



of Companies

THIRD QUARTERLY ACCOUNTS
2022-2023
(UN - AUDITED)

UMER GROUP OF COMPANIES

BLESSED TEXTILES LIMITED



Vision

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



Mission Statement

To become an exceptional manufacturer of textile products global market.

Directors' Review

On behalf of the board of directors of Blessed Textiles Limited, I am pleased to present the unaudited condensed interim financial statements for the nine months ended March 31, 2023.

Significant Financial Performance for the Nine Months Ended March 31, 2023;

Profit after tax for the nine months ended March 31, 2023 is PKR 704.475 million as compared to PKR 2,534.368 million in the corresponding period March 31, 2022.

Earnings per share for the nine months ended March 31, 2023 is PKR 109.52 (March 31, 2022: PKR 394.02).

Break-up value of the share as on March 31, 2023 is PKR 1,494.31 (June 30, 2022: PKR 1,401.83).

The current ratio as on March 31, 2023 is 1.67 (June 30, 2022:2.58).

Textile Industry

Following last year's devastating floods, rising inflation and an ongoing foreign exchange crisis, the country's economic growth is predicted to slow significantly in 2023. Since the economy is battling to recover, the gross domestic product (GDP) growth is predicted to fall to 0.5 percent in FY2023 from 6 percent in the preceding fiscal year as per ADB report in April 2023. The report further predicted that growth may reach 2 percent in fiscal year 2024, providing macroeconomic stability has returned, reforms have been put in place, the post-flood recovery is progressing, and external conditions are getting better. In FY2023, industrial growth is forecast to continue decelerating, which reflects fiscal and monetary tightening, a significant depreciation of the local currency, and higher domestic oil and electricity prices.

The country's textile exports fell by 30 percent in February 2023 as a result of the difficult economic situation where textile exports decreased to \$1.18 billion in February 2023 from \$1.68 billion in the same month the previous year (*Source: PBS*).

Unfortunately, several textile mills had partially shut down their operations as a result of unavailability of raw material due to ongoing foreign currency crisis originated in 2022. Besides, the country is facing number of issues as it entered 2023, including mounting debt, limited foreign exchange reserves, an energy shortfall, widening trade deficit, rising borrowing cost, high inflation etc . The energy problem has been the most important element in the collapse of the textile sector over time. Apart from this issues include severe competition on the global market from Bangladesh, Vietnam, India, Thailand, lack of investment in modernization of machinery, rising costs, low production of cotton and other raw materials and non-utilization of high-yielding hybrid seed varieties which have 50 percent higher productivity.

Despite of these impediments, there is still massive potential for the textile industry to generate much needed revenue through exports for the country.

New Spinning Unit

By the grace of Almighty Allah the company has commenced the trial production of its new spinning in April 2023.

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



Muhammad Amin
(Chief Executive Officer)
Dated: 28th April, 2023



Mohammad Salim
(Director)

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	31-Mar-23 Rupees [Un-audited]	30-Jun-22 Rupees [Audited]
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		65,000,000	65,000,000
Issued share capital		64,320,000	64,320,000
General reserve		7,000,000,000	7,000,000,000
Loan from directors and sponsors	6	102,660,500	-
Retained earnings		2,444,450,633	1,952,231,183
TOTAL EQUITY		9,611,431,133	9,016,551,183
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances		4,171,169,960	3,061,920,470
Long term payables	7	513,389,624	416,759,648
Employees retirement benefits		208,976,681	185,493,380
Deferred taxation		222,777,079	222,777,079
Deferred grant		70,371,418	85,293,434
		5,186,684,762	3,972,244,011
CURRENT LIABILITIES			
Trade and other payables		1,451,916,798	1,230,672,526
Unclaimed dividend		8,613,908	7,809,531
Accrued interest/profit		268,302,484	60,290,812
Short term borrowings		7,742,747,370	2,559,054,165
Income tax payable		-	114,419,490
Current portion of non-current liabilities		348,906,009	364,483,938
		9,820,486,569	4,336,730,462
TOTAL LIABILITIES		15,007,171,331	8,308,974,473
CONTINGENCIES AND COMMITMENTS	8	-	-
TOTAL EQUITY AND LIABILITIES		24,618,602,464	17,325,525,656

The annexed notes from 1 to 20 form an integral part of these interim financial statements.



