

# QUARTERLY REPORT

September 30, 2013



**Fateh  
Sports Wear  
Limited**

Mirpurkhas Road, Hyderabad, Pakistan

# Fateh Sports Wear Limited

442, Mirpurkhas Road, Hyderabad

## BOARD'S REVIEW TO THE SHAREHOLDERS

On behalf of Board of Directors, I present before you the Quarterly Accounts (1<sup>st</sup> Quarter), Un-Audited, Balance Sheet and Profit & Loss Account alongwith the Cash Flow Statement for the period ended September 30, 2013.

During the period under review, Company has achieved sales of Rs.13.58 million whereas Gross Loss stand at Rs.3.62 million. After Administration and Selling Expense of Rs. 1.30 million, Company incurred Operating Loss of Rs. 4.92 million. Loss after taxation carried forward to balance sheet is Rs.8.80 million. The Accumulated Loss at the end of 1st quarter carried over to balance sheet is Rs. 477.83 million. Loss per share is Rs.4.40.

for and on behalf of the Board



**RAUF ALAM**

Chief Executive

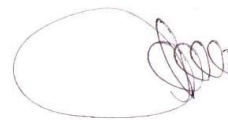
Hyderabad: October 24, 2013

# BALANCE SHEET

As at September 30, 2013  
(Un-Audited)

	<u>30-Sep-13</u> <u>RUPEES</u>	<u>30-Jun-13</u> <u>RUPEES</u>
<b><u>Capital &amp; Liabilities</u></b>		
<b>Authorized Capital</b>		
5,000,000 ordinary shares of Rs. 10/- each	<u>50,000,000</u>	<u>50,000,000</u>
<b>Shareholders' Equity</b>		
Issued, subscribed and paid up share capital	<u>20,000,000</u>	20,000,000
General reserve	<u>53,500,000</u>	53,500,000
Unappropriated loss	<u>(477,835,728)</u>	(469,032,687)
	<u>(404,335,728)</u>	(395,532,687)
<b>Current Liabilities</b>		
Trade and others payable	<u>45,591,866</u>	45,449,290
Markup accrued on loan	<u>193,015,699</u>	189,165,806
Short term running finance	<u>207,563,231</u>	207,563,231
Provision for taxation	<u>109,320</u>	109,320
	<u>446,280,116</u>	442,287,647
<b>Total</b>	<u><u>41,944,388</u></u>	<u><u>46,754,960</u></u>
<b><u>Property &amp; Assets</u></b>		
<b>Operating Fixed Assets</b>	<b>16,656,415</b>	16,867,285
<b>Current Assets</b>		
Stores, spare parts and loose tools	<u>0</u>	0
Stock-in-trade	<u>3,153,243</u>	10,825,521
Trade debts	<u>6,043</u>	5,892
Advances, deposits and prepayments	<u>1,823,554</u>	1,693,729
Other receivables	<u>17,121,375</u>	17,121,375
Cash and bank balances	<u>3,183,758</u>	241,158
	<u>25,287,973</u>	29,887,675
<b>Total</b>	<u><u>41,944,388</u></u>	<u><u>46,754,960</u></u>

Hyderabad: October 24, 2013



**RAUF ALAM**  
Chief Executive



**AFTAB ALAM**  
Director

# PROFIT AND LOSS ACCOUNT

For the 1st Quarter ended September 30, 2013  
(Un-Audited)

	30-Sep-13 RUPEES	30-Sep-12 RUPEES
Sales	13,580,964	1,460,145
Cost of Sales	17,198,309	2,068,148
<b>Gross Loss</b>	<b>(3,617,345)</b>	(608,003)
Administration Expense	1,044,372	286,245
Selling Expenses	257,808	0
	1,302,180	286,245
<b>Operating Loss</b>	<b>(4,919,525)</b>	(894,248)
Exchange rate difference	0	828,204
	(4,919,525)	(66,044)
Financial expenses	3,849,893	4,627,095
Other charges	33,623	226,608
	3,883,516	4,853,703
<b>Loss before taxation</b>	<b>(8,803,041)</b>	(4,919,747)
Taxation	0	0
<b>Loss after taxation</b>	<b>(8,803,041)</b>	(4,919,747)
Other comprehensive income	0	0
<b>Total comprehensive Loss for the period</b>	<b>(8,803,041)</b>	(4,919,747)
Loss per share	(4.40)	(2.46)

