

FIRST QUARTERLY ACCOUNTS 2020-2021 (UN - AUDITED)

**UMER GROUP OF COMPANIES** 

**BLESSED TEXTILES LIMITED** 

# VISION

A leader company maintaining an excellent level of ethical and professional standards.



# **MISION STATEMENT**

To become a top quality manufacturer of textile products in the local & international markets.

# **Directors' Review**

On behalf of the board of directors of Blessed Textiles Limited, I am presenting the unaudited condensed interim financial statements for the first quarter ended September 30, 2020.

## Significant financial performance of the first quarter ended September 30, 2020;

Profit after tax for the first quarter ended September 30, 2020 is PKR 87.864 million as compared to PKR 84.582 million for the corresponding period ended September 30, 2019.

Earnings per share for the first quarter ended September 30, 2020 is PKR 13.66 (September 2019: PKR 13.15).

Break-up value of the share as on September 30, 2020 is PKR 618.38 (June 2020: PKR 604.72).

The current ratio for first quarter ended September 30, 2020 is 1.81 (June 30, 2020: 1.62).

## **Overview of Textiles**

Undoubtedly the textile industry is the significant pillar of the country's exports which depends primarily on the cotton input. Since last decade, Pakistan has gradually moved farther away from self-sufficiency and towards heavier reliance on imported cotton which holds importance due to its high quality and staple standard apart from dwindling local yield in the country. Consequently, the entire textile valuechain needs both the quantity and quality of local cotton yarn to be substantially reinforced on a priority basis. The agriculture policymaking in the country needs to go through a paradigm shift and switch gears from its lackluster, reactive approach to a forward-looking slant. Cotton, with its undisputable trade significance, is one the most important crops in the prevailing macroeconomic scenario. Reforms must be prioritized to sustain its share in the textile trade as the existing inefficiencies continue to cost the country's external account billions of dollars per annum.

The focus on import substitution and alternative industrialization hold undisputed significance in sustainably expanding the country's exports. However, it seems extremely imprudent for the government to neglect a sector which has more or less single-handedly powered the exports for decades and offers a more urgently scalable avenue. Prioritizing the textile sector has become even more critical in the purview of the substantially altered post-pandemic economic situation where a global textile outlook which is more competitive than ever awaits exporters. Producers from other countries are expected to lock horns for a share in a considerably smaller pie.

In the short-term, there is an urgent need for consolidation and standardization in the seed industry of the country. The lack of uniformity in this area has wreaked havoc for the cotton crop with no standardized level of resistance offered and an ensuing uncertainty for farmers cultivating it. Moreover, the country needs to invest in seed research so that it can better develop strains that are more suited to local climatic conditions and other practical elements. Agriculture policymaking also needs a realignment of priorities as cannibalization of cotton by other competing crops needs to be addressed urgently.

### 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

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**Mohammad Amin** (Chief Executive) Karachi: October 28, 2020

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

	Note	Sep 30, 2020	June 30, 202
		Rupees	Rupee
		(Un-audited)	(Auditea
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
6,500,000 (June 30, 2020: 6,500,000) ordinary shares of Rs. 10 each		65,000,000	65,000,000
issued, subscribed and paid-up capital		64,320,000	64,320,00
General reserve		3,800,000,000	3,800,000,00
Accumulated profit		113,090,858	25,227,23
TOTAL EQUITY		3,977,410,858	3,889,547,23
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances		1,925,550,592	1,959,432,88
Long term payables	4	292,581,537	276,729,40
Employees retirement benefits		152,168,907	150,094,89
Deferred taxation		212,161,009	212,161,00
Deferred grant		5,149,105	2,637,88
		2,587,611,150	2,601,056,07
CURRENT LIABILITIES			
Trade and other payables		591,708,956	642,118,34
Unclaimed dividend		6,517,025	6,638,40
Accrued interest/markup		74,749,479	82,844,39
Short term borrowings		2,604,224,415	3,480,258,20
Current portion of non-current liabilities		224,604,255	59,566,42
		3,501,804,130	4,271,425,77
TOTAL LIABILITIES		6,089,415,280	6,872,481,84
CONTINGENCIES AND COMMITMENTS	5	-	
TOTAL EQUITY AND LIABILITIES		10,066,826,138	10,762,029,08

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CHIEF EXECUTIVE Karachi: October 28, 2020

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DIRECTOR

CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

	Note	Sep 30, 2020	June 30, 2020
		Rupees	Rupees
		(Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	3,724,330,943	3,811,341,459
Long term deposits		14,394,095	14,394,095
		3,738,725,038	3,825,735,554
CURRENT ASSETS			
Stores, spares and loose tools		91,465,567	87,837,272
Stock in trade		4,430,025,309	5,021,697,279
Trade debts		1,009,558,761	816,681,600
Advances, deposits, prepayments and other receivables		217,374,435	263,493,834
Sales tax refundable		99,476,448	171,809,277
Advance income tax		228,990,845	371,896,299
Cash and bank balances		251,209,735	202,877,965
		6,328,101,100	6,936,293,526
TOTAL ASSETS		10,066,826,138	10,762,029,080

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**CHIEF EXECUTIVE** Karachi: October 28, 2020

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DIRECTOR

CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

		First Qu	uarter
	Note	September 30, 2020	September 30, 2019
		Rupees	Rupees
Sales - net		3,419,270,732	2,991,085,329
Cost of sales		(3,081,366,224)	(2,694,243,734)
Gross profit		337,904,508	296,841,595
Distribution cost		(64,485,778)	(53,820,566)
Administrative expenses		(42,343,124)	(37,769,948)
		(106,828,902)	(91,590,514)
		231,075,606	205,251,081
Other income		3,064,429	2,487,706
Operating profit		234,140,035	207,738,787
Finance cost		(92,319,552)	(74,745,118)
Other expenses		(9,732,778)	(10,394,448)
		(102,052,330)	(85,139,566)
Profit before taxation		132,087,705	122,599,221
Provision for taxation	7	(44,224,079)	(38,017,454)
Profit after taxation		87,863,626	84,581,767
Earnings per share - basic and diluted		13.66	13.15

