



*of Companies*

**FIRST QUARTERLY ACCOUNTS  
2018-2019  
(UN - AUDITED)**

**UMER GROUP OF COMPANIES**

**BLESSED TEXTILES LIMITED**

## Directors' Review

On behalf of the board of directors of Blessed Textiles Limited, I am presenting the un-audited condensed interim financial statements for the first quarter ended September 30, 2018.

### ***Significant financial performance of the first quarter ended September 30, 2018;***

Profit after tax for the first quarter ended 30<sup>th</sup> September, 2018 is PKR 101.184 million compared to PKR 61.913 million in the corresponding period ended 30<sup>th</sup> September, 2017.

Gross Profit for the first quarter ended 30<sup>th</sup> September, 2018 is PKR 300.363 million as compared to corresponding period ended 30<sup>th</sup> September, 2017 where it stands at PKR 214.504 million.

Earnings per share for 30<sup>th</sup> September, 2018 is PKR 15.73 (30<sup>th</sup> September, 2017; PKR 9.63) whereas breakup value of share for 30<sup>th</sup> September 2018 is PKR 521.30 (30<sup>th</sup> June, 2018; PKR 505.57).

During the quarter ended 30<sup>th</sup> September, 2018 sales has been increased by 15.27% as compared to corresponding period ended 30<sup>th</sup> September, 2017.

### **Forthcoming View**

Pakistan's economy received multiple jolts during fiscal year 2018 and almost all economic indicators worsened and it expected that the economy has yet to face new challenges in fiscal year 2019.

The economy took off with GDP being declared at a decade high level of 5.3% in fiscal year 2017. It achieved a 13-year high growth of around 5.7-5.8% in FY18 & now estimated it will recede to 4.7% - 4.8% in 2019. The bleak economic scenario, where the country's foreign currency reserves have dropped to a critical level it is an obvious scenario that Pakistan will enter into the IMF bailout programme. The government has set a GDP growth target of 6.0% for fiscal year 2019 however, leading economist believes that economic growth will stay around 4.8% in 2018-19. The unsatisfactory performance on the economic fronts suggests that Pakistan may face a crisis in fiscal year 2019 if immediate corrective measures will not be taken.

Economic fundamentals have started deteriorating since beginning of 2018, especially for the newly elected government. The challenges and disarray in the economy down the road like water crisis and the sharp devaluation of rupee against dollar may further hamper economic growth in fiscal year 2019. As per international organizations, Pakistan is likely to face a major water crisis which may slow down agriculture growth this fiscal year whose share in the economy stands at around one-fifth. Initial reports have suggested that cotton farmers, mainly in Sindh, have failed to sow seeds at a large part of the targeted area of around 3.000 million hectares due to water scarcity this summer season.

However, management is expecting results bases on strong correlation between demand and supply in upcoming quarter to maintain the level of profitability.

### **Acknowledgement**

The Board highly appreciates the contribution of employees, bankers, corporate regulators, stakeholders and other government authorities for their continuous support.

On behalf of the Board



**Mohammad Amin**  
(Chief Executive)

Karachi: October 29, 2018

**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION(UN-AUDITED)  
AS AT SEPTEMBER 30, 2018**

	Note	September 30, 2018	June 30, 2018
		Rupees (Un-audited)	Rupees (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized capital</b>		65,000,000	65,000,000
6,500,000 (June 30, 2018: 6,500,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid-up capital		64,320,000	64,320,000
General reserve		3,000,000,000	3,000,000,000
Accumulated profits		288,668,828	187,484,648
<b>TOTAL EQUITY</b>		<b>3,352,988,828</b>	<b>3,251,804,648</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term finances - Secured		1,451,286,917	1,543,019,632
Deferred liabilities	6	543,682,186	529,948,362
		<b>1,994,969,103</b>	<b>2,072,967,994</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		656,003,514	487,985,016
Unclaimed Dividend		3,871,484	3,877,973
Accrued markup / interest		41,298,026	38,781,113
Short term borrowings - Secured		2,299,376,447	3,146,462,335
Current portion of non-current liabilities		324,158,580	303,439,273
		<b>3,324,708,051</b>	<b>3,980,545,710</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	7	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,672,665,982</b>	<b>9,305,318,352</b>

*The annexed notes form an integral part of this condensed interim financial information.*



**CHIEF EXECUTIVE**  
Karachi: October 29, 2018



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**BLESSED TEXTILES LIMITED****CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION(UN-AUDITED)  
AS AT SEPTEMBER 30, 2018**

