



of Companies

**THIRD QUARTERLY ACCOUNTS
2012-2013
(UN - AUDITED)**

UMER GROUP OF COMPANIES

BLESSED TEXTILES LIMITED



of Companies

BLESSED TEXTILES LIMITED

Vision

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





BLESSED TEXTILES LIMITED

Mission Statement

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



BLESSED TEXTILES LIMITED

Directors' Review

Your directors are pleased to present the un-audited condensed interim financial statements of the Company for the nine months ended 31st March 2014.

Salient features of the nine months ended 31st March 2014 are as follows;

- Profit after tax for the nine months ended 31st March 2014 is PKR 202.898 million as against PKR 252.585 million of the corresponding nine months of last year.
- Earnings per share for the nine months ended 31st March 2014 is PKR 31.55 (31st March 2013 PKR 39.27).
- Breakup value of the share as on 31st March 2014 is PKR 402.98 (30th June, 2013 PKR 376.43).

Industry Overview and Future Prospect

Appreciation in Pakistani Rupee is welcome but government must implement the appreciation in Pakistan Rupee step by step. Impulsive appreciation of Pakistani Rupee severally affects the exporter profitability. Export proceeds have been declined about 10% due to appreciation in Pakistani Rupees whereas the cost of production remained the same.

Pakistan's largest export market for yarn is China. Chinese demand for the yarn fell down on the basis of the report of huge inventory of imported yarn and cotton. Declined in buying of yarn and cotton has badly affected export of local textile sector. On the other hand, with reduction in yarn demand from China, local yarn and cotton prices are coming down.

Textile industry in Pakistan is expecting a major increase in export and production of textile industry after getting Generalized System of Preferences (GSP) Plus status by the European Union. But it is expected that the result of GSP plus status will take some time. Moreover the shortage of energy, law and order situation and lack of adequate technology are the major constrain of taking benefits from GPS Plus.

In the present scenario the results are likely to be adverse in coming quarters. 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: 26th April 2014



BLESSED TEXTILES LIMITED

Condensed Interim Balance Sheet (Un-audited) As At March 31, 2014

	Note	31 MARCH 2014 RUPEES	30 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		64,320,000	64,320,000
General reserves		2,300,000,000	2,300,000,000
Unappropriated profit		227,640,067	56,901,463
		2,591,960,067	2,421,221,463
NON - CURRENT LIABILITIES			
Long-term financing - secured		1,307,851,935	475,706,138
Deferred liabilities		119,633,968	107,607,678
		1,427,485,903	583,313,816
CURRENT LIABILITIES			
Trade and other payables		400,601,440	345,400,085
Markup accrued on loans		76,659,120	12,023,491
Short term borrowings - secured		2,096,220,116	627,290,326
Current portion of long term loans		248,489,548	160,272,560
		2,821,970,224	1,144,986,462
CONTINGENCIES AND COMMITMENTS			
	4	-	-
		<u>6,841,416,194</u>	<u>4,149,521,741</u>

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

Mohammad Amin
Chief Executive


Karachi: 26th April 2014



BLESSED TEXTILES LIMITED

Condensed Interim Balance Sheet (Un-audited) As At March 31, 2014

	Note	31 MARCH 2014 RUPEES	30 JUNE 2013 RUPEES
ASSETS			
NON CURRENT ASSETTS			
Property, plant and equipment	5	1,405,682,228	1,560,483,230
Capital work-in-progress		1,770,546,354	433,921,593
Long term deposits		10,775,665	7,297,985
		3,187,004,247	2,001,702,808
CURRENT ASSETS			
Stores, spare parts and loose tools		94,826,303	82,903,666
Stock in trade		2,781,147,888	1,570,261,938
Trade debts		399,941,146	189,649,908
Advances, Deposits, prepayments and Other Receivable		63,623,571	65,418,050
Sales tax refundable		110,730,218	90,399,343
Income tax refundable		121,983,677	112,207,491
Cash and bank balances		82,159,144	36,978,537
		3,654,411,947	2,147,818,933
		<u>6,841,416,194</u>	<u>4,149,521,741</u>