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### **CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)** FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	First Qu	First Quarter		
	September 30, 2020	September 30, 2019		
	Rupees	Rupees		
Profit after taxation	87,863,626	84,581,767		
Other comprehensive income	-	-		
Total comprehensive income	87,863,626	84,581,767		

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**CHIEF EXECUTIVE** Karachi: October 28, 2020

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CHIEF FINANCIAL OFFICER

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Share capital	Revenue	e reserves	
	Issued subscribed and paid-up capital	General reserve	Accumulated profit	Total equity
	Rupees	Rupees	Rupees	Rupees
Balance as at July 01, 2019- Audited	64,320,000	3,500,000,000	190,768,762	3,755,088,762
Comprehensive income				
Profit after taxation Other comprehensive income	-	- -	84,581,767 -	84,581,767 -
	-	-	84,581,767	84,581,767
Transaction with owners	-	-	-	-
Balance as at September 30, 2019 - Un-audited	64,320,000	3,500,000,000	275,350,529	3,839,670,529
Balance as at July 01, 2020 - Audited	64,320,000	3,800,000,000	25,227,232	3,889,547,232
Comprehensive income				
Profit after taxation Other comprehensive income	- -	-	87,863,626 -	87,863,626 -
Total comprehensive income	-	-	87,863,626	87,863,626
Balance as at September 30, 2020 - Un-Audited	64,320,000	3,800,000,000	113,090,858	3,977,410,858

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Karachi: October 28, 2020

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DIRECTOR

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### CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

