



of Companies

**FIRST QUARTERLY ACCOUNTS
2013-2014
(UN - AUDITED)**

UMER GROUP OF COMPANIES

BLESSED TEXTILES LIMITED



BLESSED TEXTILES LIMITED

DIRECTORS REVIEW

On behalf of the board of directors of **Blessed Textiles Limited**, I am pleased to present, the un-audited condensed interim financial statements for first quarter ended 30th September 2013.

Operating Results

Operating results of the company for the first quarter ended 30th September 2013 are as follow

	30 SEP 2013	30 SEP 2012
RUPEES.....	
Sales	1,458,189,081	1,363,661,452
Gross Profit	203,444,295	153,890,252
Profit before taxation	112,624,712	77,407,941
Profit after taxation	98,092,471	65,615,866
Earnings per share - basic and diluted	Rs.15.25	Rs.10.20

Future Prospects

The management of the company is fully aware of the necessity of Balancing and Modernization and Expansion. The management has chalked out an effective plan for Modernization and Expansion therefore production capacity of spinning unit is being enhanced by complete new project with 12,000 spindles supported by fully back process machinery. The expansion plan is under process of installation and expected to be completed by the end of next quarter resulting in increase in the volume of sales. With ongoing efforts to explore new markets internationally and expansion, we expect growth in profitability in future.

We foresee even big challenges in the coming days because of unexpected and sudden movements in cotton prices, rising energy costs, gas and power outages in winter. China has been main importer of cotton yarn for last three years but due to slump in international market, China's demand for yarn is very slow and the export sales price of yarn may be the lowest in future. Due to low prices of yarn and substantial increase in cost of production, the future outlook is very bleak and depressing.

Instead of reducing discount rate, the State Bank of Pakistan has increased discount rate by 0.50 which will increase borrowing cost and consequently affects the profitability of company.

Acknowledgement

The Directors wish to express their gratitude to our valued clients and bankers for the cooperation extended by them during the course of business activities. The Directors also wish to place on their appreciation for the hard work and devoted services of the staff members and workers of the Company.

On behalf of the Board
MOHAMMAD AMIN
Chief Executive

Karachi: October 28th, 2013



BLESSED TEXTILES LIMITED

**Condensed Interim Balance Sheet(Un-Audited)
As At September 30, 2013**

	Note	SEPTEMBER 2013 RUPEES	JUNE 2013 RUPEES
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
6,500,000 (June 2013: 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		<u>64,320,000</u>	64,320,000
General reserves		2,300,000,000	2,300,000,000
Unappropriated profit		<u>154,993,934</u>	<u>56,901,463</u>
		2,519,313,934	2,421,221,463
NON - CURRENT LIABILITIES			
Long-term financing - secured		<u>913,117,013</u>	<u>475,706,138</u>
Deferred liabilities		<u>116,000,359</u>	<u>107,607,678</u>
		1,029,117,372	583,313,816
CURRENT LIABILITIES			
Trade and other payables		<u>381,094,874</u>	<u>345,400,085</u>
Markup accrued on loans		<u>18,364,244</u>	<u>12,023,491</u>
Short term borrowings - secured		<u>795,928,874</u>	<u>627,290,326</u>
Current portion of long term loans		<u>220,604,340</u>	<u>160,272,560</u>
		1,415,992,332	1,144,986,462
CONTINGENCIES AND COMMITMENTS	3	-	-
		<u>4,964,423,638</u>	<u>4,149,521,741</u>

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

MOHAMMAD AMIN
Chief Executive

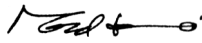
Karachi: 28th October, 2013



BLESSED TEXTILES LIMITED

Condensed Interim Balance Sheet(Un-Audited) As At September 30, 2013

	Note	SEPTEMBER 2013 RUPEES	JUNE 2013 RUPEES
ASSETS			
NON CURRENT ASSETTS			
Property, plant and equipment	4	1,525,268,947	1,560,483,230
Capital work-in-progress		1,110,918,234	433,921,593
Long term deposits		7,297,985	7,297,985
		2,643,485,166	2,001,702,808
 CURRENT ASSETS			
Stores, spare parts and loose tools		106,061,059	82,903,666
Stock in trade		1,590,035,695	1,570,261,938
Trade debts		246,914,067	189,649,908
Advances, deposits, prepayments and other receivable		74,609,490	65,418,050
Sales tax refundable		108,933,598	90,399,343
Income tax refundable		116,352,728	112,207,491
Cash and bank balances		78,031,835	36,978,537
		2,320,938,472	2,147,818,933
		4,964,423,638	4,149,521,741


MOHAMMAD SALIM
Director



BLESSED TEXTILES LIMITED

Condensed Interim Profit And Loss Account (Un-Audited) For The First Quarter Ended September 30, 2013

	FIRST QUATER	
	SEPTEMBER 2013	SEPTEMBER 2012
RUPEES.....	
Sales	1,458,189,081	1,363,661,452
Cost of goods sold	1,254,744,786	1,209,771,200
Gross Profit	203,444,295	153,890,252
Distribution cost	29,871,177	32,787,096
Administrative expenses	23,190,059	21,230,208
	53,061,236	54,017,304
	150,383,059	99,872,948
Other operating income	443,628	1,338,600
Operating Profit	150,826,687	101,211,548
Finance cost	30,616,464	20,033,210
Other operating expenses	7,585,511	3,770,397
	38,201,975	23,803,607
Profit before taxation	112,624,712	77,407,941
Provision for taxation	14,532,241	11,792,075
Profit after taxation	98,092,471	65,615,866
Earnings per share - basic and diluted	15.25	10.20

