



# **QUARTERLY REPORT**

**March 31, 2018**

**Fateh Industries Limited**

442 Mirpurkhas Road, Hyderabad Pakistan

# Fateh Industries Limited

442, Mirpurkhas Road, Hyderabad

## BOARD'S REVIEW TO THE SHAREHOLDERS

The Directors of your Company present before you the Quarterly Accounts (3<sup>rd</sup> Quarter) Un-Audited Balance Sheet and Profit & Loss Account alongwith the Cash Flow Statement for the period ended March 31, 2018.

The Company has achieved sales of Rs.34.49 million whereas earned Gross Profit of Rs.2.85 million during nine months of the financial year under review. After Administration and Selling expenses of Rs.3.79 million, Company incurred Operating Loss of Rs.0.95 million. After exchange loss of Rs. 1.08 million, Financial and other charges of Rs.0.14 million, Company incurred loss before taxation of Rs. 2.16 million. The accumulated losses are stand at Rs. 259.23 million. Loss per share is Rs.1.05.

for and on behalf of the Board



**SAEED ALAM**  
Chief Executive

Hyderabad: April 23, 2018

# BALANCE SHEET

As at March 31, 2018  
(Un-Audited)

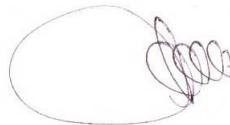
	<u>31-03-2018</u> <u>RUPEES</u>	<u>30-06-2017</u> <u>RUPEES</u>
<b>Capital &amp; Liabilities</b>		
<b>Authorized Capital</b>		
10,000,000 ordinary shares of Rs. 10/- each	<b>100,000,000</b>	100,000,000
<b>Shareholders' Equity</b>		
Issued, subscribed and paid up share capital	<b>20,000,000</b>	20,000,000
Investment revaluation reserve	<b>559,906</b>	710,388
Unappropriated loss	<b>(259,225,425)</b>	(257,068,982)
	<b>(238,665,519)</b>	(236,358,594)
<b>Current Liabilities</b>		
Trade and others payables	<b>103,727,113</b>	103,273,941
Short term running finances	<b>183,007,981</b>	182,907,981
Provision for Taxation	<b>174,120</b>	174,120
	<b>286,909,214</b>	286,356,042
Total	<b>48,243,695</b>	49,997,448
<b>Property &amp; Assets</b>		
<b>Operating Fixed Assets</b>	<b>18,438,403</b>	19,760,695
<b>Long Term Investments</b>	<b>577,473</b>	727,955
<b>Current Assets</b>		
Stores, spare parts and loose tools	<b>0</b>	0
Stock-in-trade	<b>1,354,172</b>	3,384,830
Trade debts	<b>20,931,802</b>	17,442,137
Advances, deposits and prepayments	<b>2,134,601</b>	1,789,414
Other receivables	<b>3,555,524</b>	3,555,524
Cash and bank balance	<b>1,251,720</b>	3,336,893
	<b>29,227,819</b>	29,508,798
	<b>48,243,695</b>	49,997,448



**SAEED ALAM**

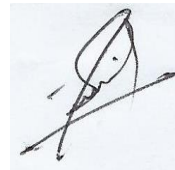
Chief Executive

Hyderabad: April 23, 2018



**RAUF ALAM**

Director



**MUHAMMAD ISMAIL**

Chief Financial Officer

# PROFIT AND LOSS ACCOUNT

For the 3rd Quarter ended March 31, 2018  
(Un-Audited)

	JAN-MAR 2018 RUPEES	JUL-MAR 2018 RUPEES	JAN-MAR 2017 RUPEES	JUL-MAR 2017 RUPEES
Sales	14,708,914	34,488,903	9,410,455	56,909,311
Cost of sales	13,682,147	31,641,121	9,664,536	53,058,111
<b>Gross Profit/ (Loss)</b>	<b>1,026,767</b>	<b>2,847,782</b>	(254,081)	3,851,200
Administration expenses	783,186	2,769,802	934,048	2,590,357
Selling & distribution expenses	7,803	1,023,115	556,145	2,212,112
	<b>790,989</b>	<b>3,792,917</b>	1,490,193	4,802,469
<b>Operating Profit/(Loss)</b>	<b>235,778</b>	<b>(945,135)</b>	(1,744,274)	(951,269)
Other Income	0	12,112	0	11,003
Exchange Gain / (Loss)	206,507	(1,079,363)	(55,385)	1,220,209
	<b>206,507</b>	<b>(1,067,251)</b>	(55,385)	1,231,212
Financial expenses	19,624	84,057	84,640	330,641
Other Charges	0	60,000	0	60,000
	<b>19,624</b>	<b>144,057</b>	84,640	390,641
<b>Profit/(Loss) before Taxation</b>	<b>422,661</b>	<b>(2,156,443)</b>	(1,884,299)	(110,698)
Provision for taxation	0	0	0	0
<b>Profit/(Loss) after Taxation</b>	<b>422,661</b>	<b>(2,156,443)</b>	(1,884,299)	(110,698)
Other comprehensive income/(Loss)	200,075	(150,482)	8,460	134,551
Unrealized gain/(loss) on revaluation of investment - available for sale				
<b>Total Comprehensive income/(Loss)</b>	<b>622,736</b>	<b>(2,306,925)</b>	(1,875,839)	23,853
<b>Earning/(Loss) per share</b>	<b>0.21</b>	<b>(1.08)</b>	(0.94)	(0.06)