	Note	September 30, 2018	June 30, 2018
		Rupees (Un-audited)	Rupees (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	3,545,283,290	3,595,552,344
Long term deposits - <i>Unsecured, Considered good</i>		14,344,095	14,144,095
		<b>3,559,627,385</b>	<b>3,609,696,439</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		75,226,466	71,765,436
Stock in trade		3,476,769,140	3,893,102,492
Trade debts		596,099,097	926,183,117
Advances, deposits, prepayments and other receivables		157,748,590	150,108,121
Sales tax refundable		207,769,392	180,087,987
Advance income tax		334,786,254	334,546,794
Cash and bank balances		264,639,658	139,827,966
		<b>5,113,038,597</b>	<b>5,695,621,913</b>
<b>TOTAL ASSETS</b>		<b>8,672,665,982</b>	<b>9,305,318,352</b>


*The annexed notes form an integral part of this condensed interim financial information.*



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	<i>Note</i>	<b>Quarter Ended</b>	
		<b>September 30, 2018</b>	<b>September 30, 2017</b>
		<i>Rupees</i>	<i>Rupees</i>
<b>Sales - net</b>		<b>2,754,019,536</b>	2,389,377,386
Cost of sales		<b>2,453,656,027</b>	2,174,873,548
<b>Gross profit</b>		<b>300,363,509</b>	214,503,838
Selling and distribution expenses		<b>57,716,767</b>	50,019,786
Administrative and general expenses		<b>30,346,031</b>	30,470,659
		<b>88,062,798</b>	80,490,445
		<b>212,300,711</b>	134,013,393
Other income		<b>1,326,689</b>	953,399
<b>Operating profit</b>		<b>213,627,400</b>	134,966,792
Finance cost		<b>72,249,897</b>	36,423,591
Other charges		<b>9,702,379</b>	6,762,768
		<b>81,952,276</b>	43,186,359
<b>Profit before taxation</b>		<b>131,675,124</b>	91,780,433
Provision for taxation	9	<b>30,490,944</b>	29,867,217
<b>Profit after taxation</b>		<b>101,184,180</b>	<b>61,913,216</b>
<b>Earnings per share - basic and diluted</b>		<b>15.73</b>	<b>9.63</b>

*The annexed notes form an integral part of this condensed interim financial information.*



**CHIEF EXECUTIVE**  
Karachi: October 29, 2018



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	Quarter Ended	
	September 30, 2018	September 30, 2017
	<i>Rupees</i>	<i>Rupees</i>
Profit after taxation	101,184,180	61,913,216
Other comprehensive income	-	-
Total comprehensive income	<u>101,184,180</u>	<u>61,913,216</u>

*The annexed notes form an integral part of this condensed interim financial information.*



**CHIEF EXECUTIVE**  
Karachi: October 29, 2018



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	Share capital Issued subscribed and paid-up capital	Revenue reserves		Total
		General reserve	Accumulated profit	
	Rupees	Rupees	Rupees	Rupees
<b>Balance as at July 01, 2017 - Audited</b>	64,320,000	2,800,000,000	108,958,561	2,973,278,561
<b>Comprehensive income</b>				
Profit after taxation	-	-	61,913,216	61,913,216
Other comprehensive income	-	-	61,913,216	61,913,216
<b>Balance as at September 30, 2017 - Un-audited</b>	<u>64,320,000</u>	<u>2,800,000,000</u>	<u>170,871,777</u>	<u>3,035,191,777</u>
<b>Balance as at Sep 01, 2017 - Un-audited</b>	64,320,000	2,800,000,000	170,871,777	3,035,191,777
<b>Comprehensive income</b>				
Profit after taxation	-	-	306,561,978	306,561,978
Other comprehensive income	-	-	8,460,457	8,460,457
<b>Total comprehensive income</b>	-	-	315,022,435	315,022,435
Final dividend @ 153% i.e. Rs. 15.30/ordinary share	-	-	(98,409,564)	(98,409,564)
Profit transferred to general reserve	-	200,000,000	(200,000,000)	-
<b>Balance as at June 30, 2018 - Audited</b>	<u>64,320,000</u>	<u>3,000,000,000</u>	<u>187,484,648</u>	<u>3,251,804,648</u>
<b>Balance as at July 01, 2018 - Audited</b>	64,320,000	3,000,000,000	187,484,648	3,251,804,648
<b>Comprehensive income</b>				
Profit after taxation	-	-	101,184,180	101,184,180
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	-	-	101,184,180	101,184,180
	-	-	-	-
<b>Balance as at Sep 30, 2018- Un-audited</b>	<u>64,320,000</u>	<u>3,000,000,000</u>	<u>288,668,828</u>	<u>3,352,988,828</u>


