversight and Assurance

Project Board will be established to undertake Project oversight and assurance. The Project Board is responsible for making management decisions for the Project when the Project Manager requires guidance, including recommendations for approval of Project revisions. Project reviews by the Board are made at designated decision points during the duration of the project, or as necessary when raised by the Project Manager. The Board will be consulted by the Project Manager for decisions when Project tolerances (i.e. constraints normally in terms of time and budget) need to be revised.

### Project Cost Composition

	Rs.
Land	70,000,000
Building	300,000,000
Plant & Machinery	600,000,000
Computer	30,000,000
Furniture & Fixture	30,000,000
Office Equipment	30,000,000
Vehicle	10,000,000
	<hr/>
	1,070,000,000

### Within the Project cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria.
- The Project Manager shall submit a Project Progress Reports to the Project Steering Committee on quarterly basis.
- The Project Manager will prepare annual and completion reports including financial statement of the Project and submit them to the Project Steering Committee
- A Project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the Project.
- Availability of professional staff and know-how play a major role in the success of this project. JV Partner will ensure the training of local staff, transfer of technology and research and development.

### Installed & Operational Capacity

Capacity	Tons	41,250
No. of Days		330.00
Per Day Production	Tons	125.00
No. of Workers/Staff		300
Electricity Load	KWh	10,000

Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
25,000	27,500	30,401	33,826	38,015

### Critical factors

1. **Hattar Industrial Estate, Hattar comes under clause 126E of the Second Schedule of the Income Tax Ordinance, 2001, thus it enjoys tax exemption for 10years.**
2. Demand of the Calcium Carbide and derivatives are derived demand stemming from industrial and economic growth of the Country. Thus, economic growth rate is crucial to the success of the Calcium Carbide project.
3. Resumption of the world economic activities is also very important in development of export markets.
4. **G3 Technology** vision is to go for import substitution and to save the foreign exchange. Coke (raw material) is imported but the other raw materials are locally available and conversion margins (and value additions) are high in the project. Market demand is 25,000 tons for Calcium Carbide and 15,000~16,000 tons for Carbon Black. Growth rate is 12%~13%.p.a.

### Projected Financial Statements

#### Profit and Loss Statement

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Sales		4,726,563	5,719,141	7,026,536	8,799,440	11,333,475
Material Costs		(1,396,333)	(1,653,657)	(1,968,854)	(2,360,068)	(2,858,448)
Other Material	10%	(472,656)	(571,914)	(702,654)	(879,944)	(1,133,348)
Utilities		(1,030,020)	(1,044,643)	(1,052,878)	(1,063,432)	(1,189,619)
Salaries		(270,000)	(316,800)	(370,260)	(431,244)	(500,722)
Transportation		(187,500)	(226,875)	(275,891)	(337,665)	(417,428)
Others	10%	(472,656)	(571,914)	(702,654)	(879,944)	(1,133,348)
Issue Expenses/ Income from Associate		30,485	38,107	47,633	59,542	74,427
Depreciation		(96,500)	(95,075)	(99,316)	(108,533)	(122,131)
Financial Charges		(36,000)	-	-	-	-
Taxation		-	-	-	-	-
Net Profit		795,382	1,276,369	1,901,662	2,798,152	4,052,859
Material Costs		40%	39%	38%	37%	35%
Utilities		22%	18%	15%	12%	10%
Others		39%	43%	47%	51%	54%



**Balance Sheet**

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Fixed Assets		973,500	978,425	1,029,109	1,120,576	1,248,445
Investment in Associated Company		430,485	468,592	516,226	575,767	650,195
		<b>1,403,985</b>	<b>1,447,017</b>	<b>1,545,334</b>	<b>1,696,343</b>	<b>1,898,640</b>
<b>Current Assets</b>						
Debtors		776,969	940,133	1,155,047	1,446,483	1,863,037
Stock in Trade		459,068	543,668	647,295	775,913	939,764
Stores & Spares		38,848	47,007	57,752	72,324	93,152
Advances, Prepayments		60,000	66,000	72,600	79,860	87,846
Cash & Bank		50,126	654,850	2,163,361	4,420,184	7,728,643
		<b>1,385,013</b>	<b>2,251,657</b>	<b>4,096,055</b>	<b>6,794,765</b>	<b>10,712,442</b>
<b>Total Assets</b>		<b>2,788,998</b>	<b>3,698,675</b>	<b>5,641,389</b>	<b>8,491,108</b>	<b>12,611,081</b>
<b>Current Liabilities</b>						
Trade Creditors		153,616	182,924	219,576	266,302	328,093
Other Liabilities		40,000	44,000	48,400	53,240	58,564
Bank Borrowings		400,000	-	-	-	-
		<b>593,616</b>	<b>226,924</b>	<b>267,976</b>	<b>319,542</b>	<b>386,657</b>
Share Capital		1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Share Premium		-	-	-	-	-
Retained Earnings		795,382	2,071,751	3,973,413	6,771,566	10,824,425
		<b>2,195,382</b>	<b>3,471,751</b>	<b>5,373,413</b>	<b>8,171,566</b>	<b>12,224,425</b>
<b>Total Liabilities &amp; Equity</b>		<b>2,788,998</b>	<b>3,698,675</b>	<b>5,641,389</b>	<b>8,491,108</b>	<b>12,611,081</b>

