



of Companies

**THIRD QUARTERLY ACCOUNTS
2010 - 2011
(UN - AUDITED)**

UMER GROUP OF COMPANIES

BLESSED TEXTILES LIMITED



BLESSED TEXTILES LIMITED

Directors' Review

On behalf of the board of directors of your company, I feel great pleasure in presenting the un-audited interim condensed financial statements of the company for the nine months ended 31st March 2011.

Salient features of the nine months ended 31st March 2011 are as follows;

- Profit after tax for the nine months ended 31st March 2011 is PKR 503.085 million as against PKR 194.557 million of the corresponding nine months ended 31st March 2010.
- Earning per share for the nine months ended 31st March 2011 is PKR 78.22 (31st March 2010 PKR 30.25).
- Breakup value of the share as on 31st March 2011 was PKR 266.97 (30th June, 2010 PKR 193.76).

Future Outlook

The company's overall performance is good and profitability of company has increased substantially as compared to previous nine months because the massive demand of yarn both in local and international markets has resulted increases in yarn prices.

In the month of March 2011 the activities in textile industry was severely affected due to withdrawal of zero rated exemption of Sales Tax. But subsequently, zero rated exemption was restored in a modified form in April 2011

Future profitability depends on the direction of raw cotton prices and corresponding prices of yarn and fabric. World and local trading of cotton remained full of volatile posture fluctuating cotton rates. In local market cotton rate has touched all time high of around PKR 12,500 per maund, whereas in international market cotton rate has touched around 2.0 USD per pound.

Rising trend in inflation has so far been controlled through tighten monetary policy but it has affected the business activities very badly. Government should make efforts to bring KIBOR in single digit.

Interrupted power supply has significantly affected production efficiencies and resulted increases in per unit production cost. Besides the load shedding of electricity massive load shedding of gas in Punjab was observed during December 2010 to February 2011 because export oriented textile sector was not placed on priority level. In the absence of gas supply, we had to operate machinery through power generation based on furnace oil because currently WAPDA is not reliable source of electricity due to interrupted supply of electricity.

Currently the prices of cotton in local and international market are coming down which resulted in decrease in prices of yarn and fabric. More over the demand of yarn and fabric in international market has also decreased due to the reason that the China has suspended the buying. Besides the gas loadshading in winter season, the gas loadshading is now continue in summer season which is affecting the cost of production. In the present scenario the results are not likely to be positive in coming quarter, however the manegment is doing its best effort to maintain the profitability.

Acknowledgement

Board of directors acknowledge and appreciate the efforts of the employees and valuable support of the various Government Department and our Bankers.

For and on behalf of the Board
Mohammad Shaheen
Chief Executive

Karachi : 26th April, 2011

THIRD QUARTER REPORT 2011

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BLESSED TEXTILES LIMITED

Condensed Interim Balance Sheet (Un-audited) As At 31st March, 2011

	Note	March 2011 Rupees	June 2010 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
AUTHORIZED CAPITAL			
6,500,000 (June 2010: 6,500,000) Ordinary shares of Rs.10 each		<u>65,000,000</u>	<u>65,000,000</u>
Issued, subscribed and paid-up capital		64,320,000	64,320,000
General reserves		1,100,000,000	1,100,000,000
Unappropriated profit		552,885,006	81,959,819
		<u>1,717,205,006</u>	<u>1,246,279,819</u>
Loan from sponsors		95,812,017	86,707,708
NON - CURRENT LIABILITIES			
Long-term financing - secured		367,086,194	464,762,053
Obligation under to finance lease	3	19,929,454	39,252,422
Employess retirement benefits		45,337,527	39,418,887
Infrastructure fee payable		21,359,929	18,221,218
		<u>453,713,104</u>	<u>561,654,580</u>
CURRENT LIABILITIES			
Trade and other payables		302,736,907	188,358,388
Markup accrued on loans		20,789,613	15,340,800
Short term borrowings - secured		631,394,908	110,000,000
Current portion of long term loans		193,694,101	201,172,296
		<u>1,148,615,529</u>	<u>514,871,484</u>
CONTINGENCIES AND COMMITMENTS	4	-	-
		<u>3,415,345,656</u>	<u>2,409,513,591</u>