*The annexed notes form an integral part of this condensed interim financial information.*



CHIEF EXECUTIVE  
Karachi: October 29, 2018



DIRECTOR



CHIEF FINANCIAL OFFICER

**BLESSED TEXTILES LIMITED**

**CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	September 30, 2018	September 30, 2017
	<i>Rupees</i>	<i>Rupees</i>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	131,675,124	91,780,433
<b>Adjustments for non-cash and other items</b>		
Finance cost	72,249,897	36,423,591
Gain on disposal of property, plant and equipment	(105)	(312,938)
Provision for employees retirement benefits	9,210,000	8,510,000
Depreciation	89,373,000	96,246,000
	<b>170,832,792</b>	<b>140,866,653</b>
<b>Operating profit before changes in working capital</b>	<b>302,507,916</b>	<b>232,647,086</b>
<b>Changes in working capital</b>		
Increase in stores, spares and loose tools	(3,461,030)	(9,569,448)
Increase in stock in trade	416,333,352	561,864,688
Increase in Trade debts	330,084,020	(90,923,562)
(Increase) / decrease in advances, prepayments and other receivables	(7,640,469)	(3,811,976)
Decrease / (increase) in sales tax refundable	(27,681,405)	77,242,898
Increase in trade and other payables	168,018,498	60,478,776
Increase in long term payables	9,665,098	-
	<b>885,318,064</b>	<b>595,281,376</b>
<b>Net cash generated from operations</b>	<b>1,187,825,980</b>	<b>827,928,462</b>
<b>Payments for:</b>		
Employees retirement benefits	(5,141,274)	(3,295,345)
Interest/markup	(69,732,984)	(40,958,639)
Income tax	(30,730,404)	(19,920,610)
<b>Net cash generated from operating activities</b>	<b>1,082,221,318</b>	<b>763,753,868</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(39,110,841)	(50,031,333)
Proceeds from disposal of property, plant and equipment	7,000	450,000
Long term deposit	(200,000)	-
<b>Net cash (used in) / generated from investing activities</b>	<b>(39,303,841)</b>	<b>(49,581,333)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term finances obtained	-	28,868,000
Repayment of long term finances	(71,013,408)	(50,242,844)
Net increase / (decrease) in short term borrowings	(847,085,888)	(652,244,002)
Dividend paid	(6,489)	(5,812)
<b>Net cash used in financing activities</b>	<b>(918,105,785)</b>	<b>(673,624,658)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>124,811,692</b>	<b>40,547,877</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>139,827,966</b>	<b>35,442,494</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>264,639,658</b>	<b>75,990,371</b>

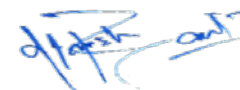
The annexed notes form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE  
Karachi: October 29, 2018



DIRECTOR



CHIEF FINANCIAL OFFICER



## **BLESSED TEXTILES LIMITED**

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### **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

#### **1 REPORTING ENTITY**

Blessed Textiles Limited ('the Company') is incorporated in Pakistan as a Public Limited Company under the Companies Ordinance, 1984 and is listed on Pakistan Stock Exchange. The Company is primarily engaged in the manufacture and sale of yarn and woven fabric, however, it is also engaged in the generation of electricity for self consumption. The registered office of the Company is situated at Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. The manufacturing facility is located at District Sheikhpura in the Province of Punjab.

#### **2 BASIS OF PREPARATION**

This interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2018.

The comparative condensed interim statement of financial position as at June 30, 2018 and the related notes to the interim financial statements are based on audited financial statements. The comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and related notes to the condensed interim financial statements for the three months ended September 30, 2018 are based on unaudited interim financial statements.

##### **2.1 Statement of compliance**

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017 have been followed.

##### **2.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value, certain financial liabilities at amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

##### **2.3 Judgments, estimates and assumptions**

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

##### **2.4 Functional currency**

This financial information is prepared in Pak Rupees which is the Company's functional currency.

## BLESSED TEXTILES LIMITED

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

#### 3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE PERIOD

The following new and revised standards, interpretations and amendments are effective in the current period.

