



*of Companies*

**THIRD QUARTERLY ACCOUNTS  
2011-2012  
(UN - AUDITED)**

**UMER GROUP OF COMPANIES**

**BLESSED TEXTILES LIMITED**

## Vision

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*A Premier quality Company  
providing quality products  
and maintaining an excellent  
level of ethical and  
professional standard.*





*of Companies*

**BLESSED TEXTILES LIMITED**

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## Mission Statement

*To become the leaders of  
Textile products  
in the local  
&  
international market  
and to achieve  
the highest level of success.*

## **Directors' Review**

Your directors are pleased to present the un-audited condensed interim financial statements of the Company for the nine months ended 31<sup>st</sup> March 2012.

Salient features of the nine months ended 31<sup>st</sup> March 2012 are as follows;

- Profit after tax for the nine months ended 31<sup>st</sup> March 2012 is PKR 175.472 million as against PKR 503.085 million of the corresponding nine months of last year.
- Earning per share for the nine months ended 31<sup>st</sup> March 2012 is PKR 27.28 (31<sup>st</sup> March 2011 PKR 78.22).
- Breakup value of the share as on 31<sup>st</sup> March 2012 is PKR 303.32 (30<sup>th</sup> June, 2011 PKR 283.54).

### **Industry Overview and Future Prospect**

Increasing gap between demand and supply of gas has restricted gas availability to textile industry and resulted higher off days of gas supply in the nine months ended 31<sup>st</sup> March 2012 as compared to previous nine months ended 31<sup>st</sup> March 2011. Due to unavailability of gas the machineries had to be operated through power generation based on furnace oil which caused increased in fuel and power cost.

Currently the price of cotton in local market and international market are stable on better stock inventory of cotton which is positive sign for future growth of industry but the international recession has ruined this advantage. Due to recession in developed countries the export of yarn, fabric and textile garment has been severely affected.

The State Bank of Pakistan should consider a further reduction in discount rate and it should be brought in single digit. The reduction in discount rate by State Bank of Pakistan from 13.5% to 12% is a good step but it is not enough.

In the present scenario the results are likely to be adverse in coming quarters. However the management of the company is doing its best efforts to maintain the profitability margin.

### **Acknowledgement**

Board of directors acknowledge and appreciate the efforts of the employees and valuable support of the various government department and our bankers.

**For and on behalf of the Board**



**Mohammad Amin**  
Chief Executive

Karachi : 26<sup>th</sup> April, 2012

**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)  
AS AT MARCH 31, 2012**

EQUITY AND LIABILITIES	Note	MARCH	JUNE
		2012	2011
		RUPEES	RUPEES
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital 6,500,000 (June 2011: 6,500,000) Ordinary shares of Rs.10 each		<u>65,000,000</u>	<u>65,000,000</u>
Issued, subscribed and paid-up capital		<b>64,320,000</b>	64,320,000
General reserves		<b>1,600,000,000</b>	1,600,000,000
Unappropriated profit		<b>286,637,008</b>	159,404,893
		<b>1,950,957,008</b>	1,823,724,893
<b>NON - CURRENT LIABILITIES</b>			
Long-term financing - secured		<b>147,750,462</b>	320,426,335
Obligation under to finance lease	3	-	13,502,810
Deferred liabilities		<b>68,208,181</b>	57,830,137
		<b>215,958,643</b>	391,759,282
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<b>255,256,793</b>	<b>296,600,156</b>
Markup accrued on loans		<b>29,439,225</b>	<b>13,937,079</b>
Short term borrowings - secured		<b>718,899,376</b>	<b>19,638,590</b>
Current portion of long term loans		<b>239,230,700</b>	<b>294,837,126</b>
		<b>1,242,826,094</b>	625,012,951
<b>CONTINGENCIES AND COMMITMENTS</b>	4	-	-
		<u><b>3,409,741,745</b></u>	<u><b>2,840,497,126</b></u>

*The annexed notes form an integral part of these financial statements.*




**Mohammad Amin**  
Chief Executive

Karachi : 26<sup>th</sup> April, 2012

**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)  
AS AT MARCH 31, 2012**

ASSETS	Note	MARCH	JUNE
		2012	2011
		RUPEES	RUPEES
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	1,437,699,740	1,521,179,823
Capital work-in-progress		46,576,022	18,184,522
Long term deposits		7,297,985	8,128,385
		<b>1,491,573,747</b>	<b>1,547,492,730</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		58,389,631	55,901,941
Stock in trade		1,480,482,007	935,161,078
Trade debts		204,337,383	164,856,435
Advances, Deposits, prepayments and Other Receivable		40,211,922	36,786,598
Sales tax refundable		51,563,658	33,644,725
Income tax refundable		39,968,838	49,791,519
Cash and bank balances		43,214,559	16,862,100
		<b>1,918,167,998</b>	<b>1,293,004,396</b>
		<b><u>3,409,741,745</u></b>	<b><u>2,840,497,126</u></b>

