ANNUAL REPORT 2017





3 Notice of Annual General Meeting Company Profile 5 Directors' Report to the Members 7 Statement of Compliance 9 Auditors' Report to the Members 11 Review Report to the Members 12 Balance Sheet 13 Profit & Loss Account 14 Cash Flow Statement 15 Statement of Changes in Equity 16 Notes to the Accounts 27 Pattern of Shareholdings 28 Details of Pattern of Shareholdings 29 Proxy Form

Notice of Annual General Meeting



Notice is hereby given that the 34th Annual General Meeting of Shareholders of FATEH SPORTS WEAR LIMITED will be held on Saturday, October 28, 2017 at 9:00 a.m. at the registered office of the Company at Mirpurkhas Road, Hyderabad to transact the following business:

- To confirm the minutes of the last Annual General Meeting held on October 31, 2016.
- To receive, consider and adopt the Audited Accounts of the Company and the Directors' and Auditors' Reports thereon for the year ended 30th June, 2017.
- 3. To appoint Auditors for the year 2017-2018 and to fix their remuneration.
- 4. To transact any other business with the permission of the Chair.

By order of the Board for FATEH SPORTS WEAR LIMITED

Hyderabad, October 4, 2017 Ghous Muhammad Khan Company Secretary

NOTES:

- The share transfer books of the Company will remain closed for 7 days from 22nd to 28ⁱⁿ October, 2017 (both days inclusive).
- Any member of the Company who is entitled to attend and vote may appoint any other member of the Company as his/her Proxy to attend and vote in his/her stead.
- Proxies in order to be effective must be received by the Company at the Registered Office not later than 48 hours before the time of holding the meeting.
- Shareholders are required to notify the change of their address if any, immediately
- CDC account holders will further have to follow the guidelines as laid down in Circular No.1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.



BOARD OF DIRECTORS

CHIEF EXECUTIVE

Mr. Rauf Alam

DIRECTORS

Mr. Aftab Alam

Mr. Saeed Alam

Mr. Faraz Alam

Mr. Ashhar Alam

Mr. Jamal Alam

Mr. Aneek Alam

COMPANY SECRETARY

Mr. Ghous Muhammad Khan

CHIEF FINANCIAL OFFICER

Mr. Muhammad Ismail

AUDIT COMMITTEE

Mr. Saeed Alam

Mr. Aftab Alam

Mr. Faraz Alam

HR & R COMMITTEE

Mr. Faraz Alam

Mr. Ashhar Alam

Mr. Jamal Alam

AUDITORS

M/s. Tanwir Ard & Co.

Chammed Accountments

SHARE REGISTRAR

M/s. F.D. Registrar Services (SMC-Pvt) Ltd. Saima Trade Tower-A, Karachi.

BANKERS

MCB Bank Limited

Askuri Bank Limited

Allied Bank of Pakistan Limited

Hubib Bank Limited

REGISTERED OFFICE

442-Mirpurkhas Road, Hyderabad

Tel: (92-22) 3555203-67 Pair: (92-22) 3585266 Limit: tox(\$5000) com Well: www.fahrholishi.com

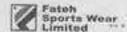
PLANT

Kali Mori

Hyderabad

Directors' Report to the Members

for the year ended June 30, 2017



The Spand of Directors present their report and financial statements of the Company alongwith Auditors' Report for the year ended June 30, 2017.

Due to unfavorable economic condition of International and Local Market, there were no sales recorded in the books of account. However, the management is considering other options such as trading etc to reactivate the operation of the Company. During the year Company incurred Operating Loss of Rs.0.941 million in respect of administration expenses whereas earned profit of Rs. 0.005 million as exchange gain on trade debts. After financial and other charges of Rs.0.311 million. Net loss before taxation is realized and carried forward to balance sheet is Rs.1.247 million. Loss per share is Rs. 0.62.

The accounts of the company are prepared on going concern basis as the management of the company is committed to continue its financial support to meet the current expenses incurred by the Company. The management will also continue its efforts for recovery of stuck up funds from the Russian Federation. As per current development in this matter. Government of Pakistan has finalized the draft protocol to be signed by two Government in forthcoming months.

Compliance with the Code of Corporate Governance (CCG):

The requirements of Code of Corporate Governance set out by Pakistan Stock Exchange in their listing rules, relevant for the year ended June 30, 2017, have been duly complied with, except for those disclosed in statement of compliance with CCG. The Directors confirm the compliance of Corporate Governance, statement to this effect is annexed.

Statement on Corporate and Financial Reporting Framework

- The financial statements, prepared by the management of the Company, presents fairly its state of affairs, cash flows and changes in equity.
- Proper books of accounts have been maintained by the Company;
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- The International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed:
- The System on internal control is sound in design;
- There are no significant doubts upon the company's ability to continue as a going concern;
- There has been no material departure from the best practices of corporate governance, as detailed in the fisting regulations;

Operating and financial data for the last six years is as under.

(Rs.000)

	2013	2012	2088	2014	2015	2018	2017
Sales	8.032	15.307	14,055	35,600	23,563	0.	- 5
Gross Profit / (Loss)	958	1,531	315	944	523	0	.0
Selling & Administration Expenses	7,002	1,600	2,329	4,516	7,760	7,618	(941)
Profit/(Loss) before Taxation	(10,000)	12,433	4319.5251	153,767	17,6251	THE RESERVE AND ADDRESS OF THE PARTY OF THE	(1,247)
Profit/(Loss) after Taxotion	(18,548)	12,400	(319.430)	152,777	(7,7,16)	(1,246)	(1,247)
Authorized Capital	50,000	50,000	50,000	00,000	50,000	50,000	59,000
Paid up Capital	20,000	20,000	29,000	20,000	20,000	20,000	20,000
Shareholder's equity	(88,503)	[76,103]	(395,533)	(2/(2,755))	(250,471)	(251,719)	(252,965)
Fixed Assets	18,683	17,904	16,867	16,060	15,160	14,402	13,721
Fathi Assets	309.457	341,921	45,755	48,872	44,053	41,750	29,925

 No trading of shares have been carried out by the Chief Executive, Directors, Chief Financial Officer, Company Secretary, their spouses and minor children;



During the year five (04) meetings of the Board of Directors were held. The attendance of each Director is as follows:

S.NO.	NAME OF DIRECTOR	MEETING ATTENDED		
1. 2. 3. 4. 5. 6. 7	Mr. Rauf Alam Mr. Aftab Alam Mr. Saeed Alam Mr. Faraz Alam Mr. Ashhar Alam Mr. Jamai Alam Mr. Aneek Alam	04 04 04 04 04 04		

- Pattern of Shareholding required under section 227 of the Companies Act-2017 is annexed;
- Outstanding taxes and levies are given in the relevant notes to the audited financial statements; and
- No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relate and the date of directors' report.