##### IFRS 9 – Financial Instruments (2014)

IFRS 9 replaces IAS 39 - Financial Instruments: Recognition and Measurement. The standard contains requirements in the following areas:

- **Classification and measurement:** Financial assets are classified by reference to the business model within which they are held and their cash flow characteristics. The standard introduces a 'fair value through comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39, however there are differences in the requirements applying to measurement of entity's own credit risk.
- **Impairment:** IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit loss to have occurred before a credit loss is recognized.
- **Hedge accounting:** IFRS 9 introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposure.
- **Derecognition:** The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

The Company has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9. Adoption of IFRS 9 has resulted in the following changes:

##### Classification of financial instruments

Under IAS 39, the Company classified its financial instruments, on initial recognition, into following classes depending on the purpose for which financial assets and liabilities were acquired or incurred.

- (a) *Loans and receivables*  
Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- (b) *Financial liabilities at amortized cost*  
Non-derivative financial liabilities that are not financial liabilities at fair value through profit or loss.

IFRS 9 has introduced new requirements for classification of financial instruments, whereby financial assets and liabilities can be classified into the following categories:

- (a) *Financial assets at amortized cost*  
Assets held in a business model whose objective is to hold assets in order to collect contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount.
- (b) *Financial assets at fair value*  
Financial assets, that do not meet the classification criteria for 'financial assets at amortized cost'.
- (c) *Financial liabilities at amortized cost*  
All financial liabilities, except for those at fair value.
- (d) *Financial liabilities at fair value*  
All financial liabilities that are held for trading or are designated as such on initial recognition.

As a result of the application of IFRS 9, the classification of the Company's financial assets and liabilities is as follows:

	IAS 39 Classification	IFRS 9 Classification
Borrowings	Financial liabilities at amortized cost	Financial liabilities at amortized cost
Trade and other payables	Financial liabilities at amortized cost	Financial liabilities at amortized cost
Trade and other receivables	Loans and receivables	Financial assets at amortized cost
Bank balances	Loans and receivables	Financial assets at amortized cost

##### Measurement of financial instruments

There is no change in the particular measurement methods adopted for each individual financial instrument resulting from application of IFRS 9.

##### Impairment of financial assets

IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit loss to have occurred before a credit loss is recognized. This has resulted in change in the Company's approach to measurement of impairment loss on financial assets as follows:

## BLESSED TEXTILES LIMITED

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

IAS 39 Impairment	IFRS 9 Impairment
<p>A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.</p> <p>An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss in respect of a financial asset measured at fair value is determined by reference to that fair value. All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.</p>	<p>A financial asset is assessed at each reporting date to determine whether there is any objective evidence that the credit risk has increased resulting in an increase in expected credit losses. Impairment is recognized at an amount equal to lifetime expected credit losses for financial assets for which credit risk has increased significantly since initial recognition. For financial assets for which credit risk is low, impairment is recognized at an amount equal to 12 months' expected credit losses.</p> <p>All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.</p>

#### 4 CHANGE IN ACCOUNTING POLICY

The Company has changed its accounting policy for certain financial instruments resulting changes in policies for classification and measurement of those financial instruments. Refer to note 3 for details.

There is no impact of the change on the amounts reported in all periods presented in these interim financial statements.

#### 5 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2018, except of change referred to in note 4.

	<i>Note</i>	
	September 30, 2018	June 30, 2018
	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-audited)</i>	<i>(Audited)</i>
<b>6 DEFERRED LIABILITIES</b>		
Employees retirement benefits	130,125,670	126,056,944
Long term payables - ETO	76,534,361	73,370,210
Long term payables - Gas Infrastructure Development Cess	119,951,258	113,450,311
Deferred taxation	217,070,897	217,070,897
	<b>543,682,186</b>	<b>529,948,362</b>

#### 7 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments since June 30, 2018 except following:

7.1 Bills Discounted	<b>1,022,342,757</b>
<b>Commitments</b>	
Letter of credit (for store, raw material and machinery)	<b>1,466,674,043</b>