Mohammad Salim
Director




BLESSED TEXTILES LIMITED

**Condensed Interim Profit And Loss Account (Un-audited)
For The Nine Months Ended March 31, 2014**

	NINE MONTHS		QUARTER ENDED	
	31 MARCH 2014	31 MARCH 2013	31 MARCH 2014	31 MARCH 2013
RUPEES.....	RUPEES.....	
Sales	5,012,358,546	4,286,320,456	2,053,052,735	1,483,623,510
Cost of goods sold	4,374,606,442	3,719,414,389	1,838,003,879	1,262,500,031
Gross Profit	637,752,104	566,906,067	215,048,856	221,123,479
Distribution cost	109,835,747	100,388,023	46,746,897	32,883,609
Administrative expenses	69,165,392	57,920,077	25,418,190	22,251,838
	179,001,139	158,308,100	72,165,087	55,135,447
	458,750,965	408,597,967	142,883,769	165,988,032
Other operating income	1,311,030	5,435,694	439,334	251,621
Operating Profits	460,061,995	414,033,661	143,323,103	166,239,653
Finance cost	192,490,250	104,633,669	100,446,675	44,240,593
Other operating expenses	14,742,336	16,418,546	1,618,820	6,414,953
	207,232,586	121,052,215	102,065,495	50,655,546
Profit before taxation	252,829,409	292,981,446	41,257,608	115,584,107
Provision for taxation				
Current period	49,930,805	40,396,443	20,333,008	14,473,334
Profit after taxation	202,898,604	252,585,003	20,924,600	101,110,773
Earning per share - basic and diluted	31.55	39.27	3.25	15.72

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


Mohammad Amin
 Chief Executive


Mohammad Salim
 Director

Karachi: 26th April 2014



BLESSED TEXTILES LIMITED

**Condensed Interim Cash Flow Statement (Un-audited)
For The Nine Months Ended March 31, 2014**

	31 MARCH 2014 RUPEES	31 MARCH 2013 RUPEES
CASH GENERATED FROM OPERATIONS		
Profit before tax	252,829,409	292,981,446
Adjustments for non-cash items		
Interest / markup on borrowings	192,490,250	104,633,669
Gain on disposal of property, plant and equipment	(162,349)	(1,085,268)
Provision for employees retirement benefits	12,600,000	17,730,000
Depreciation	158,850,000	132,750,000
	363,777,901	254,028,401
Operating profit/(loss) before changes in working capital	616,607,310	547,009,847
 Changes in working capital		
Stores, spares and loose tools	(11,922,637)	(10,488,853)
Stock in trade	(1,210,885,950)	(792,376,202)
Trade debts	(210,291,238)	(84,414,548)
Advances, prepayments and other receivables	1,794,479	(59,996,651)
Trade Deposits	(3,477,680)	-
Sales tax refundable	(20,330,875)	(16,484,324)
Trade and other payables	54,885,897	110,772,990
Long term payables	9,944,363	3,829,065
Cash generated from operations	(773,676,331)	(302,148,676)
Employees retirement benefits paid	(10,518,073)	(15,174,191)
Interest/markup paid	(127,854,621)	(77,586,892)
Income tax paid	(59,706,991)	(52,065,822)
	(198,079,685)	(144,826,905)
Net cash out flow from operating activities	(971,756,016)	(446,975,581)



BLESSED TEXTILES LIMITED

Condensed Interim Cash Flow Statement (Un-audited) For The Nine Months Ended March 31, 2014

	31 MARCH 2014 RUPEES	31 MARCH 2013 RUPEES
Capital expenditure	(1,340,861,410)	(114,827,541)
Proceeds from disposal of property, plant and equipment	350,000	7,250,690
Net cash used in investing activities	(1,340,511,410)	(107,576,851)

CASH FLOW FROM FINANCING ACTIVITIES

Long term finances obtained	1,210,886,000	21,660,000
Repayment of long term finances	(290,523,215)	(94,336,000)
Repayment of liabilities against assets subject to finance lease	-	(13,500,694)
Net increase in short term borrowings	1,468,929,790	754,334,505
Dividend paid	(31,844,542)	(31,891,551)
Net cash from financing activities	2,357,448,033	636,266,260
Net increase in cash and cash equivalents	45,180,607	81,713,828
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	82,159,144	97,646,273

Mohammad Amin
Chief Executive

Mohammad Salim
Director

Karachi: 26th April 2014



BLESSED TEXTILES LIMITED

**Condensed Interim Statement Of Comprehensive Income (Un-audited)
For The Nine Months Ended March 31, 2014**

	Nine Months Ended		Quarter Ended	
	March 31, 2014 Rupees	March 31, 2013 Rupees	March 31, 2014 Rupees	March 31, 2013 Rupees
Profit for the period	202,898,604	252,585,003	20,924,600	101,110,773
Other comprehensive income for the period	-	-	-	-
Total comprehensive Income for the period	<u>202,898,604</u>	<u>252,585,003</u>	<u>20,924,600</u>	<u>101,110,773</u>

