



**QUARTERLY  
REPORT**

**March 31, 2024**

**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, 2024.

The Company has achieved sales of Rs.12.77 million whereas incurred Gross Losst of Rs.4.28 million during the nine months of the financial year under review. After Administration and Selling expenses of Rs.0.72 million, Company incurred Operating Loss of Rs.5.00 million. After other income of Rs.3.83 million and exchange loss of Rs. 0.89 million and Financial and other charges of Rs.0.08 million, Company incurred loss before taxation of Rs. 2.13 million. The accumulated losses are stand at Rs. 111.72 million. Loss per share is Rs.1.07.

for and on behalf of the Board

**SAEED ALAM**  
Chief Executive

Hyderabad: April 29, 2024

# Statement of Financial Position

As at March 31, 2024  
(Un-Audited)

	<b>31-03-2024</b> <b>RUPEES</b>	<b>30-06-2023</b> <b>RUPEES</b>
<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>588,735</b>	415,947
Accumulated Loss	<b>(111,721,357)</b>	(109,586,766)
	<b>(91,132,622)</b>	(89,170,819)
<b>Non-Current Liabilities</b>		
Security Deposits from Tenant	<b>630,000</b>	630,000
<b>Current Liabilities</b>		
Trade and others payables	<b>131,158,800</b>	130,069,336
Loan from Directors	<b>33,379,140</b>	29,059,140
Provision for Taxation	<b>0</b>	0
	<b>164,537,940</b>	159,128,476
Total	<b>74,035,318</b>	<b>70,587,657</b>
<b><u>Property &amp; Assets</u></b>		
<b>Property, Plant and Equipments</b>	<b>11,145,830</b>	11,789,758
<b>Long Term Investments</b>	<b>606,302</b>	433,514
	<b>11,752,132</b>	12,223,272
<b>Current Assets</b>		
Stores, spare parts and loose tools	<b>0</b>	0
Stock-in-trade	<b>20,300,637</b>	23,139,701
Trade receivables	<b>36,830,186</b>	31,053,512
Advances, deposits and prepayments	<b>4,017,571</b>	3,707,814
Other receivables	<b>0</b>	0
Cash and bank balance	<b>1,134,792</b>	463,358
	<b>62,283,186</b>	58,364,385
	<b>74,035,318</b>	<b>70,587,657</b>

**SAEED ALAM**

Chief Executive

Hyderabad: April 29, 2024

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer

# Statement of Profit or Loss

For the 3rd Quarter ended March 31, 2024  
(Un-Audited)

	JAN-MAR 2024 RUPEES	JUL-MAR 2024 RUPEES	JAN-MAR 2023 RUPEES	JUL-MAR 2023 RUPEES
Sales	4,781,541	12,772,602	2,887,900	10,659,100
Cost of sales	6,472,972	17,048,333	2,602,605	9,947,296
<b>Gross (Loss)/Profit</b>	<b>(1,691,431)</b>	<b>(4,275,731)</b>	285,295	711,804
Administration expenses	254,438	722,975	236,001	804,064
Selling expenses	0	0	0	0
	254,438	722,975	236,001	804,064
<b>Operating (Loss)/Profit</b>	<b>(1,945,869)</b>	<b>(4,998,706)</b>	49,294	(92,260)
Other Income	1,269,300	3,827,100	1,200,300	1,694,100
Exchange Loss	(1,044,350)	(885,084)	(4,958,416)	(6,857,655)
	224,950	2,942,016	(3,758,116)	(5,163,555)
Financial expenses	121	2,901	169	1,739
Other Charges	0	75,000	0	75,000
	121	77,901	169	76,739
<b>(Loss) before Taxation</b>	<b>(1,721,040)</b>	<b>(2,134,591)</b>	(3,708,991)	(5,332,554)
Provision for taxation	0	0	0	0
<b>(Loss) after Taxation</b>	<b>(1,721,040)</b>	<b>(2,134,591)</b>	(3,708,991)	(5,332,554)
(Loss) per share	(0.86)	(1.07)	(1.85)	(2.67)

## 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 29th April, 2024.

**SAEED ALAM**  
Chief Executive  
Hyderabad: April 29, 2024

**RAUF ALAM**  
Director

**MUHAMMAD ISMAIL**  
Chief Financial Officer

# Notes to the condensed Interim Financial Statements:

For the Quarter ended March 31, 2024

## 1. CORPORATE AND GENERAL INFORMATION

Fateh Industries Limited (the company) was incorporated on May 18, 1986, as a public company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017), and is listed on Pakistan Stock Exchange Limited. The business of company is to manufacture and sale of footwear of all kinds. The Registered office is situated at 442, Mirpurkhas Road, Hyderabad.

## 2. BASIS FOR PRESENTATION

### 2.1 Purpose of Issuance

These condensed interim financial statements have been issued to the shareholders to comply with Section 237 of the Companies Act, 2017 are un-audited

### 2.2 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 – “Interim Financial Reporting” and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements do not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended **June 30, 2023**. These condensed interim financial statements are unaudited.

### 2.3 Comparative Financial Information

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended **June 30, 2023**, whereas the comparative condensed interim profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement, are extracted from the unaudited condensed interim financial statements for the quarter ended **March 31, 2024**.

### 2.4 Basis of Measurement

These condensed interim financial statements have been prepared under the historical cost convention.

### 2.5 Accounting Policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements for the year ended **June 30, 2023**.

### 2.6 Accounting Estimates and Judgments

Estimates and judgments made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended **June 30, 2023**.

### 2.7 Functional and Presentation Currency

These financial statements are presented in Pakistan Rupees, which is the company's functional and presentation currency.

