



QUARTERLY REPORT

March 31, 2014

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 (3rd Quarter) Un-Audited Balance Sheet and Profit & Loss Account alongwith the Cash Flow Statement for the period ended March 31, 2014.

The Company has achieved sales of Rs. 45.243 million whereas earned Gross Profit of Rs.3.178 million during nine months of the financial year under review. After Administration and Selling expenses, company incurred Operating Loss of Rs.1.029 million. After Financial Charges of Rs. 0.153 million and reversal of provision of doubtful debts of Rs.53.056 million, Profit before taxation is Rs. 53.210 million during the period under review. The accumulated losses are stand at Rs. 271.266 million. Earning per share is Rs.26.61.

The Management of the Company has applied for delisting of the Company from Karachi Stock Exchange, for which formal application has been submitted to the Exchange in November, 2013. The application is still under process with the Exchange.

for and on behalf of the Board



SAEED ALAM

Chief Executive

Hyderabad: April 24, 2014

BALANCE SHEET

As at March 31, 2014
(Un-Audited)

	<u>31-03-2014</u> <u>RUPEES</u>	<u>30-06-2013</u> <u>RUPEES</u>
<u>Capital & Liabilities</u>		
Authorized Capital		
10,000,000 ordinary shares of Rs. 10/- each	<u>100,000,000</u>	<u>100,000,000</u>
Shareholders' Equity		
Issued, subscribed and paid up share capital	<u>20,000,000</u>	<u>20,000,000</u>
Investment revaluation reserve	<u>499,365</u>	<u>306,518</u>
Unappropriated loss	<u>(271,266,642)</u>	<u>(324,477,168)</u>
	<u>(250,767,277)</u>	<u>(304,170,650)</u>
Current Liabilities		
Trade and others payables	<u>107,502,855</u>	<u>115,328,650</u>
Short term running finances	<u>195,931,445</u>	<u>231,160,083</u>
Provision for Taxation	<u>4,436</u>	<u>4,436</u>
	<u>303,438,736</u>	<u>346,493,169</u>
Total	<u><u>52,671,459</u></u>	<u><u>42,322,519</u></u>
<u>Property & Assets</u>		
Operating Fixed Assets	<u>22,933,918</u>	<u>23,212,377</u>
Long Term Investments	<u>516,932</u>	<u>324,084</u>
Current Assets		
Stores, spare parts and loose tools	<u>0</u>	<u>0</u>
	<u>4,492,927</u>	<u>6,892,381</u>
Trade debts	<u>6,907,472</u>	<u>6,462,402</u>
Advances, deposits and prepayments	<u>7,783,759</u>	<u>579,528</u>
Other receivables	<u>4,161,818</u>	<u>4,161,818</u>
Cash and bank balance	<u>5,874,633</u>	<u>689,929</u>
	<u>29,220,609</u>	<u>18,786,058</u>
	<u><u>52,671,459</u></u>	<u><u>42,322,519</u></u>

Hyderabad: April 24, 2014



SAEED ALAM
Chief Executive



RAUF ALAM
Director

PROFIT AND LOSS ACCOUNT

For the 3rd Quarter ended March 31, 2014

(Un-Audited)

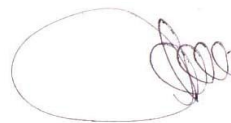
	JAN-MAR 2014 RUPEES	JUL-MAR 2014 RUPEES	JAN-MAR 2013 RUPEES	JUL-MAR 2013 RUPEES
Sales	10,813,733	45,242,992	5,895,973	9,594,264
Cost of sales	10,996,530	42,064,459	5,303,761	9,244,175
Gross Profit	(182,797)	3,178,533	592,212	350,089
Administration expenses	192,651	2,078,372	1,155,850	1,394,115
Selling & distribution expenses	682,180	2,129,763	0	802,344
	874,831	4,208,135	1,155,850	2,196,459
Operating Loss	(1,057,628)	(1,029,602)	(563,638)	(1,846,370)
Other Income	0	10,339	4,320	4,320
Exchange Gain	2,867,396	1,326,709	1,677,410	4,106,468
	2,867,396	1,337,048	1,681,730	4,110,788
Financial expenses	47,619	153,574	7,841	72,712
Less: Reversal of provision against doubtful debts	0	53,056,654	0	0
Profit before Taxation	1,762,149	53,210,526	1,110,251	2,191,706
Provision for taxation	0	0	0	0
Profit after Taxation	1,762,149	53,210,526	1,110,251	2,191,706
Other comprehensive income	192,847	192,847	96,088	96,088
Unrealized gain/(loss) on revaluation of investment - available for sale				
Total Comprehensive income	1,954,996	53,403,373	1,206,339	2,287,794
Earning per share	0.88	26.61	0.56	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 accounts.
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 24th April, 2014.



SAEED ALAM
Chief Executive



RAUF ALAM
Director

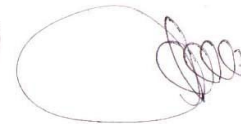
Hyderabad: April 24, 2014

CASH FLOW STATEMENT
For the 3rd Quarter ended March 31, 2014

	31-Mar-14 RUPEES	31-Mar-13 RUPEES
A. CASH FROM OPERATING ACTIVITIES		
Net Profit before taxation	53,210,526	2,191,706
Adjustment for :		
Depreciation	528,458	1,642,415
Other Income	(10,339)	(4,320)
Bank charges	153,574	72,712
Exchange gain	(1,326,709)	(4,106,468)
	(655,016)	(2,395,661)
Operating (loss) before working capital	0 52,555,510	0 (203,955)
Changes in Working Capital (Increase) / decrease in current assets		
Trade debts	(445,070)	160,146
Stock in Trade	2,399,456	(700,630)
Advances, deposits & prepayments	(7,204,231)	(2,393,198)
Other receivables	0	0
Increase / (decrease) in current liabilities	(7,825,795)	(7,825,795)
Trade and other payables	0	1,388,502
	(13,075,640)	(1,545,180)
Cash generated from operations	39,479,867	(1,749,135)
Bank Charges	(153,574)	(72,712)
Other Income	10,339	4,320
Exchange Gain	1,326,709	4,106,468
	40,663,341	2,288,941
B. CASH FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(250,000)	(70,000)
C. CASH FROM FINANCING ACTIVITIES	(35,228,637)	0
	(35,228,637)	0
Changes in cash and equivalents during the period	5,184,704	2,218,941
Cash and equivalent at the beginning	689,929	59,230
Cash and equivalent at the end	5,874,633	2,278,171



SAEED ALAM
Chief Executive



RAUF ALAM
Director

Hyderabad: April 24, 2014

Statement of Changes in Equity

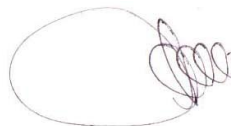
For the 3rd Quarter ended March 31, 2014

	<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, 2012	20,000,000	118,664	(324,477,168)	(304,358,504)
Profit upto March 31, 2013	0	192,847	54,210,524	54,403,371
Balance as on March 31, 2013	20,000,000	311,511	(270,266,644)	(249,955,133)
Balance as on July 1, 2013	20,000,000	306,518	(324,477,168)	(304,170,650)
Profit upto March 31, 2014	0	192,847	53,210,526	53,403,373
Balance as on March 31, 2014	20,000,000	499,365	(271,266,642)	(250,767,277)



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Director

Hyderabad: April 24, 2014