



of Companies

**THIRD QUARTERLY ACCOUNTS
2016-2017
(UN - AUDITED)**

UMER GROUP OF COMPANIES

BLESSED TEXTILES LIMITED

Directors' Review

Your directors are pleased to present the un-audited condensed interim financial statements of the Company for the nine months ended 31st March 2017.

Salient features of the nine months ended 31st March 2017 are as follows;

- Profit after tax for the nine months ended 31st March 2017 is PKR 203.520 million as against PKR 42.305 million of the corresponding nine months of last year.
- Earnings per share for the nine months ended 31st March 2017 is PKR 31.64 (31st March 2016 PKR 6.58).
- Breakup value of the share as on 31st March 2017 is PKR 455.59 (30th June, 2016 PKR 428.95).

During the nine months ended 31st March 2017, profitability has increased substantially as compared to previous nine months. The demand of cotton and yarn was slightly better during the current period.

Industry Overview and Future Prospect

Pakistan textiles export is decline day by day. Competitiveness in international market is the major causes of decline in textile export. Government should allow export finance scheme to yarn and fabric in order to support spinning and weaving sector of textile industry.

Pakistan has produced 10.725 million cotton bales so far in this season, which is up by 9.87 per cent from cotton season of 2015-16. Current year local cotton production is unable to meet the requirement of local consumption. Therefore some cotton will have to be imported. Currently the price of cotton is increasing.

Availability of gas and uninterrupted electricity is a major concern for textile industry in Pakistan. Due to energy crises the export of textile products has fallen. Government should take immediate steps for the availability of gas for textile units.

In the present scenario the results are likely to be reasonable in coming quarter. The management of the company is doing its best efforts to maintain the profitability margin.

Acknowledgement

Yours Directors would like to place their appreciation of the cooperation of the financial institutions and dedication shown by the executives, officers, staff, technicians and workers of the company in the performance of their duties.

For and on behalf of the Board



Mohammad Amin
Chief Executive

Karachi: 26th April 2017

BLESSED TEXTILES LIMITED

Condensed Interim Balance Sheet (Un-audited) As At March 31, 2017

	Note	31 March 2017 Rupees <i>(Un-audited)</i>	30 June 2016 Rupees <i>(Audited)</i>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
<i>Authorized capital</i>			
6,500,000 (June 30, 2016: 6,500,000) ordinary shares of Rs. 10 each		65,000,000	65,000,000
Issued, subscribed and paid-up capital		64,320,000	64,320,000
General reserve		2,600,000,000	2,600,000,000
Accumulated profit		266,091,069	94,730,673
TOTAL EQUITY		2,930,411,069	2,759,050,673
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances - <i>Secured</i>		1,803,793,340	1,376,316,051
Deferred liabilities		237,108,287	219,862,302
		2,040,901,627	1,596,178,353
CURRENT LIABILITIES			
Trade and other payables		466,598,199	330,266,096
Accrued interest/markup		28,774,867	27,158,358
Short term borrowings - <i>Secured</i>		1,898,400,764	1,153,711,954
Current portion of non-current liabilities		214,230,931	254,009,628
		2,608,004,761	1,765,146,036
TOTAL LIABILITIES		4,648,906,388	3,361,324,389
CONTINGENCIES AND COMMITMENTS	4		
TOTAL EQUITY AND LIABILITIES		7,579,317,457	6,120,375,062

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Mohammad Amin
Chief Executive

Karachi: 26th April 2017




BLESSED TEXTILES LIMITED

Condensed Interim Balance Sheet (Un-audited) As At March 31, 2017

	Note	31 March 2017 Rupees <i>(Un-audited)</i>	30 June 2016 Rupees <i>(Audited)</i>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,894,843,391	3,512,679,217
Long term deposits - <i>Unsecured, Considered good</i>		14,154,095	14,154,095
		3,908,997,486	3,526,833,312
CURRENT ASSETS			
Stores, spares and loose tools		69,160,022	64,913,402
Stock in trade		2,417,179,542	1,592,564,953
Trade debts		456,699,508	302,464,788
Advances, prepayments and other receivables		116,879,181	104,501,670
Sales tax refundable		231,949,633	191,851,524
Current taxation		279,449,444	272,000,389
Bank balances		99,002,641	65,245,024
		3,670,319,971	2,593,541,750
TOTAL ASSETS		<u>7,579,317,457</u>	<u>6,120,375,062</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.


