



**QUARTERLY
REPORT**

September 30, 2023

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, 2023**.

During the period under review sales were recorded at Rs.4.14 million as compared to Rs.4.38 million for the corresponding period of the preceding year. Company earned Gross Profit of Rs.0.17 million whereas. after Administration expenses of Rs.0.25 million, Operating Loss is Rs.0.08 million. Other income of Rs.1.27 million and Exchange loss of Rs. 0.57 million has been recorded in the current period. Company earned Net Profit of Rs. 0.62 million and total comprehensive income is Rs.0.64 million. The Accumulated Losses of Rs.108.97 million carried forward to balance sheet. Earning per share for the period is Rs.0.31.

for and on behalf of the Board



SAEED ALAM

Chief Executive

Hyderabad: November 23, 2023

Statement of Financial Position

As at September 30, 2023
(Un-Audited)

	30-Sep-23 RUPEES	30-Jun-23 RUPEES
NON CURRENT ASSETS		
Property, Plant and Equipments	11,575,115	11,789,758
Investments	458,120	433,514
	12,033,235	12,223,272
CURRENT ASSETS		
Inventories	24,530,120	23,139,701
Trade Receivables	31,380,879	31,053,512
Advances, Deposits and Prepayments	3,965,442	3,707,813
Cash and Bank Balances	734,874	463,358
	60,611,315	58,364,384
Total	72,644,550	70,587,656
SHARE CAPITAL AND RESERVES		
Share Capital	20,000,000	20,000,000
<i>Capital Reserve</i>		
Investment Re-measurement Reserve	440,553	415,947
<i>Revenue Reserve</i>		
Accumulated Losses	(108,968,204)	(109,586,766)
	(88,527,651)	(89,170,819)
NON-CURRENT LIABILITIES		
Security Deposits from Tenant	630,000	630,000
CURRENT LIABILITIES		
Trade and Other Payables	129,813,062	130,069,336
Loan from Directors	30,729,139	29,059,139
Provision for Taxation	0	0
	160,542,201	159,128,475
Total	72,644,550	70,587,656



SAEED ALAM
Chief Executive



RAUF ALAM
Director



MUHAMMAD ISMAIL
Chief Financial Officer

Hyderabad: November 23, 2023

Statement of Profit or Loss and Other Comprehensive Income

For the 1st Quarter ended September 30, 2023

(Un-Audited)

	30-Sep-23 RUPEES	30-Sep-22 RUPEES
Sales	4,141,836	4,375,550
Cost of sales	3,973,301	3,737,683
Gross Profit	168,535	637,867
Administration expenses	253,244	300,633
Selling expenses	0	0
	253,244	300,633
Operating (Loss)/Profit	(84,709)	337,234
Other income	1,269,300	180,000
Exchange Loss	(565,452)	(978,384)
	619,139	(461,150)
Financial expenses - Bank charges	577	757
Net Profit/(Loss) before taxation	618,562	(461,907)
Taxation	0	0
Net Profit/(Loss) after taxation	618,562	(461,907)
Other comprehensive income for the year		
Unrealized gain/(loss) on revaluation of investment - available for sale	24,606	(10,066)
Total comprehensive Profit/(Loss) for the period	643,168	(471,973)
Earning/(Loss) per share	0.31	(0.23)

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 **23rd November, 2023.**



SAEED ALAM

Chief Executive



RAUF ALAM

Director



MUHAMMAD ISMAIL

Chief Financial Officer

Hyderabad: November 23, 2023

Notes to the condensed Interim Financial Statements:

For the 1st Quarter ended September 30, 2023

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 **September 30, 2023**.

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>30-Sep-23</u>	<u>30-Sep-22</u>
		<u>Rupees</u>	
Arino - Under Common Management	Sale of Goods	4,141,836	5,119,394
Arino - Under Common Management	Rental Income	33,000	-
Branded Shop - Under Common Management	Rental Income	33,000	-
Rauf Alam - Director	Loan Received	1,390,000	1,282,000
Aftab Alam - Director	Loan Received	730,000	550,000
Saeed Alam - Director	Loan Returned	(450,000)	-

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 **November 23, 2023** by the Board of Directors of the Company.



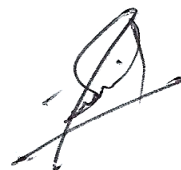
SAEED ALAM

Chief Executive



RAUF ALAM

Director



MUHAMMAD ISMAIL

Chief Financial Officer

Hyderabad: November 23, 2023

Statement of Cash Flows

For the 1st Quarter ended September 30, 2023

	30-Sep-23 RUPEES	30-Sep-22 RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation	618,562	(461,907)
Adjustment for :		
Depreciation	214,643	241,141
Other income	0	0
Financial charges	0	0
Exchange rate difference	565,452	978,384
	780,095	1,219,525
	1,398,657	757,618
Changes in Working Capital (Increase) / decrease in current assets		
Inventories	(1,390,419)	(1,772,220)
Trade Receivables	(327,367)	(2,034,394)
Advances, deposits & prepayments	(257,629)	(121,199)
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	(256,274)	2,516,533
	(2,231,689)	(1,411,280)
Cash generated from operations	(833,032)	(653,662)
Income tax paid	0	0
Exchange rate difference	(565,452)	(978,384)
	(1,398,484)	(1,632,046)
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	1,670,000	1,832,000
	1,670,000	1,832,000
Net (decrease) / increase in Cash & Cash equivalent (A+B+C).	271,516	199,954
	271,516	199,954
Cash & cash equivalents at the beginning of the period	463,358	573,535
Cash & cash equivalent during the period	271,516	199,954
cash & cash equivalent at the end of the period	734,874	773,489



SAEED ALAM
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RAUF ALAM
Director



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Chief Financial Officer

Hyderabad: November 23, 2023

Statement of Changes in Equity

For the 1st Quarter ended September 30, 2023

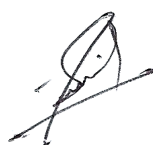
	Issued paid up share capital	Investment Remeasurement Reserve	Accumulated Profit / (Loss)	Total
	----- Rupees -----			
Balance as on July 1, 2021	20,000,000	586,160	(99,850,152)	(79,263,992)
Loss upto September 30, 2021	0	(70,466)	(880,143)	(950,609)
Balance as on September 30, 2021	20,000,000	515,694	(100,730,295)	(80,214,601)
Balance as on July 1, 2022	20,000,000	562,174	(103,940,601)	(83,378,427)
Loss upto September 30, 2022	0	(10,066)	(461,907)	(471,973)
Balance as on September 30, 2022	20,000,000	552,108	(104,402,508)	(83,850,400)
Balance as on July 1, 2023	20,000,000	415,947	(109,586,766)	(89,170,819)
Profit upto September 30, 2023	0	24,606	618,562	643,168
Balance as on September 30, 2023	20,000,000	440,553	(108,968,204)	(88,527,651)



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Hyderabad: November 23, 2023