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

Mohammad Amin
Chief Executive

Mohammad Salim
Director

Karachi: 26th April 2014



BLESSED TEXTILES LIMITED

**Condensed Interim Statement Of Changes In Equity (Un-audited)
For The Nine Months Ended March 31, 2014**

	Share Capital	General Reserves	Unappropriated Profit	Total
	RUPEES	RUPEES	RUPEES	RUPEES
Balance as at 30th June, 2012	64,320,000	1,900,000,000	94,446,992	2,058,766,992
Profit for the nine months ended 31 st March 2013			252,585,003	252,585,003
Other comprehensive income for the nine months ended 31 st March 2013	-	-	-	-
Final dividend for the year ended June 30, 2012 PKR. 5.0 per share	-	-	(32,160,000)	(32,160,000)
Balance as at 31st March, 2013	64,320,000	1,900,000,000	314,871,995	2,279,191,995
Profit for the remaining period	-	-	142,029,468	142,029,468
Transferred to general reserve	-	400,000,000	(400,000,000)	-
Other comprehensive income for the year ended 30 th June 2013	-	-	-	-
Balance as at 30th June, 2013	64,320,000	2,300,000,000	56,901,463	2,421,221,463
Other comprehensive income for the nine months ended 31 st March 2014	-	-	-	-
Profit for the nine months ended 31 st March 2014	-	-	202,898,604	202,898,604
Final dividend for the year ended 30 th June, 2013	-	-	(32,160,000)	(32,160,000)
Balance as at 31st March, 2014	64,320,000	2,300,000,000	227,640,067	2,591,960,067

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

Mohammad Amin
Chief Executive

Mohammad Salim
Director

Karachi: 26th April 2014



BLESSED TEXTILES LIMITED

Notes To The Accounts (Un-audited) For The Nine Months Ended March 31, 2014

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 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

These condensed interim financial statements comprise of condensed balance sheet, condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes for the nine months ended March 31, 2014. These condensed interim financial statements also include the condensed interim profit and loss account for the quarter ended 31st March, 2014.

3 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. except for adoption of IAS-19, as more described in note 3.2 below.

3.1 Change in accounting policy for employee benefits - defined benefit plan

IAS 19 (revised) ' Employee benefits' amends the accounting for employment benefits which became effective to the Company from July 1, 2013. The changes introduced by the IAS 19 (revised) are as follows:

- (a) The standard requires past service cost to be recognised immediately in profit and loss account;
- (b) The standard replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit assets or liability and the discount rate, measured at the beginning of the year;
- (c) There is new term "remeasurement". This is made up of actuarial gains and losses, the differences between actual investment returns and return implied by the net interest cost; and
- (d) The amendment requires an entity to recognise remeasurements immediately in other comprehensive income. Actuarial gains or losses beyond corridor limits were previously amortised over the expected future services of the employees.

The management believes that the effects of these changes would not have any effect on this condensed interim financial information as the cumulative balance for un-recognised actuarial losses as at June 30, 2013 was Nil.

The management is in process of determining the effect of this change, if any, to the amount to be recognised through Comprehensive Income for the year ending June 30, 2014. In the absence of actuarial valuation for the whole year, the management has not considered any amount as an adjustment for the purposes of the condensed interim financial information for the current period.



BLESSED TEXTILES LIMITED

Notes To The Accounts (Un-audited) For The Nine Months Ended March 31, 2014

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, 2013.

31 MARCH 2014	30 JUNE 2013
RUPEES	RUPEES

5 ACQUISITION AND DISPOSAL OF FIXED ASSETS

written down value of assets - opening	1,560,483,230	1,411,360,030
Addition during the period	4,236,649	325,081,254
disposal during the period - written down value	(187,651)	(6,326,429)
depreciation charged during the period	(158,850,000)	(169,631,625)
Written down value of assets - closing	<u>1,405,682,228</u>	<u>1,560,483,230</u>

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:

	Nine Months Ended		Quarter Ended	
	31 st March 2014 Rupees	31 st March 2013 Rupees	31 st March 2014 Rupees	31 st March 2013 Rupees
Purchases	240,762,240	447,547,254	74,008,725	135,237,293
Sales of yarn and fabric	458,147,282	697,281,053	208,100,044	213,942,877
Dividend paid	5,945,800	5,945,800	-	-
Services Received	225,000	5,170,824	75,000	309,000
Electricity	227,169,077	184,610,644	82,401,083	72,874,569

7 DATE OF AUTHORIZATION FOR ISSUE

These nine months period financial information were authorized for issue on 26th April 2014 by the board of directors of the Company.

8 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

Karachi: 26th April 2014

Mohammad Salim
Director

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