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

Mohammad Shaheen
Chief Executive

Karachi : 26th April, 2011



BLESSED TEXTILES LIMITED

Condensed Interim Balance Sheet (Un-audited) As At 31st March, 2011

ASSETS	Note	March 2011 Rupees	June 2010 Rupees
NON CURRENT ASSETT			
Property, plant and equipment	5	1,288,212,205	1,405,915,823
Capital work-in-progress		230,609,462	217,380,002
Long term deposits		8,128,385	8,128,385
Long term loans		3,744,961	4,736,810
		1,530,695,013	1,636,161,020
CURRENT ASSETS			
Stores, spare parts and loose tools		72,932,618	34,712,543
Stock in trade		1,342,072,968	525,224,173
Trade debts		232,462,022	87,597,012
Advances, deposits, prepayments and other receivable		38,096,876	28,825,017
Income tax refundable		48,846,519	49,555,396
Sales tax refundable		37,175,272	16,657,315
Cash and bank balances		113,064,368	30,781,115
		1,884,650,643	773,352,571
		3,415,345,656	2,409,513,591

Mohammad Salim
Director



BLESSED TEXTILES LIMITED

Condensed Interim Profit and Loss Account (Un-audited) For The Nine Months Ended 31st March, 2011

	Nine Months Ended		Quarter Ended	
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Rupees.....	Rupees.....	
Sales	4,610,436,512	2,779,968,403	1,851,406,211	1,047,418,357
Cost of goods sold	3,703,789,260	2,283,384,706	1,434,585,324	798,864,639
Gross Profit	906,647,252	496,583,697	416,820,887	248,553,718
Distribution cost	134,703,398	79,523,444	54,717,882	49,665,724
Administrative expenses	39,690,628	34,482,232	7,868,379	10,220,773
	<u>174,394,026</u>	114,005,676	<u>62,586,261</u>	59,886,497
	<u>732,253,226</u>	<u>382,578,021</u>	<u>354,234,626</u>	<u>188,667,221</u>
Other operating income	1,319,562	605,979	617,099	(56,526)
Operating Profits	733,572,788	383,184,000	354,851,725	188,610,695
Finance cost	147,992,236	146,821,190	61,987,214	47,056,375
Other operating expenses	36,433,149	14,033,470	20,708,713	9,002,458
	<u>184,425,385</u>	<u>160,854,660</u>	<u>82,695,927</u>	<u>56,058,833</u>
Profit before taxation	549,147,403	222,329,340	272,155,798	132,551,862
Provision for taxation				
Current period	46,062,216	27,772,100	18,487,819	10,290,254
Profit after taxation	<u>503,085,187</u>	<u>194,557,240</u>	<u>253,667,979</u>	<u>122,261,608</u>
Earning per share - basic and diluted	<u>78.22</u>	<u>30.25</u>	<u>39.44</u>	<u>19.01</u>

