

# QUARTERLY REPORT

September 30, 2014



**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, 2014.

During the period under review, Company has achieved sales of Rs.17.51 million whereas Gross Loss stand at Rs.023 million. After Administration and Selling Expense of Rs. 0.84 million, Company incurred Operating Loss of Rs. 1.07 million. After Financial expenses Loss before taxation carried forward to balance sheet is Rs.3.25 million. The Accumulated Loss at the end of 1st quarter is Rs. 319.51 million. Loss per share is Rs.1.63.

The Management of the Company has applied for delisting of the Company from Karachi Stock Exchange, for which formal application has been submitted to the Exchange in November, 2013. The application is still under process with the Exchange.

for and on behalf of the Board

**RAUF ALAM**

Chief Executive

Hyderabad: October 27, 2014

# BALANCE SHEET

As at September 30, 2014  
(Un-Audited)

	<b>30-Sep-14</b> <b>RUPEES</b>	30-Jun-14 RUPEES
<b>Capital &amp; Liabilities</b>		
<b>Authorized Capital</b>		
5,000,000 ordinary shares of Rs. 10/- each	<b>50,000,000</b>	50,000,000
<b>Shareholders' Equity</b>		
Issued, subscribed and paid up share capital	<b>20,000,000</b>	20,000,000
General reserve	<b>53,500,000</b>	53,500,000
Unappropriated loss	<b>(319,512,513)</b>	(316,255,270)
	<b>(246,012,513)</b>	(242,755,270)
<b>Current Liabilities</b>		
Trade and others payable	<b>19,036,025</b>	17,646,924
Markup accrued on loan	<b>134,485,936</b>	132,380,182
Short term running finance	<b>141,486,831</b>	141,486,831
Provision for taxation	<b>113,391</b>	113,391
	<b>295,122,183</b>	291,627,328
<b>Total</b>	<b>49,109,670</b>	48,872,058
<b>Property &amp; Assets</b>		
<b>Operating Fixed Assets</b>	<b>15,768,394</b>	16,003,031
<b>Current Assets</b>		
Stores, spare parts and loose tools	<b>0</b>	0
Stock-in-trade	<b>6,103,766</b>	11,814,210
Trade debts	<b>7,334,805</b>	1,961,754
Advances, deposits and prepayments	<b>1,996,439</b>	1,735,781
Other receivables	<b>17,121,375</b>	17,121,375
Cash and bank balances	<b>784,891</b>	235,907
	<b>33,341,276</b>	32,869,027
<b>Total</b>	<b>49,109,670</b>	48,872,058

Hyderabad: October 27, 2014

**RAUF ALAM**  
Chief Executive

**AFTAB ALAM**  
Director

# PROFIT AND LOSS ACCOUNT

For the 1st Quarter ended September 30, 2014  
(Un-Audited)

	30-Sep-14 RUPEES	30-Sep-13 RUPEES
Sales	17,512,659	13,580,964
Cost of Sales	17,745,778	17,198,309
<b>Gross Loss</b>	<b>(233,119)</b>	<b>(3,617,345)</b>
Administration Expense	243,663	1,044,372
Selling Expenses	595,663	257,808
	839,326	1,302,180
<b>Operating Loss</b>	<b>(1,072,445)</b>	<b>(4,919,525)</b>
Exchange rate difference	(53,836)	0
	(1,126,281)	(4,919,525)
Financial expenses	2,105,753	3,849,893
Other charges	25,209	33,623
	2,130,962	3,883,516
<b>Loss before taxation</b>	<b>(3,257,243)</b>	<b>(8,803,041)</b>
Taxation	0	0
<b>Loss after taxation</b>	<b>(3,257,243)</b>	<b>(8,803,041)</b>
Other comprehensive income	0	0
<b>Total comprehensive Loss for the period</b>	<b>(3,257,243)</b>	<b>(8,803,041)</b>
Loss per share	(1.63)	(4.40)

**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 27th October, 2014.

Hyderabad: October 27, 2014

**RAUF ALAM**  
Chief Executive

**AFTAB ALAM**  
Director

# CASH FLOW STATEMENT

For the 1st Quarter ended September 30, 2014

	30-Sep-14 RUPEES	30-Sep-13 RUPEES
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net loss before taxation	(3,257,243)	(8,803,041)
Adjustment for :		
Depreciation	234,639	259,173
Bank charges	25,209	33,623
Financial charges	2,105,753	3,849,893
Exchange rate difference	(53,836)	0
	2,311,765	4,142,689
	(945,478)	(4,660,352)
Changes in Working Capital (Increase) / decrease in current assets		
Stock in trade	5,710,444	7,672,278
Trade debts	(5,373,051)	(151)
Advances, deposits & prepayments	(260,658)	(129,825)
Other receivables	0	0
Increase / (decrease) in current liabilities Trade and other payables	1,389,101	142,576
	1,465,835	7,684,878
Cash generated from operations	520,357	3,024,526
Bank charges	(25,209)	(33,623)
Exchange gain	53,836	0
	548,984	2,990,903
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net Cash flow from investing activities	0	(48,303)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short term borrowing	0	0
	0	0
<b>Net (decrease) / increase in Cash &amp; Cash equivalent (A+B+C).</b>	548,984	2,942,600
Cash & cash equivalents at the beginning of the period	235,907	241,158
Cash & cash equivalent during the period	548,984	2,942,600
<b>cash &amp; cash equivalent at the end of the period</b>	784,891	3,183,758

Hyderabad: October 27, 2014

**RAUF ALAM    AFTAB ALAM**  
Chief Executive                      Director

# Statement of Changes in Equity

For the 1st Quarter ended September 30, 2014

	Amount in Rupees			
	Share Capital	General Reserve	Accumulated Profit/(Loss)	Total
<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>
<b>Balance as on July 1, 2014</b>	<b>20,000,000</b>	<b>53,500,000</b>	<b>(316,255,270)</b>	<b>(242,755,270)</b>
Loss upto September 30, 2014	0	0	(3,257,243)	(3,257,243)
<b>Balance as on September 30, 2014</b>	<b>20,000,000</b>	<b>53,500,000</b>	<b>(319,512,513)</b>	<b>(246,012,513)</b>

Hyderabad: October 27, 2014

**RAUF ALAM**  
Chief Executive

**AFTAB ALAM**  
Director