



of Companies

**FIRST QUARTERLY ACCOUNTS
2014-2015
(UN - AUDITED)**

UMER GROUP OF COMPANIES

BLESSED TEXTILES LIMITED



BLESSED TEXTILES LIMITED

DIRECTORS REVIEW

Your directors are pleased to present the un-audited condensed interim financial statements of the Company for the first quarter ended 30th September 2014.

Salient features of the first quarter ended 30th September 2014 are as follows;

- Profit after tax for the first quarter ended 30th September 2014 is PKR 20.103 million as against PKR 98.092 million of the corresponding first quarter of last year.
- Earnings per share for the first quarter ended 30th September 2014 is PKR 3.13 (30th September 2013 PKR 15.25).
- Breakup value of the share as on 30th September 2014 is PKR 410.31 (30th June, 2014 PKR 407.18).

During the quarter ended 30th September 2014, sales have increased from PKR 1.458 billion to PKR 2.147 billion as compare to previous year quarter ended 30th September 2013 mainly due to increases in production capacity by 12,000 spindles. Profit has been decreased due to sluggishness in economic activity, increases in finance cost and depreciation.

Industry Overview and Future Prospect

Pakistani Rupee is now again losing parity against the all major currencies. The depreciation of Pakistani Rupee may cause the increase in inflation.

Currently, cotton prices seem to be stable, after the long period of bearish trend. The stability of cotton prices is essential for the determination of stable yarn and fabric prices.

Availability of gas and uninterrupted electricity is a major concern for textile industry in Pakistan particularly textile units situated in Punjab. Due to energy crises the export of textile products has fallen during the first quarter ended 30th September 2014 despite the fact that Pakistan is availing duty free access to European market. Government should take immediate steps for the availability of gas for textile units.

In the present scenario the results are likely to be adverse in coming quarter. 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.

On behalf of the Board
MOHAMMAD AMIN
Chief Executive

Karachi: 28th October , 2014



BLESSED TEXTILES LIMITED

**Condensed Interim Balance Sheet (Un-Audited)
As At September 30, 2014**

	(UN-AUDITED) Note SEPTEMBER 30 2014 RUPEES	(AUDITED) JUNE 30 2014 RUPEES
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
<i>Authorized capital</i>		
6,500,000 (2014: 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 reserve	2,500,000,000	2,500,000,000
Accumulated profit	74,808,680	54,705,362
TOTAL EQUITY	2,639,128,680	2,619,025,362
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term finances - <i>Secured</i>	1,251,295,161	1,321,202,715
Deferred liabilities	126,688,605	120,837,950
	1,377,983,766	1,442,040,665
CURRENT LIABILITIES		
Trade and other payables	384,195,439	401,350,789
Accrued interest/mark-up	42,367,319	45,995,403
Short term borrowings - <i>Secured</i>	231,628,890	682,904,828
Current portion of non-current liabilities	296,432,881	274,745,672
	954,624,529	1,404,996,692
TOTAL LIABILITIES	2,332,608,295	2,847,037,357
CONTINGENCIES AND COMMITMENTS	4 -	-
TOTAL EQUITY AND LIABILITIES	4,971,736,975	5,466,062,719

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

MOHAMMAD AMIN
Chief Executive

Karachi: 28th October , 2014




BLESSED TEXTILES LIMITED

Condensed Interim Balance Sheet (Un-Audited) As At September 30, 2014

	Note	(UN-AUDITED) SEPTEMBER 30 2014 RUPEES	(AUDITED) JUNE 30 2014 RUPEES
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,204,132,735	3,237,432,974
Long term deposits - <i>Unsecured, Considered good</i>		11,025,095	11,125,095
		3,215,157,830	3,248,558,069
CURRENT ASSETS			
Stores, spares and loose tools		85,760,394	82,004,420
Stock in trade		902,879,425	1,485,039,828
Trade debts		298,065,282	252,948,137
Advances, prepayments and other receivables		124,808,996	64,216,928
Sales tax refundable		80,886,979	82,566,517
Income tax refundable		136,965,751	191,477,753
Bank balances		127,212,318	59,251,067
		1,756,579,145	2,217,504,650
TOTAL ASSETS		4,971,736,975	5,466,062,719

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


MOHAMMAD SALIM
Director



BLESSED TEXTILES LIMITED

**Condensed Interim Profit And Loss Account (Un-Audited)
For The First Quarter Ended September 30, 2014**

	Note	SEPTEMBER 30 2014 RUPEES	SEPTEMBER 30 2013 RUPEES
Sales - net		2,147,299,710	1,458,189,081
Cost of sales		1,974,615,023	1,254,744,786
Gross profit		172,684,687	203,444,295
Selling and distribution expenses		45,251,692	29,871,177
Administrative and general expenses		27,002,002	23,190,059
		72,253,694	53,061,236
		100,430,993	150,383,059
Other income		2,324,282	443,628
Operating profit		102,755,275	150,826,687
Finance cost		57,466,320	30,616,464
Other charges		3,787,479	7,585,511
		61,253,799	38,201,975
Profit before taxation		41,501,476	112,624,712
Provision for taxation	6		
Current taxation		21,398,158	14,532,241
Profit after taxation		20,103,318	98,092,471
Earnings per share - basic and diluted		3.13	15.25

