



of Companies

HALF YEARLY ACCOUNTS
2023-2024
(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 half year ended December 31, 2023.

Significant Financial Performance for the Half Year Ended December 31, 2023;

Loss after tax for the half year ended December 31, 2023 is PKR 1,145.194 million as compared to the profit after tax amounting to PKR 521.595 million in the corresponding period December 31, 2022.

Loss per share is (PKR 178.05) for the half year ended December 31, 2023 (Dec 31 2022: EPS PKR 81.09).

Break-up value of the share as on December 31, 2023 is PKR 1,304.98 (June 30, 2023: PKR 1,499.53).

The current ratio as on December 31, 2023 is 1.77 (June 30, 2023:1.59).

Challenges for Textile Industry

The textile exports observed a decline of 5.0 percent during the first half of the fiscal year 2023-2024. The exports during July - December 2023 were US\$ 8.30 billion as compared to corresponding period where they stood at 8.72 billion. The remaining half of the fiscal year will be challenging to achieve the export target of US\$ 25.00 billion for textile due to overall economic uncertainty coupled with high energy prices. The decline in export earnings, indicating that Pakistan's textile industry is losing ground in international export markets. Though widely regarded as the foundation of Pakistan's industrial sector, this industry's poor performance this year has sparked discussion over its future in the country's economic circles.

The sector is facing the challenges in shape of high borrowing cost of 22 percent, political unrest in the country, decline in global demand, Russian-Ukrainian and middle-east conflicts, high inflation which stood at 29.66 in December 23 and increased energy tariffs.

We hope consequent to electoral process in February 2024, the new government will take immediate measures for achieving the US\$ 50 billion target to be achieved in five years. The textile sector possesses capacity, capability, infrastructure and scale to move forward. The only thing lacking is just a firm commitment for revival of this sector which can be done by identifying a viable path ahead and providing a conducive environment to the textile sector. This is necessary since 60 percent of Pakistan's export revenue and 40 percent of employment comes from textile and clothing industry.

Having said that, the textile sector can also take the benefits from the preserving the present circumstances on the current generalized system of preferences (GSP) for another four years until 2027 by the European Parliament for developing countries. Thus, Pakistan exporters can take advantage of a duty-free or minimum duty on exports to the European market. GSP Plus as tremendously important for Pakistan's economy as it was beneficial not only for textile producers but also through the trickle-down effect of all those people who are associated with textile sector.

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: 27th February, 2024



Mohammad Salim
(Director)

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 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows 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 2023 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.

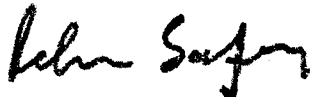
Scope of Review

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 ALI RAZA JAFFERY.



RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Lahore | 27 February 2024

UDIN: RR202310704MgLAS1XNU



BLESSED TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	31-Dec-23 Rupees [Un-audited]	30-Jun-23 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	102,660,500
Retained earnings		1,226,669,799	2,477,991,507
TOTAL EQUITY		8,393,650,299	9,644,972,007
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances		3,947,878,205	4,452,609,765
Long term payables	7	706,572,020	676,623,553
Employees retirement benefits		268,588,703	235,492,661
Deferred taxation		269,132,925	269,132,925
Deferred grant		57,526,346	65,937,572
		5,249,698,199	5,699,796,476
CURRENT LIABILITIES			
Trade and other payables		1,474,312,455	1,675,260,606
Unclaimed dividend		8,598,269	8,613,908
Accrued interest/profit		644,996,506	629,628,589
Short term borrowings		4,483,190,672	9,243,031,713
Current portion of non-current liabilities		587,785,532	368,669,904
		7,198,883,434	11,925,204,720
TOTAL LIABILITIES		12,448,581,633	17,625,001,196
CONTINGENCIES AND COMMITMENTS	8	-	-
TOTAL EQUITY AND LIABILITIES		20,842,231,932	27,269,973,203

The annexed notes from 1 to 17 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 DECEMBER 2023

	Note	31-Dec-23 Rupees [Un-audited]	30-Jun-23 Rupees [Audited]
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	8,029,615,417	8,313,996,317
Long term deposits		50,441,329	50,441,329
		8,080,056,746	8,364,437,646
CURRENT ASSETS			
Stores and spares		191,785,867	219,827,850
Stock in trade		8,317,666,656	13,817,307,187
Trade receivables		2,569,383,111	2,343,689,065
Short term deposits		602,090,577	389,590,577
Advances, prepayments and other receivables		181,899,287	215,319,703
Sales tax refundable/adjustable		240,093,731	1,126,810,553
Advance income tax		262,496,442	311,363,436
Cash and bank balances		396,759,515	481,627,186
		12,762,175,186	18,905,535,557
TOTAL ASSETS		20,842,231,932	27,269,973,203