## BLESSED TEXTILES LIMITED

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	<i>Note</i>	September 30, 2018	June 30, 2018
		Rupees (Un-audited)	Rupees (Audited)
<b>8 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	8.1	3,515,856,094	3,592,585,178
Capital work in progress		29,427,196	2,967,166
		<u>3,545,283,290</u>	<u>3,595,552,344</u>
<b>8.1 Operating fixed assets</b>			
Net book value at the beginning of the period/year		3,592,585,178	3,868,751,584
Additions during the period/year			
Free Hold Land		-	2,601,500
Factory buildings		-	46,250,418
Plant and machinery		-	47,065,682
Equipment and other assets		-	10,734,409
Electric installation		-	430,000
Furniture and fixtures		-	300,000
Office equipments		-	1,254,876
Vehicles		12,650,811	8,386,850
		<u>12,650,811</u>	117,023,735
Net book value of assets disposed during the period/year		(6,895)	(6,525,531)
Depreciation for the period/year		(89,373,000)	(386,664,610)
Net book value at the end of the period/year		<u>3,515,856,094</u>	<u>3,592,585,178</u>
			<b>Quarter Ended</b>
		<b>September 30, 2018</b>	<b>September 30, 2017</b>
<b>9 PROVISION FOR TAXATION</b>			
Provision for taxation			
Current taxation	9.1	30,490,944	29,867,217
Deferred taxation	9.2		
		<u>30,490,944</u>	<u>29,867,217</u>

9.1 Provision for current tax has been in accordance with the requirements of the Income Tax Ordinance, 2001.

9.2 No provision for deferred tax has been made as the impact of the same is considered immaterial.

#### 10 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Chief Executive and Directors of the Company.

## BLESSED TEXTILES LIMITED

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

Transactions with key management personnel are limited to payment of short term employee benefits and dividend on ordinary shares. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an orderly transaction between market participants.

Names and details of transactions and balances with related parties are as under:

Name	Nature of relationship	Shareholding percentage
Faisal Spinning Mills Limited	Associated companies	N/A
Bhanero Textiles Mills Limited	Associated companies	N/A
Bhanero Energy Limited	Associated companies	N/A
Admiral (Private) Limited	Associated companies	N/A

	September 30, 2018	September 30, 2017
	<i>Rupees</i>	<i>Rupees</i>
	(Un-Audited)	(Un-Audited)

#### 10.1 Transactions with related parties

##### Nature of transaction

Purchases	68,346,017	54,058,961
Sales	338,711,663	319,536,159
Service received	77,250	77,250
Purchase of electricity	74,963,406	137,310,577

#### 10.2 Balances with related parties

There are no balances due to/from related parties as at the reporting date.

### 11 SEGMENT REPORTING

The Company has two reportable segments, which offer different products and are managed separately. The following summary describes the operations in each of the company's reportable segments.

Reportable segment	Principal activity
Spinning	Manufacture and sale of yarn
Weaving	Manufacture and sale of woven fabric

Information about operating segments is as follows:

	Quarter Ended September 30, 2018		
	Spinning	Weaving	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	(Un-audited)	(Un-audited)	(Un-audited)
Revenue from external customers	2,023,392,274	730,627,262	2,754,019,536
Inter-segment transfers	84,789,600	-	84,789,600
Segment results	54,683,979	158,943,421	213,627,400

## BLESSED TEXTILES LIMITED

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	Quarter Ended September 30, 2017		
	Spinning	Weaving	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-audited)</i>	<i>(Un-audited)</i>	<i>(Un-audited)</i>
Revenue from external customers	1,763,444,723	625,932,663	2,389,377,386
Inter-segment transfers	62,976,500	-	62,976,500
Segment results	92,607,821	42,358,971	134,966,792

	Quarter Ended September 30, 2018			
	Spinning	Weaving	Un-allocated	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-audited)</i>	<i>(Un-audited)</i>	<i>(Un-audited)</i>	<i>(Un-audited)</i>
Segment assets	6,506,066,485	1,817,469,148	349,130,349	8,672,665,982

	As at June 30, 2018			
	Spinning	Weaving	Un-allocated	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-audited)</i>	<i>(Un-audited)</i>	<i>(Un-audited)</i>	<i>(Un-audited)</i>
Segment assets	7,294,516,948	1,662,110,515	348,690,889	9,305,318,352

	Quarter Ended September 30, 2018			
	Spinning	Weaving	Un-allocated	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-audited)</i>	<i>(Un-audited)</i>	<i>(Un-audited)</i>	<i>(Un-audited)</i>
Segment liabilities	658,630,007	270,714,113	4,390,333,034	5,319,677,154

	As at June 30, 2018			
	Spinning	Weaving	Un-allocated	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Segment liabilities	501,257,156	256,037,021	5,296,219,527	6,053,513,704

#### 12 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require adjustment of and/or disclosure in this condensed interim financial report.

#### 13 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

**BLESSED TEXTILES LIMITED**

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

**14 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on October 29, 2018.

**15 GENERAL**

**15.1** There are no other significant activities since June 30, 2018 affecting the interim financial information.

**15.2** Figures have been rounded off to the nearest Rupee.



**CHIEF EXECUTIVE**  
Karachi: October 29, 2018



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**