

## DIRECTORS REVIEW

On behalf of the board of directors of your company, I feel great pleasure in presenting the unaudited interim condensed financial statements of the company for the nine months ended 31st March, 2009.

Salient features of the nine months ended 31st March 2009 are as follows;

- Net sales during the period were PKR 2,332.473 million as against PKR 2,149.168 million of the corresponding period of last year, thus showing an increase of 8.52%.
- Profit after tax for the nine months ended 31st March 2009 was PKR 49.680 million as against PKR 56.063 million of the corresponding period of last year.
- Earning per share for the nine months ended 31st March 2009 was PKR 7.72.
- Breakup value of the share as on 31st March 2009 was PKR 125.41 (June 30, 2008 PKR 118.44).

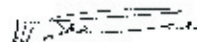
### Future Outlook

The company's overall performance remained satisfactory but the results of the nine months under review were on lower side due to recession in Pakistan and world economy. Yarn and fabric prices were remained under pressure due to slowness in yarn and fabric market. Financing cost has increased sharply which has created difficulty for maintaining profit margin. Moreover interrupted power supply has significantly affected production efficiencies and resulted increased in per unit production cost. Besides the load shedding of electricity massive load shedding of gas in Punjab had been scheduled during December 2008 to February 2009. 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.

Future profitability depends on the direction of raw cotton prices and corresponding prices of yarn and fabric. Currently the raw cotton prices are increasing after being shown decreasing trend. In the present scenario the results are likely to be adverse in coming quarter. However the management of the company is doing its best efforts to maintain the profitability margin.

### Acknowledgment

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 SHAHEEN**  
(CHIEF EXECUTIVE / DIRECTOR)

Karachi: 25th April 2009

**CONDENSED BALANCE SHEET ( UN-AUDITED )**  
AS AT MARCH 31, 2009

EQUITY AND LIABILITIES	NOTE	MARCH 31 2009 RUPEES	JUNE 30 2008 RUPEES
Share capital and reserves			
Issued, subscribed and paid up capital	4	64,320,000	64,320,000
General reserves		690,000,000	690,000,000
Unappropriated profit		52,347,632	7,491,547
		806,667,632	761,811,547
Loan from associates - unsecured			
	5	87,324,617	79,719,388
Non-current liabilities			
Long term financing - secured	6	406,052,276	436,726,642
Liabilities against assets subject to finance lease	7	74,425,443	94,429,665
Employees retirement benefits		30,030,391	25,686,445
Long term payable		15,200,299	12,083,551
Deferred taxation		30,874,831	30,874,831
		556,583,240	599,801,134
Current liabilities			
Trade and other payables		148,871,527	128,264,643
Mark-up accrued on loans		50,106,897	17,550,500
Short term borrowing - secured		996,638,599	921,037,010
Current portion of long term liabilities		190,309,067	286,934,708
		1,385,926,090	1,353,786,861
Contingencies and commitments	8	-	-
		2,836,501,579	2,795,118,930

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

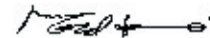
  
**MOHAMMAD SHAHEEN**  
Chief Executive

Karachi: 25th April 2009

**CONDENSED BALANCE SHEET ( UN-AUDITED )**  
AS AT MARCH 31, 2009

ASSETS	NOTE	MARCH 31 2009 RUPEES	JUNE 30 2008 RUPEES
Non-current assets			
Property, plant and equipment	9	1,581,062,176	1,619,642,644
Capital work in progress		11,044,563	4,440,130
Long term loans		4,814,777	3,985,365
Long term deposits		7,493,985	3,702,925
		1,604,415,501	1,631,771,064
Current assets			
Stores, spares and loose tools		38,800,253	26,729,037
Stock in trade		868,952,060	846,296,675
Trade receivables		189,241,156	178,207,713
Advances, deposits, prepayments and other receivables		48,045,536	17,208,878
Derivative financial assets		6,937,500	9,927,980
Income tax refundable		33,332,149	41,931,351
Sales tax refundable		13,474,440	9,151,088
Cash and bank balances		33,302,984	33,895,144
		1,232,086,078	1,163,347,866
		<u>2,836,501,579</u>	<u>2,795,118,930</u>