The annexed notes from 1 to 17 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 SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

Note	Six-month period ended		Three-month period ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers - net	15,381,772,409	10,750,854,976	7,465,007,194	5,336,880,212
Cost of sales	(14,807,634,368)	(9,613,711,958)	(7,517,321,039)	(4,797,562,710)
Gross profit	574,138,041	1,137,143,018	(52,313,845)	539,317,502
Selling and distribution expenses	(209,443,119)	(219,131,311)	(97,232,434)	(81,518,307)
Administrative expenses	(136,797,478)	(118,309,214)	(69,175,865)	(54,461,721)
Other expenses	-	(49,158,240)	-	(20,823,882)
	(346,240,597)	(386,598,765)	(166,408,299)	(156,803,910)
Impairment reversals for expected credit losses	5,253,515	94,367,492	-	-
	233,150,959	844,911,745	(218,722,144)	382,513,592
Other income	40,915,571	28,174,799	1,488,904	16,377,250
Operating profit	274,066,530	873,086,544	(217,233,240)	398,890,842
Finance cost	(1,192,691,779)	(191,455,508)	(537,526,402)	(123,856,835)
(Loss)/profit before taxation	(918,625,249)	681,631,036	(754,759,642)	275,034,007
Provision for taxation	10 (226,568,459)	(160,036,308)	(109,076,848)	(80,207,859)
(Loss)/profit after taxation	(1,145,193,708)	521,594,728	(863,836,490)	194,826,148
(Loss)/earnings per share - basic and diluted	(178.05)	81.09	(134.30)	30.29

The annexed notes from 1 to 17 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 SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

	Six-month period ended		Three-month period ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Other comprehensive income	-	-	-	-
(Loss)/profit after taxation	(1,145,193,708)	521,594,728	(863,836,490)	194,826,148
Total comprehensive (loss)/income	(1,145,193,708)	521,594,728	(863,836,490)	194,826,148

The annexed notes from 1 to 17 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 [UN-AUDITED] FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

	Share capital	Revenue reserves			
	Issued share capital	General reserve	Loan from directors and sponsors	Retained earnings	Total equity
	Rupees	Rupees	Rupees	Rupees	Rupees
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	-	-	-	521,594,728	521,594,728
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	521,594,728	521,594,728
Transaction with owners					
Final dividend @ 330% i.e. Rs. 33.00 per ordinary share	-	-	-	(212,256,000)	(212,256,000)
Other transactions					
Loan received from directors and sponsors	-	-	102,660,500	-	102,660,500
As at 31 December 22 - [Un-audited]	64,320,000	7,000,000,000	102,660,500	2,261,569,911	9,428,550,411
As at 01 January 2023 - [Un-audited]	64,320,000	7,000,000,000	102,660,500	2,261,569,911	9,428,550,411
Comprehensive income					
Profit after taxation	-	-	-	229,229,524	229,229,524
Other comprehensive loss	-	-	-	(12,807,928)	(12,807,928)
	-	-	-	216,421,596	216,421,596
Other transactions					
Loan received from directors and sponsors	-	-	-	-	-
As at 30 June 2023 - [Audited]	64,320,000	7,000,000,000	102,660,500	2,477,991,507	9,644,972,007
As at 01 July 2023 - [Audited]	64,320,000	7,000,000,000	102,660,500	2,477,991,507	9,644,972,007
Comprehensive income					
Loss after taxation	-	-	-	(1,145,193,708)	(1,145,193,708)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	-	(1,145,193,708)	(1,145,193,708)
Transaction with owners					
Final dividend @ 165% i.e. Rs. 16.50 per ordinary share	-	-	-	(106,128,000)	(106,128,000)
As at 31 December 23 - [Un-audited]	64,320,000	7,000,000,000	102,660,500	1,226,669,799	8,393,650,299

The annexed notes from 1 to 17 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 SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