Director



Chief Financial Officer



Chief Executive

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	<i>Note</i>	31-Mar-23 <i>Rupees</i> [Un-audited]	30-Jun-22 <i>Rupees</i> [Audited]
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	8,123,673,683	6,104,324,714
Long term deposits		50,441,329	47,485,185
		8,174,115,012	6,151,809,899
CURRENT ASSETS			
Stores and spares		221,095,008	185,918,306
Stock in trade		9,867,623,070	5,537,502,379
Trade receivables		2,197,418,454	1,758,705,012
Short term deposits		493,090,577	317,590,577
Advances, prepayments and other receivables	10	1,583,880,897	279,570,138
Sales tax refundable/adjustable		1,065,330,722	516,419,271
Advance income tax/income tax refundable		89,939,776	-
Cash and bank balances		926,108,948	2,578,010,074
		16,444,487,452	11,173,715,757
TOTAL ASSETS		24,618,602,464	17,325,525,656

The annexed notes from 1 to 20 form an integral part of these interim financial statements.



Director



Chief Financial Officer



Chief Executive

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS [UN-AUDITED] FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

Note	Nine months period ended		Three months period ended	
	31-Mar-23 Rupees	31-Mar-22 Rupees	31-Mar-23 Rupees	31-Mar-22 Rupees
Revenue from contracts with customers - net	16,759,639,900	16,363,026,412	6,008,784,924	5,796,123,529
Cost of sales	(15,024,658,618)	(12,747,522,524)	(5,410,946,660)	(4,387,604,724)
Gross profit	1,734,981,282	3,615,503,888	597,838,264	1,408,518,805
Selling and distribution expenses	(313,586,636)	(381,866,230)	(94,455,325)	(132,269,446)
Administrative expenses	(179,670,159)	(146,818,901)	(61,360,945)	(55,192,748)
Other expenses	(65,978,946)	(203,367,991)	(16,820,706)	(80,300,591)
	(559,235,741)	(732,053,122)	(172,636,976)	(267,762,785)
Impairment reversals for expected credit losses	94,367,492	11,184,679	-	-
	1,270,113,033	2,894,635,445	425,201,288	1,140,756,020
Other income	58,610,123	13,696,311	30,435,324	4,237,917
Operating profit	1,328,723,156	2,908,331,756	455,636,612	1,144,993,937
Finance cost	(377,186,338)	(153,253,150)	(185,730,830)	(55,200,197)
Profit before taxation	951,536,818	2,755,078,606	269,905,782	1,089,793,740
Provision for taxation	(247,061,368)	(220,710,691)	(87,025,060)	(84,358,445)
Profit after taxation	704,475,450	2,534,367,915	182,880,722	1,005,435,295
Earnings per share - basic and diluted	109.52	394.02	28.43	156.31

The annexed notes from 1 to 20 form an integral part of these interim financial statements.



Director



Chief Financial Officer



Chief Executive

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME [UN-AUDITED] FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Nine months period ended		Three months period ended	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Other comprehensive income	-	-	-	-
Profit after taxation	704,475,450	2,534,367,915	182,880,722	1,005,435,295
Total comprehensive income	704,475,450	2,534,367,915	182,880,722	1,005,435,295

The annexed notes from 1 to 20 form an integral part of these interim financial statements.