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

Mohammad Shaheen
Chief Executive

Mohammad Salim
Director

Karachi : 26th April, 2011



BLESSED TEXTILES LIMITED

**Condensed Interim Cash Flow Statement (Un-audited)
For The Nine Months Ended 31st March , 2011**

	March 2011 Rupees	March 2010 Rupees
CASH GENERATED FROM OPERATIONS		
Profit before tax	549,147,403	222,329,340
Adjustments for non-cash items		
Finance cost	138,887,927	138,785,477
Gain on sale of property, plant and equipment	(236,490)	(605,979)
Imputed Interest expense on interest free loan	9,104,309	8,035,713
Provision for Workers' Profit Participation Fund	30,208,149	11,725,470
Depreciation	126,900,000	121,925,000
Provision for employees retirement benefits	13,050,000	10,755,000
	317,913,895	290,620,681
Operating profit/(loss) before changes in working capital	867,061,298	512,950,021
Changes in working capital		
(Increase) in stores, spares and loose tools	(38,220,075)	(5,065,824)
(Increase) in stock in trade	(816,848,795)	(84,308,426)
(Increase) in trade receivable	(144,865,010)	(68,420,841)
(Increase) in advances, prepayments and other receivables	(29,789,816)	(30,654,324)
(Increase) in long term deposits	-	(830,400)
Decrease / (Increase) in long term loans	991,849	(1,116,477)
Increase in trade and other payables	80,737,744	52,811,624
Increase in infrastructure fee	3,138,711	859,377
(Decrease)/ Increase in short term borrowings	521,394,908	(5,789,721)
	(423,460,484)	(142,515,012)
Cash generated from operations	443,600,814	370,435,009
Finance cost paid	(130,186,001)	(152,661,756)
Income taxes paid	(45,353,339)	(28,967,732)
Employees retirement benefits paid	(7,131,360)	(4,364,340)
Dividend paid	(31,980,487)	(4,824,000)
	(214,651,187)	(190,817,828)
Net cash flow from operating activities	228,949,627	179,617,181



BLESSED TEXTILES LIMITED

Condensed Interim Cash Flow Statement (Un-audited) For The Nine Months Ended 31st March , 2011

	March 2011 Rupees	March 2010 Rupees
Purchase of property, plant and equipment	(22,796,854)	(69,863,418)
Proceeds from disposal of property, plant and equipment	607,500	950,000
Net cash used in investing activities	(22,189,354)	(68,913,418)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of liabilities against assets subject to finance lease	(19,199,098)	(26,389,924)
Repayment of long term finances	(105,277,922)	(135,827,068)
Proceeds from lease finance	-	5,536,000
Proceeds from long term lonas	-	57,000,000
Net cash from financing activities	(124,477,020)	(99,680,992)
Net increase in cash and cash equivalents	82,283,253	11,022,771
Cash and cash equivalents at the beginning of the period	30,781,115	27,709,334
Cash and cash equivalents at the end of the period	113,064,368	38,732,105

The annexed notes form an integral part of these financial statements

Mohammad Shaheen
Chief Executive

Mohammad Salim
Director

Karachi : 26th April, 2011



BLESSED TEXTILES LIMITED

Condensed Interim Statement of Comprehensive Income (Unaudited) For The Nine Months Ended 31st March 2011

	Note	31 st March 2011 Rupees	31 st March 2010 Rupees
Profit after taxation for the nine months		503,085,187	194,557,240
Other comprehensive income for the nine months		-	-
Total comprehensive Income for the nine months		<u>503,085,187</u>	<u>194,557,240</u>

The annexed notes form an integral part of these financial statements

Mohammad Shaheen
Chief Executive

Mohammad Salim
Director

Karachi : 26th April, 2011



BLESSED TEXTILES LIMITED

**Condensed Interim Statement of Changes In Equity (Unaudited)
For The Nine Months Ended 31st March 2011**

	Share Capital	General Reserves	Unappropriated Profit	Total
	Rupees	Rupees	Rupees	Rupees
Balance as at 30th June, 2009	64,320,000	750,000,000	13,261,108	827,581,108
Final dividend for the year ended June 30, 2009 PKR. 0.75 per share	-	-	(4,824,000)	(4,824,000)
Profit for nine months March 31, 2010	-	-	194,557,240	194,557,240
Balance as at 31st March 2010	64,320,000	750,000,000	202,994,348	1,017,314,348
Profit for the quarter ended June 30, 2010	-	-	228,965,471	228,965,471
Transferred to general reserve	-	350,000,000	(350,000,000)	-
Balance as at 30th June, 2010	64,320,000	1,100,000,000	81,959,819	1,246,279,819
Final dividend for the year ended June 30, 2010 PKR. 5.00 per share	-	-	(32,160,000)	(32,160,000)
Profit for nine months ended March 31, 2011	-	-	503,085,187	503,085,187
Balance as at 31st March, 2011	64,320,000	1,100,000,000	552,885,006	1,717,205,006