Adjustments for non-cash and other items  92,315,552  74,745,118    Finance cost:  92,315,552  10,860,000  9,600,000    Depreciation  93,600,000  94,200,000  94,200,000    Operating profit before changes in working capital  330,877,257  301,056,669    Changes in working capital  330,877,257  301,056,669    Stores, spares and loose tools  516,179,397  (162,83,443)    Stores, spares and loose tools  516,179,397  (162,83,443)    Stores, spares and loose tools  516,179,397  (162,83,443)    Stores, spares and loose tools  516,179,397  (122,87,151)    Stores, spares and loose tools  516,179,399  (122,87,151)    Stores, spares and loose tools  516,179,399  (124,87,151)    Stores, spares and loose tools  516,179,399  (124,71,114)    Stores, spares and loose tools  516,487  (13,07,164)    Stores, spares and loose tools  516,487,910  (12,87,819)    Long term payables  449,649,659  612,256    Long term payables  479,061,487  (1,30,30,474)    Interest/markup/profit  (10,0,414,470)  (10,00,819,41)		Eirct O	First Quarter	
Rupees    Rupees    Rupees      CASH FLOW FROM OPERATING ACTIVITIES    132,087,705    122,599,221      Profit before taxation    132,087,705    122,599,221      Adjustments for non-cash and other items    92,319,552    178,475,118      Finance cost    92,319,552    10,860,000    9,600,000      Depreciation    92,319,552    178,457,448    300,877,257    301,056,669      Changes in working capital    330,877,257    301,056,669    44,193,399    44,555,937      Stores, sparse and loose tools    (5,628,299)    (16,283,443    45,555,937    122,571,469    44,192,919    228,713,109    42,228,713,109    42,128,714    44,555,937    122,271,109    42,128,714    44,555,937    122,287,13,109    42,128,714    44,555,937    44,128,71,714    44,549,916    46,149,269    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    66,12,268    <				
Profit before taxation    132,087,705    122,599,221      Adjustments for non-cash and other items         2,319,552        74,745,118        (87,670        9,60,000        9,60,000        9,561,000        9,200,000        19,2007,1161        10,20,27,257        301,056,660        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65        10,22,677,65				
Adjustments for non-cash and other items  92,319,552  74,745,118    Finance cost  10,860,000  94,200,000    Depreciation  93,8752  301,056,669    Operating profit before changes in working capital  330,877,257  301,056,669    Changes in working capital  330,877,257  301,056,669    Stores, spares and loose tools  51,671,397  (15,28,443)    Stores, spares and loose tools  51,671,397  (12,28,748)    Stores, spares and loose tools  51,671,397  (12,28,748)    Stores, spares and loose tools  51,671,397  (12,28,748)    Stores, spares and loose tools  51,671,399  (12,27,7161)    Adjustment Stores, deposits, prepayments and other receivables  44,61,9389  (42,47,914)    Long term payables  479,061,487  1,039,276,800    Net cash generated from operations  809,938,744  1,340,333,469    Payments / Receipts for:  (8,785,990)  (15,523,610)    Employees retirement benefits  (15,72,620  (15,72,620    Increast/markup/orbit  (10,044,470)  (100,044,470)  (100,044,470)    Income tax - net  98,681,375  (31,748,621  (35,68	CASH FLOW FROM OPERATING ACTIVITIES			
Finance cost    92,319,552    74,745,118      Ghi on disposal of property, plant and equipment    96,0000    95,00000    94,000,000      Provision for employees retirement benefits    00,0000    95,610,000    94,200,000      Operating profit before changes in working capital    30,877,237    301,056,600    94,200,000      Stores, spares and loose tools    (3,628,295)    (16,283,443    45,555,930    (16,283,443      Stores, spares and loose tools    (3,628,295)    (16,283,443    45,555,930    (41,247,514      Advances, deposits, prepayments and other receivables    (3,628,295)    (16,283,443    445,555,930    (41,247,514      Store, spares and loose tools    (3,628,295)    (16,283,443    445,555,930    (41,247,514      Advances, deposits, prepayments and other receivables    (3,061,487    10,30,977,6800    (44,649,656      Long term payables    (13,074,642    10,303,276,800    (42,649,656    (51,228,610      Net cash generated from operations    809,938,744    1,303,33,669    1,302,33,669    1,202,172,547      CASH FLOW FROM INVESTING ACTIVITIES    (10,04,14,470)    (10,08,88,610)    0,0000 </td <td>Profit before taxation</td> <td>132,087,705</td> <td>122,599,221</td>	Profit before taxation	132,087,705	122,599,221	
Gain on disposal of property, plant and equipment    (8,707)      Provision for employees retirement benefits    9,600,000      Depretation    330,877,257      Operating profit before changes in working capital    330,877,257      Stores, spares and loose tools    (16,283,443)      Stores, spares and loose tools    (14,27,514)      Advances, deposits, prepayments and other receivables    (14,27,514)      Advances, deposits, prepayments and other receivables    (12,28,731,760)      Advances, deposits, prepayments and other receivables    (12,28,731,760)      Advances, deposits, prepayments and other receivables    (12,24,751,147)      Advances, deposits, prepayments and other receivables    (12,24,751,147)      Advances, deposits, prepayments and other receivables    (12,24,751,147)      Interest/markup/profit    (10,39,276,800)      Inder payables    (13,04,933,469)      Interest/markup/profit    (10,04,14,470)      Incomet Lax - net    (13,04,833,469)      Payments / Receipts for:    (10,04,14,470)      Employees retirement benefits    (12,22,172,547)      Interest/markup/profit    (10,04,14,470)      Incomet Lax - net    (95,59,484) </td <td>Adjustments for non-cash and other items</td> <td></td> <td></td>	Adjustments for non-cash and other items			
Provision for employees retirement benefits    10,860,000    9,600,000    94,200,000      Depreciation    95,610,000    94,200,000    94,200,000    94,200,000      Operating profit before changes in working capital    330,877,257    301,056,659      Changes in working capital    350ers, spares and loose tools    \$1,628,2951    (16,283,443      Stores, spares and loose tools    \$1,627,7161    228,731,760    (41,247,514)      Advances, deposits, prepayments and other receivables    44,619,399    (41,247,514)    228,731,760      Stores, spares and loose tools    \$15,857,133    (44,245,914)    446,956,956    (41,247,514)    228,731,760    (41,247,514)    228,731,760    (41,247,514)    228,731,760    (41,247,514)    228,731,760    (41,247,514)    248,957,164    10,327,6800    10,322,678,900    (51,23,640    (11,22,853,176)    10,322,768,900    10,322,680    10,322,768,900    10,523,610    10,322,878    10,322,768,900    10,22,873,176    10,324,376,802    10,322,768,900    15,233,610    10,434,470    10,00,888,817    11,340,333,469    10,322,878    10,322,768,900    15,232,610    10,322,878,3178 <td>Finance cost</td> <td>92,319,552</td> <td>74,745,118</td>	Finance cost	92,319,552	74,745,118	
