QUARTERLY REPORT

March 31, 2016

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, 2016.

The Company has achieved sales of Rs.86.13 million whereas earned Gross Profit of Rs.4.74 million during nine months of the financial year under review. After Administration and Selling expenses of Rs.11.54 million, Company incurred Operating Loss of Rs.6.80 million. After exchange loss of Rs. 0.32 million, Financial and Other charges of Rs.0.44 million, Company incurred loss before taxation of Rs. 7.55 million. The accumulated losses are stand at Rs. 254.93 million. Loss per share is Rs.3.77.

for and on behalf of the Board

SAEED ALAM
Chief Executive

Hyderabad: April 25, 2016

BALANCE SHEET

As at March 31, 2016

(Un-Audited)

	31-03-2016 RUPEES	30-06-2015 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	**671,409**	702,363
Unappropriated loss	**(254,926,022)**	(247,377,547)
	(234,254,613)	(226,675,184)
Current Liabilities		
Trade and others payables	**127,094,331**	110,084,121
Short term running finances	**173,013,981**	173,013,981
Provision for Taxation	**0**	0
	300,108,312	283,098,102
Total	**65,853,699**	56,422,918
Property & Assets		
Operating Fixed Assets	**22,118,423**	23,805,474
Long Term Investments	**688,975**	719,929
Current Assets		
Stores, spare parts and loose tools	**0**	0
Stock-in-trade	**18,064,841**	15,159,486
Trade debts	**12,797,751**	809,699
Advances, deposits and prepayments	**7,399,955**	5,977,108
Other receivables #	**4,161,818**	4,161,818
Cash and bank balance	**621,936**	5,789,404
	43,046,301	31,897,515
	65,853,699	56,422,918

SAEED ALAM
Chief Executive

RAUF ALAM
Director

Hyderabad: April 25, 2016

PROFIT AND LOSS ACCOUNT

For the 3rd Quarter ended March 31, 2016

(Un-Audited)

	JAN-MAR 2016 RUPEES	**JUL-MAR 2016 RUPEES**	JAN-MAR 2015 RUPEES	JUL-MAR 2015 RUPEES
Sales	**29,419,766**	**86,127,680**	22,532,599	51,472,354
Cost of sales	**27,480,186**	**81,383,097**	19,335,673	44,709,833
Gross Profit	**1,939,580**	**4,744,583**	3,196,926	6,762,521
Administration expenses	**3,470,803**	**8,863,475**	1,535,722	4,381,909
Selling & distribution expenses	**690,274**	**2,679,077**	875,884	2,076,532
	4,161,077	**11,542,552**	2,411,606	6,458,441
Operating (Loss)/Profit	**(2,221,497)**	**(6,797,969)**	785,320	304,080
Other Income	**0**	**8,726**	0	1,305
Exchange Gain/(Loss)	**351,767**	**(319,319)**	2,560,928	4,394,361
	351,767	**(310,593)**	2,560,928	4,395,666
Financial expenses	**115,519**	**379,913**	100,619	135,499
Other Charges	**0**	**60,000**	0	0
	115,519	**439,913**	100,619	135,499
(Loss)/Profit before Taxation	**(1,985,249)**	**(7,548,475)**	3,245,629	4,564,247
Provision for taxation	**0**	**0**	0	0
(Loss)/Profit after Taxation	**(1,985,249)**	**(7,548,475)**	3,245,629	4,564,247
Other comprehensive income/(Loss) Unrealized gain/(loss) on revaluation of investment - available for sale	**42,573**	**(30,954)**	(84,061)	26,117
Total Comprehensive income	**(1,942,676)**	**(7,579,429)**	3,161,568	4,590,364
(Loss)/Earning per share	**(0.99)**	**(3.77)**	1.62	2.28

Notes:

1. **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.

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 25th April, 2016.

SAEED ALAM
Chief Executive

RAUF ALAM
Director

Hyderabad: April 25, 2016

CASH FLOW STATEMENT

For the 3rd Quarter ended March 31, 2016

	31-Mar-16 RUPEES	31-Mar-15 RUPEES
A. CASH FROM OPERATING ACTIVITIES		
Net (Loss)/Profit before taxation	**(7,548,475)**	4,564,247
Adjustment for :		
Depreciation	**1,687,051**	1,345,414
Other Income	**(8,726)**	(1,305)
Exchange Loss/(Gain)	**319,319**	(4,394,361)
	1,997,644	(3,050,252)
Operating (loss) before working capital	**(5,550,831)**	1,513,995
Changes in Working Capital		
(Increase) / decrease in current assets		
Trade debts	**(11,988,053)**	(2,903,221)
Stock in Trade	**(2,905,355)**	(8,545,564)
Advances, deposits & prepayments	**(1,422,847)**	(777,694)
Other receivables	**0**	0
Increase / (decrease) in current liabilities		
Trade and other payables	**17,010,210**	8,541,343
	693,955	(3,685,136)
Cash generated from operations	**(4,856,876)**	(2,171,141)
Other Income	**8,726**	1,305
Exchange Gain/(Loss)	**(319,319)**	4,394,361
	(5,167,468)	2,224,526
B. CASH FROM INVESTING ACTIVITIES		
Fixed capital expenditure	**0**	(350,000)
C. CASH FROM FINANCING ACTIVITIES	**0**	0
	0	0
Changes in cash and equivalents during the period	**(5,167,468)**	1,874,526
Cash and equivalent at the beginning	**5,789,404**	2,519,471
Cash and equivalent at the end	**621,936**	4,393,997

SAEED ALAM — Chief Executive

RAUF ALAM — Director

Hyderabad: April 25, 2016

Statement of Changes in Equity

For the 3rd Quarter ended March 31, 2016

Amount in Rupees.

	Share Capital	Surplus on Revaluation of Investment	Accumulated (Loss)	Total
Balance as on July 1, 2014	**20,000,000**	**571,969**	**(241,778,263)**	**(221,206,294)**
Profit upto March 31, 2015	0	26,117	4,564,247	4,590,364
Balance as on March 31, 2015	**20,000,000**	**598,086**	**(237,214,016)**	**(216,615,930)**
Balance as on July 1, 2015	**20,000,000**	**702,363**	**(247,377,547)**	**(226,675,184)**
Loss upto March 31, 2016	0	(30,954)	(7,548,475)	(7,579,429)
Balance as on March 31, 2016	**20,000,000**	**671,409**	**(254,926,022)**	**(234,254,613)**

SAEED ALAM
Chief Executive

RAUF ALAM
Director

Hyderabad: April 25, 2016