Auditors' Observation

- 1. The company has sent the letters for balance confirmation and subsequently reminders to its creditors/debtors, hence, no reply has been received from their end. Bank confirmation letter were sent directly by the Auditors to the Bank duly authorized by us.
- 2. The company has not made provision for doubtful balances in other receivables amounting to Rs. 17.027 million. The Company will adjust the same after immediately receipt of stuck up funds.

On the issue of going concern, the management of the Company is committed to continue its financial support to meet current expenditures incurred by the Company. On the matter of stuck up funds receivables from Russia, board would like to inform the members of the Company that during the year company has executed a settlement agreement on October 6, 2016 with the Government of Pakistan whereby the Company has agreed to withdraw all pending cases from the court of law after signing and execution of agreement, against payment of USD 2.65 million approximately in respect of Sea Freight Compensation Operations. In these circumstances, the management is expecting recovery of stuck up funds and plans to restart its operations viably anew.

Auditors

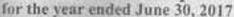
The retiring Auditors M/s. Tanwir Anif & Co., Chartered Accountants, being eligible offer themselves for reappointment for the financial year 2018, Based on the recommendation of the Audit Committee, the Directors have also proposed the re-appointment of M/s. Tanwir Arif & Co., Chartered Accountants as statutory Auditors for the year ending June 30, 2018.

Place: Hyderabad

Chief-Executive Dated: 25th September, 2017

AB ALAM Director

Statement of Compliance





This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No. 35 of listing regulations of Pakistan Stock Exchange Limited (formerly KSE) for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Name				
Independent Directors	No.				
Executive Directors	M/s. Reuf Alam and Seed Alam				
Non-Executive Directors	M/s. Aftab Alam, Faraz Alam, Ashhar Alam, Jamal Alam and Aneek Alam				

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
- 3 All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
- 48 No casual vacancy was occurred in the Board till June 30, 2017.
- 5 The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- Bo The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board/shareholders.
- 8. The meetings of the board were presided over by the Chief Executive Officer and the board met. at least once in every guarter. Written notices of the board meetings, along with agends and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
- In accordance with the criteria specified on clause (xi) of CCG, three directors of the company are exempted from the requirement of director's training program and rest of the directors to be trained within specified time.
- 10: The board had already assigned the additional responsibilities of CFO and Company Secretary of Finishers Limited in Group Companies including terms and conditions of employment.



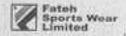
- 11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
- The financial statements of the company were duly endorsed by CEO and CFO before approval
 of the board.
- The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
- 14. The company has complied with all the corporate and financial reporting requirements of the CCG.
- 15. The board has formed an Audit Committee. It comprises 03 members at present two of whom are non executive directors and Chairman is an executive director. The condition of clause i (b) of the CCG in relation to independent director will be applicable after election of next board of directors of the company.
- 16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
- The board has formed an HR and Remuneration Committee. It comprises three member all nonexecutive directors and the chairman of the Committee is also a non-executive director.
- 18 The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
- 19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with international Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
- 20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- 21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange.
- Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
- 23. We confirm that all other material principles enshrined in the CCG have been compiled with except for the following, towards which reasonable progress is being made by the Company to seek compliance by the end of next accoupting year.

Ghief-Executive

Dated: 25th September, 2017

AFTAB ALAN

Review Report to the Members for the year ended June 30, 2017



REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance ("the Code") prepared by the Board of Directors of M/s. Fateh Sports Wear Limited ("the Company") for the year ended June 30, 2017 to comply with the requirements of Rule 5.19 of the Rule Book of Pakistan Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for their review and approval, its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of related party transactions by the board of directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2017.

Further, we highlight below instance of non-compliance with the requirement of the Code as reflected in the note where it is stated in the statement of compliance:

Note/paragraph

Description

reference

Note No. 1

Independent Director

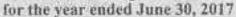
TANWIR ARIF & CO.

Chartered Accountants

Engagement Partner; Tanwir Artf

Hyderabad: 25th September, 2017

Auditors' Report to the Members



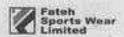


We have audited the annexed Balance Sheet of Fateh Sports Wear Limited (the Company) as at 30th June, 2017 and the related Profit and Loss account, Cash Flow Statement and Statement of Changes in Equity together with notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- We have not received confirmations for balance appearing in trade creditors and short term borrowings from banking companies under note no. 5 and 7.1 respectively to the accounts. Hence, their balances remained un verified in spite of reminders.
- the company has not made provision for doubtful balances in other receivables amounting to Rs. 17.027 million. Had this provision been made, loss for the year would have increased by the said amount.
 - in our opinion, except for the effect of the matters referred to in paras 1 and 2 above, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
 - b) in our opinion, except for the effect of the matters referred to in paras 1 and 2 above;
 - the Balance Sheet and Profit and Loss Account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the company's business; and



- the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company.
- c) Except for paragraphs 1 and 2 above, in our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit and Loss Account, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the loss, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII) of 1980.

Without further qualifying our opinion, we draw attention to note no. 1.2 to the financial statements. As stated in the note as at June 30, 2017 the Company has accumulated losses of Rs. 326.47 million resulting in net negative equity of Rs. 252.97 million. Further, current liabilities of the Company exceed its current assets by Rs. 266.69 million. These conditions, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

TANWIR ARIF & CO.