Depreciation    95,610,000    94,200,000      Operating profit before changes in working capital    330,877,257    301,056,669      Changes in working capital    330,877,257    301,056,669      Stores, spares and loose tools    531,671,970    445,555,937      Stores, deposits, prepayments and other receivables    531,671,970    445,555,937      Advances, deposits, prepayments and other receivables    51,671,970    445,955,937      Advances, deposits, prepayments and other receivables    51,671,970    445,955,937      State star refundable    72,332,829    (43,057,164      Trade and other payables    (50,049,389)    464,964,956      Long term payables    10,39,276,800    442,228,873      Net cash generated from operations    809,938,744    1,340,333,469      Payments / Receipts for:    100,014,4700    (100,014,470)      Employees retirement benefits    (100,014,470)    (100,038,681,375      Incrower tax - net    98,681,375    (31,748,621      Net cash generated from operating activities    79,419,659    1,202,172,547      CASH FLOW FROM INVESTING ACTIVITIES    (8,599,484)    (35,85,010	Gain on disposal of property, plant and equipment	-	(87,670)	
198,789,552    178,457,448      Operating profit before changes in working capital    330,877,257    301,056,669      Changes in working capital    (16,283,443    445,555,937      Stock in trade    (16,28,443    445,555,937      Trade debts    444,555,937    (14,247,514      Advances, deposits, prepayments and other receivables    591,671,970    (41,247,514      Sales tax refundable    72,332,829    (43,057,146      Trade and other payables    (50,409,389)    (46,949,565      Long term payables    198,789,522    17,8447,143      Net cash generated from operations    809,938,744    1,340,333,469      Payments / Receipts for:    100,848,631    10,008,8691      Increast/markup/profit    (100,414,470)    (100,88,691      Increast end from operating activities    799,419,659    1,202,172,547      CASH FLOW FROM INVESTING ACTIVITIES    (8,599,484)    (35,618,010      Long term finances    (8,599,484)    (35,818,010      CASH FLOW FROM FINANCING ACTIVITIES    (8,599,484)    (35,818,010      Long term finances    (10,13,346,32,288    (10,123,350,300)	Provision for employees retirement benefits	10,860,000	9,600,000	
Operating profit before changes in working capital    330,877,257    301,056,669      Changes in working capital    (3,628,295)    (16,283,443      Stores, spares and loose tools    (3,628,295)    (16,283,443      Stores, the trade    (19,2877,161)    (44,5155,937)      Trade debts    (19,2877,161)    (44,5155,937)      Advances, deposits, prepayments and other receivables    (14,247,514)    (14,247,514)      Sales tax refundable    73,32,829    (16,283,443)      Trade and other payables    (50,409,389)    (14,247,514)      Long term payables    (15,282,134)    (61,22,680)      Net cash generated from operations    809,938,744    1,303,3469      Payments / Receipts for:    Immersumarkup/profit    (100,414,470)    (100,886,691)      Income tax - net    98,81,375    (31,748,621    300,000)    -      Vet cash generated from operating activities    (79,041,457)    (35,885,010)    -    300,000)    -      Net cash used in investing activities    (8,599,484)    (35,885,010)    -    300,000    -    -    300,000)    -    - <td< td=""><td>Depreciation</td><td>95,610,000</td><td>94,200,000</td></td<>	Depreciation	95,610,000	94,200,000	
Charges in working capital  (3,628,295)    Stores, spares and loose tools  (3,628,295)    Stock in trade  (5,1,97,1,970)    Trade debts  (44,127,514)    Advances, deposits, prepayments and other receivables  (41,247,514)    Sales tax refundable  (7,323,282)    Trade debts  (43,057,164)    Advances, deposits, prepayments and other receivables  (43,057,164)    Long term payables  (5,6409,389)    Long term payables  (5,6409,389)    Long term payables  (5,6409,389)    Long term payables  (5,523,610)    Net cash generated from operations  809,938,744  1,300,333,469    Payments / Receipts for:  (8,785,990)  (5,523,610)    Employees retirement benefits  (8,785,990)  (5,523,610)    Incorne tax - net  98,681,375  (31,746,621)    Net cash generated from operating activities  799,419,659  1,202,2172,547    CASH FLOW FROM INVESTING ACTIVITIES  (8,599,484)  (35,885,010)    Capital expenditure  (8,599,484)  (35,885,010)    Proceeds from disposal of property, plant and equipment  (8,599,484)  (35,885,010)		198,789,552	178,457,448	
Stores, spares and loose tools(3,628,295)(1,6,283,443)Stock in trade591,671,970(122,877,161)445,555,937Trade debts442,154,154442,154442,154Advances, deposits, prepayments and other receivables46,113,399(41,247,514)Sales tax refundable72,332,829(16,208,349)(41,247,514)Trade and other payables(50,409,389)(16,208,349)(41,247,514)Long term payables15,852,134(43,057,164)(46,49,565)Long term payables479,061,4871,039,276,800Net cash generated from operations809,938,7441,340,333,469Payments / Receipts for:(100,414,470)(10,0888,691)Employees retirement benefits(8,785,990)(5,523,610)Income tax - net98,681,375(31,748,621)Net cash generated from operating activities799,419,6591,202,172,547CASH FLOW FROM INVESTING ACTIVITIES(8,599,484)(35,885,010)Capital expenditure(8,599,484)(35,885,010)Cock travel in investing activities(8,599,484)(35,885,010)CASH FLOW FROM FINANCING ACTIVITIES(8,760,30,786)(9,173,368)Long term finances obtained(11,21,379)(1,121,839,968)Net cash used in investing activities(742,48,405)(1,121,839,968)Dividend paid(742,48,405)(1,121,839,968)Net cash used in financing activities(742,48,405)(1,121,839,968)Net cash used in financing activities(742,48,405)(1,121,839,968)Divi	Operating profit before changes in working capital	330,877,257	301,056,669	
Stock in trade    591,671,970    445,555,937      Trade debts    46,119,390    (142,877,161)    228,731,760      Advances, deposits, prepayments and other receivables    46,119,390    (14,247,514)    (24,3057,164)      Sales tax refundable    72,332,829    (143,057,164)    (43,057,164)    (43,057,164)      Trade and other payables    (10,049,389)    (14,247,514)    (43,057,164)    (44,966,956)      Long term payables    15,852,134    (1,03,9,76,800)    (15,22,680)    (15,22,680)      Net cash generated from operations    809,938,744    1,340,333,469    (100,414,470)    (100,886,691)      Income tax - net    98,681,375    (31,748,621)    (36,185,010)    (36,185,010)      Proceeds from disposal of property, plant and equipment    (8,599,484)    (35,885,010)    (30,000)      Capital expenditure    (8,599,484)    (35,885,010)    (91,733,880)    (11,36,322,88)      Net cash used in investing activities    (8,76,033,786)    (1,122,893,986)    (1,132,32,99)    (1,132,32,99)    (1,132,33,80)    (1,132,33,80)    (1,132,33,80)    (1,132,33,80)    (1,132,33,80)    (1,132,33,80)	Changes in working capital			
Trade debts  (192,877,161)  228,731,760    Advances, deposits, prepayments and other receivables  (4,147,514)  (42,47,514)    Sales tax refundable  72,332,829  (43,057,164)  (43,057,164)    Trade and other payables  (50,409,389)  (43,057,164)  (43,057,164)    Long term payables  1,039,276,800  612,268    479,061,487  1,039,276,800    Net cash generated from operations  809,938,744  1,340,333,469    Payments / Receipts for:  (8,785,990)  (5,523,610)    Employees retirement benefits  (8,785,990)  (5,523,610)    Income tax - net  98,681,375  (31,748,621)    Net cash generated from operating activities  799,419,659  1,202,172,547    CASH FLOW FROM INVESTING ACTIVITIES  (8,599,484)  (35,885,010)    Capital expenditure  (8,599,484)  (35,885,010)    Proceeds from disposal of property, plant and equipment  -  -    Long term finances obtained  (8,599,484)  (35,885,010)    Repayment of long term finances  (876,033,7860)  (1,126,32,288)    Net cash used in financing activities  (742,488,405)  (1,21,3633,680)	Stores, spares and loose tools	(3,628,295)	(16,283,443)	
