



BLESSED TEXTILES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Mohammad Shaheen Mr. Mohammad Salim Mr. Mohammad Sharif Mr. Mohammad Shakeel Mr. Khurram Salim Mr. Bilal Sharif Mr. Mohammad Amin Mr. Adil Shakeel	Chief Executive / Director Director Director Director Director Director Director Director
COMPANY SECRETARY	Mr. Asif Mahmood FCA, FCIS, FITM, FICS, APA	
CHIEF FINANCIAL OFFICER	Mr. Anwar Hussain, FCA	
AUDIT COMMITTEE	Mr. Khurram Salim Mr. Bilal Sharif Mr. Mohammad Sharif	Chairman Member Member
AUDITORS	Rahman Sarfaraz & Co. Chartered Accountants # 4, Block-B, 90-Canal Park Gulberg II, Lahore.	
LEGAL ADVISOR	Mr. Shahid Pervaiz Jami	
BANKERS	MCB Bank Limited Bank Al-Habib Bank of Punjab Limited Hong Kong and Shanghai Banking Corp. Ltd.	
REGISTERED OFFICE	Umer Chambers, 10/2 Bilmoria Street, Off. I.I. Chundrigar Road, Karachi. Tel: (021) 2635916 - 17 Fax: (021) 263 - 7826 E-mail: khioff@umergroup.com Website: www.umergroup.com	
LIAISON/CORRESPONDENCE OFFICE:	9th Floor, City Tower, 6-K, Main Boulevard, Gulberg II, Lahore. Tel: (042) 5770001-3 (111-130-130) Fax: (042) 5770015 E-mail: lhroff@umergroup.com Website: www.umergroup.com	
MILLS AT:	Spinning, Weaving & Power Generation units are situated at Feroze Watwan, Shaikhupura, Punjab Tel: (0496) 731724	



BLESSED TEXTILES LIMITED

DIRECTORS REVIEW

The directors have pleasure in submitting un-audited quarterly financial statements for the first quarter ended on September 30, 2006 in accordance with the requirements of section 245 of the Companies Ordinance, 1984.

FINANCIAL RESULTS.

Allahumdulillah, the financial results of your company for the first quarter are better as compared to the first quarter of the last year. Your company has earned a net after tax profit of Rs. 53.495 million (Sept 2005: Rs. 46.694 million). The Earning Per Share (EPS) for the first quarter is Rs. 8.32 (Sept 2005: Rs. 7.26). The net sales of the company for the first quarter are Rs. 620.128 million, which is slightly lower than the corresponding figure of last year. The distribution cost has been decreased comparatively due to decrease in turnover and direct exports. The administrative expenses have increased due to the addition of new spinning unit. The substantial increase is in financial cost, which has stood at Rs. 45.509 million, is due to increase in mark up rates by the financial institutions. By the grace of Al mighty, Allah your company has performed satisfactory in the first quarter of the year. To reduce the financial cost and maintain covenants the sponsor and their relatives have injected intrust free loan of Rs. 100 million.

YEAR UNDER REVIEW

The prices of raw cotton have decrease but the prices of yarn are still not in line with prices of raw cotton. However, the management is putting its best efforts to maintain good results for the remaining period of the financial year.

EXPANSION PLAN

As discussed in directors' report to the shareholders of annual report for the year ended June 30, 2006 no further expansion is undertaken except BMR already committed and discussed in the earlier reports.

THANKS AND GRATITUDE.

Your director would like to place their appreciation of the cooperation of the financial institutions and dedication shown by the executives, officers, staff members and workers of the company in the performance of their duties. The directors do hope that it will continue in future.

On behalf of the Board
MOHAMMAD SHAHEEN
CHIEF EXECUTIVE / DIRECTOR

KARACHI : 30 OCTOBER 2006



BLESSED TEXTILES LIMITED

BALANCE SHEET (UN-AUDITED) AS AT SEPTEMBER 30, 2006

	NOTE	(UN-AUDITED) SEPTEMBER 2006 RUPEES	(AUDITED) JUNE 2006 RUPEES
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital 6,500,000 (June 2006: 6,500,000) Ordinary shares of Rs.10 each		65,000,000	65,000,000
Issued, subscribed and paid-up capital		64,320,000	64,320,000
General reserves		530,000,000	530,000,000
Unappropriated profit		61,286,126	7,790,725
	3	655,606,126	602,110,725
NON - CURRENT LIABILITIES			
Loan from Sponsors		100,000,000	-
Long-term financing - secured		650,357,142	773,571,428
Obligation under finance lease	4	-	16,531,736
Long-term murabaha - secured		72,727,274	81,818,183
Deferred liabilities		23,686,838	20,889,982
CURRENT LIABILITIES			
Trade and other payables		121,806,748	107,799,859
Mark-up accrued on loans		19,300,627	13,008,063
Short-term borrowings - secured		439,749,952	542,822,800
Current portion of long term borrowings		336,643,570	241,375,362
Provision for taxation		49,191,331	40,698,304
		966,692,228	945,704,388
CONTINGENCIES AND COMMITMENTS	5	-	-
		2,469,069,608	2,440,626,442

