

QUARTERLY REPORT

March 31, 2023



**Fateh
Sports Wear
Limited**

Mirpurkhas Road, Hyderabad, Pakistan

Fateh Sports Wear Limited

442, Mirpurkhas Road, Hyderabad

BOARD'S REVIEW TO THE SHAREHOLDERS

The Directors of the Company are presenting before you third Quarterly Accounts which includes Statements of Financial Position, Profit or Loss, Cash Flows and Changes in Equity for the period ended March 31, 2023.

During the period under review, Company has no sales due to non availability of orders. After Administration expenses of Rs.1.66 million, Exchange gain of Rs.156.20 million and Financial & Other Charges of Rs.0.08 million, Company earned profit before taxation is Rs.154.47 million during the nine month of the financial year. The unappropriated profit of Rs. 509.27 million carried forward to Balance Sheet. Earning per share for the period ended March 31, 2023 is Rs.77.23.

for and on behalf of the Board

RAUF ALAM

Chief Executive

Hyderabad: April 27, 2023

Statement of Financial Position

As at March 31, 2023
(Un-Audited)

	31-Mar-23 RUPEES	30-Jun-22 RUPEES
<u>Capital & Liabilities</u>		
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 Profit	509,273,818	354,807,438
	582,773,818	428,307,438
Current Liabilities		
Trade and others payables	4,970,954	4,958,954
Accrued Markup on Loans	0	0
Loan from Banks	0	0
Loan from Directors	21,435,955	20,991,955
Provision for taxation	113,391	113,391
	26,520,300	26,064,300
Total	609,294,118	454,371,738
<u>Property & Assets</u>		
Property, Plant and Equipments	10,767,696	11,023,267
Capital work in process	29,844,042	29,844,042
Current Assets		
Stores, Spares and Loose Tools	0	0
Stock-in-trade	0	0
Trade Receivables	567,200,000	411,000,000
Advances, deposits and prepayments	1,365,934	1,365,934
Other receivables	0	0
Cash and bank balances	116,446	1,138,495
	568,682,380	413,504,429
Total	609,294,118	454,371,738

RAUF ALAM
Chief Executive

SAEED ALAM
Director

MUHAMMAD ISMAIL
Chief Financial Officer

Hyderabad: April 27, 2023

Statement of Profit or Loss & Comprehensive Income

For the 3rd Quarter ended March 31, 2023

(Un-Audited)

	JAN-MAR 2023 RUPEES	JUL-MAR 2023 RUPEES	JAN-MAR 2022 RUPEES	JUL-MAR 2022 RUPEES
Sales	0	0	0	0
Cost of sales	0	0	0	0
Gross Profit	0	0	0	0
Administration expenses	514,689	1,657,479	563,051	1,285,722
Selling expenses	0	0	0	0
	514,689	1,657,479	563,051	1,285,722
Operating Loss	(514,689)	(1,657,479)	(563,051)	(1,285,722)
Exchange Gain	114,400,000	156,200,000	10,640,000	50,452,600
Other Income	0	0	0	102,040
	113,885,311	154,542,521	10,076,949	49,268,918
Financial Expenses	39	1,141	40	1,368
Other Charges	0	75,000	0	75,000
	39	76,141	40	76,368
Profit before Taxation	113,885,272	154,466,380	10,076,909	49,192,550
Provision for taxation	0	0	0	0
Profit after Taxation	113,885,272	154,466,380	10,076,909	49,192,550
Other comprehensive income	0	0	0	0
Total comprehensive Income/ (Loss) for the Period	0	0	0	0
	113,885,272	154,466,380	10,076,909	49,192,550
Earning per share	56.94	77.23	5.04	24.60

Notes:

1. **Fateh Sports Wear Limited** is incorporated in Pakistan as a public limited company and is listed on Pakistan Stock Exchange. The Company is engaged mainly in the manufacturing and export of ready-made garments. The registered office of the company is situated at 442, Mirpurkhas Road, Hyderabad.
2. These condensed financial accounts are un-audited and are being submitted to the shareholders as required under section 237 of the Companies Act -2017 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 April, 2023.

RAUF ALAM

Chief Executive

Hyderabad: April 27, 2023

SAEED ALAM

Director

MUHAMMAD ISMAIL

Chief Financial Officer

Notes to the condensed Interim Financial Statements:

For the 3rd Quarter ended March 31, 2023

1. CORPORATE AND GENERAL INFORMATION

The company was incorporated on May 20, 1984, as a public company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017), and is listed on Pakistan Stock Exchange Limited. The business of company is to manufacture ready-made garments for selling them locally as well as exporting. The Registered office is situated at 442, Mirpurkhas Road, Hyderabad.