**Cashflow Statement**

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Net Profit before Tax and Financial Charges		831,382	1,276,369	1,901,662	2,798,152	4,052,859
Depreciation		96,500	95,075	99,316	108,533	122,131
Financial Charges		(36,000)	-	-	-	-
Share of Profit Associate		(30,485)	(38,107)	(47,633)	(59,542)	(74,427)
Taxation		-	-	-	-	-
Change in Working Capital		(1,141,271)	(228,613)	(294,834)	(390,320)	(542,104)
<b>Cashflow from Operating Activities</b>		<b>(279,874)</b>	<b>1,104,724</b>	<b>1,658,511</b>	<b>2,456,823</b>	<b>3,558,459</b>
Capital Expenditures		(1,070,000)	(100,000)	(150,000)	(200,000)	(250,000)
Proceeds from Shares		1,400,000	-	-	-	-
Investment in Associated Company		(400,000)	-	-	-	-
		<b>(349,874)</b>	<b>1,004,724</b>	<b>1,508,511</b>	<b>2,256,823</b>	<b>3,308,459</b>
Opening Cash & Bank Borrowings		-	(349,874)	654,850	2,163,361	4,420,184
Cashflow during the Period		<b>(349,874)</b>	<b>1,004,724</b>	<b>1,508,511</b>	<b>2,256,823</b>	<b>3,308,459</b>
Closing Cash and Bank Borrowings		<b>(349,874)</b>	<b>654,850</b>	<b>2,163,361</b>	<b>4,420,184</b>	<b>7,728,643</b>



Ratio Analysis		Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
<b>Liquidity Ratios</b>						
1-	Working Capital	791,397	2,024,734	3,828,079	6,475,222	10,325,785
2-	Current Ratio	2.33	9.92	15.29	21.26	27.71
3-	Quick (Acid Test) Ratio	2.15	6.75	6.94	7.18	7.49
4-	Debt - Equity Ratio	0.27	0.07	0.05	0.04	0.03
5-	Debt Coverage Ratio	1.50	6.04	7.47	9.10	10.80
6-	Interest Cover	23.09	N/A	N/A	N/A	N/A
<b>Profitability Ratios</b>						
7-	Sales Growth		21.00%	22.86%	25.23%	28.80%
8-	Gross Profit Margins	30.91%	35.62%	40.31%	44.96%	48.79%
9-	Net Profit Margins	16.83%	22.32%	27.06%	31.80%	35.76%
10-	SGA to Sales Ratio	13.32%	13.30%	13.25%	13.16%	13.03%
11-	Return on Assets	29.81%	34.51%	33.71%	32.95%	32.14%
12-	Return on Equity	36.23%	36.76%	35.39%	34.24%	33.15%
<b>Efficiency Ratios</b>						
13-	Days in Receivables	60.00	60.00	60.00	60.00	60.00
14-	Trade Debt Turnover	6.08	6.08	6.08	6.08	6.08
15-	Asset Turnover	1.69	1.55	1.25	1.04	0.90
16-	Days in Inventory	97.24	96.87	96.33	95.56	94.45
17-	Stock Turnover	3.75	3.77	3.79	3.82	3.86
18-	Days in Accounts Payables	30.00	30.00	30.00	30.00	30.00
19-	Accounts Payable Turnover	12.17	12.17	12.17	12.17	12.17
20-	Net Operating Cycle	127.24	126.87	126.33	125.56	124.45
21-	Staff Performance	15,755	17,872	20,666	24,443	29,825
22-	Book Value per Share	15.68	24.80	38.38	58.37	87.32
23-	Earning per Share	5.68	9.12	13.58	19.99	28.95
1.20	Working Capital/Total Assets	0.28	0.55	0.68	0.76	0.82
1.40	Retained Earnings / Total Assets	0.29	0.56	0.70	0.80	0.86
3.30	Earnings before Interest & Tax/Total Assets	0.30	0.35	0.34	0.33	0.32
0.60	Market Value of Equity / Book Value of Total Liabilities*	5.42	14.19	12.02	10.08	8.33
1.00	Sales / Total Assets	1.69	1.55	1.25	1.04	0.90
*Net Worth is taken as a Market value of Equity						
<b>Z-Score</b>		6.67	12.64	11.37	10.20	9.14