Notes:

- Fateh Industries Limited** is incorporated in Pakistan as a public limited company and is listed on the Pakistan Stock Exchange Limited. The Company is engaged mainly in the manufacturing and sale of footwear of all kinds. The registered office of the company is situated at 442, Mirpurkhas Road, Hyderabad.
- 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.
- 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.
- 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.
- Figures in these accounts have been rounded off to the nearest rupee.
- These accounts are authorized by the Board for issue on 23rd April, 2018.



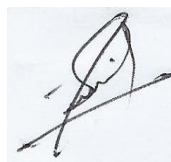
**SAEED ALAM**

Chief Executive



**RAUF ALAM**

Director



**MUHAMMAD ISMAIL**

Chief Financial Officer

Hyderabad: April 23, 2018

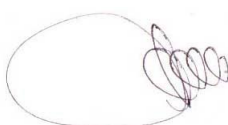
**CASH FLOW STATEMENT**  
For the 3rd Quarter ended March 31, 2018

	<b>31-Mar-18</b> <b>RUPEES</b>	31-Mar-17 RUPEES
<b>A. CASH FROM OPERATING ACTIVITIES</b>		
Net Loss before taxation	(2,156,443)	(110,698)
Adjustment for :		
Depreciation	1,322,292	1,499,533
Other Income	(12,112)	(11,003)
Exchange (Gain)/Loss	1,079,363	(1,220,209)
	<b>2,389,543</b>	268,321
Operating Profit/(Loss) before working capital	<b>233,100</b>	157,623
Changes in Working Capital		
<b>(Increase) / decrease in current assets</b>		
Stock in Trade	2,030,658	10,126,191
Trade Debts	(3,489,665)	(13,689,940)
Advances, deposits & prepayments	(345,187)	5,647,659
Other receivables	0	606,040
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	453,172	(11,770,214)
	<b>(1,351,022)</b>	(9,080,264)
Cash generated from operations	<b>(1,117,922)</b>	(8,922,641)
Other Income	12,112	11,003
Exchange Gain/(Loss)	<b>(1,079,363)</b>	1,220,209
	<b>(2,185,172)</b>	(7,691,429)
<b>B. CASH FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	<b>0</b>	(204,000)
<b>C. CASH FROM FINANCING ACTIVITIES</b>	<b>100,000</b>	9,894,000
	<b>100,000</b>	9,894,000
Changes in cash and equivalents during the period	<b>(2,085,173)</b>	1,998,570
Cash and equivalent at the beginning	<b>3,336,893</b>	1,513,606
<b>Cash and equivalent at the end</b>	<b>1,251,720</b>	3,512,176



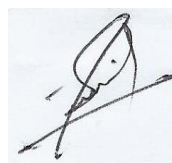
**SAEED ALAM**

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**RAUF ALAM**

Director



**MUHAMMAD ISMAIL**

Chief Financial Officer

Hyderabad: April 23, 2018

# Statement of Changes in Equity

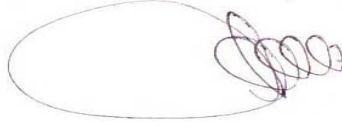
For the 3rd Quarter ended March 31, 2018

Amount in Rupees.

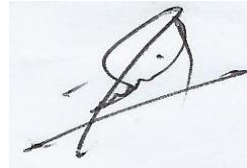
	<u>Share Capital</u>	<u>Surplus on Revaluation of Investment</u>	<u>Accumulated (Loss)</u>	<u>Total</u>
<b>Balance as on July 1, 2016</b>	<b>20,000,000</b>	<b>763,023</b>	<b>(256,274,130)</b>	<b>(235,511,107)</b>
Loss upto March 31, 2017	0	134,551	(110,698)	23,853
<b>Balance as on March 31, 2017</b>	<b>20,000,000</b>	<b>897,574</b>	<b>(256,384,828)</b>	<b>(235,487,254)</b>
<b>Balance as on July 1, 2017</b>	<b>20,000,000</b>	<b>710,388</b>	<b>(257,068,982)</b>	<b>(236,358,594)</b>
Loss upto March 31, 2018	0	(150,482)	(2,156,443)	(2,306,925)
<b>Balance as on March 31, 2018</b>	<b>20,000,000</b>	<b>559,906</b>	<b>(259,225,425)</b>	<b>(238,665,519)</b>



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Chief Executive



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Hyderabad: April 23, 2018