Chartered Accountants

Engagement Partner: Tanwir Arif

Balance Sheet as at June 30, 2017

	NOTE NO.	30-06-2017 RUPEES	30-06-2016 RUPEES
CAPITAL AND LIABILITIES		TARESTE	in the second
SHARE CAPITAL AND RESERVES			
Authorized Capital 5,000,000 ordinary shares of Rs. 10/- each		50,000,000	50,000,000
Issued, subscribed and paid up share capital General reserve Accumulated loss	3 4	20,000,000 53,500,000 (326,466,445)	20,000,000 53,500,000 (325,219,384
		(252,966,445)	(251,719,384
CURRENT LIABILITIES			
Trade and other payables Mark up accrued on loans Short term borrowings Provision for taxation	5 6 7 8	15,468,954 132,380,182 144,928,860 113,391	16,936,014 132,380,182 144,040,267 113,391
Contingencies and commitments		292,891,387	293,469,854
	- 47	39,924,942	41,750,470
Property, plant and equipment	10	13,720,598	14,401,819
CURRENT ASSETS	1	0.11	0
Stores, spare parts and loose tools Stock-in-trade Frade debts Advances, deposits and prepayments Other receivables Cash and bank balances Contingent assets	11 12 13 14 15 16 17	0 6,134,237 1,934,393 1,035,923 17,027,195 72,596 0	6,134,237 1,937,791 1,069,381 17,996,069 211,173
contangent assists		26,204,344	27,348,651
		39,924,942	41,750,470
Notes: 1. The annexed notes form an integral part of these acc 2. Auditors' report is attached.	ounts.	1	1



	NOTE NO.	30-06-2017 RUPEES	30-06-2016 RUPEES
Sales		0	0
Cost of Sales		0	0
Gross Profit		0	0
Administration expense Operating Loss	18	941,384 (941,384)	1,618,170 (1,618,170)
Other Income-Liabilities written back Exchange gain		0 5,537	626,848 55,374
		(935,847)	(935,948)
Financial expenses - Bank Charges		1,214	2,039
Other charges	19	310,000	310,000
		311,214	312,039
Loss before taxation		(1,247,061)	(1,247,987)
Taxation		0	0
Loss after taxation		(1,247,061)	(1,247,987)
Other comprehensive income	0	0	0
Total comprehensive Loss for the year	100	(1,247,061)	(1,247,987)
Loss per share		(0.62)	(0.62)

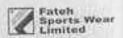
Note: The annexed notes form an integral part of these accounts.

Dated: 25th September; 2017

RAUF REAM

TAB ALAM

MUHAMMAD ISMAIL



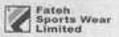
	NOTE NO.	30-06-2017 RUPEES	30-06-2016 RUPEES
Cash flow from Operating Activities		(1,247,061)	(1,247,987)
Loss before taxation	10	681,221	757;888
Depreciation	100	0	(626,848)
Liabilities written back.		0	671,606
Balances written off		(5,537)	(\$5,374)
Exchange gain		675,684	747,273
Operating loss before working capital changes		(571,377)	(500,714)
(Increase) / Decrease in current assets	9 74		
Stock-in-trade		0	. 0
Trade Debts		8,935	16,036
Advances, deposits and prepayments		36,916	595,530
Other receivable		968,874	307,179
(Decrease) / Increase in current liabilities		(1,467,060)	(850,834)
Trade and other payables		Shinter of Assista	67,911
		(452,335)	(432,603)
Cash flow from operations		(1,023,712)	(4,030)
Taxes paid		(3,458)	(436,833)
Net Cash flow from Operating Activities		(1,027,170)	Commence
Cash flow from investing activities Fixed capital expenditure		0	
Cash flow from financing activities			
Short term borrowings		888,593	423,436
From Directors		888,593	423,436
		(428.527)	(13,397)
Net (Decrease) in cash and cash equivalents during the year	16	(138,577)	224,570
Cash and Cash equivalents at the beginning of the year	16	- 211/173	211,173
Cash and cash equivalents at the end of the year		72,596	X LIVE

Dated: 25th September, 2017

AFTER ALAM

MUHAMMAD ISMAIL.

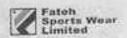
Statement of Changes in Equity for the year ended June 30, 2017



*	Share Capital	General Reserve	Accumulated (Loss)	Total
Balance as at June 30, 2016	20,000,000	53,500,000	(323,971,397)	(250,471,397)
Loss for the year	0	0	(1,247,987)	(1,247,987)
Balance as at June 30, 2017	20,000,000	53,500,000	(325,219,384)	(251,719,384)
Loss for the year	0	0	(1,247,061)	(1,247,061)
Balance as at June 30, 2017	20,000,000	53,500,000	(326,466,445)	(252,966,445)

MAJA BATHA Director

MUHAMMAD ISMAIL **Civief Financial Officer**



THE COMPANY AND ITS OPERATIONS

Fateh Sports Wear Limited is incorporated in Pakistan as a public limited company and is listed on the Pakistan Slock Exchange Limited (Formerly Karachi Stock Exchange).

The Principal activity of the Company is the manufacture of ready made garments and seiling them locally as well as doing exports.

1.2 Going Concern

These financial statements have been prepared on going concern basis, inspite of the uncertainties given here under that may cast significant doubt about the company ability to continue as a going concern, for the reasons

- . the operations of the company were closed since the year 2003, in the year 2011 the company had started producing and supplying goods to foreign as well as local customers with an aim to secure further orders for commencing the production activities in full swing viably anew. But due to scarce financial recourses the operations were not viable hence the operation are closed from March, 2015. The core reason for discontinuation and incurring losses was due to funds blocked with Russia that rendered the Company in the financial distress. The manufacturing activities could not be profitably carried out with scarce financial resources. hence to mitigate the operational cost and administration expenses, operations were closed.
- there are accumulated losses amounting to Rs. 326.47 million with negative equity of Rs. 252.97 million and current liabilities of the company exceed its current assets by Rs. 266.69 million. It is stated that the sum due to related parties amounts to Rs. 97.09 million. Further, old foreign debts were fully provided in the year 2013. consequent to delinkage of the same from Company's claims from Russia. (Reference note No. 13 read with Note No. 17). The management has filed appeal before the Honbie Foreign Exchange Regulation Appellate Board, Karachi against the order of Hon'ble Foreign Exchange adjudication Court, State Basis of Pakistan, Banking Services Corporation in July, 2014, Foreign Exchange Regulation Appellate Board, Karachi vide order dated 24.04.2017 has annuled and set uside the said order and directed the adjudication officer to pass a fresh speaking and final order on all legal and factual grounds and further directed to not to take any operane measure. against the appellant till further direction of this Appellate Board. Thus the amount provided towards foreign trader debtors would be reversed by Rs. 204.3 million making the negative equity to positive figure

Further with the reversal of provision for foreign trade debta, the working capital would become positive;

- the Founcial ratios are adverse, and
- Ine company is unable to settle its outside debts.