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

MOHAMMAD AMIN
Chief Executive

MOHAMMAD SALIM
Director

Karachi: 28th October , 2014



BLESSED TEXTILES LIMITED

**Condensed Interim Cash Flow Statement (Un-Audited)
For The First Quarter Ended September 30, 2014**

	SEPTEMBER 30 2014 RUPEES	SEPTEMBER 30 2013 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	41,501,476	112,624,712
Adjustments for non-cash and other items		
Interest / markup on borrowings	52,287,590	30,616,464
Gain on disposal of property, plant and equipment	(2,282,614)	(129,568)
Provision for employees retirement benefits	7,596,000	4,200,000
Depreciation	81,900,000	40,950,000
	139,500,976	75,636,896
Operating profit before changes in working capital	181,002,452	188,261,608
Changes in working capital		
Stores, spares and loose tools	(3,755,974)	(23,157,393)
Stock in trade	582,160,403	(19,773,757)
Trade debts	(45,117,145)	(57,264,159)
Advances, prepayments and other receivables	(60,592,068)	(9,191,440)
Sales tax refundable	1,679,538	(18,534,255)
Trade and other payables	(17,155,350)	35,694,789
Long term payables	459,412	6,641,551
	457,678,816	(85,584,664)
Cash generated from operations	638,681,268	102,676,944
Payments for:		
Employees retirement benefits	(2,204,757)	(2,448,870)
Interest/markup	(55,915,674)	(24,275,711)
Income tax	33,113,844	(18,677,478)
Net cash generated from operating activities	613,674,681	57,274,885
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(54,645,147)	(682,802,790)
Proceeds from disposal of property, plant and equipment	8,328,000	200,000
Long term deposits	100,000	-
Net cash used in investing activities	(46,217,147)	(682,602,790)



BLESSED TEXTILES LIMITED

**Condensed Interim Cash Flow Statement (Un-Audited)
For The First Quarter Ended September 30, 2014**

	SEPTEMBER 30 2014 RUPEES	SEPTEMBER 30 2013 RUPEES
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances obtained	268,918,249	524,485,000
Repayment of long term finances	(317,138,594)	(26,742,345)
Net increase in short term borrowings	(451,275,938)	168,638,548
Net cash generated from financing activities	(499,496,283)	666,381,203
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	67,961,251	41,053,298
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	59,251,067	36,978,537
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	127,212,318	78,031,835

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

MOHAMMAD AMIN
Chief Executive

MOHAMMAD SALIM
Director

Karachi: 28th October , 2014



BLESSED TEXTILES LIMITED

Condensed Interim Statement of Other Comprehensive Income (Un-Audited)
For The First Quarter Ended September 30, 2014

	SEPTEMBER 30 2014 RUPEES	SEPTEMBER 30 2013 RUPEES
Other comprehensive income/(loss) after taxation	-	-
Profit after taxation	20,103,318	98,092,471
Total comprehensive income	<u>20,103,318</u>	<u>98,092,471</u>

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

MOHAMMAD AMIN
Chief Executive

MOHAMMAD SALIM
Director

Karachi: 28th October , 2014

BLESSED TEXTILES LIMITED

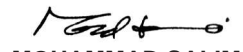
**Condensed Interim Statement of Changes In Equity (Un-Audited)
For The First Quarter Ended September 30, 2014**

	Issued subscribed and paid-up capital	General reserve	Accumulated profit	Total equity
	Rupess	Rupess	Rupess	Rupess
Balance as at July 01, 2013	64,320,000	2,300,000,000	56,901,463	2,421,221,463
Comprehensive income - Quarter ended September 30, 2013				
Profit after taxation	-	-	98,092,471	98,092,471
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	98,092,471	98,092,471
Balance as at September 30, 2013	64,320,000	2,300,000,000	154,993,934	2,519,313,934
Comprehensive income - remaining period ended June 30, 2014				
Profit after taxation	-	-	135,443,989	135,443,989
Other comprehensive income	-	-	(3,572,561)	(3,572,561)
Total comprehensive income	-	-	131,871,428	131,871,428
Transaction with owners				
Final dividend @ 50% i.e. Rs. 5.0 per ordinary share	-	-	(32,160,000)	(32,160,000)
Profit transferred to general reserve	-	200,000,000	(200,000,000)	-
Balance as at June 30, 2014	64,320,000	2,500,000,000	54,705,362	2,619,025,362
Comprehensive income				
Profit after taxation	-	-	20,103,318	20,103,318
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	20,103,318	20,103,318
Balance as at September 30, 2014	64,320,000	2,500,000,000	74,808,680	2,639,128,680

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



MOHAMMAD AMIN
Chief Executive



MOHAMMAD SALIM
Director

Karachi: 28th October , 2014



BLESSED TEXTILES LIMITED

Notes to the Condensed Interim Financial Information (Un-audited) For The First Quarter Ended September 30, 2014

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 Karachi Stock Exchange (Guarantee) Limited, Islamabad Stock Exchange (Guarantee) Limited and Lahore Stock Exchange (Guarantee) Limited. The Company is primarily a spinning unit 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, 2014.