### **G3 Technologies Limited Financial Impact & Return**

Application may be filed with the honorable Court under Section 89 (Reduction of share capital) of the Companies Act, 2017 for the reduction of the Capital and subject to confirmation by the honorable Court a company limited by shares, if so authorized by its articles, may by special resolution reduce its share capital in way of cancelling paid-up share capital un-represented by available assets;

Reduction of Capital will have following positive effects on the Company:

1. It will not affect business value of the Company theoretically i.e. business valuation will remain the same before and after the event. Thus, ex-price will be adjusted to keep the valuation of the Company intact.
2. However, capital reduction will have positive impact on EPS as denominator is reduced.
3. Company will be able to declare dividend soon as it gets earning streams from the Supercapacitor Project” and “Calcium Carbide Project”. Shareholders do not need to wait till the accumulated loss is absorbed and turns into Green.



# SERVICE FABRICS LIMITED

	March 31, 2020	After Right	Section 89 Impact
	Rs.	Rs.	Rs.
Cash and bank balances	202,142	41,135,292	41,135,292
Investment in Associates			
- Kilowatt Labs Technologies Limited		650,000,000	650,000,000
- Ghani Chemical Industries Limited		400,000,000	400,000,000
Calcium Carbide Project		1,000,000,000	1,000,000,000
Long term financing	(162,114,011)	-	-
Current Liabilities	(48,331,117)	(43,731,921)	(43,731,921)
<b>Net Assets</b>	<b>(210,242,986)</b>	<b>2,047,403,371</b>	<b>2,047,403,371</b>
<b>Represented by:</b>			
Issued, subscribed and paid up capital	157,548,000	2,498,711,280	2,047,403,371
Accumulated Profit /(Loss)	(367,790,986)	(451,307,909)	-
	(210,242,986)	2,047,403,371	2,047,403,371

**Ratio of Capital Reduction** **18.06%**  
**No. of Shares to be Reduced** **from 249,871,128 to 204,740,337**

Approval from shareholders will be obtained in subsequent general meeting.

## Projected Balance Sheet

	Projected Balance Sheet				
	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
	Rs.	Rs.	Rs.	Rs.	Rs.
Cash and bank balances	81,545,780	160,548,821	292,053,305	489,674,954	770,725,762
Investment in Associates					
- Kilowatt Labs Technologies Limited	697,541,750	790,486,505	945,197,662	1,177,693,719	1,508,341,729
- Ghani Chemical Industries Limited	430,485,388	468,592,124	516,225,543	575,767,317	650,194,535
Calcium Carbide Project	1,764,896,958	3,003,158,739	4,857,187,722	7,595,798,270	11,574,230,040
Long term financing	-	-	-	-	-
Current Liabilities	(43,731,921)	(43,731,921)	(43,731,921)	(43,731,921)	(43,731,921)
<b>Net Assets</b>	<b>2,930,737,955</b>	<b>4,379,054,268</b>	<b>6,566,932,311</b>	<b>9,795,202,339</b>	<b>14,459,760,145</b>
<b>Represented by:</b>					
Issued, subscribed and paid up capital	2,047,403,371	2,047,403,371	2,047,403,371	2,047,403,371	2,047,403,371
Accumulated Profit /(Loss)	883,334,584	2,331,650,897	4,519,528,941	7,747,798,968	12,412,356,774
	2,930,737,955	4,379,054,268	6,566,932,312	9,795,202,339	14,459,760,145



**Profit attributable to G3 and its Shareholders**
**1. From Super Capacitor Project**

	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
	Rs. in 000				
Net Profit after Tax	190,167	371,779	618,845	929,984	1,322,592
Profit attributable to G3	95,083	185,890	309,422	464,992	661,296
Dividend	47,542	92,945	154,711	232,496	330,648
Less : Tax on Dividend	(7,131)	(13,942)	(23,207)	(34,874)	(49,597)
	40,410	79,003	131,504	197,622	281,051
Dividend Income (net of Tax)	40,410	79,003	131,504	197,622	281,051
Income from Associates	47,542	92,945	154,711	232,496	330,648
	87,952	171,948	286,216	430,118	611,699
Payout Ratio	50%	Shareholding % in KLTL		50%	
Tax on Dividend	15%	Investment in KLTL		650,000	
No. of Shares Outstanding (G3)	204,740,337	after Reduction of Capital under Section 89			