The Government of Pakistan and Russian Government are discussing the matter for settlement of the ciaims of the Pakistani exporters. The Government of Pakistan has frozen the account of the Ruesian Government maintained with NSP, Karachi till the settlement of the claims of the Pakistani exporters in accordance with the order of Hon/bir High Court of Shigh. Consequent to the negotiations for recovery of stuck up funds from Russian Government, the Russian Government, has offered to the Government of Pakistain funds to the tune of USD 23.5 million. The company has executed settlement agreement on October 6, 2016 with Government of Pakistan whereby the Company has agreed to withdraw all pending cases from the court of taw, against payment of USO 2.65 million approximately.

In these circumstances, the management is expecting recovery of stuck up funds and plans to resturt its operations viably anew. This shows the genumeness of claims of the company and strong possibility of receipts of funds from abroad.

The management of the company has no plan to liquidate its assets other than under normal course of business: The ability of the company to continue as a going concern currently is based on the followings

- is Continued financial support from directors/related parties;
- ii) Revival of the operations after receipt of stuck up funds from Russia.
- (ii) There is a need to keep the entity in adstance when claims of the Company are expected to be materialized hopefully in next year under the present circumstances as explained herein above

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

These financial statements have been prepared under the "historical cost" convention except as otherwise disclosed in the accounting policies below.



2.2 Basis of Preparation

During the year, the Companies Act 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistain vide its circular no. 17 of 2017 dated July 20, 2017 communicated that the Commission has decided that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, these financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IAS9) as are notified under the repealed Companies Ordinance, 1984, provisions of and directives assued under the repealed Companies Ordinance, 1984 in case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

2.3 Changes in accounting standards, interpretations and pronouncements

 a) New and amended standards and interpretations that are effective in the current year and are not relevant.

New standards, amendments and interpretations that are mandatory for accounting periods beginning on July 1, 2016 are considered not to be relevant for the Company's financial statements and hence have not been detailed in these financial statements.

b) Standards, Amendments to Approved Accounting Standards and Interpretations that are published and has been considered but not yet effective.

The following new standards and interpretations have been assed by International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan.

Standard or interpretation

IFRS 9 Financial instrumenta
IFRS 14 Regulatory Defend Accounts

IFRS 15 Revenue from Contracts with Customers

IFRS 16 Leases

IFRS 17 Insurance Contracts

2.4 Critical accounting estimates and judgments

The preparation of triunicus statements information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

2.4.1 Critical accounting estimates and judgments

The company makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Trade debtors

The company reviews its receivable against provision required there against on an ongoing basis. The provision is made taking into consideration expected recoveries, if any

Income Taxes

In making the estimates for income taxes currently payable by the company the management considers the captest income tax law and the decisions of appellate authorities on certain issues in the past.

Impairment of assets

In accordance with the accounting policy, the management carries out an annual assessment to ascertain whether any of the company's assets are imported. This assessment may change due to technological developments.

Depreciable amount and useful lives of fixes assets

In accordance with the accounting policy, the management carries out an annual assessment of depreciable amount and useful lives of fixed assets. The company scoks advice from the technical department in this regard.

2.4.2 Critical judgments in applying the company's accounting policies

During preparation of these financial statements, the significant judgments made by the management in applying the company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the company for the year ended 30 June 2016.



Functional and presentation currency

items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Puk Rupees, which is the Company's functional and presentation currency.

Property, plant and equipment 2.5

These are stated at cost less depreciation. Depreciation is charged on pro-rate basis under reducing balance method at the rates mentioned in note no. 10. Normal repair and maintenance is charged to expense as and when incurred. However, major repair and improvements are capitalized. Gain or loss on disposal of operating fixed assets a repognized in current year's income.

Long Term Investment 2.7

The management determines the appropriate classification of its investments in accordance with the requirements of International Accounting Standard (IAS) 39; Financial Instruments: Recognition and Measurement at the time of purchase and closely triese investments as either avoidable for sale or held for

investments are initially recorded at cost being the fair value of the consideration given, investments other than Term Ferance Certificates are accounted for on trade date basis, which is the date that an enterprise commits to busis on line to eaching

These are investments that op not fall under held for tracing and are stated at fair value with any resultant gain or loss recognized as separate component of equity until investments are sold disposed off or until the investment is determined to be impaired, at which time the accumulated gain or loss previously reported in equity is included in profit and loss account.

Held for trading investments are those which are either acquired for generating a profit from short term fluctuation in prices or dealers margin. Subsequently held for trading investments are re-measured at fair value with any resultant gain or loss recognized in the profit and loss account.

Stores, Spares and Loose Tools 2.8

These are valued at lower of moving average cost or net realizable value except items in transit which are stated at cost accumulated up to the date of balance sheet.

Stock in Trade 2.9

These are valued at tower of cost and net realizable value, cost is calculated on the following basis:

At moving average cost. Row materials

At cost accumulated upto balance sheet date. Goods in transit.

At manufacturing cost. Goods in process

At average manufacturing cost. Finished goods

Net realizable value signifies the estimated selling price prevailing in the market less estimated selling expenses incidental to sales.

Trade Debis 2.10

Trade receivables are recognized and carried at original levelos amount. Bad debts are adjusted against provisions for doubtful debts or written off against the profit of the Company during the year in which these are deemed to be irrecoverable. Provision is made for debts which are considered doubtful of recovery.

Foreign Currency Transaction 2.11

Transactions in foreign cutrencies are accounted for in Pak Rupoe at exchange rate approximating mose prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Pax Rupee at the rates of exchange which approximate those previsient at the balance sheet date except for liabilities covered under forward exchange contract which are translated at the contracted rates Exchange gain and losses are included in the elcorne statement currently.



2.12 Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of that asset. All other borrowing costs are charged to income.

2.13 Provision for Gratuity

The Company operates an unfunded gratuity scheme for its all eligible employees and provision is made annually to cover the obligations under the scheme. Provision for gratuity has not been made in the accounts as there was no staff employed in the company to whom gratuity is to be paid.

2.14 Taxation

Charge for current taxation is based on taxable income at ourrent tax rates after considering the rebates and tax credits available, if any

The company records deferred tax liability and assets on all temporary differences. However, the management is of the opinion that timing difference relating to deferred tax will not be materially reverse in foreseeable future, as the company's income is covered under presumptive tax regime.

