



of Companies

HALF YEARLY ACCOUNTS
2021-2022
(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 Mills Limited, I am pleased to present the unaudited condensed interim financial statements for the half year ended December 31, 2021.

Significant Financial Performance for the Half Year Ended December 31, 2021;

Profit after tax for the half year ended December 31, 2021 is PKR 1,528.933 million as compared to PKR 411.161 million in the corresponding period ended December 31, 2020.

Earnings per share for the half year ended December 31, 2021 is PKR 237.71 (Dec 31 2020: PKR 63.92).

Break-up value of the share as on December 31, 2021 is PKR 1,141.38 (June 30, 2021: PKR 936.68).

The current ratio for half year ended December 31, 2021 is 2.99 (June 30, 2021: 4.61).

Performance of the Textile Sector

The textile sector has planned the total investment and expansion of US\$ 3.5 billion and so far an investment of US\$ 1.50 billion have already been made whereas remaining 2.0 billion will be made by June 30, 2022. These investments and expansions will be made for the value addition projects including from semi-finished to finished goods, raw cloth to dyed cloth to garments under various subsidized schemes of financing offered by State Bank of Pakistan since eruption of pandemic across the globe in December, 2019.

The benefits of CAPEX are reaping gradually as country's exports are now on rising trajectory and it's highly probable that textile exports will surpass the target of US\$ 20.00 billion for the fiscal year 2021-22.

At the moments a serious concern for the industry is energy crisis where oil is already trading at 92 per barrel in February, 2022 which is expected to rise further in upcoming months. The energy crisis is also affecting the output of textile mills in many areas Sindh Punjab and Baluchistan. Consequently, there is a dire need to fix energy tariff by keeping in view the pricing structure of the regional competitors.

Besides, availability of cotton to cater the demand of spinning sector has also been an impediment for textile industry since long. Albeit, some positive developments have been made for the revival and enhancement of the cotton crop by introduction of several seed varieties for the next season nonetheless, the expected estimate of local output of 9 million bales is still far below the industry requirements.

New Spinning Unit

Some more letter of credits for the import of machinery were successfully retired during the period ended December 31, 2021 under subsidized financing offered by the State Bank of Pakistan. The civil work for construction of infrastructure is operating as per agreed timelines of June 2022.

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)

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of BLESSED TEXTILES LIMITED Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **BLESSED TEXTILES LIMITED** [‘the Company’] as at **31 December 2021** and the related 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 notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the “interim financial statements”). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the three-month period ended **31 December 2021** of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income have not been reviewed as we are required to review only cumulative figures for the six-month period ended on that date.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information performed by the Independent Auditor of the Entity.” A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **ZUBAIR IRFAN MALIK**



RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Lahore: 25 February 2022

UDIN: RR202110185rzAn2obky



BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	31-Dec-21 Rupees (Un-audited)	30-Jun-21 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		5,500,000,000	5,500,000,000
Retained earnings		1,777,061,891	460,385,271
TOTAL EQUITY		7,341,381,891	6,024,705,271
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances		2,074,929,679	1,893,205,869
Long term payables	6	316,240,086	298,720,554
Employees retirement benefits		171,410,651	170,827,388
Deferred taxation		220,795,231	220,795,231
Deferred grant		94,272,855	85,352,667
		2,877,648,502	2,668,901,709
CURRENT LIABILITIES			
Trade and other payables		1,128,717,062	841,752,265
Unclaimed dividend		7,931,844	6,492,855
Accrued interest		34,588,478	17,390,056
Short term borrowings		1,229,548,740	-
Current portion of non-current liabilities		416,177,340	461,486,981
		2,816,963,464	1,327,122,157
TOTAL LIABILITIES		5,694,611,966	3,996,023,866
CONTINGENCIES AND COMMITMENTS	7	-	-
TOTAL EQUITY AND LIABILITIES		13,035,993,857	10,020,729,137

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



Director



Chief Financial Officer



Chief Executive Officer

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	31-Dec-21 Rupees (Un-audited)	30-Jun-21 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	4,574,563,393	3,878,341,557
Long term deposits		26,381,395	24,928,395
		4,600,944,788	3,903,269,952
CURRENT ASSETS			
Stores and spares		117,050,883	106,708,229
Stock in trade		5,395,616,503	4,005,037,124
Trade receivables		1,800,151,496	1,135,427,190
Short term deposits		226,590,577	184,090,577
Advances and other receivables		85,717,970	36,076,861
Sales tax refundable / adjustable		390,060,417	46,071,546
Advance income tax/income tax refundable		96,922,650	110,929,636
Cash and bank balances		322,938,573	493,118,022
		8,435,049,069	6,117,459,185
TOTAL ASSETS		13,035,993,857	10,020,729,137

