



**QUARTERLY
REPORT**

September 30, 2022

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 unaudited Quarterly Financial Statements and review on the Company's operations for the 1st Quarter ended September 30, 2022.

During the period under review sales were recorded at Rs.4.38 million as compared to Rs.2.03 million for the corresponding period of the preceding year. Company earned Gross Profit of Rs.0.64 million. After Administration expenses of Rs.0.30 million, Operating Loss is Rs.0.34 million. Other income of Rs.0.18 million and Exchange loss of Rs. 0.98 million has been recorded in the current period. Company incurred Net Loss of Rs. 0.46 million whereas total comprehensive loss of Rs.0.47 million. The Accumulated Losses carried forward to balance sheet are Rs.104.40 million. Loss per share for the period is Rs.0.23.

for and on behalf of the Board

SAEED ALAM

Chief Executive

Hyderabad: October 24, 2022

Statement of Financial Position

As at September 30, 2022
(Un-Audited)

	30-Sep-22 RUPEES	30-Jun-22 RUPEES
NON CURRENT ASSETS		
Property, Plant and Equipments	12,513,182	12,754,323
Investments	569,675	579,741
	13,082,857	13,334,064
CURRENT ASSETS		
Stock-in-Trade	21,057,234	19,285,014
Trade Receivables	26,745,727	24,711,333
Advances, Deposits and Prepayments	2,820,147	2,698,948
Cash and Bank Balances	773,489	573,535
	51,396,597	47,268,830
Total	64,479,454	60,602,894
SHARE CAPITAL AND RESERVES		
Share Capital	20,000,000	20,000,000
Capital Reserve		
Investment Re-measurement Reserve	552,108	562,174
Revenue Reserve		
Accumulated Loss	(104,402,508)	(103,940,601)
	(83,850,400)	(83,378,427)
NON-CURRENT LIABILITIES		
Security Deposits from Tanent	630,000	630,000
CURRENT LIABILITIES		
Trade and Other Payables	124,128,715	121,612,182
Loan from Directors	23,571,139	21,739,139
Provision for Taxation	0	0
	147,699,854	143,351,321
Total	64,479,454	60,602,894

SAEED ALAM
Chief Executive

RAUF ALAM
Director

MUHAMMAD ISMAIL
Chief Financial Officer

Hyderabad: October 24, 2022

Statement of Profit or Loss and Other Comprehensive Income

For the 1st Quarter ended September 30, 2022
(Un-Audited)

	30-Sep-22 RUPEES	30-Sep-21 RUPEES
Sales	4,375,550	2,026,930
Cost of sales	3,737,683	1,971,206
Gross Profit	637,867	55,724
Administration expenses	300,633	338,492
Selling expenses	0	0
	300,633	338,492
Operating Loss	337,234	(282,768)
Other income	180,000	292,500
Exchange Loss	(978,384)	(889,406)
	(461,150)	(879,674)
Financial expenses - Bank charges	757	469
Net Loss before taxation	(461,907)	(880,143)
Taxation	0	0
Net Loss after taxation	(461,907)	(880,143)
Other comprehensive income for the year		
Unrealized gain/(loss) on revaluation of investment - available for sale	(10,066)	(70,466)
Total comprehensive Loss for the period	(471,973)	(950,609)
Loss per share	(0.23)	(0.44)

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 24th October, 2022.

SAEED ALAM

Chief Executive

RAUF ALAM

Director

MUHAMMAD ISMAIL

Chief Financial Officer

Hyderabad: October 24, 2022

Statement of Cash Flows

For the 1st Quarter ended September 30, 2022

	30-Sep-22 RUPEES	30-Sep-21 RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before taxation	(461,907)	(880,143)
Adjustment for :		
Depreciation	241,141	271,246
Other income	0	0
Financial charges	0	0
Exchange rate difference	978,384	889,406
	1,219,525	1,160,652
	757,618	280,509
Changes in Working Capital (Increase) / decrease in current assets		
Stock in trade	(1,772,220)	(23,361)
Trade Receivables	(2,034,394)	(1,508,993)
Advances, deposits & prepayments	(121,199)	(101,894)
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	2,516,533	996,121
	(1,411,280)	(638,127)
Cash generated from operations	(653,662)	(357,618)
Income tax paid	0	0
Exchange rate difference	(978,384)	(889,406)
	(1,632,046)	(1,247,024)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Dividend Received	0	0
Net Cash flow from investing activities	0	0
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowing	1,832,000	1,400,000
	1,832,000	1,400,000
Net (decrease) / increase in Cash & Cash equivalent (A+B+C).	199,954	152,976
	199,954	152,976
Cash & cash equivalents at the beginning of the period	573,535	406,136
Cash & cash equivalent during the period	199,954	152,976
cash & cash equivalent at the end of the period	773,489	559,112

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Chief Executive

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Director

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Chief Financial Officer

Hyderabad: October 24, 2022

Statement of Changes in Equity

For the 1st Quarter ended September 30, 2022

	Issued paid up share capital	Investment Remeasurement Reserve	Accumulated Profit / (Loss)	Total
	----- Rupees -----			
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)
Balance as on July 1, 2021	20,000,000	562,174	(103,940,601)	(83,378,427)
Loss upto September 30, 2021	0	(10,066)	(461,907)	(471,973)
Balance as on September 30, 2021	20,000,000	552,108	(104,402,508)	(83,850,400)

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Chief Financial Officer

Hyderabad: October 24, 2022