2.15 Revenue Recognition

Sales are recorded on dispatch of goods. Income other than sales are recorded on accrual basis.

2.16 Sales

Sales include rebates on export sales.

2.17 Offsetting of Financial Assets and Financial Liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the company has the legal enforceable right to set off the transaction and also tends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.18 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset has been impaired. If any such indication exists, the company estimates the recoverable amount of the asset, if, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and is recognized as an expense in the income statement.

2.19 Cash and its Equivalents

Cash and cash equivalents are carried in the balance short at cost. For the purpose of cash flow statement it comprises cash in hand and demand deposits, short term highly figure investments that are readily convertible to known amount of cash and which are not subject of significant change in value.

2.20 Related Party Transactions

Transactions between the company and related parties are made at arm's length prices determined in accordance with the comparable uncontrolled price method which sets the price by reference to comparable goods sold in an economically comparable market to a buyer unrelated to seller.

2.21 Financial Assets and Liabilities

All financial assets and liabilities are initially recognized at cost which is fair value for the consideration received or given. These financial assets and liabilities are subsequently measured at fair value.

2.22 Provisions

Provisions are recognized when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.



			30-06-2017 RUPEES	30-06-2016 RUPEES
3.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL Fully paid-up ordinary shares of Rs. 10/- each 50,000 (2016: 50,000) issued for cash 1,950,000 (2016: 1,950,000) issued as bonus shares		500,000 19,500,000 20,000,000	500,000 19,500,000 20,000,000
4.	GENERAL RESERVE		100	
	Opening Balance Provided during the year		53,500,000	53,500,000 0
-			53,500,000	53,500,000
5.	TRADE AND OTHER PAYABLES Creditors Accrued expenses Due to associated undertakings Others		9,588,923 1,559,903 2,013,642 2,306,486 15,468,954	11,259,081 1,558,756 1,811,690 2,306,487 16,936,014
6,	MARKUP ACCRUED ON LOANS Markup on secured finance		132,380,182	132,380,182
7.	SHORT TERM BORROWINGS	No. 11		
	From banking companies (secured) From directors (unsecured)	7.1 7.2	49,856,842 95,072,018 144,928,860	49,856,842 94,183,425 144,040,267

^{7.1} This represents amount secured against hypothecation of stock-in-trade, stores, book debts, lien on export contracts, documents and letters of credit and foreign bits drawn as well as equitable mortgage on fixed assets.

This includes flurring Finance of Rs. 41,856,842/- and Rs. 8,000,000/- representing foreign documents purchased by Alliest Bank Limited.

7.2 Durkig the year amount of Rs. 665,593/ received from directors which is inherest free and repayable on demand.

B. PROVISION FOR TAXATION

Opening Balance	113,391	113,391
Provided during the year	0	0
Adjusted from advance tax due to final tax during the year	. 0	0
	113,391	113,391

^{8.3} No provision for deferred taxation is required as there are no timing differences, and the case of the Company falls under presumptive tax regime.

9. CONTINGENCIES AND COMMITMENTS.

- 9.1 Alted Bank of Pakistan has filed suit for the recovery of outstanding amount before the High Court of Smith of Karachi in August 2002, ageinst which the company has accounted for sufficient provision.
- 9.2 In the year 2014, orders were issued by the Hamble Foreign Exchange Adjudication Court, State Bank of Pikkisten, Banking Services Corporation for realization of export proceeds to the tune of US \$ 3,395,873.38. In case the export proceeds are not realized penalty equivalent to five times of the outstanding E-forms will be imposed. The amount of petialty encounts to US \$ 16,979,365.90. The management of the company has fined appeal before the Foreign Exchange Regulation Appellate Board, Karactiv on 9th July, 2014 against the said orders. The Foreign Exchange Regulation Appellate Board, Karactiv vide order dated 24.04.2017 has annuled and set aside the said order and directar the adjudication officer to pass afresh speaking and final order on all legal and factual grounds and further directed to not take any consiste measure against the appollant till further direction of this Appellate Board. The Company has subsequent to the balance sheet date on 12.19.2017 has file constructional petition before the Horibic High Court of Sindh all Karactiv against the said orders. The Northie High Court Mas granted stay till the discision of the case.



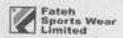
10. PROPERTY, PLANT AND EQUIPMENT

		COST			DEPRECIATI	ON.		Book
PARTICULARS	As on 1-Au-18	AARTON Galenger	As on 36-jundi	Accumulated as at figures	Charged for the year	Race (Va)	Accomplated as at 30-Jun-17	Value as at 30-Jun-17
	1	2	3	4	. 5	0	7	
Land on large hout	7,624,853	12	7,024.852	163	2011	40	4.	7,624,853
Factory Building berinne				The world before		393	1917/1917/19	100
held	15,697,192		15,597,192	14,893,933	80,126	10	14,974,259	722,933
Plant & Machinery	35,352,937	8 1	35,362,937	32,454,053	289,888	10	32,753,941	2,608,996
All Conditioning Plant	9,212,515	8	9,212,616	8,468,760	72,386	10	8,561,146	651,470
Trools & Equipments	1,438,043		1,438,043	1,318,259	11,978	10	1,330,237	107,806
Fundation & Fixture	4,411,125	- 2	4,411,125	4,126,080	28,505	10	4,154,585	256,540
Office Equipment	771,740		771,740	688,525	8,322	10	696,847	74,893
Vehicles	3,851,681	- 6	1.851,681	3,816,451	7,046	20	3,023,497	28,184
Decirie Fittings	14,327,262	- 83	14,327,262	12,710,786	161,640	10	12,072,434	1,454,828
Arms	187,258	43	187,258	127,948	931	10	178,879	8,379
Competers.	1,638,972	931	1,638,972	1,437,065	20,191	10	1,457,256	181,716
8/30/2017	94,523,679		94,323,629	80,121,860	881,221		50,503,081	13,720,598
30-06-2016	34,523,679		94,573,679	79,361,972	757,688	1 5	60,121,860	

