



QUARTERLY REPORT

September 30, 2020

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, 2020.

During the period under review sales were recorded at Rs.1.64 million as compared to Rs.4.68 million for the corresponding period of the last year. The main reason for decreasing sales revenue is non availability of export orders due to economic impact of Covid-19 on all over the world. Company earned Gross Profit of Rs.0.01 million. After Administration expenses of Rs.0.35 million, Exchange loss of Rs.0.14 million, Other income of Rs.0.15 million, Company incurred Net loss of Rs. 0.34 million and after gain of Rs.0.08 million on investment, Company incurred total comprehensive loss of Rs.0.25 million. The Accumulated Losses carried forward to balance sheet are Rs.95.96 million. Loss per share for the period is Rs.0.17.

for and on behalf of the Board

SAEED ALAM

Hyderabad: October 26, 2020

Chief Executive

Statement of Financial Position

As at September 30, 2020
(Un-Audited)

	30-Sep-20 RUPEES	30-Jun-20 RUPEES
NON CURRENT ASSETS		
Property, Plant and Equipments	14,755,883	15,061,408
Investments	481,980	399,253
	15,237,863	15,460,661
CURRENT ASSETS		
Stock-in-Trade	19,962,804	18,617,638
Trade Receivables	13,611,376	13,931,400
Advances, Deposits and Prepayments	2,928,364	2,777,344
Cash and Bank Balances	4,587,486	6,295,406
	41,090,030	41,621,788
Total	56,327,893	57,082,449
SHARE CAPITAL AND RESERVES		
Share Capital	20,000,000	20,000,000
Capital Reserve		
Investment Re-measurement Reserve	464,413	381,686
Revenue Reserve		
Accumulated Loss	(95,962,614)	(95,627,346)
	(75,498,201)	(75,245,660)
CURRENT LIABILITIES		
Trade and Other Payables	120,073,844	120,575,859
Loan from Directors	11,133,719	11,133,719
Provision for Taxation	618,531	618,531
	131,826,094	132,328,109
Total	56,327,893	57,082,449

SAEED ALAM
Chief Executive

Hyderabad: October 26, 2020

RAUF ALAM
Director

MUHAMMAD ISMAIL
Chief Financial Officer

Statement of Profit or Loss and Other Comprehensive Income

For the 1st Quarter ended September 30, 2020
(Un-Audited)

	30-Sep-20 RUPEES	30-Sep-19 RUPEES
Sales	1,640,100	4,678,978
Cost of sales	1,628,205	6,133,237
Gross Profit / (Loss)	11,895	(1,454,259)
Administration expenses	349,581	1,515,907
Selling expenses	0	560,410
	349,581	2,076,317
Operating Loss	(337,686)	(3,530,576)
Other income	147,195	33,117
Exchange rate difference	(144,315)	1,217,787
	(334,806)	(2,279,672)
Financial expenses - Bank charges	462	23,245
Loss before taxation	(335,268)	(2,302,917)
Taxation	0	0
Loss after taxation	(335,268)	(2,302,917)
Other comprehensive income for the year		
Unrealized gain/(loss) on revaluation of investment - available for sale	82,727	(40,066)
Total comprehensive Loss for the period	(252,541)	(2,342,983)
Loss per share	(0.17)	(1.15)

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 26th October, 2020.

SAEED ALAM

Chief Executive

RAUF ALAM

Director

MUHAMMAD ISMAIL

Chief Financial Officer

Hyderabad: October 26, 2020

Statement of Cash Flows

For the 1st Quarter ended September 30, 2020

	30-Sep-20 RUPEES	30-Sep-19 RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before taxation	(335,268)	(2,302,917)
Adjustment for :		
Depreciation	305,525	344,648
Other income	(1,695)	(117)
Financial charges	0	23,245
Exchange rate difference	144,315	(1,217,787)
	448,145	(850,011)
	112,877	(3,152,928)
Changes in Working Capital		
(Increase) / decrease in current assets		
Stock in trade	(1,345,166)	(6,231,375)
Trade Receivables	320,024	(552,406)
Advances, deposits & prepayments	(16,186)	3,243,440
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	(502,015)	3,173,043
	(1,543,343)	(367,298)
Cash generated from operations	(1,430,466)	(3,520,226)
Income tax paid	(134,834)	(23,245)
Exchange rate difference	(144,315)	1,217,787
	(1,709,615)	(2,325,684)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Dividend Received	1,695	117
Net Cash flow from investing activities	1,695	117
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowing	0	2,365,000
	0	2,365,000
Net (decrease) / increase in Cash & Cash equivalent (A+B+C).	(1,707,920)	39,433
	(1,707,920)	39,433
Cash & cash equivalents at the beginning of the period	6,295,406	2,673,651
Cash & cash equivalent during the period	(1,707,920)	39,433
cash & cash equivalent at the end of the period	4,587,486	2,713,084

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Chief Executive

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Chief Financial Officer

Hyderabad: October 26, 2020

Statement of Changes in Equity

For the 1st Quarter ended September 30, 2020

	Issued paid up share capital	Investment Remeasur- ment Reserve	Accumulated Profit / (Loss)	Total
				----- Rupees -----
Balance as on July 1, 2018	20,000,000	400,256	(260,812,411)	(240,412,155)
Loss upto September 30, 2018	0	(19,103)	(671,611)	(690,714)
Balance as on September 30, 2018	20,000,000	381,153	(261,484,022)	(241,102,869)
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)
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)

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Chief Executive

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Director

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Chief Financial Officer

Hyderabad: October 26, 2020