



# QUARTERLY REPORT

**March 31, 2021**

**Fateh Industries Limited**

442 Mirpurkhas Road, Hyderabad Pakistan

# Fateh Industries Limited

442, Mirpurkhas Road, Hyderabad

## BOARD'S REVIEW TO THE SHAREHOLDERS

The Directors of the Company are presenting before you third Quarterly Accounts which includes Statements of Financial Position, Profit or Loss, Cash Flows and Changes in Equity for the period ended March 31, 2021.

The Company has achieved sales of Rs.10.04 million whereas earned Gross Profit of Rs.0.73 million during the nine months of the financial year under review. After Administration and Selling expenses of Rs.2.44 million, Company incurred Operating Loss of Rs.1.71 million. After other income and exchange gain of Rs. 1.40 million and Financial and other charges of Rs.0.08 million, Company incurred loss before taxation of Rs. 0.39 million. The accumulated losses are stand at Rs. 96.02 million. Loss per share is Rs.0.20.

The management of the Company would like to inform the members of the Company that during the period under review, Company has filed formal delisting application with Pakistan Stock Exchange. Management of the Company is pursuing the matter and hopefully it will be finalized soon.

for and on behalf of the Board

**SAEED ALAM**  
Chief Executive

Hyderabad: April 26, 2021

# Statement of Financial Position

As at March 31, 2021  
(Un-Audited)

	<b>31-03-2021</b>	30-06-2020
	<b>RUPEES</b>	RUPEES
<b><u>Capital &amp; Liabilities</u></b>		
<b>Authorized Capital</b>		
10,000,000 ordinary shares of Rs. 10/- each	<b>100,000,000</b>	100,000,000
<b>Shareholders' Equity</b>		
Issued, subscribed and paid up share capital	<b>20,000,000</b>	20,000,000
Investment revaluation reserve	<b>615,905</b>	381,686
Accumulated Loss	<b>(96,020,599)</b>	(95,627,346)
	<b>(75,404,694)</b>	(75,245,660)
<b>Current Liabilities</b>		
Trade and others payables	<b>118,820,835</b>	120,575,859
Loan from Directors	<b>11,133,719</b>	11,133,719
Provision for Taxation	<b>618,531</b>	618,531
	<b>130,573,085</b>	132,328,109
Total	<b>55,168,391</b>	57,082,449
<b><u>Property &amp; Assets</u></b>		
<b>Property, Plant and Equipments</b>	<b>14,144,833</b>	15,061,408
<b>Long Term Investments</b>	<b>633,472</b>	399,253
	<b>14,778,305</b>	15,460,661
<b>Current Assets</b>		
Stores, spare parts and loose tools	<b>0</b>	0
Stock-in-trade	<b>17,829,982</b>	18,617,638
Trade receivables	<b>18,492,010</b>	13,931,400
Advances, deposits and prepayments	<b>2,878,001</b>	2,777,344
Other receivables	<b>0</b>	0
Cash and bank balance	<b>1,190,093</b>	6,295,406
	<b>40,390,086</b>	41,621,788
	<b>55,168,391</b>	57,082,449

**SAEED ALAM**

Chief Executive

Hyderabad: April 26, 2021

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer

# Statement of Profit or Loss

For the 3rd Quarter ended March 31, 2021

(Un-Audited)

	JAN-MAR 2021 RUPEES	JUL-MAR 2021 RUPEES	JAN-MAR 2020 RUPEES	JUL-MAR 2020 RUPEES
Sales	3,969,872	10,044,497	8,201,116	25,487,981
Cost of sales	3,620,523	9,317,733	6,411,510	23,213,735
<b>Gross Profit</b>	<b>349,349</b>	<b>726,764</b>	1,789,606	2,274,246
Administration expenses	307,853	2,438,426	747,124	2,958,922
Selling expenses	0	0	1,208,373	2,272,488
	<b>307,853</b>	<b>2,438,426</b>	1,955,497	5,231,410
<b>Operating Profit/(Loss)</b>	<b>41,496</b>	<b>(1,711,662)</b>	(165,891)	(2,957,164)
Other Income	303,500	596,502	183,000	270,280
Exchange gain/(loss)	948,310	803,995	(855,668)	144,699
	<b>1,251,810</b>	<b>1,400,497</b>	(672,668)	414,979
Financial expenses	2,131	7,088	14,238	85,301
Other Charges	0	75,000	0	75,000
	<b>2,131</b>	<b>82,088</b>	14,238	160,301
<b>Profit/(Loss) before Taxation</b>	<b>1,291,175</b>	<b>(393,253)</b>	(852,797)	(2,702,486)
Provision for taxation	0	0	0	0
<b>Profit/(Loss) after Taxation</b>	<b>1,291,175</b>	<b>(393,253)</b>	(852,797)	(2,702,486)
Earning/(Loss) per share	0.65	(0.20)	(0.43)	(1.35)

## Notes:

- 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. The registered office of the company is situated at 442, Mirpurkhas Road, Hyderabad.
- These condensed financial accounts are un-audited and are being submitted to the shareholders 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.
- 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.
- 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.
- Figures in these accounts have been rounded off to the nearest rupee.
- These accounts are authorized by the Board for issue on 26th April, 2021.