		COST			DEPRECIATIO	ON		Book Value as at 30-Jun-16
PARTICULARS	As on total 15	Addition	As on 30-Jun-18	Accumulated as at 1-04-18	for the year	Hare (%)	Accumulated ## #1 10-Net-18	
	1	3	J	4	5	6	7	- 11
Land on house hold Factory Building on lease	7,624,853		7,624,853			100	18:1	7,624,833
hold	15,697,192	15	15,697,192	14,804,602	89,251	10	14,893,933	803,759
Plant & Hachinery	35,362,937	1	35,362,937	32,141,955	322,098	10	32,464,053	2,898,884
Air Canditioning Plant	9,212,616		9,212,616	8,408,332	80,428	10	8,488,780	723,856
Zoots & Equipments	1,438,043	10.40	1,438,043	1,304,950	13,309	10	1,318,259	119,784
Furniture & Flature	4,411,125	4	4,411,125	4,094,408	31,672	10	4,126,080	285,045
Office Equipment	771,740	-	771,740	679,279	9,246	10	688,525	83,215
Fehicles	3,851,681	1(0)	3,651,081	3,807,643	8,908	20	3,816,451	35,230
Distric Fittings	14,327,262	0.2	14,327,262	12,531,178	179,608	10	12,710,786	1,616,476
Arme	187,258	192	387,258	176,914	1,034	10	177,948	9,310
Consultan	1,638,072	760	1,638,972	1,414,631	22,434	10	1,437,069	201,907
6/30/2016	94,523,679	- 1	94,523,579	79,363,972	757,000	mil.	80,121,860	14,401,819
30-06-2005	94.523.670		94,523,679	70,520,648	843,324	6	79,363,972	

The depreciation is allocated as under-

	CONTRACTOR OF THE PARTY OF THE	30-Jun-17	30-Jun-16
100	Cost of Sales -	0	0
(0)	Administration Expenses	681,221	757,880
		681,221	257,688
		The state of the s	



			30-06-2017 RUPEES	30-06-2016 RUPEES
11;	STORE, SPARE PARTS AND LOOSE TOOLS		ROPEES	KUPEES
	Stores		2,317,712	94444
	Spare Parts and loose tools		8,466,020	2,317,712 8,466,020
			10,783,732	10,783,732
	Less: Provision for diminution in value		10,783,732	10,783,732
	PROBLEM SERVICE AND ADMINISTRATION OF THE PROPERTY OF THE PROP	0.00	0	0
12.	STOCK -IN-TRADE	, USUE SEE		
	Raw and packing material		21,405,269	21,405,269
	Less: Provision for diminution in value		15,271,032	15,271,032
			6,134,237	6,134,237
13.	TRADE DEBTS - Unsecured		1,55 7,657	1923 19607
	Export debts			a deservation
	Local debts		1,934,393	1,928,856
		100	0	8,935
	Total considered good Considered doubtful		1,934,393	1,937,791
100	Considered doubtful	13.1	294,347,644	294,347,644
	Later Department for half and an extra an ex-	13.2	296,282,037	296,285,435
	Less: Provisions for bad and doubtful debts			South the -T
	-Opening balance		(294,347,644)	(294,347,644)
	-Provided during the year		0	0
			(294,347,644)	(294,347,644)
	33.1 Export trade debts were considered good since the Foreign 31.03.2011 had linked the settlement of 6 forms with the re Russian Federation Accounts in the name of Vineshoresen	alization of Export error	1,934,393	1,937,791 olgorent Order dated
	23.1 Export trade debts were considered good since the Foreign 31.03.2011 had briked the settlement of E forms with the re Russian Federation Accounts in the name of Vinesheconomb proceeds were reopened and orders were issued by the P Banking Services Corporation for revisition of export proceed and according provided for Phase vefer note no. 9.2. 23.2 The aging of trade debts is under:	olization of Export proc sank with NBP, During t fon'ble Foreign Exchang	1,934,393 A Court, Karachi vide its its eeds and claims of Pakista the year 2013 the cases of ge Adjudication Court, Sta were, therefore, considered 1,934,393 294,347,644	1,937,791 idgment Order dated ni Exportent from the resistation of export te Bank of Pakistan, doubtful of recovery 1,937,791 294,347,644
	31.03.2011 had srived the settlement of 6 forms with the re Russian Federation Accounts in the name of Vinesheconomb proceeds were reoperated and orders were issued by the h Banking Services Corporation for reolization of export procees and according provided for, Phose vefer note no. 9.2. 13.2 The aging of trade debts is under: upto 1 year and above upto 5 year and above	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its it eds and claims of Pakista the year 2013 the cases of ge Adjudication Court, Stawere, therefore, considered 1,934,393	1,937,791 idgment Order dated in Exporters from the realization of export te Bank of Pakistan, doubtful of recovery
14.	31.03.2011 had srived the settlement of E forms with the re Russian Federation Accounts in the name of Vnesheconomb proceeds were reoperaed and orders were issued by the E Banking Services Corporation for reolization of export procees and according provided for Phose vefer note no. 9.2. 13.2 The aging of trade debts is under upto 1 year and above	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its its eeds and claims of Pakista the year 2013 the cases of ge Adjudication Court, Sta were, therefore, considered 1,934,393 294,347,644	1,937,791 idgment Order dated ni Exportent from the resistation of export te Bank of Pakistan, doubtful of recovery 1,937,791 294,347,644
14.	ADVANCES, DEPOSITS AND PREPAYMENTS - Uns	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its its eeds and claims of Pakista the year 2013 the cases of ge Adjudication Court, Sta were, therefore, considered 1,934,393 294,347,644	1,937,791 Identification of export the restriction of export the restriction of export the Bank of Pakistan, I doubtful of recovery 1,937,791 294,347,644 296,285,435
	ADVANCES, DEPOSITS AND PREPAYMENTS - Uns Advances - Considered good Advance against purchase Income tax	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its Jaceds and claims of Pakista the year 2013 the cases of the Adjudication Court, Sta- were, therefore, considered 1,934,393 294,347,644 296,282,037	1,937,791 Identification of export the resilication of export the transport of export the Bank of Pakintan, I doubtful of recovery 1,937,791 294,347,644 296,285,435
	ADVANCES, DEPOSITS AND PREPAYMENTS - Uns Advances - Considered good Advances against purchase	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its its eeds and claims of Pakista the year 2013 the cases of ge Adjudication Court, Sta were, therefore, considered 1,934,393 294,347,644	1,937,791 Identification of export the restriction of export the restriction of export the Bank of Pakistan, I doubtful of recovery 1,937,791 294,347,644 296,285,435
	ADVANCES, DEPOSITS AND PREPAYMENTS - Uns Advances - Considered good Advance against purchase Income tax	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its Jaceds and claims of Pasista the year 2013 the cases of the Adjudication Court, Sta- were, therefore, considered 1,934,393 294,347,644 296,282,037	1,937,791 Identification of export to Bank of Pakinton of export to Bank of Pakinton, I doubtful of recovery 1,937,791 294,347,644 296,285,435
	ADVANCES, DEPOSITS AND PREPAYMENTS - Uns Advances against purchase Income tax Deposits - Considered good Securities - others Securities - others	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its Jaceds and claims of Pasistante year 2013 the cases of pe Adjudication Court, Stawers, therefore, considered 294,347,644 296,282,037	1,937,791 Identification of exports from the realization of exports to Bank of Pakintan, I doubtful of recovery 1,937,791 294,347,644 296,285,435 36,916 1,020,565
	ADVANCES, DEPOSITS AND PREPAYMENTS - Uns Advance against purchase Income tax Deposits - Considered good Advance against purchase Income tax Deposits - Considered good	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its its eds and claims of Pakista the year 2013 the cases of ge Adjudication Court, Stawers, therefore, considered 1,934,393 294,347,644 296,282,037 0 1,024,023 11,900 1,035,923	1,937,791 Idgment Order dated ni Exportent from the resilization of export the Bank of Pakistan, doubtful of recovery 1,937,791 294,347,644 296,285,435 36,916 1,020,565 11,900 1,069,381
	Advances - Considered good Securities - Onsidered good Advances - Considered good	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its Jaceds and claims of Pasistante year 2013 the cases of pe Adjudication Court, Stawers, therefore, considered 294,347,644 296,282,037	1,937,791 Identification of exporters from the restriction of exporters from the restriction of export to Bank of Pakistan, doubtful of recovery 1,937,791 294,347,644 296,285,435 36,916 1,020,565 11,900 1,069,381 161,123
	ADVANCES, DEPOSITS AND PREPAYMENTS - Uns Advances against purchase Income tax Deposits - Considered good Securities - others Securities - others	alization of Export proc lank with NRP, During t fortile Foreign Exchan- di. The export debtors v	1,934,393 A Court, Karachi vide its it eds and claims of Pakista the year 2013 the cases of ge Adjudication Court. Stawers, therefore, considered 1,934,393 294,347,644 296,282,037 0 1,024,023 11,900 1,035,923 161,123	1,937,791 Idgment Order dated ni Exportent from the resilization of export the Bank of Pakistan, doubtful of recovery 1,937,791 294,347,644 296,285,435 36,916 1,020,565 11,900 1,069,381