2. BASIS FOR PRESENTATION

2.1 Purpose of Issuance

These condensed interim financial statements have been issued to the shareholders to comply with Section 237 of the Companies Act, 2017 are un-audited

2.2 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 – “Interim Financial Reporting” and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements do not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2022. These condensed interim financial statements are unaudited.

2.3 Comparative Financial Information

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2022, whereas the comparative condensed interim profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement, are extracted from the unaudited condensed interim financial statements for the quarter ended March 31, 2022.

2.4 Basis of Measurement

These condensed interim financial statements have been prepared under the historical cost convention.

2.5 Accounting Policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements for the year ended June 30, 2022.

2.6 Accounting Estimates and Judgments

Estimates and judgments made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended June 30, 2022.

2.7 Functional and Presentation Currency

These financial statements are presented in Pakistan Rupees, which is the company's functional and presentation currency.

3 CONTINGENCIES AND COMMITMENTS

Contingencies reported in the annual audited financial statements for the year ended June 30, 2022 remain-unchanged.

4 TAXATION

No provision for current taxation has been made in these condensed interim financial statements.

5 RELATED PARTY TRANSACTIONS

Related parties comprise of group companies (associates), directors, major shareholders, their close family members and key management personnel. Transactions with related parties during the year, other than and including those which have been disclosed elsewhere in these financial statements, are given below:

<u>Name of Related Party</u>	<u>Nature of Transaction</u>	31-Mar-23	31-Mar-22
		<u>Rupees</u>	
Mr. Rauf Alam - Director	Loan received	81,000	-
Mr. Saeed Alam - Director	Loan received	363,000	201,000

6. FIGURES

Figures in these condensed interim financial statements have been rounded off to the nearest thousand rupees.

7. DATE OF AUTHORISATION

These condensed interim financial statements were authorized for issue on April 27, 2023 by the Board of Directors of the Company.

RAUF ALAM

Chief Executive

Hyderabad: April 27, 2023

SAEED ALAM

Director

MUHAMMAD ISMAIL

Chief Financial Officer

Statement of Cash Flows

For the 3rd Quarter ended March 31, 2023

	31-Mar-23 RUPEES	31-Mar-22 RUPEES
A. CASH FROM OPERATING ACTIVITIES		
Net Profit before taxation	154,466,380	49,192,550
Adjustment for :		
Depreciation	255,571	284,159
Financial charges	1,141	1,368
Exchange Loss/(Gain)	(156,200,000)	(50,452,600)
	(155,943,288)	(50,167,073)
	(1,476,908)	(974,523)
Changes in Working Capital (Increase) / decrease in current assets		
Trade receivables	(156,200,000)	(50,452,600)
Advances, deposits & prepayments	0	(38,217)
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	12,000	(307,819)
	(156,188,000)	(50,798,636)
Cash generated from operations	(157,664,908)	(51,773,159)
Tax paid		
Trade receivables		
Financial Charges	(1,141)	(1,368)
Exchange (loss)/gain	156,200,000	50,452,600
	(1,466,049)	(1,321,927)
B. CASH FROM INVESTING ACTIVITIES		
Fixed capital expenditure	0	(1,515,700)
C. CASH FROM FINANCING ACTIVITIES		
Loan received from directors	444,000	201,000
Repayment of loan	0	0
	444,000	201,000
Net (decrease) / increase in Cash & Cash equivalent (A+B+C).	(1,022,049)	(2,636,627)
Cash & Cash equivalent at the beginning	1,138,495	4,016,278
Increase / (Decrease) in cash and cash equivalent during the period	(1,022,049)	(2,636,627)
Cash & cash equivalent at the end	116,446	1,379,651

RAUF ALAM

Chief Executive

Hyderabad: April 27, 2023

SAEED ALAM

Director

MUHAMMAD ISMAIL

Chief Financial Officer

Statement of Changes in Equity

For the 3rd Quarter ended March 31, 2023

	<u>Amount in Rupees</u>			
	<u>Share Capital</u>	<u>General Reserve</u>	<u>Accumulated (Loss)/Profit</u>	<u>Total</u>
Balance as on July 1, 2021	20,000,000	53,500,000	260,968,055	334,468,055
Profit upto March 31, 2022	0	0	49,192,550	49,192,550
Balance as on March 31, 2022	20,000,000	53,500,000	310,160,605	383,660,605
Balance as on July 1, 2022	20,000,000	53,500,000	354,807,438	428,307,438
Profit upto March 31, 2023	0	0	154,466,380	154,466,380
Balance as on March 31, 2023	20,000,000	53,500,000	509,273,818	582,773,818

RAUF ALAM

Chief Executive

Hyderabad: April 27, 2023

SAEED ALAM

Director

MUHAMMAD ISMAIL

Chief Financial Officer