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



Director



Chief Financial Officer



Chief Executive Officer

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

Note	Six month ended		Three month ended	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
	Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers - net	10,566,902,883	7,057,289,368	5,779,795,394	3,638,018,636
Cost of sales	(8,359,917,800)	(6,191,270,706)	(4,559,918,389)	(3,109,904,482)
Gross profit	2,206,985,083	866,018,662	1,219,877,005	528,114,154
Selling and distribution expenses	(249,596,784)	(137,551,717)	(130,486,301)	(73,065,939)
Administrative expenses	(91,626,153)	(83,158,108)	(45,193,743)	(40,814,984)
Other expenses	(123,067,400)	(34,734,069)	(84,075,370)	(25,001,291)
	(464,290,337)	(255,443,894)	(259,755,414)	(138,882,214)
	1,742,694,746	610,574,768	960,121,591	389,231,940
Other income	20,643,073	8,042,792	3,399,811	4,978,363
Operating profit	1,763,337,819	618,617,560	963,521,402	394,210,303
Finance cost	(98,052,953)	(147,226,611)	(72,561,930)	(54,907,059)
Profit before taxation	1,665,284,866	471,390,949	890,959,472	339,303,244
Provision for taxation	9 (136,352,246)	(60,229,565)	(74,926,824)	(16,005,486)
Profit after taxation	1,528,932,620	411,161,384	816,032,648	323,297,758
Earnings per share - basic and diluted	237.71	63.92	126.87	50.26

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



Director



Chief Financial Officer



Chief Executive Officer

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

	Six month ended		Three month ended	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Other comprehensive income	-	-	-	-
Profit after taxation	1,528,932,620	411,161,384	816,032,648	323,297,758
Total comprehensive income	1,528,932,620	411,161,384	816,032,648	323,297,758

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



Director



Chief Financial Officer



Chief Executive Officer

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

	Share capital	Revenue reserves		Total equity
	Issued share capital	General reserve	Retained earnings	
	Rupees	Rupees	Rupees	
Balance as at 01 July 2020 - Audited	64,320,000	3,800,000,000	25,227,232	3,889,547,232
Comprehensive income				
Profit after taxation	-	-	411,161,384	411,161,384
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	411,161,384	411,161,384
Transaction with owners	-	-	-	-
Balance as at 31 December 2020 - Un-audited	64,320,000	3,800,000,000	436,388,616	4,300,708,616
Balance as at 01 January 2021 - Un-audited	64,320,000	3,800,000,000	436,388,616	4,300,708,616
Comprehensive income				
Profit after taxation	-	-	1,734,139,792	1,734,139,792
Other comprehensive loss	-	-	(10,143,137)	(10,143,137)
Total comprehensive income	-	-	1,723,996,655	1,723,996,655
Transaction with owners	-	-	-	-
Other transactions				
Profit transferred to general reserve	-	1,700,000,000	(1,700,000,000)	-
Balance as at 30 June 2021 - Audited	64,320,000	5,500,000,000	460,385,271	6,024,705,271
Balance 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	-	-	1,528,932,620	1,528,932,620
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	1,528,932,620	1,528,932,620
Transaction with owners				
Final dividend @ 330% i.e. Rs. 33.00 per ordinary share	-	-	(212,256,000)	(212,256,000)
Balance as at 31 December 2021 - Un-audited	64,320,000	5,500,000,000	1,777,061,891	7,341,381,891