15.	OTHER RECEIVABLES	30-06-2017 RUPEES	30-06-2016 RUPEES
	Espart rebate - considered goods	17,027,195	17,996,069
16.	Cash in hand Wats Banks on current account	1,619 70,977 72,596	1,619 209,554 211,173

17. CONTINGENT ASSETS

Disting the year company has executed settlement agreement on October 6, 2016 with the Government of Pakistan whereby the Company has agreed to withdraw all pending cases from the court of law, against payment of USD 2.65 million approximately.

Consequently the Company has agreed to withdraw all pending cases against the Pakistan Government and Russian Government for recovery of stuckup lunds for sea freight compensation operation. Last year these cases and claims were reported as under that stand withdrawn with the signing and execution of the settlement agreement aforesaid:

LAST YEAR NOTE ON CONTINGENT ASSETS:

The Government of Pakistan and Russian Government are discussing the matter for settlement of the claims of the Pakistani exporters toward sea freight compensation operation. The Government of Pakistan has frozen the account of the Russian Government maintained with NOP, Karachi till the settlement of the claims of the Pakistani exporters in accordance with the order of Horizile High Court of Sindh.

The Company had also filed suit before the Hon'ble High Court of Sindh against the Pakistan Government and Russian Government for recovery of stuckup funds for sea freight compensation of USD 9,450,000.00 plus USD 9,261,000.00 (towards interest from 01.01.1992 to 31.03.2005) as confirmed and agreed by Russian Federation to be paid with further interest at the time of payment. The Court vide garnishee order dated 12.07.2006 to National Bank of Pakistan has ordered NBP not to release amount to the extent of the amount claimed by the Company.

In the light of the current development for recovery of stuckup funds from Russian Government, the Russian Government is offering to Government of Pokistan up to 20% to 25% of their total outstanding claims, for which negotiations are in process.

18.1	23,600 17,600 123,159 0 95,804 0 681,221	35,652 20,422 101,302 30,500 800 671,606 757,888 1,618,170
	0 0	230,000 431,156 10,450 671,606
	1	0 0 0 0 0



30-06-2017 RUPEES 30-06-2016 RUPEES

19. OTHER CHARGES

Auditors' remuneration Audit fee Half yearly review

250,000	250,000
60,000	50,000
310,000	310,000

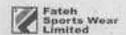
20. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

Remuneration and meeting fees were forgone by the Directors and Chief Executive as such no remuneration and perquisites were paid to them during the year.

There were no loans or advances granted to the Directors during the year.

21. AGGREGATE OF TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS

() (I) (II) (V)	Purchase of goods and services Sales of goods and services Brokerage, discount and commission Interest on loans	0 0	0 0 0
4	charged to associated companies the Charged by associated companies toan and advances	0	0
	a) advances provided b) advances received;	0	0
W)	M/s. Finishers Limited Any other transaction	201,952	265,000



22. Financial Instruments and Related Disclosures

2017

22.1 Financial Assets and Liabilities

	SUBJECT OF	Interest	/ Markup b	earing	Non-Inter	est / Marku	p bearing
	Effective yield Markup Kate	Maturity upto one year	Maturity after one year	Total Rupoes	Maturity upto one year	Haturity after one year	Total Rupees
Financial Assets					1 000 000	727	4 444 444
Other receivables		0	0	0	1,934,393	0	1,934,393
Cash and Bank Balances	WINE	0	. 0	0	72,596	0	72,596
		d.	0	0	19,034,184	0	19,034,184
Financial Liabilities		21 3 100		- Fr 6-1-10	THE RESERVE TO LINE		
Markup accrued on loans		0	. 0	0	132,380,182	0	132,380,182
Short Term Dorrowings		49,856,842	0	49,856,842	95,072,018	0	95,072,018
Trade and other payables		0	. 0	0	15,468,954	0	15,468,954
	98	49,856,842	0	49,856,842	242,921,154	0	242,921,154