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

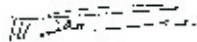


**MOHAMMAD SALIM**  
Director

**CONDENSED PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
FOR THE NINE MONTHS ENDED MARCH 31, 2009

	NINE MONTHS ENDED		QUARTER ENDED	
	MARCH 31 2009	MARCH 31 2008	MARCH 31 2009	MARCH 31 2008
	RUPEES		RUPEES	
Sales - Net	2,332,473,327	2,149,168,199	718,967,410	746,882,940
Cost of goods sold	1,982,656,054	1,868,899,656	616,346,073	662,532,324
Gross profit	349,817,273	280,268,543	102,621,337	84,350,616
Other operating income	428,451	171,376	428,451	171,376
	350,245,724	280,439,919	103,049,788	84,521,992
Distribution cost	44,983,883	46,094,381	12,316,045	16,897,241
Administrative expenses	30,717,430	26,971,839	9,663,882	8,618,109
Other operating expenses	4,254,847	4,084,123	834,668	262,036
Finance cost	197,052,695	125,519,835	66,911,584	45,176,517
	277,008,855	202,670,178	89,726,179	70,953,903
Profit before taxation	73,236,869	77,769,741	13,323,609	13,568,089
Provision for taxation				
Current period	23,542,558	21,706,569	7,275,578	7,540,742
Prior years	14,226	-	-	-
	23,556,784	21,706,569	7,275,578	7,540,742
Profit after taxation	49,680,085	56,063,172	6,048,031	6,027,347
Earnings per share - basic and diluted	7.72	8.72	0.94	0.94

The annexed notes from 1 to 16 form an integral part of these interim financial statements.



**MOHAMMAD SHAHEEN**  
Chief Executive

Karachi: 25th April 2009



**MOHAMMAD SALIM**  
Director



THIRD QUARTER REPORT 2009  
**BLESSED TEXTILES LIMITED**

**CONDENSED CASH FLOW STATEMENT (UNAUDITED)**  
 FOR THE NINE MONTHS ENDED MARCH 31, 2009

	NINE MONTHS ENDED	
	MARCH 31 2009 RUPEES	MARCH 31 2008 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	73,236,869	77,769,741
Adjustments for:		
Depreciation on property, plant and equipment	125,050,000	127,350,825
(Gain)/Loss on disposal of property plant and equipment	(428,451)	(171,376)
Provision for employees retirement benefits	7,965,000	7,875,000
Derivative financial assets	2,990,480	-
Finance cost	197,052,695	125,519,835
	<u>332,629,724</u>	<u>260,574,284</u>
Operating profit before changes in working capital	405,866,593	338,344,025
Changes in working capital	12 (57,196,426)	(278,445,188)
Cash generated from operations	348,670,167	59,898,837
Finance cost paid	(156,891,069)	(121,405,660)
Staff retirement benefits paid	(3,621,054)	(4,377,295)
Taxes paid	(14,957,582)	(30,885,615)
Dividend paid	(4,824,000)	(6,432,000)
	<u>(180,293,705)</u>	<u>(163,100,570)</u>
Net cash flow from / (used in) operating activities	<u>168,376,462</u>	<u>(103,201,733)</u>



THIRD QUARTER REPORT 2009  
**BLESSED TEXTILES LIMITED**

**CONDENSED CASH FLOW STATEMENT (UNAUDITED)**  
FOR THE NINE MONTHS ENDED MARCH 31, 2009

	NINE MONTHS ENDED	
	MARCH 31 2009 RUPEES	MARCH 31 2008 RUPEES
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceed from fixed assets	750,000	1,559,178
Fixed capital expenditure	(93,395,510)	(148,657,809)
Long term loans	(829,412)	(271,000)
Long term deposits	(3,791,060)	(196,000)
Net cash used in investing activities	<u>(97,265,982)</u>	<u>(147,565,631)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term loans	(195,588,249)	(211,915,585)
Repayment of lease liability	(8,066,160)	(47,307,104)
Proceeds from long term financing	56,350,180	200,000,000
Proceeds from sale and lease back transaction	-	107,148,771
Short term borrowings - net	75,601,589	215,521,525
Net cash (used in) / flow from financing activities	<u>(71,702,640)</u>	<u>263,447,607</u>
Net (decrease) / increase in cash and cash equivalents	(592,160)	12,680,243
Cash and cash equivalents at beginning of the period	33,895,144	40,832,994
Cash and cash equivalents at end of the period	<u>33,302,984</u>	<u>53,513,237</u>

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

**MOHAMMAD SHAHEEN**  
Chief Executive

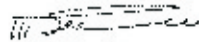
**MOHAMMAD SALIM**  
Director

Karachi: 25th April 2009

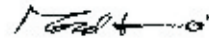
**CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
FOR THE NINE MONTHS ENDED MARCH 31, 2009

