

Fateh Industries Limited

442, Mirpurkhas Road, Hyderabad

BOARD'S REVIEW TO THE SHAREHOLDERS

The Directors of your Company present before you the Quarterly Accounts (3rd Quarter) Un-Audited Balance Sheet and Profit & Loss Account alongwith the Cash Flow Statement for the period ended March 31, 2013.

The business activities are being continued since proceeding year and Company has achieved sales of Rs. 9.59 million in the nine months of current Financial Year. After Administration and Selling expenses, Operating Loss recorded at Rs.1.84 million whereas Company earned profit on account of exchange gain is Rs.4.10 million which resulted in profit before taxation is Rs.2.19 million.

The Net Profit of Rs. 2.19 million has been carried over to Balance Sheet. The unappropriated loss of the Company is Rs. 210.19 million. Earning per share is Rs. 1.10.

for and on behalf of the Board

SAEED ALAM
Chief Executive

Hyderabad: April 25, 2013

BALANCE SHEET

As at March 31, 2013
(Un-Audited)

	31-03-2013 RUPEES	30-06-2012 RUPEES
Capital & Liabilities		
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	214,752	118,664
Unappropriated loss	(210,196,797)	(212,388,503)
	(189,982,045)	(192,269,839)
Current Liabilities		
Trade and others payables	107,945,799	106,557,297
Short term running finances	230,160,083	230,160,083
	338,105,882	336,717,380
Total	148,123,837	144,447,541
Property & Assets		
Operating Fixed Assets	23,822,851	25,395,266
Long Term Investments	232,317	136,230
Current Assets		
Stores, spare parts and loose tools	700,630	0
Trade debts	114,263,609	114,423,754
Advances, deposits and prepayments	2,664,441	271,243
Other receivables	4,161,818	4,161,818
Cash and bank balance	2,278,171	59,230
	124,068,669	118,916,045
	148,123,837	144,447,541

Hyderabad: April 25, 2013

SAEED ALAM
Chief Executive

RAUF ALAM
Director

PROFIT AND LOSS ACCOUNT

For the 3rd Quarter ended March 31, 2013
(Un-Audited)

	JAN-MAR 2013 RUPEES	JUL-MAR 2013 RUPEES	JAN-MAR 2012 RUPEES	JUL-MAR 2012 RUPEES
Sales	5,895,973	9,594,264	0	5,529,093
Cost of sales	5,303,761	9,244,175	1,190,476	6,024,860
Gross Profit/(Loss)	592,212	350,089	(1,190,476)	(495,767)
Administration expenses	1,155,850	1,394,115	165,471	1,210,429
Selling & distribution expenses	0	802,344	0	542,921
	1,155,850	2,196,459	165,471	1,753,350
Operating Loss	(563,638)	(1,846,370)	(1,355,947)	(2,249,117)
Other Income	4,320	4,320	0	327
Exchange Gain	1,677,410	4,106,468	713,387	4,500,413
	1,118,092	2,264,418	(642,560)	2,251,623
Financial expenses	7,841	72,712	428	428
Profit/(Loss) before Taxation	1,110,251	2,191,706	(642,988)	2,251,195
Provision for taxation	0	0	0	55,364
Profit/(Loss) after Taxation	1,110,251	2,191,706	(642,988)	2,195,831
Other comprehensive income	96,088	96,088	(5,320)	(5,320)
Unrealized gain/(loss) on revaluation of investment - available for sale				
Total Comprehensive income	1,206,339	2,287,794	(648,308)	2,190,511
Earning/(Loss) per share	0.56	1.10	(0.32)	1.10

Notes:

1. Fateh Industries Limited is incorporated in Pakistan as a public limited company and is listed on the Karachi Stock Exchange. The Company is engaged mainly in the manufacturing and sale of footwear of all kinds.
2. These accounts are un-audited and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 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
4. No provision for taxation is made in the accounts since there were no operating activities and 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 25th April, 2013.

Hyderabad: April 25, 2013

SAEED ALAM
Chief Executive

RAUF ALAM
Director

CASH FLOW STATEMENT

For the 3rd Quarter ended March 31, 2013

	31-Mar-13 RUPEES	31-Mar-12 RUPEES
A. CASH FROM OPERATING ACTIVITIES		
Net Profit before taxation	2,191,706	2,251,195
Adjustment for :		
Depreciation	1,642,415	1,819,477
Other Income	(4,320)	(327)
Bank charges	72,712	428
Exchange gain	(4,106,468)	(4,500,413)
	(2,395,661)	(2,680,835)
Operating (loss) before working capital	(203,955)	(429,640)
Changes in Working Capital (Increase) / decrease in current assets		
Trade debts	160,146	(5,456,425)
Stock in Trade	(700,630)	0
Advances, deposits & prepayments	(2,393,198)	(28,762)
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	1,388,502	1,475,279
	(1,545,180)	(4,009,908)
Cash generated from operations	(1,749,135)	(4,494,912)
Bank Charges	(72,712)	(428)
Other Income	4,320	327
Exchange Gain	4,106,468	4,500,413
	2,288,941	5,400
B. CASH FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(70,000)	0
C. CASH FROM FINANCING ACTIVITIES	0	0
Changes in cash and equivalents during the period	2,218,941	5,400
Cash and equivalent at the beginning	59,230	29,153
Cash and equivalent at the end	2,278,171	34,553

SAEED ALAM

Chief Executive

RAUF ALAM

Director

Hyderabad: April 25, 2013

Statement of Changes in Equity

For the 3rd Quarter ended March 31, 2013

	<u>Amount in Rupees.</u>			
	<u>Share Capital</u>	<u>Surplus on Revaluation of Investment</u>	<u>Accumulated (Loss)</u>	<u>Total</u>
Balance as on July 1, 2011	20,000,000	108,945	(217,885,446)	(197,776,501)
Profit/(Loss) upto March 31, 2012	0	(5,320)	2,195,831	2,190,511
Balance as on March 31, 2012	20,000,000	103,625	(215,689,615)	(195,585,990)
Balance as on July 1, 2012	20,000,000	118,664	(212,388,503)	(192,269,839)
Profit upto March 31, 2013	0	96,088	2,191,706	2,287,794
Balance as on March 31, 2013	20,000,000	214,752	(210,196,797)	(189,982,045)

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Hyderabad: April 25, 2013