

Fateh Sports Wear Limited

442, Mirpurkhas Road, Hyderabad

BOARD'S REVIEW TO THE SHAREHOLDERS

The Directors of your Company present before you the Quarterly Accounts (3rd Quarter) Un-Audited Balance Sheet and Profit & Loss Account alongwith the Cash Flow Statement for the period ended March 31, 2013.

The production activities has already been restarted in the preceding year and the management is trying its best to build up the sales volume although facing very tough competition.

Your company has achieved sales of Rs.9.41 million and Gross Profit of Rs.1.00 million. After Administration and Selling Expenses, Operating Profit appears at Rs.0.18 million. After exchange gain of Rs.15.08 million and Financial charges of Rs. 14.03 million, Profit before taxation arrived at Rs.1.23 million. The unappropriated loss brought forward to Balance Sheet is Rs.148.36 million. Earning per share is Rs. 0.62 during the period under review.

for and on behalf of the Board

RAUF ALAM
Chief Executive

Hyderabad: April 25, 2013

BALANCE SHEET

As at March 31, 2013
(Un-Audited)

	<u>31-Mar-13</u> <u>RUPEES</u>	<u>30-Jun-12</u> <u>RUPEES</u>
Capital & Liabilities		
Authorized Capital		
5,000,000 ordinary shares of Rs. 10/- each	50,000,000	50,000,000
Shareholders' Equity		
Issued, subscribed and paid up share capital	20,000,000	20,000,000
General reserve	53,500,000	53,500,000
Unappropriated loss	(148,366,057)	(149,603,134)
	(74,866,057)	(76,103,134)
Current Liabilities		
Trade and others payable	49,458,919	50,956,089
Markup accrued on loan	219,078,952	205,273,107
Short term running finance	161,789,481	161,789,481
Provision for taxation	5,000	5,000
	430,332,352	418,023,677
Total	355,466,295	341,920,543
Property & Assets		
Operating Fixed Assets		
	17,126,410	17,903,779
Current Assets		
Stores, spare parts and loose tools	0	0
Stock-in-trade	5,994,397	5,994,397
Trade debts	312,363,819	300,119,172
Advances, deposits and prepayments	1,000,187	729,051
Other receivables	17,121,375	17,121,375
Cash and bank balances	1,860,107	52,769
	338,339,885	324,016,764
Total	355,466,295	341,920,543

RAUF ALAM
Chief Executive

AFTAB ALAM
Director

Hyderabad: April 25, 2013

PROFIT AND LOSS ACCOUNT

For the 3rd Quarter ended March 31, 2013
(Un-Audited)

	JAN-MAR 2013 RUPEES	JUL-MAR 2013 RUPEES	JAN-MAR 2012 RUPEES	JUL-MAR 2012 RUPEES
Sales	6,234,443	9,414,450	6,268,476	9,109,625
Cost of sales	4,726,197	8,406,447	3,668,442	8,691,255
Gross Profit	1,508,246	1,008,003	2,600,034	418,370
Administration expenses	390,162	821,891	271,564	636,585
Selling expenses	0	0	31,001	65,051
	390,162	821,891	302,565	701,636
Operating Profit/(Loss)	1,118,084	186,112	2,297,469	(283,266)
Exchange gain	6,145,513	15,088,888	2,674,504	17,019,538
	7,263,597	15,275,000	4,971,973	16,736,272
Financial expenses	4,602,192	14,037,923	4,601,832	13,870,556
Profit before Taxation	2,661,405	1,237,077	370,141	2,865,716
Provision for taxation	0	0	0	0
Profit after Taxation	2,661,405	1,237,077	370,141	2,865,716
Other comprehensive income	0	0	0	0
Total comprehensive Income for the Period	2,661,405	1,237,077	370,141	2,865,716
Earning per share	1.33	0.62	0.19	1.43

Notes:

1. Fateh Sports Wear Limited is incorporated in Pakistan as a public limited company and is listed on the Karachi Stock Exchange. The Company is engaged mainly in the manufacturing and export of ready-made garments.
2. These accounts are un-audited and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard (I.A.S-34) as applicable in Pakistan.
3. The accounting policies and methods of computation adopted by the Company for preparation of these accounts are the same as those applied for the annual accounts.
4. No provision for taxation is made in the accounts since the company is in loss. However, the final tax liability will be calculated at the end of the year after consideration of assessment completed and the available tax credits.
5. Figures in these accounts have been rounded off to the nearest rupee.
6. These accounts are authorized by the Board for issue on 25th April, 2013.

RAUF ALAM

Chief Executive

AFTAB ALAM

Director

Hyderabad: April 25, 2013

CASH FLOW STATEMENT

For the 3rd Quarter ended March 31, 2013

	31-Mar-13	31-Mar-12
	RUPEES	RUPEES
A. CASH FROM OPERATING ACTIVITIES		
Net Profit before taxation	1,237,077	2,865,716
Adjustment for :		
Depreciation	777,370	862,539
Financial charges	14,037,923	13,870,556
Exchange gain	(15,088,888)	(17,019,539)
	(273,595)	(2,286,444)
	963,482	579,272
Changes in Working Capital (Increase) / decrease in current assets		
Stores spares	0	0
Stock-in-trade	0	(769,075)
Trade debts	2,844,241	364,570
Advances, deposits & prepayments	0	(104,736)
Other receivables	0	(7,444)
Increase / (decrease) in current liabilities Trade and other payables	(1,497,171)	(353,151)
	1,347,070	(869,836)
Cash generated from operations	2,310,552	(290,564)
Financial charges paid	(232,078)	(39,564)
Tax paid	(271,136)	0
Exchange gain	0	0
Markup received from Associates	0	0
	1,807,338	(330,128)
B. CASH FROM INVESTING ACTIVITIES		
Fixed capital expenditure	0	(335,000)
C. CASH FROM FINANCING ACTIVITIES		
Short term loans obtained	0	0
Repayment of short term loans	0	0
	0	0
Net (decrease) / increase in Cash & Cash equivalent (A+B+C).	1,807,338	(665,128)
Cash & Cash equivalent at the beginning	52,769	1,269,684
Increase / (Decrease) in cash and cash equivalent during the period	1,807,338	(665,128)
Cash & cash equivalent at the end	1,860,107	604,556

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Chief Executive

AFTAB ALAM

Director

Hyderabad: April 25, 2013

Statement of Changes in Equity

For the 3rd Quarter ended March 31, 2013

	Amount in Rupees			
	Share Capital	General Reserve	Accumulated (Loss)	Total
Balance as on July 1, 2011	20,000,000	53,500,000	(162,002,762)	(88,502,762)
Profit upto March 31, 2012	0	0	2,865,716	2,865,716
Balance as on March 31, 2012	20,000,000	53,500,000	(159,137,046)	(85,637,046)
Balance as on July 1, 2012	20,000,000	53,500,000	(149,603,134)	(76,103,134)
Profit upto March 31, 2013	0	0	1,237,077	1,237,077
Balance as on March 31, 2013	20,000,000	53,500,000	(148,366,057)	(74,866,057)

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Director

Hyderabad: April 25, 2013