**Investment in Associates – Equity Method**

<b>Investment in Kilowatt Labs Technologies Limited - Equity Method</b>	Rs. in 000				
Opening Investment	650,000	697,542	790,487	945,198	1,177,694
Add : Attributable Profit	95,083	185,890	309,422	464,992	661,296
Less: Dividend	(47,542)	(92,945)	(154,711)	(232,496)	(330,648)
	697,542	790,487	945,198	1,177,694	1,508,342

**2. From Ghani Chemical Industries Limited**

	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Investment in Associated Company					
GCIL	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000
Share of Profit	30,485,388	38,106,735	47,633,419	59,541,774	74,427,218
Opening Share of Profit		30,485,388	68,592,124	116,225,543	175,767,317
	430,485,388	468,592,124	516,225,543	575,767,317	650,194,535

**3. From Calcium Carbide Project**

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Net Profit		795,382	1,276,369	1,901,662	2,798,152	4,052,859





**Summary:**

<b>Profit &amp; Loss Account</b>					
Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Kilowatt Labs Technologies Limited	87,952	171,948	286,216	430,118	611,699
Calcium Carbide Project	764,897	1,238,262	1,854,029	2,738,611	3,978,432
Ghani Chemical Industries	30,485	38,107	47,633	59,542	74,427
	883,335	1,448,316	2,187,878	3,228,270	4,664,558
EPS	6.31	10.35	15.63	23.06	33.32

**Key Assumptions  
Super Capacitor Project**

No. of Days in Debtors	60
No. of Days in Direct Material	120
No. of Days in Indirect Material	30
No. of Days in Creditors	30

<b>Electricity Consumption</b>						
Units		2,112,000	2,323,200	2,555,520	2,811,072	3,092,179
Rate	18.00	38,016,000	45,999,360	55,659,226	67,347,663	81,490,672
Fixed Costs		30,000,000	33,000,000	36,300,000	39,930,000	43,923,000
		68,016,000	78,999,360	91,959,226	107,277,663	125,413,672
Load Factor	KW	800	880	968	1,065	1,171
<b>Workforce</b>						
No. of Work force		300	300	300	300	300
Overtime Factor		1.00	1.10	1.21	1.33	1.46
Average per Month	70,000	70,000	77,000	84,700	93,170	102,487
Annual		252,000,000	304,920,000	368,953,200	446,433,372	540,184,380
Others	40%	100,800,000	121,968,000	147,581,280	178,573,349	216,073,752
Payroll Costs		352,800,000	426,888,000	516,534,480	625,006,721	756,258,132
Transportation	Qty	100,000	110,000	121,000	133,100	146,410
	Rate per Ton	800	880	968	1,065	1,171
	Cost	80,000,000	96,800,000	117,128,000	141,724,880	171,487,105

**Key Assumptions  
Calcium Carbide Project**

No. of Days in Debtors	60
No. of Days in Direct Material	120
No. of Days in Indirect Material	30
No. of Days in Creditors	30



## SERVICE FABRICS LIMITED

Projected Production		Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Calcium Carbide		25,000	27,500	30,401	33,826	38,015
	0	-	-	-	-	-
		25,000	27,500	30,401	33,826	38,015
		67%	73%	81%	90%	101%
Electricity Consumption	Units	79,200,000	87,120,000	96,311,160	107,159,822	120,430,104
Rate	9.00	712,800,000	784,080,000	866,800,440	964,438,394	1,083,870,937
Slack Cost	7,200	259,200,000	187,920,000	105,199,560	7,561,606	-
Fixed Costs		58,019,750	72,643,450	80,878,185	91,431,764	105,747,882
Inflation	No	1,030,019,750	1,044,643,450	1,052,878,185	1,063,431,764	1,189,618,819
Load Factor	KW	10,000	11,000	12,161	13,530	15,206
Cost of Steam	0.15	8,019,750	8,821,725	10,674,287	14,207,476	20,801,166
Steam Rate per Tonne	125.80	2,139	2,352	2,846	3,789	5,547
No. of Work force		300	320	340	360	380
Average per Month	50,000	50,000	55,000	60,500	66,550	73,205
Annual		180,000,000	211,200,000	246,840,000	287,496,000	333,814,800
Others	50%	90,000,000	105,600,000	123,420,000	143,748,000	166,907,400
Payroll Costs		270,000,000	316,800,000	370,260,000	431,244,000	500,722,200
Transportation	Qty	25,000	27,500	30,401	33,826	38,015
	Rate per Ton	7,500	8,250	9,075	9,983	10,981
	Cost	187,500,000	226,875,000	275,891,344	337,665,063	417,428,304