Mohammad Salim
Director

BLESSED TEXTILES LIMITED

**Condensed Interim Profit and Loss Account (Un-Audited)
for the nine months ended March 31, 2017**

	Nine months ended		Three months ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
RUPEES.....	RUPEES.....	
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Sales - net	5,963,102,915	5,154,738,173	2,007,705,789	1,799,072,709
Cost of sales	5,409,536,137	4,749,756,223	1,806,114,318	1,644,038,261
Gross profit	553,566,778	404,981,950	201,591,471	155,034,448
Selling and distribution expenses	105,292,965	93,708,714	37,193,974	30,225,004
Administrative and general expenses	79,875,287	81,712,962	26,120,849	27,886,065
	185,168,252	175,421,676	63,314,823	58,111,069
	368,398,526	229,560,274	138,276,648	96,923,379
Other income	35,653,160	1,198,295	(4,452,020)	404,910
Operating profit	404,051,686	230,758,569	133,824,628	97,328,289
Finance cost	120,739,441	128,807,982	43,615,944	55,001,909
Other charges	20,178,139	7,888,983	6,190,793	2,904,753
	140,917,580	136,696,965	49,806,737	57906662
Profit before taxation	263,134,106	94,061,604	84,017,891	39,421,627
Provision for taxation 6	59,613,710	51,756,479	20,072,019	17,976,441
Profit after taxation	203,520,396	42,305,125	63,945,872	21,445,186
Earnings per share - basic and diluted	31.64	6.58	9.94	3.33

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Mohammad Amin
Chief Executive



Mohammad Salim
Director

Karachi: 26th April 2017

BLESSED TEXTILES LIMITED

Condensed Interim Cash Flow Statement (Un-Audited) for the nine months ended March 31, 2017

	31 March 2017 Rupees (Un-audited)	31 March 2016 Rupees (Un-audited)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	263,134,106	94,061,604
Adjustments for non-cash and other items		
Interest/markup on borrowings	120,739,441	128,807,982
Loss on disposal of property, plant and equipment	(33,949,900)	-
Provision for employees retirement benefits	25,020,000	18,630,000
Depreciation	261,570,000	234,000,000
	373,379,541	381,437,982
Operating profit before changes in working capital	636,513,647	475,499,586
Changes in working capital		
Stores, spares and loose tools	(4,246,620)	5,343,068
Stock in trade	(824,614,589)	(1,004,806,953)
Trade debts	(154,234,720)	(139,245,158)
Advances, prepayments and other receivables	(12,377,511)	(5,190,337)
Sales tax refundable	(40,098,109)	(103,553,422)
Trade and other payables	135,825,285	35,525,429
Long term payables	11,060,570	8,174,062
	(888,685,694)	(1,203,753,311)
Net cash generated from/(used in) operations	(252,172,047)	(728,253,725)
Payments for:		
Employees retirement benefits	(18,834,585)	(16,941,168)
Interest/markup	(119,122,932)	(122,882,910)
Income tax	(67,062,765)	(42,185,038)
Net cash generated from/(used in) operating activities	(457,192,329)	(910,262,841)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(702,051,969)	(777,296,205)
Proceeds from disposal of property, plant and equipment	92,267,695	-
Net cash used in investing activities	(609,784,274)	(777,296,205)

BLESSED TEXTILES LIMITED

**Condensed Interim Cash Flow Statement (Un-Audited)
for the nine months ended March 31, 2017**


	31 March 2017 Rupees <i>(Un-audited)</i>	31 March 2016 Rupees <i>(Un-audited)</i>
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances obtained	552,477,388	699,339,000
Repayment of long term finances	(164,778,796)	(352,151,629)
Net (decrease)/increase in short term borrowings	744,688,810	1,382,138,280
Dividend paid	(31,653,182)	(31,920,712)
Net cash (used in)/generated from financing activities	1,100,734,220	1,697,404,939
Net increase/(decrease) in cash and cash equivalents	33,757,617	9,845,893
Cash and cash equivalents at the beginning of the period	65,245,024	57,187,026
Cash and cash equivalents at the end of the period	99,002,641	67,032,919

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Mohammad Amin
Chief Executive

Karachi: 26th April 2017



Mohammad Salim
Director

**Condensed Interim Statement of Comprehensive Income (Un-Audited)
for the nine months ended March 31, 2017**

	Nine months ended		Three months ended	
	March 31, 2017 Rupees <i>(Un-audited)</i>	March 31, 2016 Rupees <i>(Un-audited)</i>	March 31, 2017 Rupees <i>(Un-audited)</i>	March 31, 2016 Rupees <i>(Un-audited)</i>
Profit after taxation	203,520,396	42,305,125	63,945,872	21,445,186
Other comprehensive income	-	-	-	-
Total comprehensive income	203,520,396	42,305,125	63,945,872	21,445,186

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Mohammad Amin
Chief Executive