Director



Chief Financial Officer



Chief Executive

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Share capital	Revenue reserves			
	Issued share capital	General reserve	Loan from directors and sponsors	Retained earnings	Total equity
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
As at 01 July 2021 - [Audited]	64,320,000	5,500,000,000	-	460,385,271	6,024,705,271
Comprehensive income					
Profit after taxation	-	-	-	2,534,367,915	2,534,367,915
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	2,534,367,915	2,534,367,915
Transaction with owners					
Final dividend @ 330% i.e. Rs. 33.00 per ordinary share	-	-	-	(212,256,000)	(212,256,000)
Other transactions	-	-	-	-	-
As at 31 March 2022 - [Un-audited]	64,320,000	5,500,000,000	-	2,782,497,186	8,346,817,186
As at 01 April 2022 - [Un-audited]	64,320,000	5,500,000,000	-	2,782,497,186	8,346,817,186
Comprehensive income					
Profit after taxation	-	-	-	672,333,139	672,333,139
Other comprehensive loss	-	-	-	(2,599,142)	(2,599,142)
Total comprehensive income	-	-	-	669,733,997	669,733,997
Transaction with owners	-	-	-	-	-
Other transactions					
Profit transferred to general reserve	-	1,500,000,000	-	(1,500,000,000)	-
As at 30 June 2022 - [Audited]	64,320,000	7,000,000,000	-	1,952,231,183	9,016,551,183
As at 01 July 2022 - [Audited]	64,320,000	7,000,000,000	-	1,952,231,183	9,016,551,183
Comprehensive income					
Profit after taxation	-	-	-	704,475,450	704,475,450
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	704,475,450	704,475,450
Transaction with owners					
Final dividend @ 330% i.e. Rs. 33.00 per ordinary share	-	-	-	(212,256,000)	(212,256,000)
Other transactions					
Loan from directors and sponsors	-	-	102,660,500	-	102,660,500
As at 31 March 2023 - [Un-audited]	64,320,000	7,000,000,000	102,660,500	2,444,450,633	9,611,431,133

The annexed notes from 1 to 20 form an integral part of these interim financial statements.



Director



Chief Financial Officer



Chief Executive

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS [UN-AUDITED] FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Note	Nine months period ended	
		31-Mar-23	31-Mar-22
		Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	12	(4,896,251,368)	1,452,346,777
Payments for:			
Employees retirement benefits		(24,216,694)	(40,867,983)
Interest/profit on borrowings		(96,660,542)	(144,455,571)
Income tax		(451,420,634)	(221,256,177)
Net cash used in / (generated from) operating activities		(5,468,549,238)	1,045,767,046
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(2,336,147,368)	(1,902,579,923)
Proceeds from disposal of property, plant and equipment		2,100,000	1,200,000
Long term deposits		(2,956,144)	(21,055,135)
Net cash used in investing activities		(2,337,003,512)	(1,922,435,058)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term finances obtained		1,356,365,446	1,103,341,327
Repayment of long term finances		(277,615,904)	(343,464,900)
Net increase in short term borrowings		5,183,693,205	930,852,592
Loan from directors and sponsors		102,660,500	-
Dividend paid		(211,451,623)	(210,889,475)
Net cash generated from financing activities		6,153,651,624	1,479,839,544
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(1,651,901,126)	603,171,532
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		2,578,010,074	493,118,022
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		926,108,948	1,096,289,554

The annexed notes from 1 to 20 form an integral part of these interim financial statements.



Director



Chief Financial Officer



Chief Executive

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED]
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023**

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, Sheikhpura Road, District Sheikhpura in the province of Punjab.

2 BASIS OF PREPARATION

These interim financial statements are un-audited and have 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 30 June 2022.

These interim financial statements have been subjected to limited scope review by the auditors of the company, as required under section 237 of the Companies Act, 2017. The comparative condensed interim statement of financial position as at 30 June 2022 and the related notes to the interim financial statements are based on audited financial statements. The comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and related notes to the condensed interim financial statements for the nine months period ended 31 March 2022 are based on unaudited, reviewed interim financial statements. The condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended 31 March 2023 and 31 March 2022 are neither audited nor reviewed.

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 on the historical cost basis except for the following items, which are measured on an alternative basis as at the reporting date.

Items	Measurement basis
Financial liabilities	Amortized cost
Financial assets	Fair value/amortized cost
Employee retirement benefits	Present value

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 have been prepared in Pak Rupees which is the Company's functional currency. The amounts reported in these interim financial statements have been rounded to the nearest Rupees unless specified otherwise.

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 28 April 2023.

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

The following new and revised standards, interpretations and amendments are effective in the current period but are either not relevant to the Company or their application does not have any material impact on the interim financial statements of the Company other than presentation and disclosures, except as stated otherwise.

