



QUARTERLY REPORT

March 31, 2020

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, 2020.

Despite of complete lock down in the country due to spread of corona virus (COVID-19) Management of the Company has arranged to prepare and present the Quarterly Accounts with available resources.

The Company has achieved sales of Rs.25.49 million whereas earned Gross Profit of Rs.2.27 million during nine months of the financial year under review. After Administration and Selling expenses of Rs.5.23 million, Company incurred Operating Loss of Rs.2.96 million. After exchange gain of Rs. 0.14 million and Financial and other charges of Rs.0.16 million, Company incurred loss before taxation of Rs. 2.70 million. The accumulated losses are stand at Rs. 274.04 million. Loss per share is Rs.1.35.

During the period under review Company received US\$:1.150 million against the claims from Russian Federation.

for and on behalf of the Board



SAEED ALAM
Chief Executive

Hyderabad: April 27, 2020

Statement of Financial Position

As at March 31, 2020
(Un-Audited)


	<u>31-03-2020</u> <u>RUPEES</u>	<u>30-06-2019</u> <u>RUPEES</u>
Capital & Liabilities		
Authorized Capital		
10,000,000 ordinary shares of Rs. 10/- each	100,000,000	100,000,000
Shareholders' Equity		
Issued, subscribed and paid up share capital	20,000,000	20,000,000
Investment revaluation reserve	362,725	292,574
Unappropriated loss	(274,040,131)	(271,337,645)
	(253,677,406)	(251,045,071)
Current Liabilities		
Trade and others payables	520,583,277	174,996,902
Short term running finances	137,452,522	122,547,522
Provision for Taxation	414,283	414,283
	658,450,082	297,958,707
Total	404,772,676	46,913,636
Property & Assets		
Operating Fixed Assets	15,406,056	16,439,998
Long Term Investments	380,292	310,141
Current Assets		
Stores, spare parts and loose tools	0	0
Stock-in-trade	16,658,257	5,267,785
Trade debts	15,363,122	6,938,534
Advances, deposits and prepayments	4,396,625	15,283,527
Other receivables	0	0
Cash and bank balance	352,568,324	2,673,651
	388,986,328	30,163,497
	404,772,676	46,913,636



SAEED ALAM

Chief Executive

Hyderabad: April 27, 2020



RAUF ALAM

Director



MUHAMMAD ISMAIL

Chief Financial Officer

Statement of Profit or Loss

For the 3rd Quarter ended March 31, 2020
(Un-Audited)

	JAN-MAR 2020 RUPEES	JUL-MAR 2020 RUPEES	JAN-MAR 2019 RUPEES	JUL-MAR 2019 RUPEES
Sales	8,201,116	25,487,981	6,548,905	15,693,169
Cost of sales	6,411,510	23,213,735	6,222,560	14,485,914
Gross Profit	1,789,606	2,274,246	326,345	1,207,255
Administration expenses	747,124	2,958,922	590,729	1,645,182
Selling & distribution expenses	1,208,373	2,272,488	740,416	819,688
	1,955,497	5,231,410	1,331,145	2,464,870
Operating Loss	(165,891)	(2,957,164)	(1,004,800)	(1,257,615)
Other Income	183,000	270,280	22,000	34,240
Exchange (Loss) / Gain	(855,668)	144,699	(121,732)	(1,398,571)
	(672,668)	414,979	(99,732)	(1,364,331)
Financial expenses	14,238	85,301	54,740	83,440
Other Charges	0	75,000	0	60,000
	14,238	160,301	54,740	143,440
Loss before Taxation	(852,797)	(2,702,486)	(1,159,272)	(2,765,386)
Provision for taxation	0	0	0	0
Loss after Taxation	(852,797)	(2,702,486)	(1,159,272)	(2,765,386)
Loss per share	(0.43)	(1.35)	(0.58)	(1.38)

Notes:

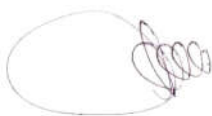
1. **Fateh Industries Limited** is incorporated in Pakistan as a public limited company and is listed on the Pakistan Stock Exchange Limited. The Company is engaged mainly in the manufacturing and sale of footwear of all kinds. The registered office of the company is situated at 442, Mirpurkhas Road, Hyderabad.
2. 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.
3. 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.
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 27th April, 2020.