	Note	Six-month period ended	
		31-Dec-23	31-Dec-22
		Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from/(used in) operations	11	6,514,144,588	(1,441,409,417)
Payments for:			
Employees retirement benefits		(16,523,958)	(14,253,515)
Interest/profit on borrowings		(1,121,795,351)	(39,430,192)
Income tax		(177,701,465)	(200,373,167)
Net cash generated from/(used in) operating activities		5,198,123,814	(1,695,466,291)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(131,479,647)	(1,232,669,336)
Proceeds from disposal of property, plant and equipment		8,500,000.00	-
Long term deposits		-	(2,956,144)
Purchase of short term investment		-	(4,850,000,000)
Net cash used in investing activities		(122,979,647)	(6,085,625,480)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term finances obtained		-	926,426,225
Repayment of long term finances		(294,027,158)	(204,360,527)
Net (decrease)/increase in short term borrowings		(4,759,841,041)	4,748,122,038
Loan from directors and sponsors		-	102,660,500
Dividend paid		(106,143,639)	(211,391,058)
Net cash (used in)/generated from financing activities		(5,160,011,838)	5,361,457,178
NET DECREASE IN CASH AND CASH EQUIVALENTS		(84,867,671)	(2,419,634,593)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		481,627,186	2,578,010,074
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		396,759,515	158,375,481

The annexed notes from 1 to 17 form an integral part of these interim financial statements.



Director



Chief Financial Officer



Chief Executive

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 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 2023.

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 2023 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 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-month period ended 31 December 2023 and 31 December 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 27 February 2024.

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 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 Disclosure of Accounting Policies (Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Making Materiality Judgements)

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

3.2 Definition of Accounting Estimates (Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

3.3 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 - Income Taxes)

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

3.4 International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12)

The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.

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
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	01 January 2024
IFRS S2 Climate-related Disclosures	01 January 2024
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	01 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16 - Leases)	01 January 2024
Non-current Liabilities with Covenants (Amendments to IAS 1 - Presentation of Financial Statements)	01 January 2024
Lack of Exchangeability (Amendments to IAS 21)	01 January 2024
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 - Presentation of Financial Statements).	01 January 2025

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.

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

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 2023.

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-Dec-23	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
7 LONG TERM PAYABLES		
Infrastructure Cess	600,638,539	570,690,072
Gas Infrastructure Development Cess	105,933,481	105,933,481
	706,572,020	676,623,553

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

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

	31-Dec-23	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
Bills discounted	1,977,000,000	2,069,000,000

8.1.2 There is no significant change in the status of remaining contingencies since 30 June 2023.

8.2 Commitments

	31-Dec-23	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
8.2.1 Commitments under irrevocable letters of credit:	6,138,303,052	461,552,029

8.2.2 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

	31-Dec-23	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
- payments not later than one year	33,098,076	17,546,257
- payments later than one year	104,866,762	50,959,084
	137,964,838	68,505,341

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

	<i>Note</i>	31-Dec-23 <i>Rupees</i> [Un-audited]	30-Jun-23 <i>Rupees</i> [Audited]
9			
PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	9.1	7,295,647,498	7,710,715,045
Capital work in progress		733,967,919	603,281,272
		8,029,615,417	8,313,996,317
9.1			
Operating fixed assets			
Net book value at the beginning of the period/year		7,710,715,045	3,830,370,203
Additions during the period/year			
Freehold land		-	1,691,100
Factory buildings		-	1,178,711,235
Plant and machinery		793,000	2,897,198,758
Electric installation		-	271,123,046
Vehicles		-	121,530
		793,000	4,348,845,669
Net book value of assets disposed during the period/year		(6,930,547)	(11,144,066)
Depreciation for the period/year		(408,930,000)	(457,356,761)
Net book value at the end of the period/year		7,295,647,498	7,710,715,045

	<i>Note</i>	Six-month period ended		Three-month period ended	
		31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
		<i>Rupees</i> [Un-audited]	<i>Rupees</i> [Un-audited]	<i>Rupees</i> [Un-audited]	<i>Rupees</i> [Un-audited]
10					
PROVISION FOR TAXATION					
Current taxation					
- for current year	10.1	226,568,459	160,036,308	109,076,848	80,207,859
- for prior years		-	-	-	-
		226,568,459	160,036,308	109,076,848	80,207,859
Deferred taxation	10.2	-	-	-	-
		226,568,459	160,036,308	109,076,848	80,207,859

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

10.2 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-MONTH PERIOD ENDED 31 DECEMBER 2023

	Six-month period ended	
	31-Dec-23	31-Dec-22
	Rupees	Rupees
	[Un-audited]	[Un-audited]
11 CASH USED IN OPERATIONS		
(Loss)/profit before taxation	(918,625,249)	681,631,036
Adjustments for non-cash and other items		
Finance cost	1,137,163,266	142,909,743
Gain on disposal of property, plant and equipment	(1,569,453)	-
Changes in fair value of short term investments FVTPL	-	(7,343,854)
Impairment reversals for expected credit losses	(5,253,515)	(94,367,492)
Provision for employees retirement benefits	49,620,000	31,800,000
Depreciation	408,930,000	206,400,000
	1,588,890,298	279,398,397
Operating profit before changes in working capital	670,265,049	961,029,433
Changes in working capital		
Long term deposits	-	(2,956,144)
Stores and spares	28,041,983	(74,899,375)
Stock in trade	5,499,640,531	(1,827,560,328)
Trade receivables	(220,440,531)	41,019,469
Short term deposits	(212,500,000)	(109,500,000)
Advances and other receivables	33,420,416	26,429,683
Sales tax refundable	886,716,822	(133,605,458)
Trade and other payables	(200,948,151)	(412,234,117)
Long term payables	29,948,469	90,867,420
	5,843,879,539	(2,402,438,850)
Net cash generated (used in) from operations	6,514,144,588	(1,441,409,417)