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



Director



Chief Financial Officer



Chief Executive Officer

BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

	Six month ended	
	31-Dec-21	31-Dec-20
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,665,284,866	471,390,949
Adjustments for non-cash and other items		
Finance cost	98,052,953	147,226,611
Gain on disposal of property, plant and equipment	(719,738)	-
Provision for employees retirement benefits	27,600,000	21,720,000
Depreciation	190,800,000	191,220,000
	315,733,215	360,166,611
Operating profit before changes in working capital	1,981,018,081	831,557,560
Changes in working capital		
Stores and spares	(10,342,654)	(3,438,895)
Stock in trade	(1,390,579,379)	1,124,707,992
Trade receivables	(664,724,306)	(64,093,655)
Short term deposits	(42,500,000)	(32,500,000)
Advances and other receivables	(49,641,109)	71,006,119
Sales tax refundable	(208,313,254)	165,478,269
Trade and other payables	151,289,180	(64,233,970)
Long term payables	17,519,532	8,198,709
	(2,197,291,990)	1,205,124,569
Net cash (used in)/generated from operations	(216,273,909)	2,036,682,129
Payments/receipts for:		
Employees retirement benefits	(27,016,737)	(21,048,545)
Finance cost	(80,854,531)	(186,981,776)
Income tax - net	(122,345,260)	58,611,938
Net cash (used in)/generated from operating activities	(446,490,437)	1,887,263,746
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(887,502,098)	(18,385,523)
Proceeds from disposal of property, plant and equipment	1,200,000	-
Long term deposit	(1,453,000)	(10,534,300)
Net cash used in investing activities	(887,755,098)	(28,919,823)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances obtained	372,974,735	176,489,703
Repayment of long term finances	(227,640,378)	-
Net decrease in short term borrowings	1,229,548,740	(2,100,991,114)
Dividend paid	(210,817,011)	(121,502)
Net cash generated from/(used in) financing activities	1,164,066,086	(1,924,622,913)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(170,179,449)	(66,278,990)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	493,118,022	202,877,965
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	322,938,573	136,598,975

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



Director



Chief Financial Officer



Chief Executive Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

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

The interim financial statements are un-audited and has 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 2021.

This interim financial statements have been subjected to limited scope review by the auditors of the company, as required by the Companies Act, 2017 under section 237. The comparative condensed interim statement of financial position as at 30 June 2021 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 six month period ended 31 December 2020 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 December 2021 and 31 December 2020 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 25 February 2022.

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 Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9 - Financial Instruments, IAS 39 - Financial Instruments: Recognition and Measurements, and IFRS 7 - Financial Instruments: Disclosures, IFRS 4 - Insurance Contracts, IFRS 16 - Leases)

The amendments in Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

3.2 COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16 - Leases)

The amendment extends, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

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)
IFRS 17 - Insurance contracts (2017)	01 January 2023
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
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 - Presentation of Financial Statements).	01 January 2023
Reference to the Conceptual Framework (Amendments to IFRS 3 - Business)	01 January 2022
Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16 - Property, Plant and Equipment).	01 January 2022
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37 - Impairment of Assets).	01 January 2022
Annual Improvements to IFRS Standards 2018–2020.	01 January 2022
Amendments to IFRS 17	01 January 2023
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
Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17 - Insurance contracts)	01 January 2023

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 14 - Regulatory Deferral Accounts

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 2021.

	31-Dec-21	30-Jun-21
	Rupees	Rupees
	(Un-Audited)	(Audited)

6 LONG TERM PAYABLES

Infrastructure Cess	217,990,251	186,122,088
Gas Infrastructure Development Cess	98,249,835	112,598,466
	316,240,086	298,720,554

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

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

	31-Dec-21	30-Jun-21
	Rupees	Rupees
	(Un-Audited)	(Audited)
Bills discounted	760,760,390	1,175,750,000

7.1.2 There is no significant change in the status of remaining contingencies since 30 June 2021.

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

7.2 Commitments

	31-Dec-21	30-Jun-21
	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-Audited)</i>	<i>(Audited)</i>
7.2.1 Commitments under irrevocable letters of credit:	7,562,447,420	3,408,148,278

7.2.2 Commitments under ijarah contracts

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

	Note	31-Dec-21	30-Jun-21
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
- payments not later than one year		3,618,551	-
- payments later than one year		13,839,181	-
		17,457,732	-

8 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	8.1	3,480,461,867	3,661,241,029
Capital work in progress	8.2	1,094,101,526	217,100,528
		4,574,563,393	3,878,341,557

	31-Dec-21	30-Jun-21
	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-Audited)</i>	<i>(Audited)</i>

8.1 Operating fixed assets

Net book value at the beginning of the period/year	3,661,241,029	3,793,261,854
Additions during the period/year		
Freehold land	10,501,100	9,467,024
Factory buildings	-	7,719,842
Plant and machinery	-	225,126,442
Electric installation	-	16,055,578
Vehicles	-	7,628,050
	10,501,100	265,996,936
Net book value of assets disposed during the period/year	(480,262)	(19,588,764)
Depreciation for the period/year	(190,800,000)	(378,428,997)
Net book value at the end of the period/year	3,480,461,867	3,661,241,029

8.2 Capital work in progress

As at the beginning of the period/year	217,100,528	18,079,605
Additions during the period/year	877,000,998	447,922,785
Transfers to operating fixed assets	-	(248,901,862)
As at end of the period/year	1,094,101,526	217,100,528

Note	Six month ended		Three month ended	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>

9 PROVISION FOR TAXATION

Current taxation				
- for current year	9.1	136,352,246	91,304,921	74,926,824
- for prior years		-	(31,075,356)	-
		136,352,246	60,229,565	74,926,824
Deferred taxation	9.2	-	-	-
		136,352,246	60,229,565	74,926,824
		136,352,246	60,229,565	74,926,824
		136,352,246	60,229,565	74,926,824

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

9.2 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 SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

10 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. 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%

Transactions with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an orderly transaction between market participants at the date of transaction.