## 3 CONTINGENCIES AND COMMITMENTS

Contingencies reported in the annual audited financial statements for the year ended **June 30, 2023** remain-unchanged.

## 4 TAXATION

No provision for current taxation has been made in these condensed interim financial statements.

## 5 RELATED PARTY TRANSACTIONS

Related parties comprise of group companies ( associates ), directors, major shareholders, their close family members and key management personnel. Transactions with related parties during the year, other than and including those which have been disclosed elsewhere in these financial statements, are given below:

<u>Name of Related Party</u>	<u>Nature of Transaction</u>	<u>31-Mar-24</u>	<u>31-Mar-23</u>
		<u>Rupees</u>	
Arino - Under Common Management	Sale of Goods	<b>12,772,602</b>	10,659,100
Arino - Under Common Management	Rental Income	<b>99,000</b>	99,000
Branded Shop - Under Common Management	Rental Income	<b>99,000</b>	99,000
Rauf Alam - Director	Loan Received	<b>2,540,000</b>	4,252,000
Aftab Alam - Director	Loan Received	<b>2,230,000</b>	550,000
Saeed Alam - Director	Loan Returned	<b>(450,000)</b>	793,000

## 6. FIGURES

Figures in these condensed interim financial statements have been rounded off to the nearest thousand rupees.

## 7. DATE OF AUTHORISATION

These condensed interim financial statements were authorized for issue on **April 29, 2024** by the Board of Directors of the Company.

**SAEED ALAM**

Chief Executive

Hyderabad: April 29, 2024

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer

# Statement of Comprehensive Income

For the 3rd Quarter ended March 31, 2024  
(Un-Audited)

	<b>JAN-MAR 2024 RUPEES</b>	<b>JUL-MAR 2024 RUPEES</b>	JAN-MAR 2023 RUPEES	JUL-MAR 2023 RUPEES
(Loss)/Profit after taxation	<b>(1,721,040)</b>	<b>(2,134,591)</b>	(3,708,991)	(5,332,554)
<b>Other comprehensive income</b>				
Unrealized (Loss) on revaluation of investment - available for sale	<b>(25,250)</b>	<b>172,788</b>	(92,231)	(134,215)
<b>Total Comprehensive (Loss) for the Period</b>	<b><u>(1,746,290)</u></b>	<b><u>(1,961,803)</u></b>	<b><u>(3,801,222)</u></b>	<b><u>(5,466,769)</u></b>

**SAEED ALAM**  
Chief Executive  
Hyderabad: April 29, 2024

**RAUF ALAM**  
Director

**MUHAMMAD ISMAIL**  
Chief Financial Officer

# Statement of Cash Flows

For the 3rd Quarter ended March 31, 2024

	<b>31-Mar-24</b> <b>RUPEES</b>	31-Mar-23 RUPEES
<b>A. CASH FROM OPERATING ACTIVITIES</b>		
Net Loss before taxation	(2,134,591)	(5,332,554)
Adjustment for :		
Depreciation	643,928	723,424
Dividend Income	(19,200)	(28,800)
Income Tax paid	111,758	0
Exchange (Gain)/Loss	885,084	6,857,655
	<b>1,621,570</b>	7,552,279
Operating Profit/(Loss) before working capital	<b>(513,021)</b>	2,219,725
Changes in Working Capital		
<b>(Increase) / decrease in current assets</b>		
Stock in Trade	2,839,064	(2,521,905)
Trade receivables	(5,776,674)	(3,819,121)
Advances, deposits & prepayments	(309,758)	(198,000)
Other receivables	0	0
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	1,089,465	6,645,693
	<b>(2,157,903)</b>	106,667
Cash generated from operations	<b>(2,670,924)</b>	2,326,392
Income Tax paid	(111,758)	(311,434)
Exchange Gain/(Loss)	(885,084)	(6,857,655)
	<b>(3,667,766)</b>	(4,842,697)
<b>B. CASH FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	0	0
Dividend received	19,200	28,800
	<b>19,200</b>	28,800
<b>C. CASH FROM FINANCING ACTIVITIES</b>		
Loan from directors	4,320,000	5,595,000
	<b>4,320,000</b>	5,595,000
Changes in cash and equivalents during the period		
Cash and equivalent at the beginning	463,358	573,535
<b>Cash and equivalent at the end</b>	<b>671,434</b>	781,103
	<b>1,134,792</b>	1,354,638

**SAEED ALAM**

Chief Executive

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer



# Statement of Changes in Equity

For the 3rd Quarter ended March 31, 2024

Amount in Rupees.

	<u>Share Capital</u>	<u>Surplus on Revaluation of Investment</u>	<u>Accumulated (Loss)</u>	<u>Total</u>
<b>Balance as on July 1, 2022</b>	<b>20,000,000</b>	<b>562,174</b>	<b>(103,940,601)</b>	<b>(83,378,427)</b>
Loss up to March 31, 2023	0	(134,215)	(5,332,554)	(5,466,769)
<b>Balance as on March 31, 2023</b>	<b>20,000,000</b>	<b>427,959</b>	<b>(109,273,155)</b>	<b>(88,845,196)</b>
<b>Balance as on July 1, 2023</b>	<b>20,000,000</b>	<b>415,947</b>	<b>(109,586,766)</b>	<b>(89,170,819)</b>
Loss up to March 31, 2024	0	172,788	(2,134,591)	(1,961,803)
<b>Balance as on March 31, 2024</b>	<b>20,000,000</b>	<b>588,735</b>	<b>(111,721,357)</b>	<b>(91,132,622)</b>

**SAEED ALAM**

Chief Executive

Hyderabad: April 29, 2024

**RAUF ALAM**

Director

**MUHAMMAD ISMAIL**

Chief Financial Officer