Advances, deposits, prepayments and other receivables  46,119,399  (41,247,514    Sales tax refundable  72,332,829  (43,057,164    Trade and other payables  (50,049,889)  464,964,956    Long term payables  1,039,276,800    Net cash generated from operations  809,938,744  1,340,333,469    Payments / Receipts for:  (100,414,470)  (100,888,691)    Employees retirement benefits  (8,785,990)  (5,523,610)    Interest/markup/profit  (100,414,470)  (100,888,691)    Income tax - net  98,681,375  (31,748,621)    Net cash generated from operating activities  799,419,659  1,202,172,547    Capital expenditure  (8,599,484)  (35,185,010)    Proceeds from disposal of property, plant and equipment  .  .    Long term finances obtained  (8,599,484)  (35,185,010)    CASH FLOW FROM FINANCING ACTIVITIES  .  .    Long term finances obtained  (876,033,786)  (1,21,373)    Net cash used in innexting activities  (742,488,405)  (1,21,21,893,686)    Net cash used in financing activities  (742,488,405)  (1,21,21,893,686,    Net cash used in	Stock in trade	591,671,970	445,555,937	
Sales tax refundable    72,332,829    (43,057,164      Trade and other payables    (50,409,389)    464,964,956      Long term payables    1,039,276,800      Net cash generated from operations    809,938,744    1,340,333,469      Payments / Receipts for:    100,912,725,800    (100,414,470)    (100,888,691, 100,888,691, 100,0414,470)    (100,888,691, 100,888,691, 100,0414,470)    (100,888,691, 100,888,691, 100,0414,470)    (100,888,691, 100,888,691, 100,0414,470)    (100,888,691, 100,888,691, 100,0414,470)    (100,888,691, 100,888,691, 100,0414,470)    (100,888,691, 100,888,691, 100,888,691, 100,0414,470)    (100,888,691, 100,888,691, 100,888,691, 100,08	Trade debts	(192,877,161)	228,731,760	
Trade and other payables  (50,409,389)  464,964,956    Long term payables  479,061,487  1,039,276,800    Net cash generated from operations  809,938,744  1,340,333,469    Payments / Receipts for:  809,938,744  1,340,333,469    Employees retirement benefits  (8,785,990)  (5,523,610    Interest/markup/profit  (100,414,470)  (100,888,691)    Income tax - net  98,681,375  (31,748,621)    Net cash generated from operating activities  799,419,659  1,202,172,547    CASH FLOW FROM INVESTING ACTIVITIES  (8,599,484)  (36,185,010)    Capital expenditure  -  -  -    Proceeds from disposal of property, plant and equipment  -  -  -    Long term finances obtained  (8,599,484)  (35,885,010)  -    CASH FLOW FROM FINANCING ACTIVITIES  133,666,760  (91,73,680)  (91,73,680)    Net decrease in short term finances  (91,73,680)  (1,13,63,52,288)  -    Net decrease in short term borrowings  (742,488,405)  (1,221,893,968)  -    Net cash used in financing activities  (742,488,405)  (1,221,893,968)  -			(41,247,514)	
Long term payables    15,852,134    612,268      479,061,487    1,039,276,800      Net cash generated from operations    809,938,744    1,340,333,469      Payments / Receipts for:    Employees retirement benefits    (8,785,990)    (5,523,610)      Interest/markup/profit    (100,414,470)    (100,888,691)    (100,414,470)    (100,888,691)      Income tax - net    98,681,375    (31,748,621)    (36,185,010)    -      CASH FLOW FROM INVESTING ACTIVITIES    (8,599,484)    (36,185,010)    -    -      Capital expenditure    (8,599,484)    (35,885,010)    -    -    -      Proceeds from disposal of property, plant and equipment    (8,599,484)    (35,885,010)    -    -    -    -      Long term finances obtained    (8,599,484)    (35,885,010)    -			(43,057,164)	
479,061,487    1,039,276,800      Net cash generated from operations    809,938,744    1,340,333,469      Payments / Receipts for:				
Net cash generated from operations  809,938,744  1,340,333,469    Payments / Receipts for:	Long term payables	15,852,134	612,268	
Payments / Receipts for:  Employees retirement benefits  (8,785,990)  (5,523,610)    Interest/markup/profit  (100,414,470)  (100,888,691)    Income tax - net  98,681,375  (31,748,621)    Net cash generated from operating activities  799,419,659  1,202,172,547    CASH FLOW FROM INVESTING ACTIVITIES  (8,599,484)  (36,185,010)    Capital expenditure  (8,599,484)  (36,185,010)    Proceeds from disposal of property, plant and equipment  -  -    Long term finances obtained  (8,599,484)  (35,885,010)    CASH FLOW FROM FINANCING ACTIVITIES  -  -    Long term finances obtained  -  -  -    Repayment of long term finances  -  -  (91,733,680)  (1,136,352,288)    Dividend paid  -  -  -  -  -    Net cash used in financing activities  (742,488,405)  (1,221,893,986)  -    NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS  48,331,770  (55,606,431)    CASH FLOW FINANCLINES  202,877,965  302,171,955		479,061,487	1,039,276,800	
Employees retirement benefits    (8,785,990)    (5,523,610)      Interest/markup/profit    (100,414,470)    (100,888,691)      Income tax - net    98,681,375    (31,748,621)      Net cash generated from operating activities    799,419,659    1,202,172,547      CASH FLOW FROM INVESTING ACTIVITIES    (8,599,484)    (36,185,010)      Capital expenditure    (8,599,484)    (36,185,010)      Proceeds from disposal of property, plant and equipment    -    -      Long term deposit    (8,599,484)    (35,885,010)      CASH FLOW FROM FINANCING ACTIVITIES    (8,599,484)    (35,885,010)      CASH FLOW FROM FINANCING ACTIVITIES    (876,033,786)    (1,136,352,288)      Long term finances obtained    (876,033,786)    (1,136,352,288)      Dividend paid    (121,379)    -      Net cash used in financing activities    (742,488,405)    (1,221,893,968)      NET CREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS    48,331,770    (55,606,431)      CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD    202,877,965    302,171,995	Net cash generated from operations	809,938,744	1,340,333,469	
Interest/markup/profit(100,414,470)(100,888,691Income tax - net98,681,375(31,748,621Net cash generated from operating activities799,419,6591,202,172,547CASH FLOW FROM INVESTING ACTIVITIES(8,599,484)(36,185,010Capital expenditure(8,599,484)(36,185,010Proceeds from disposal of property, plant and equipment-300,000Long term depositNet cash used in investing activities(8,599,484)(35,885,010CASH FLOW FROM FINANCING ACTIVITIES(8,599,484)(35,885,010Long term finances obtained133,666,7606,192,000Repayment of long term finances(876,033,786)(1,136,352,288Dividend paid(742,488,405)(1,221,893,968Net cash used in financing activities(742,488,405)(1,221,893,968NET AND CASH EQUIVALENTS48,331,770(55,606,431CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD202,877,965302,717,955	Payments / Receipts for:			
Interest/markup/profit(100,414,470)(100,888,691Income tax - net98,681,375(31,748,621Net cash generated from operating activities799,419,6591,202,172,547CASH FLOW FROM INVESTING ACTIVITIES(8,599,484)(36,185,010Capital expenditure(8,599,484)(36,185,010Proceeds from disposal of property, plant and equipment-300,000Long term depositNet cash used in investing activities(8,599,484)(35,885,010CASH FLOW FROM FINANCING ACTIVITIES(8,599,484)(35,885,010Long term finances obtained133,666,7606,192,000Repayment of long term finances(876,033,786)(1,136,352,288Dividend paid(742,488,405)(1,221,893,968Net cash used in financing activities(742,488,405)(1,221,893,968NET AND CASH EQUIVALENTS48,331,770(55,606,431CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD202,877,965302,717,955	Employees retirement benefits	(8,785,990)	(5,523,610)	