## 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 24th October, 2013.



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Chief Executive



**AFTAB ALAM**

Director

Hyderabad: October 24, 2013

# CASH FLOW STATEMENT

For the 1st Quarter ended September 30, 2013

	<b>30-Sep-13</b>	30-Sep-12
	<b>RUPEES</b>	RUPEES
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net loss before taxation	<b>(8,803,041)</b>	(4,919,747)
Adjustment for :		
Depreciation	<b>259,173</b>	288,500
Bank charges	<b>33,623</b>	226,608
Financial charges	<b>3,849,893</b>	4,627,095
Exchange rate difference	<b>0</b>	(828,204)
	<b>4,142,689</b>	4,313,999
	<b>(4,660,352)</b>	(605,748)
Changes in Working Capital (Increase) / decrease in current assets		
Stock in trade	<b>7,672,278</b>	0
Trade debts	<b>(151)</b>	2,824,700
Advances, deposits & prepayments	<b>(129,825)</b>	(198,119)
Other receivables	<b>0</b>	0
Increase / (decrease) in current liabilities	<b>142,576</b>	(1,522,874)
Trade and other payables	<b>7,684,878</b>	1,103,707
	<b>3,024,526</b>	497,959
Cash generated from operations	<b>(33,623)</b>	(226,608)
Bank charges	<b>0</b>	0
Exchange gain	<b>2,990,903</b>	271,351
	<b>2,990,903</b>	271,351
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net Cash flow from investing activities	<b>(48,303)</b>	0
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short term borrowing	<b>0</b>	0
	<b>0</b>	0
<b>Net (decrease) / increase in Cash &amp; Cash equivalent (A+B+C).</b>	<b>2,942,600</b>	271,351
Cash & cash equivalents at the beginning of the period	<b>241,158</b>	52,769
Cash & cash equivalent during the period	<b>2,942,600</b>	271,351
<b>cash &amp; cash equivalent at the end of the period</b>	<b>3,183,758</b>	324,120



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# Statement of Changes in Equity

For the 1st Quarter ended September 30, 2013

	<u>Amount in Rupees</u>			
	<u>Share Capital</u>	<u>General Reserve</u>	<u>Accumulated Profit/(Loss)</u>	<u>Total</u>
<b>Balance as on July 1, 2011</b>	<b>20,000,000</b>	<b>53,500,000</b>	<b>(162,002,762)</b>	<b>(88,502,762)</b>
Profit upto September 30, 2011	0	0	1,866,448	1,866,448
<b>Balance as on September 30, 2011</b>	<b>20,000,000</b>	<b>53,500,000</b>	<b>(160,136,314)</b>	<b>(86,636,314)</b>
<b>Balance as on July 1, 2012</b>	<b>20,000,000</b>	<b>53,500,000</b>	<b>(149,603,134)</b>	<b>(76,103,134)</b>
Loss upto September 30, 2012	0	0	(4,919,747)	(4,919,747)
<b>Balance as on September 30, 2012</b>	<b>20,000,000</b>	<b>53,500,000</b>	<b>(154,522,881)</b>	<b>(81,022,881)</b>
<b>Balance as on July 1, 2013</b>	<b>20,000,000</b>	<b>53,500,000</b>	<b>(469,032,687)</b>	<b>(395,532,687)</b>
Loss upto September 30, 2013	0	0	(8,803,041)	(8,803,041)
<b>Balance as on September 30, 2013</b>	<b>20,000,000</b>	<b>53,500,000</b>	<b>(477,835,728)</b>	<b>(404,335,728)</b>

Hyderabad: October 24, 2013



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Chief Executive



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Director