

S.G. FIBRE LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2016

		Un-audited March 31, 2016	Audited June 30, 2015
	Notes	----- R u p e e s -----	
NON-CURRENT ASSETS			
Property, plant and equipment	6	593,637,848	624,925,325
Long term deposits		95,714	95,714
CURRENT ASSETS			
Stores and spares		-	-
Stock-in-trade	7	-	-
Loans, advances, prepayments and other receivables	8	40,795,525	38,995,525
Cash and bank balances	9	13,073,103	715,262
		<u>53,868,628</u>	<u>39,710,787</u>
		<u>647,602,190</u>	<u>664,731,828</u>
SHARE CAPITAL AND RESERVES			
Authorized share capital			
15,000,000 Ordinary shares of Rs. 10 each		<u>150,000,000</u>	<u>150,000,000</u>
Issued, subscribed and paid-up capital		150,000,000	150,000,000
Share premium		337,400,000	337,400,000
Accumulated loss		(775,225,021)	(759,652,591)
		<u>(287,825,021)</u>	<u>(272,252,591)</u>
Surplus on revaluation of fixed assets		<u>477,332,738</u>	<u>477,332,738</u>
		<u>189,507,717</u>	<u>205,080,147</u>
NON CURRENT LIABILITIES			
Deferred liabilities		67,012,218	67,012,218
Long term loans	10	-	-
Loan from directors	11	205,994,064	217,994,064
		<u>273,006,282</u>	<u>285,006,282</u>
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	12	102,916,854	92,449,359
Interest on short term and long term loan	13	10,654,243	10,654,243
Current portion of long term loan	15	71,422,097	71,422,097
Overdue amount of long term loan		-	-
Provision for taxation		119,700	119,700
		<u>185,112,894</u>	<u>174,645,399</u>
CONTINGENCIES AND COMMITMENTS	14	<u>-</u>	<u>-</u>
		<u>647,626,892</u>	<u>664,731,828</u>

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

CHIEF EXECUTIVE

DIRECTOR

S.G. FIBRE LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2016

	Notes	July to March 2016	January to March 31, 2016	July to March 2015	January to March 31, 2015
Sales	20	-	-	-	-
Cost of sales	21	(19,751,493)	(6,313,498)	(18,893,136)	(6,307,725)
Gross loss		<u>(19,751,493)</u>	<u>(6,313,498)</u>	<u>(18,893,136)</u>	<u>(6,307,725)</u>
Administrative and selling expenses	22	<u>(8,538,839)</u>	<u>(4,727,848)</u>	<u>(7,423,741)</u>	<u>(3,101,680)</u>
Operating loss		<u>(28,290,332)</u>	<u>(11,041,346)</u>	<u>(26,316,877)</u>	<u>(9,409,405)</u>
(Loss) / Profit on sale of Assests Stock & Spares		6,185,935	-	(153,959,871)	-
Other income	23	<u>6,540,528</u>	<u>2,293,398</u>	<u>2,893,485</u>	<u>1,993,485</u>
		<u>(15,563,869)</u>	<u>(8,747,948)</u>	<u>(177,383,263)</u>	<u>(7,415,920)</u>
Financial charges	24	(8,561)	(200)		
Loss before taxation		<u>(15,572,430)</u>	<u>(8,748,148)</u>	<u>(177,383,263)</u>	<u>(7,415,920)</u>
Provision for taxation				-	-
Loss after taxation		<u>(15,572,430)</u>	<u>(8,748,148)</u>	<u>(177,383,263)</u>	<u>(7,415,920)</u>
Other comprehensive income			-	-	-
Total comprehensive income		<u><u>(15,572,430)</u></u>	<u><u>(8,748,148)</u></u>	<u><u>(177,383,263)</u></u>	<u><u>(7,415,920)</u></u>
Loss per share - basic and diluted		(1.04)	(0.58)	(11.83)	(0.49)