Income tax - net98,681,375(31,748,621Net cash generated from operating activities799,419,6591,202,172,547CASH FLOW FROM INVESTING ACTIVITIES(8,599,484)(36,185,010Capital expenditure Proceeds from disposal of property, plant and equipment Long term deposit(8,599,484)(36,185,010Net cash used in investing activities(8,599,484)(35,885,010CASH FLOW FROM FINANCING ACTIVITIES(8,599,484)(35,885,010CASH FLOW FROM FINANCING ACTIVITIES133,666,7606,192,000Long term finances obtained Repayment of long term finances(876,033,786)(1,136,352,288Dividend paid(742,488,405)(1,221,893,968Net cash used in financing activities(742,488,405)(1,221,893,968NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD202,877,965302,171,955			(100,888,691)	
CASH FLOW FROM INVESTING ACTIVITIES    Capital expenditure  (8,599,484)  (36,185,010)    Proceeds from disposal of property, plant and equipment  -  300,000    Long term deposit  -  -  -    Net cash used in investing activities  (8,599,484)  (35,885,010)    CASH FLOW FROM FINANCING ACTIVITIES  (8,599,484)  (35,885,010)    Long term finances obtained  (133,666,760)  6,192,000    Repayment of long term finances  -  -  (91,733,680)    Dividend paid  -  -  (136,352,288)    Net cash used in financing activities  (742,488,405)  (1,221,893,968)    NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS  48,331,770  (55,666,431)    CASH FLOUVALENTS AT THE BEGINNING OF THE PERIOD  202,877,965  302,171,995	Income tax - net		(31,748,621)	
Capital expenditure(8,599,484)(36,185,010)Proceeds from disposal of property, plant and equipment-300,000Long term depositNet cash used in investing activities(8,599,484)(35,885,010)CASH FLOW FROM FINANCING ACTIVITIESLong term finances obtained133,666,7606,192,000-Repayment of long term finances(91,733,680)Net decrease in short term borrowings(876,033,786)(1,136,352,288)Dividend paid(742,488,405)(1,221,893,968)Net cash used in financing activities(742,488,405)(1,221,893,968)NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS48,331,770(55,606,431)CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD202,877,965302,171,995	Net cash generated from operating activities	799,419,659	1,202,172,547	
Proceeds from disposal of property, plant and equipment300,000Long term deposit-300,000Net cash used in investing activities(8,599,484)(35,885,010)CASH FLOW FROM FINANCING ACTIVITIES-(8,599,484)(35,885,010)Long term finances obtained133,666,7606,192,000(91,733,680)Repayment of long term finances-(91,733,680)(1,136,352,288)Dividend paid(121,379)Net cash used in financing activities(742,488,405)(1,221,893,968)NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS48,331,770(55,606,431)CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD202,877,965302,171,995	CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment300,000Long term deposit-300,000Net cash used in investing activities(8,599,484)(35,885,010)CASH FLOW FROM FINANCING ACTIVITIES-(8,599,484)(35,885,010)Long term finances obtained133,666,7606,192,000(91,733,680)Repayment of long term finances-(91,733,680)(1,136,352,288)Dividend paid(121,379)Net cash used in financing activities(742,488,405)(1,221,893,968)NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS48,331,770(55,606,431)CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD202,877,965302,171,995	Capital expenditure	(8.599.484)	(36 185 010)	
Long term depositNet cash used in investing activities(8,599,484)(35,885,010)CASH FLOW FROM FINANCING ACTIVITIES133,666,7606,192,000Long term finances obtained-(91,733,680)Repayment of long term finances(876,033,786)(1,136,352,288)Dividend paid(121,379)-Net cash used in financing activities(742,488,405)(1,221,893,968)NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS48,331,770(55,606,431)CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD202,877,965302,171,995		-		
CASH FLOW FROM FINANCING ACTIVITIES    Long term finances obtained  133,666,760  6,192,000    Repayment of long term finances  (91,733,680)  (91,733,680)    Net decrease in short term borrowings  (876,033,786)  (1,136,352,288)    Dividend paid  (121,379)  -    Net cash used in financing activities  (742,488,405)  (1,221,893,968)    NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS  48,331,770  (55,606,431)    CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD  202,877,965  302,171,995		-	-	
Long term finances obtained    133,666,760    6,192,000      Repayment of long term finances    -    (91,733,680)    (1,136,352,288)      Net decrease in short term borrowings    (121,379)    -    -      Net cash used in financing activities    (742,488,405)    (1,221,893,968)    -      NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS    48,331,770    (55,606,431)    -      CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD    202,877,965    302,171,995    -	Net cash used in investing activities	(8,599,484)	(35,885,010)	
Repayment of long term finances    (91,733,680)      Net decrease in short term borrowings    (876,033,786)    (1,136,352,288)      Dividend paid    (121,379)    -      Net cash used in financing activities    (742,488,405)    (1,221,893,968)      NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS    48,331,770    (55,606,431)      CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD    202,877,965    302,171,995	CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term finances    (91,733,680)      Net decrease in short term borrowings    (876,033,786)    (1,136,352,288)      Dividend paid    (121,379)    -      Net cash used in financing activities    (742,488,405)    (1,221,893,968)      NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS    48,331,770    (55,606,431)      CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD    202,877,965    302,171,995	Long term finances obtained	133,666 760	6 192 000	
Net decrease in short term borrowings    (876,033,786)    (1,136,352,288)      Dividend paid    (121,379)    -      Net cash used in financing activities    (742,488,405)    (1,221,893,968)      NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS    48,331,770    (55,606,431)      CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD    202,877,965    302,171,995	-	,,,		
Dividend paid    (121,379)    -      Net cash used in financing activities    (742,488,405)    (1,221,893,968)      NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS    48,331,770    (55,606,431)      CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD    202,877,965    302,171,995		(876.033.786)		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS48,331,770(55,606,431)CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD202,877,965302,171,995			-	
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD 202,877,965 302,171,995	Net cash used in financing activities	(742,488,405)	(1,221,893,968)	
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD 202,877,965 302,171,995	NET INCREASE / (DECREASE) IN CASH AND CASH EOUIVALENTS	48.331.770	(55,606,431)	
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	251,209,735	246,565,564	