		Six month ended	
		31-Dec-21	31-Dec-20
		Rupees	Rupees
		(Un-Audited)	(Un-Audited)
10.1	Transactions with related parties		
	Nature of relationship		
	Nature of transaction		
	Associated companies		
	Purchases	220,373,974	245,098,248
	Sales	1,236,856,441	627,002,057
	Service received	154,500	154,500
	Purchase of electricity	3,026,243	118,083
	Key management personnel		
	Short term employee benefits	15,600,000	15,600,000

11 FINANCIAL INSTRUMENTS

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

		31-Dec-21	30-Jun-21
		Rupees	Rupees
		(Un-Audited)	(Audited)
11.1	Financial assets		
	Financial assets at amortized cost		
	Long term deposits	26,381,395	24,928,395
	Trade receivables	1,800,151,496	1,135,427,190
	Advances to employees	10,507,807	11,169,203
	Security deposits	226,590,577	184,090,577
	Bank balances	322,938,573	493,118,022
		2,386,569,848	1,848,733,387
11.2	Financial liabilities		
	Financial liabilities at amortized cost		
	Long term finances	2,491,107,019	2,354,692,850
	Short term borrowings	1,229,548,740	-
	Accrued interest	34,588,478	17,390,056
	Trade creditors	481,944,494	296,292,556
	Accrued liabilities	320,872,218	244,982,975
	Unclaimed dividend	7,931,844	6,492,855
		4,565,992,793	2,919,851,292

12 FAIR VALUE MEASUREMENTS

12.1 Financial Instruments

There are no recurring or non-recurring fair value measurements as at the reporting date. The management considers the carrying amount of all the financial instruments to approximate their fair values.

12.2 Assets and liabilities other than financial instruments.

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

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

13 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-Dec-21 (Un-Audited)		
	Spinning Rupees (Un-audited)	Weaving Rupees (Un-audited)	Total Rupees (Un-audited)
Revenue from external customers	7,892,741,110	2,674,161,773	10,566,902,883
Inter-segment transfers	227,300,997	-	227,300,997
Segment results	1,425,402,937	461,002,282	1,886,405,219

	31-Dec-20 (Un-Audited)		
	Spinning Rupees (Un-audited)	Weaving Rupees (Un-audited)	Total Rupees (Un-audited)
Revenue from external customers	5,364,645,712	1,692,643,656	7,057,289,368
Inter-segment transfers	132,316,900	-	132,316,900
Segment results	477,505,993	175,845,636	653,351,629

	31-Dec-21 (Un-Audited)			
	Spinning Rupees (Un-audited)	Weaving Rupees (Un-audited)	Un-allocated Rupees (Un-audited)	Total Rupees (Un-audited)
Segment assets	9,809,680,832	2,524,654,069	701,658,956	13,035,993,857

	30-Jun-21 (Audited)			
	Spinning Rupees (Audited)	Weaving Rupees (Audited)	Un-allocated Rupees (Audited)	Total Rupees (Audited)
Segment assets	7,929,162,644	1,954,650,057	136,916,436	10,020,729,137

	31-Dec-21 (Un-Audited)			
	Spinning Rupees (Un-audited)	Weaving Rupees (Un-audited)	Un-allocated Rupees (Un-audited)	Total Rupees (Un-audited)
Segment liabilities	1,128,618,668	504,640,121	4,061,353,177	5,694,611,966

	30-Jun-21 (Audited)			
	Spinning Rupees (Audited)	Weaving Rupees (Audited)	Un-allocated Rupees (Audited)	Total Rupees (Audited)
Segment liabilities	1,030,218,380	290,280,148	2,675,525,338	3,996,023,866

14 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.

15 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.

16 GENERAL

16.1 There are no other significant activities since 30 June 2021 affecting the interim financial statements.

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



Director



Chief Financial Officer



Chief Executive Officer