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

CHIEF EXECUTIVE

DIRECTOR

S.G. FIBRE LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2016

	Issued subscribed and paid up capital	Capital reserve	Accumulated loss	Total
	----- R u p e e s -----			
Balance as at July 01, 2015	150,000,000	337,400,000	(759,652,591)	(272,252,591)
Loss for the half year ended December 31, 2015	-	-	(6,824,282)	(6,824,282)
Balance as at December 31, 2015	150,000,000	337,400,000	(766,476,873)	(279,076,873)
Balance as at July 01, 2015	150,000,000	337,400,000	(759,652,591)	(272,252,591)
Loss for the half year ended December 31, 2015	-	-	(15,572,430)	(15,572,430)
Balance as at March 31, 2016	150,000,000	337,400,000	(775,225,021)	(287,825,021)

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

CHIEF EXECUTIVE

DIRECTOR

S.G. FIBRE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2016

	March 31 2016	June 30, 2015
	----- R u p e e s -----	
6 PROPERTY, PLANT AND EQUIPMENT		
	0	
Opening written down value	624,925,325	522,490,450
Revaluation surplus / (deficit)	-	386,468,094
Deletion	(11,839,066)	(252,357,429)
Depreciation	(19,448,411)	(31,675,790)
Closing written down value	<u>593,637,848</u>	<u>624,925,325</u>
7 STOCK IN TRADE		
Raw material	-	-
Finished goods	-	-
	<u>-</u>	<u>-</u>
8 LOANS, ADVANCES, PREPAYMENTS & OTHER RECEIVABLES		
Income tax refundable	9,903,094	9,903,094
Advance income tax	103,913	103,913
Margin - Letter of credit	150,000	150,000
Sales tax claim receivable	21,070,506	21,070,506
Other receivables	9,571,471	9,571,471
Less:provision for irrecoverable rent		(1,800,000)
Less:provision for doubtful debts	(3,459)	(3,459)
	<u>9,568,012</u>	<u>7,768,012</u>
	<u>40,795,525</u>	<u>38,995,525</u>
9 CASH AND BANK BALANCES		
Cash in hand	26,455	3,017
Cash with banks	13,046,648	712,245
	<u>13,073,103</u>	<u>715,262</u>
10 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - Net		
Opening balance	477,332,738	-
Surplus arisen on revaluation carried out during the year:		533,242,743
	<u>477,332,738</u>	<u>533,242,743</u>
Less: Transferred to unappropriated profit on account of:		
- incremental depreciation for the year	1,024,263	-
- incremental realized on disposal of plant & machinery	1,024,263	-
	<u>2,048,526</u>	<u>-</u>
Related deferred tax of:		
- balance at beginning of the year	-	-
- surplus arising during the year	-	55,910,005
- incremental depreciation for the year	-	-
- balance at year end	-	55,910,005
Balance at end of the year	<u>477,332,738</u>	<u>477,332,738</u>

		March 31 2016	June 30, 2015
		----- R u p e e s -----	
11 LONG TERM LOANS			
Fibre Venture Capital Limited	11.1	-	302,316,902
Less: Current portion of long term loan		-	(60,463,381)
Less: Overdue amount of long term loan		-	(241,853,521)
		<u>-</u>	<u>-</u>

10.1 Foreign currency loan from Fibre Venture Capital Limited has been obtained on non-interest basis. Repayment was due from february 2012 and loan was to be repaid in equal installments over a period of five years. However, due to financial constraints the repayment of the same could not be made.

12 LOAN FROM DIRECTOR

Loan from directors	12.1	<u>205,994,064</u>	<u>217,994,064</u>
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12.1 This represents interest free loan from sponsoring directors. Repayment terms have not yet been decided by the company.

13 CREDITORS, ACCRUED AND OTHER LIABILITIES

Trade creditors		12,033,072	2,798,072
Security deposit payable		3,849,195	1,652,700
Others		1,379,087	1,591,687
		17,261,354	6,042,459
Due to associated undertaking	13.1	<u>85,655,500</u>	<u>86,406,900</u>
		<u>102,916,854</u>	<u>92,449,359</u>

13.1 These are unsecured and the late payment surcharge has been waived by the associated undertaking S.G. Power Limited.