MOHAMMAD SHAHEEN
Chief Executive / Director



BLESSED TEXTILES LIMITED

BALANCE SHEET (UN-AUDITED) AS AT SEPTEMBER 30, 2006

	NOTE	(UN-AUDITED) SEPTEMBER 2006 RUPEES	(AUDITED) JUNE 2006 RUPEES
ASSETS			
FIXED ASSETS			
Property, plant and equipment		1,635,707,369	1,658,154,233
Capital work-in-progress		9,661,601	-
Long-term Loans		5,345,282	3,783,619
Long-term Deposits		6,975,418	16,083,418
CURRENT ASSETS			
Stores, spare parts and loose tools		38,359,935	23,036,869
Stock in trade		447,770,895	466,592,913
Trade debts		185,628,672	139,753,415
Loans and advances		77,740,288	94,619,968
Trade deposits and short-term prepayments		2,387,257	1,634,521
Other receivables		22,813,270	22,324,049
Taxation		572,880	572,880
Cash & Bank balances		36,106,741	14,070,557
		811,379,938	762,605,172
		2,469,069,608	2,440,626,442


MOHAMMAD SALIM
Director



BLESSED TEXTILES LIMITED

PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2006

	(UN-AUDITED) SEPTEMBER 2006 RUPEES	(UN-AUDITED) SEPTEMBER 2005 RUPEES
Sales	620,127,898	711,215,937
Cost of goods sold	490,123,048	608,829,913
Gross profit	130,004,850	102,386,024
Other operating income	110,443	-
	130,115,293	102,386,024
Distribution cost	9,151,125	12,128,446
Administrative expenses	10,201,070	8,205,228
Other operating expenses	3,265,549	2,504,157
Finance cost	45,509,121	23,549,511
	68,126,865	46,387,342
Profit before taxation	61,988,428	55,998,682
Provision for taxation	8,493,027	9,304,656
Profit after taxation	53,495,401	46,694,026
Earnings per share - basic and diluted	8.32	7.26

MOHAMMAD SHATEEN
Chief Executive / Director

MOHAMMAD SALIM
Director



BLESSED TEXTILES LIMITED

CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2006

	(UN-AUDITED) SEPTEMBER 2006 RUPEES	(UN-AUDITED) SEPTEMBER 2005 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	61,988,428	55,998,682
Adjustments for:		-
Depreciation of property, plant and equipment	42,180,000	24,510,000
Provision for employee benefits	2,574,000	1,575,000
Gain on disposal of property, plant and equipment	(110,443)	(314,242)
Finance cost	45,509,121	23,549,511
Operating cash flows before changes in working capital	152,141,105	105,318,951
Decrease/(increase) in stores, spares & loose tools	(15,323,066)	(7,479,791)
Decrease in stock in trade	18,822,018	70,980,114
Decrease/(increase) in trade debts	(45,875,257)	51,398,792
(Increase)/decrease in loans and advances	25,655,988	(61,232,252)
(Increase) in trade deposits	(752,736)	(12,003,530)
(Increase) in other receivables	(489,221)	(14,213,185)
Increase in infrastructure fee payable	705,789	2,154,950
Decrease/(increase) in trade and other payables	14,009,750	(15,327,364)
	(3,246,735)	14,277,734
Cash generated from operations	148,894,370	119,596,685
Finance cost paid	(39,216,556)	(16,282,001)
Employee benefit cost paid	(482,933)	(721,015)
Income taxes paid	(8,776,308)	(9,903,003)
Dividend paid	(2,861)	(4,311)
	(48,478,658)	(26,910,330)
Net cash from operating activities	100,415,712	92,686,355

MOHAMMAD SHAHEEN
Chief Executive / Director



BLESSED TEXTILES LIMITED

**CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2006**

	(UN-AUDITED) SEPTEMBER 2006 RUPEES	(UN-AUDITED) SEPTEMBER 2005 RUPEES
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	162,536	1,180,000
Purchase of property, plant and equipment	(29,446,830)	(510,673,269)
Long-term loans	(1,561,663)	(1,845,429)
Long-term deposits	9,108,000	(2,545,924)
Net cash used in investing activities	<u>(21,737,957)</u>	<u>(513,884,622)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of long-term financing	(37,500,000)	
Payment of finance lease liabilities	(6,977,813)	(6,551,749)
Payment of long-term murabaha	(9,090,909)	(9,090,909)
Proceeds from long-term financing	-	500,000,000
Proceeds from Sponsors	100,000,000	-
Increase in short-term borrowings	(103,072,848)	(84,291,762)
Net cash from financing activities	<u>(56,641,570)</u>	<u>400,065,580</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	22,036,184	(21,132,687)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	14,070,557	49,175,026
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>36,106,741</u></u>	<u><u>28,042,339</u></u>