Mohammad Shaheen
Chief Executive

Mohammad Salim
Director

Karachi : 26th April, 2011



BLESSED TEXTILES LIMITED

Condensed Interim Notes To The Financial Statements (Unaudited) For The Nine Months Ended 31st March , 2011

1 NATURE AND SCOPE OF THE BUSINESS

The company was incorporated in Pakistan as a public limited company on September 29, 1987. Its shares are quoted on the Karachi, Lahore and Islamabad Stock Exchanges. The main business of the company is manufacturing and sale of yarn and woven fabrics. The registered office is located at Umer House, 23/1, Sector 23, S.M Faorroq Road, Korangi Industrial Area, Karachi.

2 ACCOUNTING POLICIES

All accounting policies adopted for the preparation of these quarterly accounts are the same as applied in preparation of the preceding annual published accounts of the company for the year ended 30th June, 2010.

3 OBLIGATION UNDER FINANCE LEASE

	March 2011 Rupees	June 2010 Rupees
SECURED		
Not later than one year	29,429,854	25,995,215
Later than one year but not later than five years	21,038,098	51,363,795
	<u>50,467,952</u>	<u>77,359,010</u>
Finance charges allocated to future periods	(5,084,103)	(12,776,061)
Present value of minimum lease payments	45,383,849	64,582,949
Not later than one year	(25,454,395)	(25,330,527)
Later than one year but not later than five years	<u>19,929,454</u>	<u>39,252,422</u>

4 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2010.

	March 2011 Rupees	June 2010 Rupees
5 ACQUISITION AND DISPOSAL OF FIXED ASSETS		
written down value of assets - opening	1,405,915,823	1,565,526,539
Addition during the period	9,567,392	18,109,632
disposal during the period - written down value	(371,010)	(16,287,196)
depreciation charged during the period	(126,900,000)	(161,433,152)
Written down value of assets - closing	<u>1,288,212,205</u>	<u>1,405,915,823</u>



BLESSED TEXTILES LIMITED

Condensed Interim Notes To The Financial Statements (Unaudited) For The Nine Months Ended 31st March , 2011

6 TRANSACTIONS WITH ASSOCIATED UNDERTAKING

The Company enters into transactions with the related parties in normal course of business at arm's length determined in accordance with "Comparable Uncontrolled Price Method". Transactions with related parties other than remuneration and benefits to key management personnel under the terms of employment are as follows:

	Nine Months Ended		Quarter Ended	
	Mar-11	Mar-10	Mar-11	Mar-10
	Rupees	Rupees	Rupees	Rupees
Purchase of cotton, yarn and fabric	301,547,811	171,177,314	96,316,810	81,741,400
Sales of yarn and fabric	414,873,313	369,743,646	156,607,271	92,785,356
Electricity purchased	80,202,139	49,238,708	37,742,510	31,522,191
Services availed	3,392,000	3,738,970	2,222,000	800,200
Dividend paid	5,945,800	891,870	5,945,800	-

7 DATE OF AUTHORIZATION FOR ISSUE

These nine months period financial statements were authorized for issue on 26th April 2011 by the board of directors of the company.

8 DIVIDEND

The Company has paid cash dividend at the rate of 50.0% (i.e. PKR 5.00 per share) on the ordinary shares as approved in 23rd Annual General Meeting held on October 26, 2010.

9 OTHERS

There are no other significant activity since June 30, 2010 affecting the financial statements.

10 COMPARATIVE FIGURES

In order to comply with the requirements of international Accounting Standards 34 "Interim Financial Reporting", Balance Sheet has been compared with the balances of annual financial statements while profit & loss accounts has been compared with corresponding figures of last year's quarter.

Mohammad Shaheen
Chief Executive

Mohammad Salim
Director

Karachi : 26th April, 2011

Vision

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



Mission Statement

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

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