14 INTEREST ON SHORT AND LONG TERM LOANS

	-	<u>10,654,243</u>
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This represent accrued interest on loans payable to S.G Power Limited.

15 CURRENT PORTION OF LONG TERM LOAN

Current portion of long term loan-Fibre Venture Capital Limited		-	60,463,381
Less: Reversal of Current portion of long term loan due to loan waiver		-	(60,463,381)
Current portion of long term loan payable to S.G Power Limited		<u>71,422,097</u>	<u>71,422,097</u>
		<u>71,422,097</u>	<u>71,422,097</u>

16 CONTINGENCIES AND COMMITMENTS

Contingencies

- (i) Legal claim filed against the Company from suppliers were not acknowledged as debts amounting to Rs. 0.418 million (June 30, 2014: Rs. 0.418 million)

S.G. Power Limited - Associated undertaking

Rental income	1,500,000	1,800,000
Less: Irrecoverable rental income from associated undertaking	<u>(1,500,000)</u>	<u>(1,800,000)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

The status of outstanding balances with associated undertaking S.G Power Limited is as under

Long term loan payable to S.G. Power Limited	71,422,097	71,422,097
Current portion of long term loan.		-
	<u><u>71,422,097</u></u>	<u><u>71,422,097</u></u>

18 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on _____ by the Board of Directors of the Company.

19 GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR

S.G. FIBRE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2016

1. STATUS OF THE COMPANY

1.1 The Company was incorporated in Pakistan as a public limited company and its shares are listed at Karachi Stock Exchange. The principal activity of the Company is manufacturing of polyester filament yarn. The registered office and production facility of the company are situated at B-40, S.I.T.E., Karachi.

1.2 GOING CONCERN

The company has suffered loss of Rs. 8.748 million (March 31, 2015: Rs. 7.415 million) during third quarter ended and accumulated loss as at March 31, 2016 stood at Rs. 775.225 million and Filament Yarn Industry in Pakistan is in ominous situation due to adverse fiscal measures and unfavorable market conditions resulting in high cost of production and dumping of cheap product from China and other countries. Frequent increases in the cost of energy and hike in cost of financing is leading this industry towards crisis. Consequently the management of the company had decided to disengage temporarily the operations of the company to safeguard the interest of stakeholders. The Filament Yarn Association is negotiating with the government to take initiatives to revive the industry and to avoid resulting unemployment. Earlier the management had decided to resume its operation in two phases, in first phase to run the twisting machines and produce commodity yarns, in second phase to start the line-7 and producing both commodity and speciality yarns. On December 22, 2011 the Company decided in its board of directors' meeting that the company would pay off its outstanding liabilities by selling off the plant and part of land.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

This condensed interim financial information is un-audited and are being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. This condensed interim financial information is presented in condensed form in accordance with the requirements of International Accounting Standard 34 "Interim Financial Reporting". This does not include all of the information required for full 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, 2015. Comparative figures of the balance sheet are extracted from the audited annual financial statements for the year ended June 30, 2015 whereas comparative profit and loss account, statement of changes in equity and statement of cash flows are stated from un-audited condensed interim financial information for the period ended March 31, 2015.

ACCOUNTING POLICIES

The accounting policies and method of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended June 30, 2015.

3.1 Standards, amendments to published approved accounting standards and interpretations effective from July 01, 2015.

There are certain new standards, amendments and international Financial Reporting Interpretation Committee (IFRIC) interpretations that become effective during the period and mandatory for accounting period on or after July 01, 2015 but are considering not be relevant or have significant effect on the company's operations are, therefore, not disclosed in this condensed interim financial information.

3.2 Standards, amendments to published approved accounting standards and interpretations as adopted in Pakistan, that are not yet effective.

There are other amendments to the standards and new interpretations that are mandatory for accounting periods on or after July 01, 2015 but are considered not be relevant or do not have any significant effect on company's operations and are, therefore, not detailed in this condensed interim financial information.

4. ESTIMATES

The Preparation of condensed interim financial information require management to make judgments, estimates and assumption that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key resources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2015.