MOHAMMAD SALIM
Director



BLESSED TEXTILES LIMITED

NOTES TO THE ACCOUNTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2006

1 NATURE AND SCOPE OF THE BUSINESS

The company was incorporated in Pakistan as a Public limited company on September 29, 1987. Its shares are quoted on the Karachi, Lahore and Islamabad Stock Exchanges. The main business of the company is manufacturing and sale of yarn and woven fabrics. The registered office is located at Umer Chambers 10/2, Bilmoria Street, Off I.I Chundrigar Road, Karachi.

2 ACCOUNTING POLICIES

All accounting policies adopted for the preparation of these quarterly accounts are the same as applied in preparation of the preceding annual published accounts of the company for the year ended June 30, 2006.

3 STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL	GENERAL RESERVE	PROFIT FOR THE YEAR AND APPROPRIATION	TOTAL RUPEES
	----- RUPEES -----			
Balance as at June 30, 2005	64,320,000	350,000,000	62,795,922	477,115,922
Profit for the year	-	-	129,818,803	129,818,803
Transferred to general reserve	-	180,000,000	(180,000,000)	-
Final dividend for the year ended June 30, 2005 @ Rs. 0.75 per share	-	-	(4,824,000)	(4,824,000)
Balance as at June 30, 2006	64,320,000	530,000,000	7,790,725	602,110,725
Profit for the quarter	-	-	53,495,401	53,495,401
Balance as at September 30, 2006	64,320,000	530,000,000	61,286,126	655,606,126

4 OBLIGATION UNDER FINANCE LEASE SECURED

	SEPTEMBER 2006 RUPEES	JUNE 2006 RUPEES
Opening Balance	45,114,890	71,952,547
Less: Paid during the period	(6,977,812)	(26,837,657)
	38,137,078	45,114,890
Less: Transfer to current maturity	(38,137,078)	(28,583,154)
Closing Balance	-	16,531,736

5 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2006.



BLESSED TEXTILES LIMITED

6 ACQUISITION AND DISPOSAL OF FIXED ASSETS

	SEPTEMBER 2006		JUNE 2006	
	Addition	Deletion	Addition	Deletion
Freehold land	-	-	-	-
Building on freehold land	-	-	177,582,904	-
Non factory building on freehold land	-	-	31,385,645	-
Plant & Machinery	19,655,941	-	688,055,149	2,910,928
Electric Installation	-	-	17,124,667	-
Office Equipment-factory	-	-	38,130	-
Office Equipment-office	-	-	267,750	-
Equipment and Other Assets	-	-	2,428,949	-
Furniture & Fixture-factory	90,800	-	1,468,158	-
Vehicles	-	302,313	4,876,783	1,498,726
	19,746,741	302,313	923,228,135	4,409,654

7 CAPITAL WORK IN PROGRESS

	SEPTEMBER 2006 RUPEES	JUNE 2006 RUPEES
Factory Building	4,294,359	-
Plant & Machinery	5,282,502	-
Furniture & Fixtures	84,740	-
	9,661,601	-

8 TRANSACTIONS WITH ASSOCIATED UNDERTAKING

The Company enters into transactions with the related parties in normal course of business at arm's length determined in accordance with "comparable Uncontrolled Price Method". Transactions with related parties other than remuneration and benefits to key management personnel under the terms of employment are as follows:

	SEP. 2006 RUPEES	SEP. 2005 RUPEES
Services received	1,232,000	3,216,300
Electricity purchased	2,107,101	24,985,733
Purchase of yarn, fabric and stores	60,703,132	221,042,166
Purchase of cotton	8,811,534	8,713,519
Sales of yarn and fabric	92,368,001	29,765,264
Sale of property, plant and equipment	-	875,000

9 COMPARATIVE FIGURES

Comparative figures have been reclassified, wherever necessary, for the purposes of comparison. In order to comply with the requirements of International Accounting Standards 34 "Interim Financial Reporting", Balance Sheet has been compared with the balances of annual financial statements whereas Profit and Loss Account and Cash Flow Statement have been compared with corresponding figures of last comparative quarter.

10 DATE OF AUTHORIZATION FOR ISSUE

These financial statement have been approved by the board of director of the company and authorized for issue on 30th October 2006.

11 GENERAL

The figures have been rounded off to the nearest rupee.



BLESSED TEXTILES LIMITED

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