	SHARE CAPITAL	GENERAL RESERVES	UNAPPROPRIATED PROFIT	TOTAL
RUPEES				
Balance as at 30 June 2007	64,320,000	630,000,000	9,295,943	703,615,943
Profit for the period ended 31 March 2008	-	-	56,063,172	56,063,172
Final dividend @ 10% for the year ended 30 June 2007.	-	-	(6,432,000)	(6,432,000)
Balance as at 31 March 2008	64,320,000	630,000,000	58,927,115	753,247,115
Profit for the remaining period	-	-	8,564,432	8,564,432
Transfer to general reserve	-	60,000,000	(60,000,000)	-
Balance as at 30 June 2008	64,320,000	690,000,000	7,491,547	761,811,547
Profit for the period ended 31 March 2009	-	-	49,680,085	49,680,085
Final dividend @ 7.5% for the year ended 30 June 2008.	-	-	(4,824,000)	(4,824,000)
Balance as at 31 March 2009	64,320,000	690,000,000	52,347,632	806,667,632

The annexed notes from 1 to 16 form an integral part of these interim financial statements.



**MOHAMMAD SHAHEEN**  
Chief Executive



**MOHAMMAD SALIM**  
Director

Karachi: 25th April 2009

**CONDENSED NOTES TO THE ACCOUNTS (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2009**

**1 STATUS AND ACTIVITIES**

The Company was incorporated in Pakistan on September 29, 1987 under the Companies Ordinance 1984 as a Public Limited Company and its shares are quoted on all stock exchanges of Pakistan. The registered office of the Company is situated at Umer House, 23/1, Sector - 23, S.M Farooq road, Korangi Industrial Area, Karachi. The Company is principally engaged in the manufacture and sale of yarn and woven fabrics.

**2 BASIS OF PREPARATION**

These financial statements have been prepared in accordance with the directives issued by the Securities & Exchange Commission of Pakistan and are in compliance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and being submitted to shareholders as required by Section 245 of the Companies Ordinance, 1984.

These financial statements have been prepared under "Historical Cost Convention" except for staff gratuity accounted for in accordance with "International Accounting Standard - 19" and modifications due to adjustments for exchange rate fluctuations.

These interim financial statements are unaudited.

**3 ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of these interim financial statements are consistent with those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2008.

**4 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

<b>MARCH 31, 2009</b>	<b>JUNE 30, 2008</b>		<b>MARCH 31, 2009</b>	<b>JUNE 30, 2008</b>
<b>NUMBER OF SHARES</b>			<b>RUPEES</b>	
6,432,000	6,432,000	ordinary shares of Rs. 10 each fully paid in cash	64,320,000	64,320,000
<u>6,432,000</u>	<u>6,432,000</u>		<u>64,320,000</u>	<u>64,320,000</u>



**CONDENSED NOTES TO THE ACCOUNTS (UNAUDITED)**  
FOR THE NINE MONTHS ENDED MARCH 31, 2009

	<b>MARCH 31 2009 RUPEES</b>	<b>JUNE 30 2008 RUPEES</b>
<b>5 LOAN FROM SPONSORS - UNSECURED</b>		
Fair value	100,000,000	100,000,000
Imputed interest income	<u>(12,675,383)</u>	<u>(20,280,612)</u>
	<u>87,324,617</u>	<u>79,719,388</u>
<b>6 LONG TERM LOANS - SECURED</b>		
Opening balance	712,903,140	822,123,920
Add: during the period	56,350,180	200,000,000
Loan paid during the period	<u>(195,588,249)</u>	<u>(309,220,780)</u>
	573,665,071	712,903,140
Current portion of long term loans	<u>(167,612,795)</u>	<u>(276,176,498)</u>
	<u>406,052,276</u>	<u>436,726,642</u>
<b>7 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>		
Present value of Minimum lease payment	97,121,715	105,187,875
Current portion	<u>(22,696,272)</u>	<u>(10,758,210)</u>
	<u>74,425,443</u>	<u>94,429,665</u>
<b>8 CONTINGENCIES AND COMMITMENTS</b>		
There are no material changes in contingencies and commitments as disclosed in the note to the financial statements for the year ending June 30, 2008.		
<b>9 OPERATING FIXED ASSETS</b>		
Operating fixed assets	9.1 <u>1,581,062,176</u>	<u>1,619,642,644</u>
9.1 Opening balance	1,619,642,644	1,639,762,429
Addition during the period	9.2 86,791,081	154,726,259
W.D.V. of assets disposed off	(321,549)	(1,470,683)
Depreciation charged during the period	<u>(125,050,000)</u>	<u>(173,375,361)</u>
	<u>1,581,062,176</u>	<u>1,619,642,644</u>