**SAEED ALAM**

Chief Executive

Hyderabad: April 26, 2021

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer

# Statement of Comprehensive Income

For the 3rd Quarter ended March 31, 2021  
(Un-Audited)

	<b>JAN-MAR 2021 RUPEES</b>	<b>JUL-MAR 2021 RUPEES</b>	<b>JAN-MAR 2020 RUPEES</b>	<b>JUL-MAR 2020 RUPEES</b>
Profit/(Loss) after taxation	<b>1,291,175</b>	<b>(393,253)</b>	(852,797)	(2,702,486)
<b>Other comprehensive income</b>				
Unrealized Profit/(loss) on revaluation of investment - available for sale	<b>153,147</b>	<b>234,219</b>	70,151	(107,682)
<b>Total Comprehensive Profit/ (Loss) for the Period</b>	<b>1,444,322</b>	<b>(159,034)</b>	(782,646)	(2,810,168)

**SAEED ALAM**

Chief Executive

Hyderabad: April 26, 2021

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer

# Statement of Cash Flows

For the 3rd Quarter ended March 31, 2021

	<b>31-Mar-21 RUPEES</b>	<b>31-Mar-20 RUPEES</b>
<b>A. CASH FROM OPERATING ACTIVITIES</b>		
Net Loss before taxation	(393,253)	(2,702,486)
Adjustment for :		
Depreciation	916,575	1,033,942
Dividend Income	(2,002)	(16,780)
Exchange (Gain)/Loss	(803,995)	(144,699)
	<b>110,578</b>	872,462
Operating Profit/(Loss) before working capital	<b>(282,675)</b>	<b>(1,830,024)</b>
Changes in Working Capital		
<b>(Increase) / decrease in current assets</b>		
Stock in Trade	787,656	(11,390,472)
Trade receivables	(4,560,611)	(8,424,588)
Advances, deposits & prepayments	34,175	10,886,902
Other receivables	0	0
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	(1,755,024)	345,586,375
	<b>(5,493,804)</b>	336,658,217
Cash generated from operations	<b>(5,776,479)</b>	334,828,193
Income Tax paid	(134,831)	0
Exchange Gain/(Loss)	803,995	144,699
	<b>(5,107,315)</b>	334,972,893
<b>B. CASH FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	0	0
Dividend received	2,002	16,780
	<b>2,002</b>	16,780
<b>C. CASH FROM FINANCING ACTIVITIES</b>		
Loan from directors	0	14,905,000
	<b>0</b>	14,905,000
Changes in cash and equivalents during the period		
Cash and equivalent at the beginning	<b>6,295,406</b>	349,894,673
<b>Cash and equivalent at the end</b>	<b>(5,105,313)</b>	2,673,651
	<b>1,190,093</b>	352,568,324

**SAEED ALAM**

Chief Executive

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer

Hyderabad: April 26, 2021

# Statement of Changes in Equity

For the 3rd Quarter ended March 31, 2021

	<u>Amount in Rupees.</u>			
	<u>Share Capital</u>	<u>Surplus on Revaluation of Investment</u>	<u>Accumulated (Loss)</u>	<u>Total</u>
<b>Balance as on July 1, 2019</b>	<b>20,000,000</b>	<b>292,574</b>	<b>(271,337,645)</b>	<b>(251,045,071)</b>
Loss up to March 31, 2020	0	70,151	(2,702,486)	(2,632,335)
<b>Balance as on March 31, 2020</b>	<b>20,000,000</b>	<b>362,725</b>	<b>(274,040,131)</b>	<b>(253,677,406)</b>
<b>Balance as on July 1, 2020</b>	<b>20,000,000</b>	<b>381,686</b>	<b>(95,627,346)</b>	<b>(75,245,660)</b>
Loss up to March 31, 2021	0	234,219	(393,253)	(159,034)
<b>Balance as on March 31, 2021</b>	<b>20,000,000</b>	<b>615,905</b>	<b>(96,020,599)</b>	<b>(75,404,694)</b>

**SAEED ALAM**

Chief Executive

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer

Hyderabad: April 26, 2021