Karachi: 26th April 2017



Mohammad Salim
Director

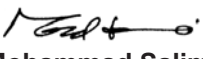
BLESSED TEXTILES LIMITED

**Condensed Interim Statement of Changes In Equity (Un-Audited)
for the nine months ended March 31, 2017**

	Issued subscribed and paid-up capital	General Reserves	Accumulated Profit	Total equity
	Rupees	Rupees	Rupees	Rupees
Balance as at July 01, 2015 - Audited	64,320,000	2,550,000,000	64,520,677	2,678,840,677
Comprehensive income				
Profit after taxation	-	-	42,305,125	42,305,125
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	42,305,125	42,305,125
Transaction with owners	-	-	-	-
Balance as at March 31, 2016 - Un-audited	<u>64,320,000</u>	<u>2,550,000,000</u>	<u>106,825,802</u>	<u>2,721,145,802</u>
Balance as at April 01, 2016 - Un-audited	64,320,000	2,550,000,000	106,825,802	2,721,145,802
Comprehensive income				
Profit after taxation	-	-	70,064,871	70,064,871
Other comprehensive loss	-	-	-	-
Total comprehensive income	-	-	70,064,871	70,064,871
Transaction with owners				
Final dividend @ 50% i.e. Rs. 5 per ordinary share	-	-	(32,160,000)	(32,160,000)
Profit transferred to general reserve	-	50,000,000	(50,000,000)	-
Balance as at June 30, 2016 - Audited	<u>64,320,000</u>	<u>2,600,000,000</u>	<u>94,730,673</u>	<u>2,759,050,673</u>
Balance as at July 01, 2016 - Audited	64,320,000	2,600,000,000	94,730,673	2,759,050,673
Comprehensive income				
Profit after taxation	-	-	203,520,396	203,520,396
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	203,520,396	203,520,396
Transaction with owners				
Final dividend @ 50% i.e. Rs. 5 per ordinary share	-	-	(32,160,000)	(32,160,000)
Balance as at March 31, 2017 - Un-audited	<u>64,320,000</u>	<u>2,600,000,000</u>	<u>266,091,069</u>	<u>2,930,411,069</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.


Mohammad Amin
 Chief Executive


Mohammad Salim
 Director

Karachi: 26th April 2017



BLESSED TEXTILES LIMITED

Notes to the Condensed Interim Financial Information (Un-audited) for the nine months ended March 31, 2017

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 Sheikhupura in the Province of Punjab.

2 BASIS OF PREPARATION

The financial information contained in this interim financial report is un-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, 2016.

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 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

The financial information contained in this interim 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 currenc

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

3 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

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, 2016.

BLESSED TEXTILES LIMITED

Notes to the Condensed Interim Financial Information (Un-audited) for the nine months ended March 31, 2017

4 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies since June 30, 2016.

	Note	March 31, 2017	June 30, 2016
		Rupees	Rupees
		(Un-Audited)	(Audited)
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	3,199,023,539	3,511,366,822
Capital work in progress		695,819,852	1,312,395
		<u>3,894,843,391</u>	<u>3,512,679,217</u>

5.1 Operating fixed assets

Net book value at the beginning of the period/year		3,511,366,822	3,025,391,060
Additions during the period/year			
Freehold land		-	19,385,882
Factory buildings		-	3,272,195
Plant and machinery		-	809,879,171
Equipment and other assets		-	5,384,752
Electric installation		-	1,601,704
Vehicles		7,544,512	5,700,630
		<u>7,544,512</u>	845,224,334
Net book value of assets disposed during the period/year		(58,317,795)	(49,125,659)
Depreciation for the period/year		(261,570,000)	(310,122,913)
Net book value at the end of the period/year		<u>3,199,023,539</u>	<u>3,511,366,822</u>

		Nine Months Ended		Quarter Ended	
		31 st March	31 st March	31 st March	31 st March
		2017	2016	2017	2016
		Rupees	Rupees	Rupees	Rupees
6 PROVISION FOR TAXATION					
Provision for taxation					
Current taxation	6.1	59,613,710	51,756,479	20,072,019	17,976,441
Deferred taxation	6.2	-	-	-	-
		<u>59,613,710</u>	<u>51,756,479</u>	<u>20,072,019</u>	<u>17,976,441</u>

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 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.

