



**QUARTERLY
REPORT**

September 30, 2017

Fateh Industries Limited

442 Mirpurkhas Road, Hyderabad Pakistan

Fateh Industries Limited

442, Mirpurkhas Road, Hyderabad

BOARD'S REVIEW TO THE SHAREHOLDERS

On behalf of Board of Directors, I present before you the Quarterly Accounts (1st Quarter), Un-Audited, Balance Sheet and Profit & Loss Account alongwith the Cash Flow Statement for the period ended September 30, 2017.

During the period under review, Company has achieved sales of Rs.12.76 million whereas Gross Profit stand at Rs.0.94 million. After Administration and Selling Expense of Rs. 1.64 million, Company incurred Operating Loss of Rs.0.71 million whereas after exchange loss of Rs. 0.25 million and financial expenses of Rs.0.03 million, loss after taxation carried forward to balance sheet is Rs.1.00 million. The Accumulated Loss at the end of 1st quarter carried over to balance sheet is Rs.258.07 million. Loss per share for the quarter under review is Rs.0.50.

for and on behalf of the Board



SAEED ALAM

Chief Executive

Hyderabad: October 26, 2017

BALANCE SHEET

As at September 30, 2017
(Un-Audited)

	30-Sep-17 RUPEES	30-Jun-17 RUPEES
<u>Capital & Liabilities</u>		
Authorized Capital		
10,000,000 ordinary shares of Rs. 10/- each	100,000,000	100,000,000
Shareholders' Equity		
Issued, subscribed and paid up share capital	20,000,000	20,000,000
Investment revaluation reserve	586,673	710,388
Unappropriated loss	(258,065,771)	(257,068,982)
	(237,479,098)	(236,358,594)
Current Liabilities		
Trade and others payable	105,056,832	103,273,941
Short term running finance	182,907,981	182,907,981
Provision for taxation	174,120	174,120
	288,138,933	286,356,042
Total	50,659,835	49,997,448
<u>Property & Assets</u>		
Operating Fixed Assets	19,319,931	19,760,695
Long Term Investments	604,240	727,955
Current Assets		
Stores, spare parts and loose tools	0	0
Stock in trade	3,566,830	3,384,830
Trade debts	16,549,297	17,442,137
Advances, deposits and prepayments	1,921,602	1,789,414
Other receivables	3,555,524	3,555,524
Cash and bank balances	5,142,411	3,336,893
	30,735,664	29,508,798
Total	50,659,835	49,997,448



SAEED ALAM
Chief Executive



RAUF ALAM
Director



MUHAMMAD ISMAIL
Chief Financial Officer

Hyderabad: October 26, 2017

PROFIT AND LOSS ACCOUNT

For the 1st Quarter ended September 30, 2017
(Un-Audited)

	30-Sep-17 RUPEES	30-Sep-16 RUPEES
Sales	12,760,503	26,055,960
Cost of sales	11,821,374	25,000,460
Gross Profit	939,129	1,055,500
Administration expenses	1,041,158	1,007,209
Selling expenses	603,713	1,029,260
	1,644,871	2,036,469
Operating Loss	(705,742)	(980,969)
Exchange rate difference	(254,448)	772,073
	(960,190)	(208,896)
Financial expenses	36,599	164,170
Loss before taxation	(996,789)	(373,066)
Taxation	0	0
Loss after taxation	(996,789)	(373,066)
Other comprehensive income for the year		
Unrealized gain/(loss) on revaluation of investment - available for sale	(123,715)	76,769
Total comprehensive Loss for the period	(1,120,504)	(296,297)
Loss per share	(0.50)	(0.19)

Notes:

1. Fateh Industries Limited is incorporated in Pakistan as a public limited company and is listed on the Pakistan Stock Exchange Ltd. The Company is engaged mainly in the manufacturing and sale of footwear of all kinds.
2. These accounts are un-audited and are being published 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 26th October, 2017.



SAEED ALAM
Chief Executive



RAUF ALAM
Director



MUHAMMAD ISMAIL
Chief Financial Officer

Hyderabad: October 26, 2017

CASH FLOW STATEMENT

For the 1st Quarter ended September 30, 2017

	30-Sep-17 RUPEES	30-Sep-16 RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before taxation	(996,789)	(373,066)
Adjustment for :		
Depreciation	440,764	499,845
Financial charges	36,599	164,170
Exchange rate difference	254,448	(772,073)
	731,811	(108,058)
	(264,978)	(481,124)
Changes in Working Capital		
(Increase) / decrease in current assets		
Stock in trade	(182,000)	3,006,650
Trade debts	892,840	(5,189,585)
Advances, deposits & prepayments	(132,188)	5,986,591
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	1,782,891	(3,935,152)
	2,361,543	(131,496)
Cash generated from operations	2,096,565	(612,620)
Financial charges paid	(36,599)	(164,170)
Exchange rate difference	(254,448)	772,073
	1,805,518	(4,717)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash flow from investing activities	0	(204,000)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowing	0	0
	0	0
Net (decrease) / increase in Cash & Cash equivalent (A+B+C).	1,805,518	(208,717)
	1,805,518	(208,717)
Cash & cash equivalents at the beginning of the period	3,336,893	1,513,606
Cash & cash equivalent during the period	1,805,518	(208,717)
cash & cash equivalent at the end of the period	5,142,411	1,304,889



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Director



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Chief Financial Officer

Hyderabad: October 26, 2017


Statement of Changes in Equity

For the 1st Quarter ended September 30, 2017

	Amount in Rupees			
	Share Capital	Surplus on Revaluation of Investment	Accumulated Profit/(Loss)	Total
Balance as on July 1, 2015	20,000,000	702,363	(247,377,547)	(226,675,184)
Loss upto September 30, 2015	0	(102,560)	(4,579,101)	(4,681,661)
Balance as on September 30, 2015	20,000,000	599,803	(251,956,648)	(231,356,845)
Balance as on July 1, 2016	20,000,000	763,023	(256,274,130)	(235,511,107)
Loss upto September 30, 2016	0	76,769	(373,066)	(296,297)
Balance as on September 30, 2016	20,000,000	839,792	(256,647,196)	(235,807,404)
Balance as on July 1, 2017	20,000,000	710,388	(257,068,982)	(236,358,594)
Loss upto September 30, 2017	0	(123,715)	(996,789)	(1,120,504)
Balance as on September 30, 2017	20,000,000	586,673	(258,065,771)	(237,479,098)



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Hyderabad: October 26, 2017