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CHIEF EXECUTIVE Karachi: October 28, 2020

a DIRECTOR

CHIEF FINANCIAL OFFICER

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

### 1 LEGAL STATUS AND OPERATIONS

Blessed Textiles Limited ['the Company'] was incorporated in Pakistan as a Public Limited Company under the repealed Companies Ordinance, 1984 and is listed on Pakistan Stock Exchange Limited. 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 18 KM, Feroze Wattoan, Sheikhupura Road, District Sheikhupura in the Province of Punjab.

### 2 BASIS OF PREPARATION

The interim financial statements are un-audited and has been presented in condensed form and do not include all the information as is required to be provided in a full set of annual financial statements. These interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2020.

### 2.1 Statement of compliance

These interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:

- International Accounting Standard 34 Interim Financial Reporting, issued by International Accounting Standards Board [IASB] as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 2.2 Basis of measurement

These interim financial statements have 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 these financial statements, 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 interim financial statements requires management to make judgements, 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 judgements 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 judgements 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

These interim financial statements are prepared in Pak Rupees which is the Company's functional currency.

### 2.5 Date of authorisation for issue

These interim financial statements have been approved by the Board of Directors of the Company and authorized for issue on October 28, 2020.

#### 3 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, 2020.

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Note	September 30, 2020	June 30, 2020
		Rupees	Rupees
LONG TERM PAYABLES		(Un-Audited)	(Audited)
These include the following:			
Infrastructure Cess	4.1	153,790,346	141,623,377
Gas Infrastructure Development Cess	4.2	138,791,191	135,106,026
		292,581,537	276,729,403

#### 4.1 Infrastructure tax

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Sindh Infrastructure Cess was levied by Excise and Taxation Officer ['ETO'] Government of Sindh on movement of imported goods entering the Sindh Province from outside Pakistan and Punjab Infrastructure Tax levied by ETO Government of Punjab on movement of imported goods entering the Punjab Province from outside Pakistan . The Company has obtained stay on the recovery of these levies by respective ETOs. During the pendency of final judgement on this, the Hounrable Courts granting stay have directed the petitioners to pay 50% of liability for levies to ETOs and to arrange bank gaurantees for the remaining amount in favour of ETOs. The liability represents 50% of levies against which guarantees have been arranged in favour of ETO.

#### 4.2 **Gas Infrastructure Development Cess**

Gas Infrastructure Development Cess ['GIDC'] was levied by Sui Northern Gas Pipelines Limited ['SNGPL'] and Sui Southern Gas Pipelines Limited ['SSGCL']. The Company and others have filed a suit before the Sindh High Court ['SHC'] challenging the levy. The SHC have granted the stay in favour of the Company and directed SNGPL and SSGC to avoid collection of GIDC. The liability represents amount of GIDC payable against which the Company has obtained stay order.

#### 5 CONTINGENCIES AND COMMITMENTS

#### 5.1 Contingencies

5.1.1 Bills discounted/negotiated as at the reporting date amount to Rs. 568.362 million (June 30, 2020: Rs. 1,217.98 million).

### 5.1.2 There is no significant change in the status of remaining contingencies since June 30, 2020.

#### Commitments 5.2

		Note	September 30, 2020	June 30, 2020
			Rupees	Rupees
			(Un-audited)	(Audited
2.1	Commitments under irrevocable letters of credit:		240,480,140	389,012,53
	PROPERTY, PLANT AND EQUIPMENT			
	Operating fixed assets	6.1	3,697,651,854	3,793,261,85
	Capital work in progress		26,679,089	18,079,60
			3,724,330,943	3,811,341,45
L	Operating fixed assets			
	Net book value at the beginning of the period/year		3,793,261,854	3,744,096,16
	Additions during the period/year		r	
	Freehold land		-	-
	Factory buildings		-	50,200,66
	Plant and machinery Equipment and other assets		-	377,840,86 9,681,59
	Vehicles		-	4,367,12
	Venicies			4,507,12
			-	442,090,24
	Net book value of assets disposed during the period/year		-	(378,10
	Depreciation for the period/year		(95,610,000)	(392,546,45
	Net book value at the end of the period/year		3,697,651,854	3,793,261,85

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Note	Quarter	r ended
		September 30, 2020	September 30, 2019
		Rupees	Rupees
		(Un-Audited)	(Un-Audited)
PROVISION FOR TAXATION			
Current taxation	7.1	44,224,079	38,017,454
Deferred taxation	7.2	-	-
		44,224,079	38,017,454

7.1 Provision for current tax has been in accordance with the requiements of section 113 and 169 of the Income Tax Ordinance, 2001.