BLESSED TEXTILES LIMITED

Notes to the Condensed Interim Financial Information (Un-audited) for the nine months ended March 31, 2017

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

		Nine months ended	
		March 31, 2017	March 31, 2016
		<i>Rupees</i>	<i>Rupees</i>
		<u>(Un-Audited)</u>	<u>(Un-Audited)</u>
7.1 Transactions with related parties			
Nature of relationship	Nature of transaction		
Associated companies	Purchases	223,406,549	149,492,626
	Sales	740,561,930	621,006,480
	Service received	225,000	236,250
	Purchase of electricity	447,281,474	426,690,672
	Dividend paid	5,945,800	5,945,800

7.2 Balances with related parties

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

8 FINANCIAL INSTRUMENTS

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

	March 31, 2017	June 30, 2016
	<i>Rupees</i>	<i>Rupees</i>
	<u>(Un-Audited)</u>	<u>(Audited)</u>
8.1 Financial assets		
Cash in hand	1,529,234	-
Loans and receivables		
Long term deposits	14,154,095	14,154,095
Trade debts	456,699,508	302,464,788
Security deposits	49,965,258	39,070,113
Bank balances	97,473,407	65,245,024
	<u>619,821,502</u>	<u>420,934,020</u>
8.2 Financial liabilities		
Financial liabilities at amortized cost		
Long term finances	1,790,533,777	1,630,325,679
Short term borrowings	1,898,400,764	1,153,711,954
Accrued interest/markup	28,774,867	27,158,358
Trade creditors	245,221,234	153,857,383
Accrued liabilities	182,275,440	147,866,945
Unclaimed dividend	3,262,545	2,755,727
	<u>4,148,468,627</u>	<u>3,115,676,046</u>

9 FAIR VALUE MEASUREMENTS

The Company measures some of its financial instruments at fair value at the end of each reporting period. Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements and has the following levels.

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

BLESSED TEXTILES LIMITED

Notes to the Condensed Interim Financial Information (Un-audited) for the nine months ended March 31, 2017

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value hierarchy of financial instruments measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

9.1 Financial instruments measured at fair value

9.1.1 Recurring fair value measurements

There are no recurring fair value measurements as at the reporting date.

9.1.2 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

9.2 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value at the end of each reporting period to approximate their fair values as at the reporting date.

9.3 Assets and liabilities other than financial instruments.

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

10 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 March 31, 2017 and for the nine months then ended is as follows:

	Nine months ended 31-Mar-17			
	Weaving Rupees (Un-audited)	Spinning Rupees (Un-audited)	Power Rupees (Un-audited)	Total Rupees (Un-audited)
Revenue from external customers	4,116,849,880	1,846,253,035	-	5,963,102,915
Inter-segment revenues	256,509,850	-	38,763,295	295,273,145

	Nine months ended 31-Mar-16			
	Weaving Rupees (Un-audited)	Spinning Rupees (Un-audited)	Power Rupees (Un-audited)	Total Rupees (Un-audited)
Revenue from external customers	3,690,745,913	1,463,992,260	-	5,154,738,173
Inter-segment revenues	179,784,700	-	34,940,835	214,725,535

BLESSED TEXTILES LIMITED

**Notes to the Condensed Interim Financial Information (Un-audited)
for the nine months ended March 31, 2017**

As at March 31, 2017					
	Spinning Rupees (Un-audited)	Power Rupees (Un-audited)	Weaving Rupees (Un-audited)	Un-allocated Rupees (Un-audited)	Total Rupees (Un-audited)
Segment assets	<u>5517622532</u>	<u>1,708,511,007</u>	<u>59,580,379</u>	<u>293,603,539</u>	<u>7,579,317,457</u>

As at June 30, 2016					
	Spinning Rupees (Audited)	Power Rupees (Audited)	Weaving Rupees (Audited)	Un-allocated Rupees (Audited)	Total Rupees (Audited)
Segment assets	<u>4151888656</u>	<u>1,615,117,072</u>	<u>67,214,850</u>	<u>286,154,484</u>	<u>6,120,375,062</u>

As at March 31, 2017					
	Spinning Rupees (Un-audited)	Power Rupees (Un-audited)	Weaving Rupees (Un-audited)	Un-allocated Rupees (Un-audited)	Total Rupees (Un-audited)
Segment liabilities	<u>298525176</u>	<u>235,009,927</u>	<u>52,825,167</u>	<u>4,062,546,118</u>	<u>4,648,906,388</u>

As at June 30, 2016					
	Spinning Rupees (Audited)	Power Rupees (Audited)	Weaving Rupees (Audited)	Un-allocated Rupees (Audited)	Total Rupees (Audited)
Segment liabilities	<u>250895217</u>	<u>148,795,100</u>	<u>46,116,385</u>	<u>2,915,517,687</u>	<u>3,361,324,389</u>

11 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.

12 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.

13 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 April 26, 2017.

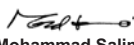
14 GENERAL

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

14.2 Figures have been rounded off to the nearest Rupee.

Karachi: 26th April 2017


Mohammad Amin
Chief Executive


Mohammad Salim
Director

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