12 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.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

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

		Six-month period ended	
		31-Dec-23	31-Dec-22
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Un-audited]
12.1	Transactions with related parties		
	Nature of relationship		
	Nature of transaction		
	Associated companies		
	Purchases	119,244,592	108,154,754
	Sales	2,455,957,599	2,571,375,557
	Service received	309,000	154,500
	Purchase of electricity	811,068	969,950
	Sponsors		
	Borrowings obtained	-	80,546,600
	Key management personnel		
	Borrowings obtained	-	22,113,900
	Key management personnel		
	Short term employee benefits	15,600,000	15,600,000

12.2 Balances with related parties

Nature of relationship	Nature of balance		
Sponsors	Borrowings	80,546,600	80,546,600
Key management personnel	Borrowings	22,113,900	22,113,900

13 FINANCIAL INSTRUMENTS

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

		31-Dec-23	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
		[Un-audited]	[Audited]
13.1	Financial assets		
	Financial assets at amortized cost		
	Long term deposits	50,441,329	50,441,329
	Trade receivables	2,569,383,111	2,343,689,065
	Advances to employees	13,240,327	13,950,327
	Security deposits	602,090,577	389,590,577
	Bank balances	396,759,515	481,627,186
		3,631,914,859	3,279,298,484

13.2 Financial liabilities

Financial liabilities at amortized cost

Long term finances	4,535,663,737	4,802,821,980
Short term borrowings	4,483,190,672	9,243,031,713
Accrued interest	644,996,506	629,628,589
Trade creditors	801,608,543	896,304,069
Accrued liabilities	411,787,487	483,956,971
Unclaimed dividend	8,598,269	8,613,908
	10,885,845,214	16,064,357,230

14 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:

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

Segment	Product
Spinning	Yarn
Weaving	Fabric

Information regarding Company's reportable segments is presented below.

	31-Dec-23 [Un-Audited]		
	Spinning Rupees	Weaving Rupees	Total Rupees
Revenue from external customers	12,516,834,044	2,864,938,365	15,381,772,409
Inter-segment transfers	109,995,613	-	109,995,613
Segment results	(94,249,144)	322,146,588	227,897,444

	31-Dec-22 [Un-Audited]		
	Spinning Rupees	Weaving Rupees	Total Rupees
Revenue from external customers	8,565,003,786	2,185,851,190	10,750,854,976
Inter-segment transfers	157,534,114	-	157,534,114
Segment results	628,657,372	171,045,121	799,702,493

	31-Dec-23 [Un-Audited]			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment assets	17,236,335,148	3,292,959,013	312,937,771	20,842,231,932

	30-Jun-23 [Audited]			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment assets	23,957,158,427	2,951,010,011	361,804,765	27,269,973,203

	31-Dec-23 [Un-Audited]			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	1,526,857,564	745,316,932	10,176,407,137	12,448,581,633

	30-Jun-23 [Audited]			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	1,542,194,559	818,034,275	15,264,772,362	17,625,001,196

14.1 Reconciliation of Reportable segment information

14.1.1 Segment Profit or Loss

	31-Dec-23 [Un-Audited]			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Total reportable segments	(94,249,144)	322,146,588		227,897,444
Unallocated items				
Impairment reversals for repected creit losses				5,253,515
other income				40,915,571
Finance Cost				(1,192,691,779)
	(94,249,144)	322,146,588	-	(918,625,249)

BLESSED TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS [UN-AUDITED] FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2023

	31-Dec-22 [Un-Audited]			Total Rupees
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	
Total reportable segments	628,657,372	171,045,121		799,702,493
Unallocated items				
Other expenses				(49,158,240)
Impairment reversals for repected creit losses				94,367,492
other income				28,174,799
Finance Cost				(191,455,508)
	628,657,372	171,045,121	-	681,631,036

15 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.

16 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.

17 GENERAL

17.1 There are no other significant activities since 30 June 2023 affecting the interim financial statements.

17.2 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