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

MOHAMMAD AMIN
Chief Executive

MOHAMMAD SALIM
Director

Karachi: 28th October, 2013




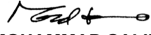
BLESSED TEXTILES LIMITED

Cash Flow Statement (Un-Audited) For The First Quarter Ended September 30, 2013

	SEPTEMBER 2013	SEPTEMBER 2012
	RUPEES	RUPEES
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	112,624,712	77,407,941
Adjustments for non-cash items		
Interest / markup on borrowings	30,616,464	20,033,210
Gain on disposal of property, plant and equipment	(129,568)	(1,085,268)
Provision for employees retirement benefits	4,200,000	5,910,000
Depreciation	40,950,000	44,250,000
	75,636,896	69,107,942
Operating profit before changes in working capital	188,261,608	146,515,883
Changes in working capital		
Stores, spares and loose tools	(23,157,393)	(4,810,875)
Stock in trade	(19,773,757)	275,473,374
Trade debts	(57,264,159)	(54,751,398)
Advances, prepayments and other receivables	(9,191,440)	(11,381,508)
Sales tax refundable	(18,534,255)	(6,597,868)
Trade and other payables	35,694,789	39,061,024
Long term payables	6,641,551	481,642
Cash generated from operations	102,676,944	383,990,274
Employees retirement benefits paid	(2,448,870)	(2,418,666)
Interest/markup paid	(24,275,711)	(27,303,058)
Income tax paid	(18,677,478)	(11,739,010)
	(45,402,059)	(41,460,734)
Net cash flow from operating activities	57,274,885	342,529,540
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(682,802,790)	(17,805,293)
Proceeds from disposal of property, plant and equipment	200,000	7,250,690
Net cash used in investing activities	(682,602,790)	(10,554,603)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances obtained	524,485,000	-
Repayment of long term finances	(26,742,345)	(38,008,000)
Repayment of liabilities against assets subject to finance lease	-	(2,260,606)
Net decrease in short term borrowings	168,638,548	(219,460,974)
Dividend paid	-	(9,673)
Net cash from financing activities	666,381,203	(259,739,253)
Net increase in cash and cash equivalents	41,053,298	72,235,684
Cash and cash equivalents at the beginning of the period	36,978,537	15,932,445
Cash and cash equivalents at the end of the period	78,031,835	88,168,129

Karachi: 28th October, 2013


 MOHAMMAD AMIN
 Chief Executive


 MOHAMMAD SALIM
 Director



BLESSED TEXTILES LIMITED

**Condensed Interim Statement of Changes In Equity (Un-Audited)
For The First Quarter Ended September 30, 2013**

	Share Capital	General Reserves	Unappropriated Profit	Total
	Rupess	Rupess	Rupess	Rupess
Balance as at 30 June, 2012	64,320,000	1,900,000,000	94,446,992	2,058,766,992
Profit for the quarter ended Sep 30, 2012	-	-	65,615,866	65,615,866
Balance as at Sep 30, 2012	64,320,000	1,900,000,000	160,062,858	2,124,382,858
Profit for the remaining period	-	-	328,998,605	328,998,605
Final dividend for the year ended June 30, 2012			(32,160,000)	(32,160,000)
Transferred to general reserve	-	400,000,000	(400,000,000)	-
Balance as at 30 June, 2013	64,320,000	2,300,000,000	56,901,463	2,421,221,463
Profit for the quarter ended September 30, 2013	-	-	98,092,471	98,092,471
Balance as at Sep 30, 2013	64,320,000	2,300,000,000	154,993,934	2,519,313,934

MOHAMMAD AMIN
Chief Executive

MOHAMMAD SALIM
Director

Karachi: 28th October, 2013



BLESSED TEXTILES LIMITED

**Condensed Interim Statement of Comprehensive Income (Un-Audited)
For The First Quarter Ended September 30, 2013**

	SEPTEMBER 2013 RUPEES	SEPTEMBER 2012 RUPEES
Profit for the the quarter after taxation	98,092,471	65,615,866
Other comprehensive income for the quarter	-	-
Total comprehensive Income for the quarter	98,092,471	65,615,866

The annexed notes form an integral part of these financial statements

MOHAMMAD AMIN
Chief Executive

MOHAMMAD SALIM
Director

Karachi: 28th October, 2013



BLESSED TEXTILES LIMITED

Notes To The Accounts (Un-Audited) For The First Quarter Ended September 30, 2013

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 30th June, 2013.

3 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, 2013.

4 ACQUISITION AND DISPOSAL OF FIXED ASSETS

	SEPTEMBER 2013 RUPEES	JUNE 2013 RUPEES
written down value of assets - opening	1,560,483,230	1,411,360,030
Additions during the period	5,806,149	325,081,254
disposal during the period - written down value	(70,432)	(6,326,429)
depreciation charged during the period	(40,950,000)	(169,631,625)
Written down value of assets - closing	<u>1,525,268,947</u>	<u>1,560,483,230</u>

5 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:

	QUARTER ENDED	
	SEP 2013 Rupees	SEP 2012 Rupees
Purchases of cotton, yarn, fabric and machinery	103,026,975	218,015,807
Sales of cotton, yarn, fabric and machinery	81,317,694	246,850,579
Services Received	75,000	3,571,824
Electricity	80,447,486	34,217,115

6 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 Account has been compared with corresponding figures of last year's quarter.

MOHAMMAD AMIN
Chief Executive

Karachi: 28th October, 2013

MOHAMMAD SALIM
Director

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BLESSED TEXTILES LIMITED

Umer House, 23/1, Sector 23, S.M. Farooq Road,
Korangi Industrial Area, Karachi-74900, Pakistan

Phone : 021 - 35115177 - 80

FaxNo. : 021 - 35063002 - 3

E-mail : khioff@umergroup.com

Website: <http://www.umergroup.com>