  
**Mohammad Salim**  
 Director



## BLESSED TEXTILES LIMITED

### CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2012

	NINE MONTHS ENDED		QUARTER ENDED	
	31 MARCH 2012	31 MARCH 2011	31 MARCH 2012	31 MARCH 2011
	.....RUPEES.....		.....RUPEES.....	
Sales	4,045,545,747	4,610,436,512	1,312,762,003	1,851,406,211
Cost of goods sold	3,577,519,066	3,703,789,260	1,122,831,684	1,434,585,324
<b>Gross Profit</b>	<b>468,026,681</b>	<b>906,647,252</b>	<b>189,930,319</b>	<b>416,820,887</b>
Distribution cost	93,639,717	134,703,398	28,897,360	54,717,882
Administrative expenses	49,726,034	39,690,628	17,623,896	7,868,379
	143,365,751	174,394,026	46,521,256	62,586,261
	324,660,930	732,253,226	143,409,063	354,234,626
Other operating income	(1,877,191)	(4,905,438)	1,694,536	617,099
<b>Operating Profits</b>	<b>326,538,121</b>	<b>727,347,788</b>	<b>145,103,599</b>	<b>354,851,725</b>
Finance cost	99,217,639	147,992,236	48,762,136	61,987,214
Other operating expenses	11,482,218	30,208,149	4,517,073	20,708,713
	110,699,857	178,200,385	53,279,209	82,695,927
<b>Profit before taxation</b>	<b>215,838,264</b>	<b>549,147,403</b>	<b>91,824,390</b>	<b>272,155,798</b>
<b>Provision for taxation</b>				
Current period	40,366,149	46,062,216	13,063,350	18,487,819
<b>Profit after taxation</b>	<b>175,472,115</b>	<b>503,085,187</b>	<b>78,761,040</b>	<b>253,667,979</b>
<b>Earning per share - basic and diluted</b>	<b>27.28</b>	<b>78.22</b>	<b>12.25</b>	<b>39.44</b>

The annexed notes form an integral part of these financial statements.

**Mohammad Amin**  
Chief Executive

**Mohammad Salim**  
Director

Karachi : 26<sup>th</sup> April, 2012

**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2012**

	MARCH 2012 RUPEES	MARCH 2011 RUPEES
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>215,838,264</b>	549,147,403
<b>Adjustments for non-cash items</b>		
Depreciation	<b>120,569,671</b>	126,900,000
Finance cost	<b>99,217,639</b>	138,887,927
Gain on sale of property, plant and equipment	-	(236,490)
Imputed Interest income on interest free loan	-	9,104,309
Provision for Workers' Profit Participation Fund	<b>11,482,218</b>	30,208,149
Provision for employees retirement benefits	<b>16,830,000</b>	13,050,000
	<b>248,099,528</b>	<b>317,913,895</b>
<b>Operating profit/(loss) before changes in working capital</b>	<b>463,937,792</b>	867,061,298
<b>Changes in working capital</b>		
Decrease/ (Increase) in stores, spares and loose tools	<b>(2,487,690)</b>	(38,220,075)
Decrease/ (Increase) in stock in trade	<b>(545,320,929)</b>	(816,848,795)
Decrease/ (Increase) in trade receivable	<b>(39,480,948)</b>	(144,865,010)
Decrease / (Increase) in advances, prepayments and other receivables	<b>(3,181,324)</b>	(29,789,816)
Decrease / (Increase) in sale tax refundable	<b>(17,918,933)</b>	-
Decrease / (Increase) in long term loans	<b>(244,000)</b>	991,849
(Decrease)/increase in trade and other payables	<b>(15,389,452)</b>	80,737,744
(Decrease)/increase in infra structure fee	<b>946,102</b>	3,138,711
<b>Cash generated from operations</b>	<b>(158,308,982)</b>	(77,794,094)
Finance cost paid	<b>(81,691,619)</b>	(130,186,001)
Taxes paid	<b>(30,543,468)</b>	(45,353,339)
Employees retirement benefits paid	<b>(7,398,058)</b>	(7,131,360)
Paid to workers profit Participation fund	<b>(39,701,354)</b>	-
Dividend paid	<b>(47,998,649)</b>	(31,980,487)
	<b>(207,333,148)</b>	(214,651,187)
<b>Net cash flow from operating activities</b>	<b>(365,642,130)</b>	(292,445,281)



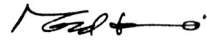
**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2012**

	MARCH 2012 RUPEES	MARCH 2011 RUPEES
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(65,481,088)	(22,796,854)
Proceeds from disposal of property, plant and equipment	-	607,500
<b>Net cash used in investing activities</b>	<b>(65,481,088)</b>	<b>(22,189,354)</b>
<b>Cash flow from financing activities</b>		
Repayment of liabilities against assets subject to finance lease	(19,109,236)	(19,199,098)
Repayment of long term finances	(222,675,873)	(105,277,922)
(Decrease)/ Increase in short term borrowings	699,260,786	521,394,908
<b>Net cash from financing activities</b>	<b>457,475,677</b>	<b>396,917,888</b>
<b>Net increase in cash and cash equivalents</b>	<b>26,352,459</b>	<b>82,283,253</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>16,862,100</b>	<b>30,781,115</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>43,214,559</b>	<b>113,064,368</b>