3.1 Reference to the Conceptual Framework (Amendments to IFRS 3 - Business Combinations)

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

3.2 Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16 - Property, Plant and Equipment)

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

3.3 Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37 - Impairment of Assets)

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED]
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023**

3.4 Annual Improvements to IFRS Standards 2018–2020

The annual improvements have made amendments to the following standards:

- **IFRS 1 - First Time Adoption of International Financial Reporting Standards** - The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.
- **IFRS 9 - Financial Instruments** - The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.
- **IFRS 16 - Leases** - The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.
- **IAS 41 - Agriculture** - The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.

	Effective date (annual periods beginning on or after)
Sale or contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures).	Deferred Indefinitely
Disclosure of Accounting Policies (Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Making Materiality Judgements)	01 January 2023
Definition of Accounting Estimates (Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 - Income Taxes)	01 January 2023
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 - Presentation of Financial Statements).	01 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16 - Leases)	01 January 2024

	Effective date (annual periods beginning on or after)
Non-current Liabilities with Covenants (Amendments to IAS 1 - Presentation of Financial Statements)	01 January 2024

Other than afore mentioned standards, interpretations and amendments, IASB has also issued the following standards which have not been notified by the Securities and Exchange Commission of Pakistan ['SECP']:

IFRS 1 - First Time Adoption of International Financial Reporting Standards
IFRS 17 - Insurance contracts

The Company intends to adopt these new and revised standards, interpretations and amendments on their effective dates, subject to, where required, notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will not have a material impact on the Company's financial statements other than in presentation/disclosures.

5 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended 30 June 2022.

6 LOAN FROM DIRECTORS AND SPONSORS

This represents loan obtained from directors and sponsors. These are unsecured, interest free and payable at the discretion of the Company. These loans are presented as equity as per "Technical Release 32 - Accounting for Directors' Loan" issued by The Institute of Chartered Accountants of Pakistan.

	31-Mar-23	30-Jun-22
	Rupees	Rupees
	[Un-audited]	[Audited]
7 LONG TERM PAYABLES		
Infrastructure Cess	407,456,143	305,653,487
Gas Infrastructure Development Cess	105,933,481	111,106,161
	513,389,624	416,759,648

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

8.1.1 Various banking companies have discounted receivables of the Company as detailed below:

	31-Mar-23	30-Jun-22
	Rupees	Rupees
	[Un-audited]	[Audited]
Bills discounted	2,113,677,000	2,041,000,000

8.1.2 There is no significant change in the status of remaining contingencies since 30 June 2022.

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

8.2 Commitments

	31-Mar-23	30-Jun-22
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
7.2.1 Commitments under irrevocable letters of credit:	6,029,428,724	4,812,927,028

7.2.2 Commitments under ijarah contracts

The aggregated amount of ujarah payments for ijarah financing and the period in which these payments will become due are as follows:

	Note	31-Mar-23	30-Jun-22
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
- payments not later than one year		16,330,392	7,116,730
- payments later than one year		52,622,309	26,348,279
		68,952,701	33,465,009

9 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	9.1	3,515,384,434	3,830,370,203
Capital work in progress	9.2	4,608,289,249	2,273,954,511
		8,123,673,683	6,104,324,714

9.1 Operating fixed assets

Net book value at the beginning of the period/year		3,830,370,203	3,661,241,029
Additions during the period/year			
Freehold land		1,691,100	29,063,017
Factory buildings		-	3,277,599
Plant and machinery		-	501,156,351
Equipment and other assets		-	28,460,119
Electric installation		-	1,313,126
Vehicles		121,530	-
		1,812,630	563,270,212
Net book value of assets disposed during the period/year		(1,053,399)	(1,675,405)
Depreciation for the period/year		(315,745,000)	(392,465,633)
Net book value at the end of the period/year		3,515,384,434	3,830,370,203

9.2 Capital work in progress

As at the beginning of the period/year		2,273,954,511	217,100,528
Additions during the period/year		2,334,334,738	2,591,061,178
Transfers to operating fixed assets		-	(534,207,195)
As at end of the period/year		4,608,289,249	2,273,954,511

10 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

Advances to suppliers	174,138,448	83,734,205
Advances to employees	13,724,347	11,457,948
Margin against letter of credits	1,362,474,688	156,874,600
Prepayments	18,700,544	3,496,347
Other receivables	14,842,870	24,007,038
	1,583,880,897	279,570,138

