



QUARTERLY REPORT

September 30, 2018

Fateh Industries Limited

442 Mirpurkhas Road, Hyderabad Pakistan

Fateh Industries Limited

442, Mirpurkhas Road, Hyderabad

DIRECTOR'S REVIEW TO THE SHAREHOLDERS

On behalf of the Board of Directors, I present before you the unaudited Quarterly Financial Statements and review of the Company's operations for the 1st Quarter ended September 30, 2018.

Due to unfavourable market condition and intense competition in International Market, sales revenue of the Company in the period under review was Rs.2.42 million as compared to Rs.12.76 million for the corresponding period of last year. Company earned Gross Profit of Rs.0.18 million and after Administration & Selling expenses of Rs.0.61 million, incurred Operating Loss of Rs.0.43 million. Company also incurred loss in respect of exchange loss of Rs.0.23 million whereas loss before taxation is Rs.0.67 million. The Accumulated Losses at the end of 1st quarter carried over to balance sheet is Rs.261.48 million. Loss per share for the quarter under review is Rs.0.34.

for and on behalf of the Board



SAEED ALAM

Hyderabad: October 29, 2018

Chief Executive

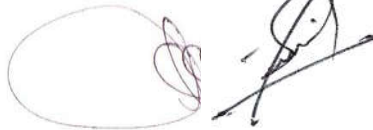
Statement of Financial Position

As at September 30, 2018
(Un-Audited)

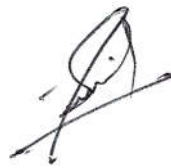
	30-Sep-18 RUPEES	30-Jun-18 RUPEES
<u>Capital & Liabilities</u>		
Authorized Capital		
10,000,000 ordinary shares of Rs. 10/- each	100,000,000	100,000,000
Shareholders' Equity		
Issued, subscribed and paid up share capital	20,000,000	20,000,000
Investment revaluation reserve	381,153	400,256
Unappropriated loss	(261,484,022)	(260,812,411)
	(241,102,869)	(240,412,155)
Current Liabilities		
Trade and others payable	191,842,344	195,942,975
Short term running finance	104,815,071	100,622,190
Provision for taxation	270,942	270,942
	296,928,357	296,836,107
Total	55,825,488	56,423,952
<u>Property & Assets</u>		
Operating Fixed Assets	17,608,229	17,997,639
Long Term Investments	398,720	417,823
Current Assets		
Stores, spare parts and loose tools	0	0
Stock in trade	9,714,339	10,964,339
Trade debts	21,034,784	20,509,601
Advances, deposits and prepayments	2,183,361	2,024,674
Other receivables	3,555,524	3,555,524
Cash and bank balances	1,330,531	954,352
	37,818,539	38,008,490
Total	55,825,488	56,423,952



SAEED ALAM
Chief Executive



RAUF ALAM
Director



MUHAMMAD ISMAIL
Chief Financial Officer

Hyderabad: October 29, 2018

Statement of Profit or Loss and Other Comprehensive Income

For the 1st Quarter ended September 30, 2018
(Un-Audited)

	30-Sep-18 RUPEES	30-Sep-17 RUPEES
Sales	2,417,760	12,760,503
Cost of sales	2,241,122	11,821,374
Gross Profit	176,638	939,129
Administration expenses	600,398	1,041,158
Selling expenses	8,141	603,713
	608,539	1,644,871
Operating Loss	(431,901)	(705,742)
Exchange rate difference	(229,598)	(254,448)
	(661,499)	(960,190)
Financial expenses	10,112	36,599
Loss before taxation	(671,611)	(996,789)
Taxation	0	0
Loss after taxation	(671,611)	(996,789)
Other comprehensive income for the year		
Unrealized gain/(loss) on revaluation of investment - available for sale	(19,103)	(123,715)
Total comprehensive Loss for the period	(690,714)	(1,120,504)
Loss per share	(0.34)	(0.50)

Notes:

1. Fateh Industries Limited was incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange. The Company is engaged mainly in the manufacturing and sale of footwear of all kinds.
2. These un-audited financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of IAS-34, International Financial Reporting issued by IASB and provision of section 237 of Companies Act-2017.
3. The accounting policies and methods of computation adopted in the preparation of these financial statements are the same as those applied in preparation of the annual audited and published financial statements.
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 29th October, 2018.



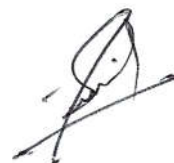
SAEED ALAM

Chief Executive



RAUF ALAM

Director



MUHAMMAD ISMAIL

Chief Financial Officer

Hyderabad: October 29, 2018

Statement of Cash Flows

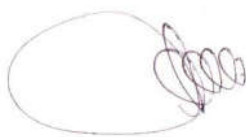
For the 1st Quarter ended September 30, 2018

	30-Sep-18 RUPEES	30-Sep-17 RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before taxation	(671,611)	(996,789)
Adjustment for :		
Depreciation	389,410	440,764
Financial charges	10,112	36,599
Exchange rate difference	229,598	254,448
	629,120	731,811
	(42,491)	(264,978)
Changes in Working Capital (Increase) / decrease in current assets		
Stock in trade	1,250,000	(182,000)
Trade debts	(525,183)	892,840
Advances, deposits & prepayments	(158,687)	(132,188)
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	(4,100,631)	1,782,891
	(3,534,501)	2,361,543
Cash generated from operations	(3,576,992)	2,096,565
Financial charges paid	(10,112)	(36,599)
Exchange rate difference	(229,598)	(254,448)
	(3,816,702)	1,805,518
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash flow from investing activities	0	0
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowing	4,192,881	0
	4,192,881	0
Net (decrease) / increase in Cash & Cash equivalent (A+B+C).	376,179	1,805,518
	376,179	1,805,518
Cash & cash equivalents at the beginning of the period	954,352	3,336,893
Cash & cash equivalent during the period	376,179	1,805,518
cash & cash equivalent at the end of the period	1,330,531	5,142,411



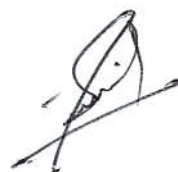
SAEED ALAM

Chief Executive



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Director



MUHAMMAD ISMAIL

Chief Financial Officer

Hyderabad: October 29, 2018

Statement of Changes in Equity

For the 1st Quarter ended September 30, 2018

	<u>Amount in Rupees</u>			
	<u>Share Capital</u>	<u>Surplus on Revaluation of Investment</u>	<u>Accumulated Profit/(Loss)</u>	<u>Total</u>
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)
Balance as on July 1, 2018	20,000,000	400,256	(260,812,411)	(240,412,155)
Loss upto September 30, 2018	0	(19,103)	(671,611)	(690,714)
Balance as on September 30, 2018	20,000,000	381,153	(261,484,022)	(241,102,869)



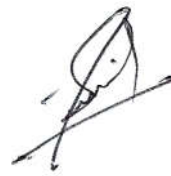
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Hyderabad: October 29, 2018