2016

Financial Assets and Liabilities

		Interest / Markup bearing			garing	Non-Interest / Markup bearing			
alayyya ta waxayy	Effective yield Markup Rate	Maturity upto one year		Maturity after one year	Total Rupees	Maturity upto one year	Maturity after one year	Total Rupees	
Financial Assets Trade deats Other receivables Cash and Bank Balances			0 0	0 0 0	0 0 0	1,937,791 17,996,069 211,173 20,145,032	0 0 0	1,937,791 17,995,069 231,173 20,145,032	
Financial Liabilities Markup accrued on basis Short Term Borrowings Trade and other payables		49,850,84 49,856,84	œ.	0 0 0	0 49,656,842 0 49,856,842	132,380,182 94,183,425 16,926,014 243,499,621	0 0	132,360,182 94,183,425 16,936,014 245,499,621	

22.2 Risk Management

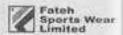
Overall, risks arising from the Company's financial assets and liabilities are limited.

a) Interest rate risk management.

The following rate Liabilities comprise Short term borrowings from banking companies.

b) Foreign Exchange rate risk management.

No foreign currency loan is repayable.



c) Credit Risk Management.

The company is exposed to a concentration of credit risk on its tride debts amounting to Rs. 296,253,601/by virtue of all of its customers being foreigners, and only Rs. 28,436/- trade debts related to business in Pakistan. The company do not have any limits on its customers.

22.3 Fair value of Financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in the financial statements approximate to their fair values.

23. Related Party Disclosure.

Name of Directors	Also Directors in following Associated Companies						
Mr. Rauf Alam	Fateh Industries 1.1d.	Finishers Limited	Yrends Limited				
Mr. Aftab Alam	Fateh Industries Ltd.	Finishers Limited	÷				
Mr. Sneed Alam	Fateb Industries Ltd.	Finishers Limited	Trends Limited				
Pr. Farax Alam	Fateh Industries Ltd.	Finishers Limited					
Mr. Ashhar Alam	Fatch Industries Ltd.	Finishers Limited	2				
4r. Jamat Alam	Fateh Industries Ltd.	Finishers Limited	on the second				
Hr. Aneek Alam	Foteh Industries Ltd.	Finisher's Limited	Se V				

24. Date of Authorization of Issue

These financial statements were authorized for issue on 25th September, 2017 by the Board of Directors of the Company.

25. Production Capacity

The capacity and production of the company's plant is indeterminable as it varies for different verities of goods.

26. Number of Employees

Total number of employees at the end of the year were NIL (2016; NIL), Average number of employees during the year were NIL (2016; NIL).

27. Earning /(Loss) per Share

There is no dilutive effect on the basic earning per share of the Company, which is based on :

Loss after tax for the year Number of Ordinary Shares Loss per share

Rs.

2017 2016 (1,247,061) (1,247,987) 2,000,000 2,000,000 (0.62) (0.62)

28. Figures

Figures have been retinded off to the pearest rupee.

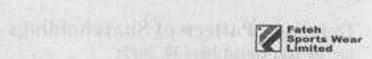
Dated: 25th September, 2017

RAURANM

AB ALAM

MUHAMMAD ISMAIL

Chief Financial Officer



Pattern of holding of the shares held by the shareholders of Fateh Sports Wear Limited as at 30th June, 2017

NO. OF SHAREHOLDERS		SHAREHOLD	ING		TOTAL SHARES HELD
41	From	10	To	100	2,859
46	From	101	To	500	13,654
12	From	501	To	1,000	9,922
8	From	1,001	To	5,000	15,819
4	From	5,001	To	10,000	26,840
3	From	10,001	Te	15,000	36,710
1	From	15,001	70	20,000	15,175
1	From	20,001	To	25,000	23,003
1	From	35,001	To	40,000	38,340
1	From	45,001	To	50,000	45,300
1	From	50,001	Te	55,000	53,270
1	From	150,001	To	155,000	151,047
1	From	210,001	To	215,000	210,025
1	From	225,001	To	230,000	225,175
1	From	265,001	To	270,000	266,715
1	From	270,001	Yo	275,000	274,950
1	From	290,001	Yo	295,000	294,261
1	From	295,001	To	300,000	296,935
126			TO	TAL	2,000,000

S. NO.	CATEGORIES OF SHAREHOLDERS	NUMBERS	TOTAL SHARES HELD	PERCENTAGE
1.	Individuals	116	1,903,530	95,18%
2.	Mutual Fund	1	45,300	2.27%
3.	Joint Stock Companies	2	5,905	0.30%
4.	Financial Institutions	3	32,800	1.64%
5.	Investment Company	3	12,380	0.62%
ŧ.	Others	1	85	0.00%
	TOTAL	126	2,000,000	100.00%
		100		

Details of Pattern of Shareholdings

for the year ended June 30, 2017



CATEGORIES OF SHAREHOLDERS

S.No.	Name	1	lo. of Shares	%
1,	Associated Companies		NII	
40	NOT THE ALL STATES	29		
2	NIT / ICP (Name wise details)			
	CDC Trustee - National Investment (Unit) Trust		45,300	
	Investment Corporation of Pakistan		680	
	National Bank of Pakistan - Trustee Department	- Marine	5,200	
		Total >	51,180	2.56%
3.	Directors, CEO their spouses and minor children			
	Mr. Rauf Alam		266,715	
	Mr. Altab Alam		296,935	
	Mr. Saged Alam		274,950	
	Mr. Faraz Alam		38,340	
	Mr. Ashhar Alam		15,175	
	Mr. Jamal Alam		14,610	
	Mr. Aneek Alam		11,050	
	Mrs. Seema Rauf		210,025	
	Mrs. Shabana Aflab		225,175	
	Mrs. Rana Saeed		294,261	
	Mr. Anhar Alam		11,050	
		Total >	1,658,286	82.91%
4	Executive		Nil	
4	CACCULAG		1000	
5.	Public Sector Companies & Corporation		Nil	
6.	Banks, DFIs, NBFIs, Modarbas, Insurance Companies			
	Mutual Funds & Others			
	National Bank of Pakistan		23,100	
	The Bank of Punjab		9,700	
	Pakistan Industrial Credit & Investment Corporation		6,500	
	Fateh Mohammad Akber		5,440	
	Fatch Textile Milis Limited		465	
	Abandoned Properties		85	