	Note	Nine months period ended		Three months period ended	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Un-audited]	[Un-audited]	[Un-audited]

11 PROVISION FOR TAXATION

Current taxation					
- for current year	11.1	247,061,368	220,710,691	87,025,060	84,358,445
- for prior years		-	-	-	-
		247,061,368	220,710,691	87,025,060	84,358,445
Deferred taxation	11.2	-	-	-	-
		247,061,368	220,710,691	87,025,060	84,358,445

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

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

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Nine months period ended	
	31-Mar-23	31-Mar-22
	Rupees	Rupees
	[Un-audited]	[Un-audited]
12 CASH USED IN OPERATIONS		
Profit before taxation	951,536,818	2,755,078,606
Adjustments for non-cash and other items		
Interest/profit on borrowings	304,672,212	153,253,150
Gain on disposal of property, plant and equipment	(1,046,601)	(719,735)
Impairment reversals for expected credit losses	(94,367,492)	(11,184,679)
Provision for employees retirement benefits	47,700,000	41,400,000
Depreciation	315,745,000	286,950,000
	572,703,119	469,698,736
Operating profit before changes in working capital	1,524,239,937	3,224,777,342
Changes in working capital		
Stores and spares	(35,176,702)	(62,435,709)
Stock in trade	(4,330,120,691)	(1,105,143,753)
Trade receivables	(344,345,950)	(565,509,894)
Short term deposits	(175,500,000)	(80,500,000)
Advances and other receivables	(1,304,310,759)	(54,758,872)
Sales tax refundable	(333,584,452)	(250,409,345)
Trade and other payables	5,917,273	295,070,923
Long term payables	96,629,976	51,256,085
	(6,420,491,305)	(1,772,430,565)
Net cash (used in) / generated from operations	(4,896,251,368)	1,452,346,777

13 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies, key management personnel and sponsors. 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%
Hamza Shakeel	Sponsors	Shareholding	4.12%
Faisal Shakeel	Sponsors	Shareholding	4.12%
Nazli Begum	Sponsors	Shareholding	3.66%

Transactions with sponsors are limited to provision of long term loans to the Company. Transactions with key management personnel are limited to provision of long term loans to the Company and 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.

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

		Nine months period ended	
		31-Mar-23	31-Mar-22
		Rupees	Rupees
		[Un-audited]	[Un-audited]
13.1 Transactions with related parties			
Nature of relationship	Nature of transaction		
Associated companies	Purchases	223,550,285	286,339,295
	Sales	3,729,127,544	2,444,087,639
	Service received	231,750	231,750
	Purchase of electricity	1,472,542	13,999,427
Sponsors	Borrowings obtained	80,546,600	
Key management personnel	Borrowings obtained	22,113,900	-
	Short term employee benefits	23,400,000	23,400,000
		31-Mar-23	30-Jun-22
		Rupees	Rupees
		[Un-audited]	[Audited]
13.2 Balances with related parties			
Nature of relationship	Nature of balance		
Sponsors	Borrowings	80,546,600	-
Key management personnel	Borrowings	22,113,900	-

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

14 FINANCIAL INSTRUMENTS

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

	31-Mar-23	30-Jun-22
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
14.1 Financial assets		
<i>Financial assets at amortized cost</i>		
Long term deposits	50,441,329	47,485,185
Trade receivables	2,197,418,454	1,758,705,012
Advances to employees	13,724,347	11,457,948
Security deposits	493,090,577	317,590,577
Bank balances	926,108,948	2,578,010,074
	3,680,783,655	4,713,248,796
<i>Financial assets at amortized cost</i>		
Short term Investments	-	-
	3,680,783,655	4,713,248,796
14.2 Financial liabilities		
<i>Financial liabilities at amortized cost</i>		
Long term finances	4,520,075,969	3,407,093,079
Short term borrowings	7,742,747,370	2,559,054,165
Accrued interest	268,302,484	60,290,812
Trade creditors	716,179,098	490,914,257
Accrued liabilities	440,093,116	324,516,135
Unclaimed dividend	8,613,908	7,809,531
	13,696,011,945	6,849,677,979

15 FAIR VALUE MEASUREMENTS

The Company measures some of its assets at fair value. 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:

15.1 Financial instruments measured at fair value

15.1.1 Recurring fair value measurements

Nature of asset	Hierarchy	Valuation techniques/Key inputs	31-Mar-23	30-Jun-22
			<i>Rupees</i>	<i>Rupees</i>
			[Un-audited]	[Audited]
Investments				
Investments in mutual funds	Level 1	Quoted prices in an active market	-	-

15.1.2 Non-recurring fair value measurements

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

15.2 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value to approximate their carrying values.