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

### 8 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

7

8.1

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 includes the Chief Executive and Directors of the Company. The details of Company's related parties, with whom the Company had transactions during the period or has balances outstanding as at the reporting date are as follows:

Name of related party	Nature of relationship	Basis of relationship	Aggregate %age of shareholding in the Company
Faisal Spinning Mills Limited	Associated company	Common directorship	18.49%
Bhanero Textiles Mills Limited	Associated company	Common directorship	0.00%
Bhanero Energy Limited	Associated company	Common directorship	0.00%
Admiral (Private) Limited	Associated company	Common directorship	0.00%
Mohammad Amin	Key management personnel	Chief executive officer	4.39%
Adil Shakeel	Key management personnel	Director	4.12%
Mohammad Shaheen	Key management personnel	Director	1.07%

Transactions with key management personnel are limited to payment of short term employee benefits only. 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 at the date of transaction.

There are no balances with related parties as at the reporting date. Names, basis of relationship, details of transactions with associated undertakings & related parties is as follows:

			Quarte	r Ended
			September 30, 2020	September 30, 2019
			Rupees	Rupees
			(Un-Audited)	(Un-Audited)
L	Transactions with related	parties		
	Nature of relationship	Nature of transaction		
	Associated companies	Purchases	149,450,816	79,334,579
		Sales	318,017,065	343,704,202
		Service received	77,250	77,250
		Purchase of electricity	118,083	70,109
	Balance With related party		20,000	20,000

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

### 9 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

	September 30, 2020	Jun 30, 2020
	Rupees	Rupees
	(Un-Audited)	(Audited)
Financial assets		
Cash in hand	-	-
Financial assets at amortized cost		
Long term deposits	14,394,095	14,394,095
Trade debts	1,009,558,761	816,681,600
Advances to employees	11,658,269	15,306,304
Security deposits	151,065,677	128,060,677
Bank balances	251,209,735	202,877,965
	1,437,886,537	1,177,320,641
	1,437,886,537	1,177,320,641
	September 30, 2020	Jun 30, 2020
	Rupees	Rupees
	(Un-Audited)	(Audited)
Financial liabilities		
Financial liabilities at amortized cost		
Long term finances	2,150,154,847	2,018,999,311
Short term borrowings	2,604,224,415	3,480,258,201
Accrued interest/markup	74,749,479	82,844,398
Trade creditors	286,432,731	278,901,118
Accrued liabilities	201,403,965	255,192,427
Unclaimed dividend	6,517,025	6,638,404
	5,323,482,462	6,122,833,859

### 10 FAIR VALUE MEASUREMENTS

#### 10.1 Financial Instruments

There are no recurring or non-recurring fair value measurements as at the reporting date. The management considers the carrying amount of all the financial instruments to approximate their fair values.

### 10.2 Assets and liabilities other than financial instruments.

None of the assets and liabilities other than financial instruments are measured at fair value.

### 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:

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	-	First quarter Ended September 30, 2020				
	•	Spinning	Weaving	Total		
		Rupees	Rupees	Rupees		
		(Un-audited)	(Un-audited)	(Un-audited)		
Revenue from external customers		2,564,683,491	854,587,241	3,419,270,732		
Inter-segment transfers	-	86,867,300	-	86,867,300		
Segment results		184,220,538	49,919,497	234,140,035		
	-	First Quarter Ended September 30, 2019				
	-	Spinning	Weaving	Total		
		Rupees	Rupees	Rupees		
		(Un-audited)	(Un-audited)	(Un-audited)		
Revenue from external customers	_	2,283,364,388	707,720,941	2,991,085,329		
Inter-segment transfers		36,748,800	-	36,748,800		
Segment results		134,893,450	72,845,337	207,738,787		
	September 30, 2020					
	Spinning	Weaving	Un-allocated	Total		
	Rupees	Rupees	Rupees	Rupees		
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)		
Segment assets	8,007,430,153	1,816,011,045	243,384,940	10,066,826,138		
		As at June 30 , 2020				
	Spinning	Weaving	Un-allocated	Total		
	Rupees	Rupees	Rupees	Rupees		
	(Audited)	(Audited)	(Audited)	(Audited)		
Segment assets	8,581,579,060	1,794,159,626	386,290,394	10,762,029,080		
	September 30, 2020					
	Spinning	Weaving	Un-allocated	Total		
	Rupees	Rupees	Rupees	Rupees		
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)		
Segment liabilities	878,026,299	301,006,817	4,910,382,164	6,089,415,280		
	As at June 30, 2020					
	Spinning	Weaving	Un-allocated	Total		
	Rupees	Rupees	Rupees	Rupees		
	(Audited)	(Audited)	(Audited)	(Audited)		
Segment liabilities	903,564,193	317,684,946	5,651,232,709	6,872,481,848		

### 12 EVENTS AFTER THE REPORTING PERIOD

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

### 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 interim financial statements.

### 14 GENERAL

- 14.1 There are no other significant activities since June 30, 2020 affecting the interim financial statements.
- 14.2 Figures have been rounded off to the nearest Rupee.

2 CHIEF EXECUTIVE

DIRECTOR 9

CHIEF FINANCIAL OFFICER

Karachi: October 28, 2020