**Mohammad Amin**  
Chief Executive



**Mohammad Salim**  
Director

Karachi : 26<sup>th</sup> April, 2012

**BLESSED TEXTILES LIMITED**

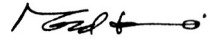
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2012**

Note	Nine Months Ended		Quarter Ended	
	31 <sup>st</sup> March 2012 Rupees	31 <sup>st</sup> March 2011 Rupees	31 <sup>st</sup> March 2012 Rupees	31 <sup>st</sup> March 2011 Rupees
Profit after taxation	175,472,115	503,085,187	78,761,040	253,667,979
Gross profit				
Other comprehensive income	-	-	-	-
<b>Total comprehensive Income</b>	<b><u>175,472,115</u></b>	<b><u>503,085,187</u></b>	<b><u>78,761,040</u></b>	<b><u>253,667,979</u></b>

*The annexed notes form an integral part of these financial statements*



**Mohammad Amin**  
Chief Executive



**Mohammad Salim**  
Director

Karachi : 26<sup>th</sup> April, 2012


**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2012**

	Share Capital	General Reserves	Unappropriated Profit	Total
	RUPEES	RUPEES	RUPEES	RUPEES
<b>Balance as at 30 June, 2010</b>	64,320,000	1,100,000,000	81,959,819	1,246,279,819
Profit for nine months ended March 31, 2011	-	-	503,085,187	503,085,187
Final dividend for the year ended June 30, 2010			(32,160,000)	(32,160,000)
<b>Balance as at March 31, 2011</b>	64,320,000	1,100,000,000	552,885,006	1,717,205,006
Profit for the quarter ended June 30, 2011	-	-	106,519,887	106,519,887
Transferred to general reserve	-	500,000,000	(500,000,000)	-
<b>Balance as at 30 June, 2011</b>	64,320,000	1,600,000,000	159,404,893	1,823,724,893
Profit for nine months ended March 31, 2012	-	-	175,472,115	175,472,115
Final dividend for the year ended June 30, 2011			(48,240,000)	(48,240,000)
<b>Balance as at March 31, 2012</b>	<b>64,320,000</b>	<b>1,600,000,000</b>	<b>286,637,008</b>	<b>1,950,957,008</b>



**Mohammad Amin**  
Chief Executive



**Mohammad Salim**  
Director

Karachi : 26<sup>th</sup> April, 2012

**BLESSED TEXTILES LIMITED**

**NOTES TO THE ACCOUNTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2012**

**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 House, 23/1, Sector 23, S.M Faorroq Road, Korangi Industrial Area, 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 30<sup>th</sup> June, 2011.

**3 OBLIGATION UNDER FINANCE LEASE**

<b>SECURED</b>	<b>MARCH 2012 RUPEES</b>	<b>JUNE 2011 RUPEES</b>
Not later than one year	21,184,783	29,757,155
Later than one year but not later than five years	<u>-</u>	<u>14,227,445</u>
	21,184,783	43,984,600
Less: Finance charges allocated to future periods	<u>(1,289,801)</u>	<u>(4,980,382)</u>
<b>Present value of minimum lease payments</b>	19,894,982	39,004,218
Not later than one year	<u>(19,894,982)</u>	<u>(25,501,408)</u>
Later than one year but not later than five years	<u>-</u>	<u>13,502,810</u>

**4 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2011.

**5 ACQUISITION AND DISPOSAL OF FIXED ASSETS**

	<b>MARCH 2012 RUPEES</b>	<b>JUNE 2011 RUPEES</b>
Written down value of assets - opening	<b>1,521,179,823</b>	1,405,915,823
Addition during the period	<b>37,089,588</b>	268,237,380
disposal during the period - written down value	-	(760,955)
depreciation charged during the period	<b>(120,569,671)</b>	(152,212,425)
Written down value of assets - closing	<u><b>1,437,699,740</b></u>	<u>1,521,179,823</u>

**BLESSED TEXTILES LIMITED**

**NOTES TO THE ACCOUNTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2012**

**6 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:

	<u>NINE MONTHS ENDED</u>		<u>QUARTER ENDED</u>	
	<u>MARCH</u>	<u>MARCH</u>	<u>MARCH</u>	<u>MARCH</u>
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
Purchases	<b>286,050,181</b>	301,547,811	<b>104,282,670</b>	96,316,810
Sales of yarn and fabric	<b>516,093,328</b>	414,873,313	<b>131,358,747</b>	156,607,271
Dividend paid	<b>8,918,700</b>	5,945,800	<b>8,918,700</b>	5,945,800
Services Received	<b>12,087,209</b>	3,392,000	<b>10,389,209</b>	2,222,000
Electricity	<b>106,194,405</b>	80,202,139	<b>41,664,827</b>	37,742,510

**7 COMPARATIVE FIGURES**

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 while profit & Loss Accounts has been compared with corresponding figures of last year's quarter.



**Mohammad Amin**  
Chief Executive



**Mohammad Salim**  
Director

Karachi : 26<sup>th</sup> April, 2012

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