15.3 Assets and liabilities other than financial instruments.

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

16 SEGMENT REPORTING

Information reported to the Company's chief operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on type of goods supplied. The Company's reportable segments are therefore as follows:

Segment	Product
Spinning	Yarn
Weaving	Fabric

Information regarding Company's reportable segments is presented below.

	31-Mar-23 [Un-Audited]		
	Spinning	Weaving	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	(Un-audited)	(Un-audited)	(Un-audited)
Revenue from external customers	13,608,793,882	3,150,846,018	16,759,639,900
Inter-segment transfers	212,287,352	-	212,287,352
Segment results	947,567,407	294,157,080	1,241,724,487
	31-Mar-22 [Un-Audited]		
	Spinning	Weaving	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	(Un-audited)	(Un-audited)	(Un-audited)
Revenue from external customers	12,437,547,474	3,925,478,938	16,363,026,412
Inter-segment transfers	365,040,105	-	365,040,105
Segment results	2,535,758,254	551,060,503	3,086,818,757

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	31-Mar-23 [Un-Audited]			
	Spinning Rupees (Un-audited)	Weaving Rupees (Un-audited)	Un-allocated Rupees (Un-audited)	Total Rupees (Un-audited)
Segment assets	21,574,330,021	2,903,891,338	140,381,105	24,618,602,464

	30-Jun-22 [Audited]			
	Spinning Rupees (Audited)	Weaving Rupees (Audited)	Un-allocated Rupees (Audited)	Total Rupees (Audited)
Segment assets	14,619,379,071	2,658,661,400	47,485,185	17,325,525,656

	31-Mar-23 [Un-Audited]			
	Spinning Rupees (Un-audited)	Weaving Rupees (Un-audited)	Un-allocated Rupees (Un-audited)	Total Rupees (Un-audited)
Segment liabilities	1,223,408,595	641,052,195	13,142,710,541	15,007,171,331

	30-Jun-22 [Audited]			
	Spinning Rupees (Audited)	Weaving Rupees (Audited)	Un-allocated Rupees (Audited)	Total Rupees (Audited)
Segment liabilities	1,113,369,136	474,497,317	6,721,108,020	8,308,974,473

16.1 Reconciliation of Reportable segment information

17.1.1 Segment Profit or Loss

	31-Mar-23 [Un-Audited]			
	Spinning Rupees (Audited)	Weaving Rupees (Audited)	Un-allocated Rupees (Audited)	Total Rupees (Audited)
Total reportable segments	947,567,407	294,157,080		1,241,724,487
Unallocated items				
Other expenses				(65,978,946)
Impairment reversals for expected credit losses				94,367,492
other income				58,610,123
Finance Cost				(377,186,338)
	947,567,407	294,157,080	-	951,536,818

	31-Mar-22 [Un-Audited]			
	Spinning Rupees (Audited)	Weaving Rupees (Audited)	Un-allocated Rupees (Audited)	Total Rupees (Audited)
Total reportable segments	2,535,758,254	551,060,503		3,086,818,757
Unallocated items				
Other expenses				(203,367,991)
Impairment reversals for expected credit losses				11,184,679
other income				13,696,311
Finance Cost				(153,253,150)
	2,535,758,254	551,060,503	-	2,755,078,606

17 RECLASSIFICATIONS

The following have been reclassified, where necessary, for better presentation of these financial statements:

Particulars	From	To	30-Jun-22 Rupees [Audited]
LC Margin deposits	Short term deposits	Advances, prepayments and other receivables	156,874,600

18 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.

19 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.

20 GENERAL

20.1 There are no other significant activities since 30 June 2022 affecting the interim financial statements.

20.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period except stated in note 17.

 _____ Director	 _____ Chief Financial Officer	 _____ Chief Executive
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