**CONDENSED NOTES TO THE ACCOUNTS (UNAUDITED)**  
FOR THE NINE MONTHS ENDED MARCH 31, 2009

**9.2 ACQUISITION AND DISPOSAL OF FIXED ASSETS**

	MARCH 31 2009		JUNE 30 2008	
	ADDITION	DELETIONS	ADDITION	DELETIONS
Owned Assets				
Free hold land	-	-		-
Building on free hold land			4,232,932	-
Factory	862,770	-	8,286,251	-
Non factory	681,227	-	11,976,789	-
Plant and machinery	76,779,915	-	196,383,867	7,347,381
		-	(83,422,201)	
Equipments and other assets	8,143,189		13,732,737	-
Office equipments - office	-	-	216,210	-
Office equipments - factory	16,500	-	-	-
Furniture and fixture - factory	307,480	-	567,174	-
Vehicles	-	2,241,320	1,826,155	343,590
	86,791,081	2,241,320	153,799,914	7,690,971
Assets subject to finance lease				
Plant and machinery	-	-	90,924,545	-
	-	-	(91,000,000)	-
Vehicles	-	-	1,001,800	-
	86,791,081	2,241,320	154,726,259	7,690,971

**10 EARNINGS PER SHARE**

There is no dilutive effect on basic earnings per share of the company which is based on:

	NINE MONTHS ENDED		QUARTER ENDED	
	MAR.31-09	MAR.31-08	MAR.31-09	MAR.31-08
Profit after tax for the period	49,680,085	56,063,172	6,048,031	6,027,347
Weighted average number of ordinary shares	6,432,000	6,432,000	6,432,000	6,432,000
Earning per share - Basic	7.72	8.72	0.94	0.94

**11 TRANSACTIONS WITH RELATED PARTIES**

The company enters into transactions with 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 term of employment are as follows: -

**CONDENSED NOTES TO THE ACCOUNTS (UNAUDITED)**  
FOR THE NINE MONTHS ENDED MARCH 31, 2009

	NINE MONTHS ENDED	
	MAR 31, 09 RUPEES	MAR 31, 08 RUPEES
Sale of yarn, fabric and cotton	209,262,122	241,616,683
Purchase of yarn, fabric and cotton	122,004,245	75,861,400
Electricity purchase	32,466,635	7,034,123
Services rendered	-	363,000
Services availed	14,651,790	10,626,715
Dividend paid	891,870	1,189,160
Sale of property, plant and equipment	-	925,000

**12 WORKING CAPITAL CHANGES**

(Increase) in stores, spares and loose tools	(12,071,216)	(4,045,904)
(Increase) in stock in trade	(22,655,385)	(388,396,077)
(Increase) in trade debts	(11,033,443)	90,529,396
(Increase) in loans and advances	(30,836,662)	16,888,532
(Increase) in Sales Tax refundable	(4,323,352)	10,740,482
Increase in infrastructure fee payable	3,116,748	3,545,610
Increase / (Decrease) in trade and other payables	<u>20,606,884</u>	<u>(7,707,227)</u>
	<u>(57,196,426)</u>	<u>(278,445,188)</u>

**13 DATE OF AUTHORIZATION FOR ISSUE**

These interim financial statements were authorized for issue on 25th April 2009 by the Board of Directors of the Company.

**14 OTHERS**

14.1 There are no other significant activities since June 30, 2008 affecting the financial statements other than disclosed in these financial statements.

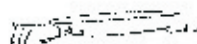
14.2 In consonance with other companies in the textile sector, the operations of the Company are subject to seasonal and cyclical trends. These seasonal and cyclical trends reflect in these interim financial statements.

**15 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 quarter.


**16 FIGURES**

Figures have been rounded off to the nearest rupee.



**MOHAMMAD SHAHEEN**  
Chief Executive

Karachi: 25th April 2009



**MOHAMMAD SALIM**  
Director

## VISION

*A Premier Quality Company,  
providing quality products and  
maintaining an excellent  
level of ethical and  
Professional  
Standards*



## Mission Statement

*To become  
a leading quality  
manufacturer of textile  
products in the International  
& Local Market and to explore  
new era to achieve the highest  
level of success.*