



QUARTERLY REPORT

September 30, 2021

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 un-audited Quarterly Financial Statements and review on the Company's operations for the 1st Quarter ended September 30, 2021.

During the period under review sales were recorded at Rs.2.03 million as compared to Rs.1.64 million for the corresponding period of the preceding year. Company earned Gross Profit of Rs.0.06 million. After Administration expenses of Rs.0.34 million, Operating Loss is Rs.0.28 million. Other income of Rs.0.29 million and Exchange loss of Rs. 0.89 million has been recorded in the current period. Company incurred Net Loss of Rs. 0.88 million whereas total comprehensive loss stand at Rs.0.95 million. The Accumulated Losses carried forward to balance sheet are Rs.100.73 million. Loss per share for the period is Rs.0.44.

for and on behalf of the Board

SAEED ALAM

Hyderabad: October 25, 2021

Chief Executive

Statement of Financial Position

As at September 30, 2021
(Un-Audited)

	30-Sep-21 RUPEES	30-Jun-21 RUPEES
NON CURRENT ASSETS		
Property, Plant and Equipments	13,568,062	13,839,308
Investments	535,261	605,727
	14,103,323	14,445,035
CURRENT ASSETS		
Stock-in-Trade	17,391,696	17,368,335
Trade Receivables	19,927,744	18,418,751
Advances, Deposits and Prepayments	2,983,545	2,881,651
Cash and Bank Balances	559,112	406,136
	40,862,097	39,074,873
Total	54,965,420	53,519,908
SHARE CAPITAL AND RESERVES		
Share Capital	20,000,000	20,000,000
<i>Capital Reserve</i>		
Investment Re-measurement Reserve	517,694	588,160
<i>Revenue Reserve</i>		
Accumulated Loss	(100,730,295)	(99,850,152)
	(80,212,601)	(79,261,992)
NON-CURRENT LIABILITIES		
Security Deposits from Tanent	630,000	630,000
CURRENT LIABILITIES		
Trade and Other Payables	119,230,771	118,234,650
Loan from Directors	14,698,719	13,298,719
Provision for Taxation	618,531	618,531
	134,548,021	132,151,900
Total	54,965,420	53,519,908

SAEED ALAM
Chief Executive

RAUF ALAM
Director

MUHAMMAD ISMAIL
Chief Financial Officer

Hyderabad: October 25, 2021

Statement of Profit or Loss and Other Comprehensive Income

For the 1st Quarter ended September 30, 2021
(Un-Audited)

	30-Sep-21 RUPEES	30-Sep-20 RUPEES
Sales	2,026,930	1,640,100
Cost of sales	1,971,206	1,628,205
Gross Profit	55,724	11,895
Administration expenses	338,492	349,581
Selling expenses	0	0
	338,492	349,581
Operating Loss	(282,768)	(337,686)
Other income	292,500	147,195
Exchange Loss	(889,406)	(144,315)
	(879,674)	(334,806)
Financial expenses - Bank charges	469	462
Net Loss before taxation	(880,143)	(335,268)
Taxation	0	0
Net Loss after taxation	(880,143)	(335,268)
Other comprehensive income for the year		
Unrealized gain/(loss) on revaluation of investment - available for sale	(70,466)	82,727
Total comprehensive Loss for the period	(950,609)	(252,541)
Loss per share	(0.44)	(0.17)

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 25th October, 2021.

SAEED ALAM

Chief Executive

RAUF ALAM

Director

MUHAMMAD ISMAIL

Chief Financial Officer

Hyderabad: October 25, 2021

Statement of Cash Flows

For the 1st Quarter ended September 30, 2021

	30-Sep-21 RUPEES	30-Sep-20 RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before taxation	(880,143)	(335,268)
Adjustment for :		
Depreciation	271,246	305,525
Other income	0	(1,695)
Financial charges	0	0
Exchange rate difference	889,406	144,315
	1,160,652	448,145
	280,509	112,877
Changes in Working Capital (Increase) / decrease in current assets		
Stock in trade	(23,361)	(1,345,166)
Trade Receivables	(1,508,993)	320,024
Advances, deposits & prepayments	(101,894)	(16,186)
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	996,121	(502,015)
	(638,127)	(1,543,343)
Cash generated from operations	(357,618)	(1,430,466)
Income tax paid	0	(134,834)
Exchange rate difference	(889,406)	(144,315)
	(1,247,024)	(1,709,615)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Dividend Received	0	1,695
Net Cash flow from investing activities	0	1,695
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowing	1,400,000	0
	1,400,000	0
Net (decrease) / increase in Cash & Cash equivalent (A+B+C).	152,976	(1,707,920)
	152,976	(1,707,920)
Cash & cash equivalents at the beginning of the period	406,136	6,295,406
Cash & cash equivalent during the period	152,976	(1,707,920)
cash & cash equivalent at the end of the period	559,112	4,587,486

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Chief Financial Officer

Hyderabad: October 25, 2021

Statement of Changes in Equity

For the 1st Quarter ended September 30, 2021

	Issued paid up share capital	Investment Remeasur- ment Reserve	Accumulated Profit / (Loss)	Total
	----- Rupees -----			
Balance as on July 1, 2019	20,000,000	292,574	(271,337,645)	(251,045,071)
Loss upto September 30, 2019	0	(40,066)	(2,302,917)	(2,342,983)
Balance as on September 30, 2019	20,000,000	252,508	(273,640,562)	(253,388,054)
Balance as on July 1, 2020	20,000,000	381,686	(95,627,346)	(75,245,660)
Profit/(Loss) upto September 30, 2020	0	82,727	(335,268)	(252,541)
Balance as on September 30, 2020	20,000,000	464,413	(95,962,614)	(75,498,201)
Balance as on July 1, 2021	20,000,000	588,160	(99,850,152)	(79,261,992)
Loss upto September 30, 2021	0	(70,466)	(880,143)	(950,609)
Balance as on September 30, 2021	20,000,000	517,694	(100,730,295)	(80,212,601)

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Chief Financial Officer

Hyderabad: October 25, 2021