2.1 Statement of compliance

This condensed interim financial report 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 Ordinance, 1984. In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 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.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2014.

4 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2014.

BLESSED TEXTILES LIMITED

**Notes to the Condensed Interim Financial Information (Un-audited)
For The First Quarter Ended September 30, 2014**

		September 30, 2014	June 30, 2014
	<i>Note</i>	<i>Rupees</i> <i>(Un-Audited)</i>	<i>Rupees</i> <i>(Audited)</i>
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets			
- assets owned by the Company	5.1	2,964,257,844	3,046,157,844
Capital work in progress		245,920,277	191,275,130
		<u>3,204,132,735</u>	<u>3,237,432,974</u>
5.1 Assets owned by the Company			
Net book value at the beginning of the period/year		3,046,157,844	1,560,483,230
Additions during the period/year			
Factory buildings		-	337,731,926
Plant and machinery		-	1,348,415,401
Equipment and other assets		-	4,768,953
Electric installation		-	3,764,247
Vehicles		-	31,843,382
		-	1,726,523,909
Net book value of assets disposed during the period/year		(6,045,386)	(1,621,676)
Depreciation for the period/year		(81,900,000)	(239,227,619)
Net book value at the end of the period/year		<u>2,958,212,458</u>	<u>3,046,157,844</u>

6 PROVISION FOR TAXATION

6.1 Provision for current tax has been in accordance with the requirements of section 18 and section 154 of the Income Tax Ordinance, 2001.

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

7 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 includes the Chief Executive and Directors of the Company.

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 arm's length transaction.

Details of transactions and balances with related parties is as follows:



BLESSED TEXTILES LIMITED

Notes to the Condensed Interim Financial Information (Un-audited) For The First Quarter Ended September 30, 2014

		Quarter ended	
		September 30, 2014	September 30, 2013
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Un-Audited)</i>
7.1 Transactions with related parties			
Nature of relationship	Nature of transaction		
Associated companies	Purchases	76,883,256	103,026,975
	Sales	211,318,051	81,317,694
	Rent paid	75,000	75,000
	Purchase of electricity	99,997,097	80,447,486

7.2 Balances with related parties

There are no balances with related parties as at the reporting date.

8 SEGMENT REPORTING

The Company has three 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	Manufactures and sale of yarn
Weaving	Manufactures and sale of woven fabric
Power	Generation and sale of electricity

Information about operating segments as at September 30, 2014 and for the quarter then ended is as follows:

		Quarter ended September 30, 2014			
		Spinning	Weaving	Power	Total
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Revenue from external customers		1,613,645,895	533,653,815	-	2,147,299,710
Inter-segment revenues		23,465,891	-	18,764,023	42,229,914

		Quarter ended September 30, 2013			
		Spinning	Weaving	Power	Total
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Revenue from external customers		903,550,884	554,638,197	-	1,458,189,081
Inter-segment revenues		-	-	23,046,163	23,046,163

		As at September 30, 2014				
		Spinning	Weaving	Power	Un-allocated	Total
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Segment assets		3,703,030,647	955,688,570	84,139,933	228,877,825	4,971,736,975



BLESSED TEXTILES LIMITED

Notes to the Condensed Interim Financial Information (Un-audited) For The First Quarter Ended September 30, 2014

	As at June 30, 2014				
	Spinning	Weaving	Power	Un-allocated	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Segment assets	<u>4,133,979,600</u>	<u>961,238,665</u>	<u>85,675,089</u>	<u>285,169,365</u>	<u>5,466,062,719</u>

	As at September 30, 2014				
	Spinning	Weaving	Power	Un-allocated	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Segment liabilities	<u>239,641,298</u>	<u>113,954,738</u>	<u>41,736,846</u>	<u>1,937,275,413</u>	<u>2,332,608,295</u>

	As at June 30, 2014				
	Spinning	Weaving	Power	Un-allocated	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Segment liabilities	<u>196,473,769</u>	<u>139,917,250</u>	<u>41,132,280</u>	<u>2,469,514,058</u>	<u>2,847,037,357</u>

9 EVENTS AFTER THE REPORTING PERIOD

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

9.2 The shareholder has approved cash dividend at the rate of 25% (i.e. Rs. 2.5 per share) on the ordinary shares as approved in 27th Annual General Meeting held on October 27, 2014.

10 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.

11 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 28, 2014.

12 GENERAL

12.1 There are no other significant activities since June 30, 2014 affecting the interim financial information.

12.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period.

12.3 Figures have been rounded off to the nearest Rupee.

MOHAMMAD AMIN
Chief Executive

MOHAMMAD SALIM
Director

Karachi: 28th October , 2014

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