SAEED ALAM

Chief Executive

Hyderabad: April 27, 2020



RAUF ALAM

Director



MUHAMMAD ISMAIL

Chief Financial Officer

Statement of Comprehensive Income

For the 3rd Quarter ended March 31, 2020
(Un-Audited)

	JAN-MAR 2020 RUPEES	JUL-MAR 2020 RUPEES	JAN-MAR 2019 RUPEES	JUL-MAR 2019 RUPEES
Loss after taxation	(852,797)	(2,702,486)	(1,159,272)	(2,765,386)
Other comprehensive income				
Unrealized Profit/(loss) on revaluation of investment - available for sale	70,151	(107,682)	14,255	(49,718)
Total Comprehensive Loss for the Period	<u>(782,646)</u>	<u>(2,810,168)</u>	<u>(1,145,017)</u>	<u>(2,815,104)</u>



SAEED ALAM
Chief Executive
Hyderabad: April 27, 2020



RAUF ALAM
Director



MUHAMMAD ISMAIL
Chief Financial Officer

Statement of Cash Flows
For the 3rd Quarter ended March 31, 2020

	31-Mar-20 RUPEES	31-Mar-19 RUPEES
A. CASH FROM OPERATING ACTIVITIES		
Net Loss before taxation	(2,702,486)	(2,765,386)
Adjustment for :		
Depreciation	1,033,942	1,168,231
Dividend Income	(16,780)	(12,240)
Exchange (Gain)/Loss	(144,699)	1,398,571
	872,462	2,554,561
Operating Profit/(Loss) before working capital	(1,830,024)	(210,825)
Changes in Working Capital		
(Increase) / decrease in current assets		
Stock in Trade	(11,390,472)	1,743,113
Trade Debts	(8,424,588)	(7,171,017)
Advances, deposits & prepayments	10,886,902	(891,006)
Other receivables	0	0
Increase / (decrease) in current liabilities		
Trade and other payables	345,586,375	(2,225,846)
	336,658,217	(8,544,756)
Cash generated from operations	334,828,193	(8,755,581)
Exchange Gain/(Loss)	144,699	(1,398,571)
	334,972,893	(10,154,152)
B. CASH FROM INVESTING ACTIVITIES		
Fixed capital expenditure	0	0
Dividend received	16,780	12,240
	16,780	12,240
C. CASH FROM FINANCING ACTIVITIES		
Loan received from directors	14,905,000	13,207,881
	14,905,000	13,207,881
Changes in cash and equivalents during the period		
Cash and equivalent at the beginning	349,894,673	3,065,970
Cash and equivalent at the end	2,673,651	954,352
	352,568,324	4,020,322



SAEED ALAM

Chief Executive



RAUF ALAM

Director



MUHAMMAD ISMAIL

Chief Financial Officer

Hyderabad: April 27, 2020

Statement of Changes in Equity

For the 3rd Quarter ended March 31, 2020

Amount in Rupees.

	<u>Share Capital</u>	<u>Surplus on Revaluation of Investment</u>	<u>Accumulated (Loss)</u>	<u>Total</u>
Balance as on July 1, 2018	20,000,000	400,256	(260,812,411)	(240,412,155)
Loss upto March 31, 2019	0	(49,718)	(2,765,386)	(2,815,104)
Balance as on March 31, 2019	20,000,000	350,538	(263,577,797)	(243,227,259)
Balance as on July 1, 2019	20,000,000	292,574	(271,337,645)	(251,045,071)
Loss upto March 31, 2020	0	70,151	(2,702,486)	(2,632,335)
Balance as on March 31, 2020	20,000,000	362,725	(274,040,131)	(253,677,406)



SAEED ALAM

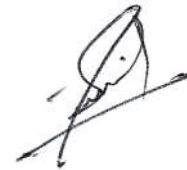
Chief Executive

Hyderabad: April 27, 2020



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Director



MUHAMMAD ISMAIL

Chief Financial Officer