

# **Blessed Textiles Limited**

## Corporate Briefing Session

### Minutes of the Corporate Briefing Session

The Corporate Briefing Session ("CBS") was conducted on November 25, 2019 in Pakistan Stock Exchange Auditorium.

The session was chaired by Mr. Muhammad Salim, the director and chairman of the company. The director of the company, Mr. Khurram Salim along the company secretary have also attended the CBS.

The CBS was commenced by the recitation of some verses of Holy Quran thereafter a brief introduction was given about the Umer Group and the company followed by the prevailing economic scenario and financial performance of the company for the year ended June 30, 2019.

Finally, the question and answers session was carried by the shareholders, investors and analyst community presented in the session.

The presentation is enclosed for your perusal.



# BLESSED TEXTILES LIMITED

CORPORATE BRIEFING SESSION

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# Introduction

## **Umer Group of Companies**

Established in 1980, the Umer Group of Companies with headquarter in Karachi, has been at the forefront of textile industry in Pakistan since many years. Through dedicated efforts, hard work and by the grace of Allah Umer Group is one of the leading groups of Pakistan.

Apart form textiles, the group has successfully diversified into footwear manufacturing and retailing, dairy , real estate and sugar industry.

## **Blessed Textiles Limited**

The company incorporated in 1987 and operated under the common management of the Umer Group. The company's extraordinary innovative power is based on extensive experience of more than 32 years coupled with in-depth knowledge in the textiles sector of the country.

The company operates with two spinning and one weaving unit located in Punjab produces high quality yarn and fabric for domestic consumption and international markets. The company enjoys a remarkable share in both local and international market mostly to the European Union , USA and Far East.

## **Incorporation**

The company **Blessed Textiles Limited** established in September 1987.

## **Symbol**

BTL

## **Legal Status**

Public Limited Company.

## **Capital**

Authorized Capital - 65,000,000

Issued Paid-up Capital - 64,320,000

*(Ordinary Share of Rs.10 each)*

## **Associated Undertakings**

Bhanero Textiles Mills Ltd

Faisal Spinning Mills Ltd

## Board of Directors

<b>Sr</b>	<b>Names of Directors</b>	<b>Designation</b>
I	Mr. Mohammad Amin	Executive Director / CEO
II	Mr. Khurram Salim	NXD - Director
III	Mr. Bilal Sharif	NXD - Director
IV	Mr. Adil Shakeel	Executive Director
V	Mrs. Samia Bilal	NXD - Director
VI	Mr. Mohammad Salim	NXD - Director / Chairman
VII	Mr. Mohammad Shaheen	Executive Director
VIII	Mr. Iqbal Mehboob	Independent Director
IX	Mr. Mustafa Tanvir	Independent Director
X	Mr. Asif Elahi	Independent Director

## **Registered and Liaison Office**

Registered office of the company is located at Umer House, 23/1, Sector 23, K.I.A , Karachi.

Liaison office of the company is located at City Towers, Main Boulevard, Gulberg-II, Lahore.

## **Manufacturing Units**

- i) Spinning Unit I with an installed capacity of 24,864 spindles, located at Sheikhpura, Punjab
- ii) Spinning Unit II with an installed capacity of 43,776 spindles, located at Sheikhpura, Punjab.
- iii) Weaving Unit III with an installed capacity of 140 air jet looms, located at Sheikhpura, Punjab.

## **Credit Rating**

The rating of A-/A 1 (Single A Minus / A One) has been assigned to the company by the rating company Messer's JCR-VIS which is considered as "Stable" outlook.

## Economic Outlook

The economy is under tremendous pressure due to the stabilization measures undertaken by the government.

Owing to some stringent measures taken by the government the rupee is now showing some sign of stabilization subsequent to massive devaluation in the recent past.

It's evident from the various sources that we are unable to achieve the cotton production this year too. This will result in depletion of foreign exchange by almost US\$ 1.5 billion for the import of cotton to cater the needs of local industry.

On the contrary the government has imposed duty on imported cotton which will heavily impact on the entire production value chain.



## Financial Performance

The revenue has increased from PKR 10,257.434 million to PKR 12,346.175 million showing the growth of 20.36% in total revenue during the current year ended June 30, 2019 as compared to corresponding year.

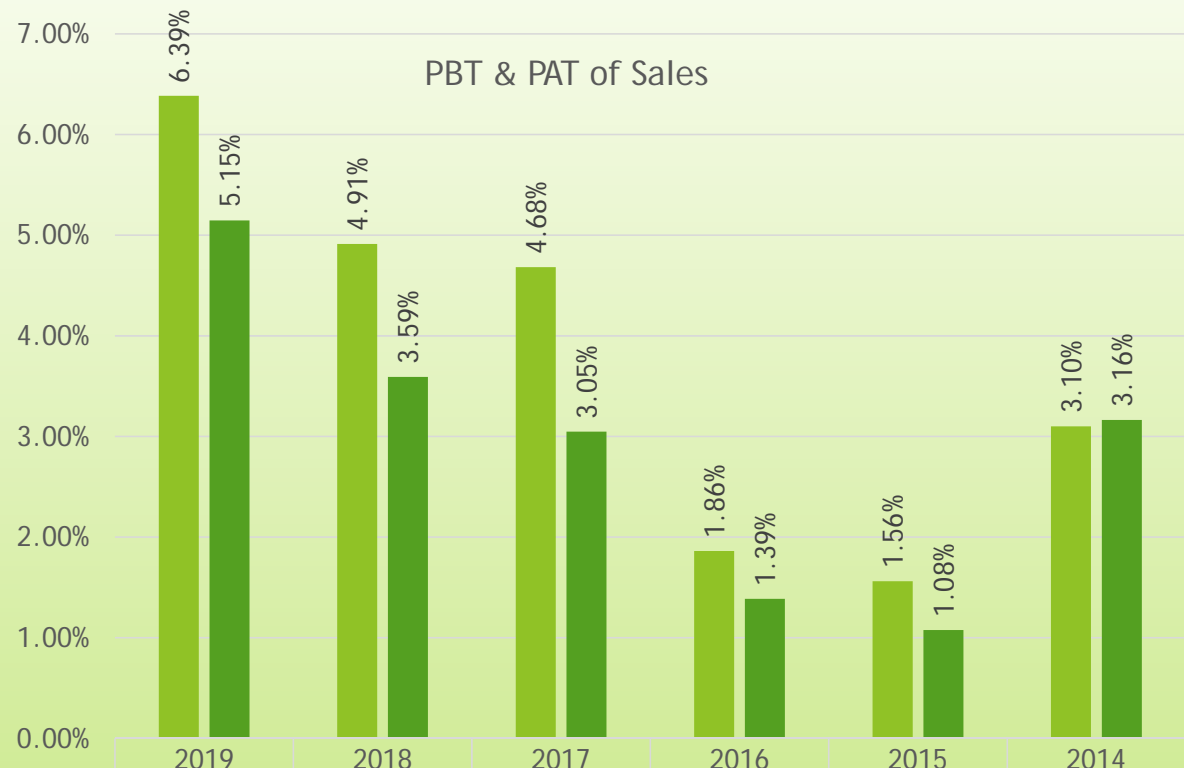
The company earned the net profit after tax of PKR 635.425 million during the year ended June 30, 2019 as compared corresponding period where it stood at PKR 368.475 million showing an increase of 72.45%.

**Statement of Profit or Loss**  
**For The Year Ended June 30, 2019**

	2019 <i>Rupees</i>	2018 <i>Rupees</i>
<b>Sales - net</b>	<b>12,346,174,829</b>	10,257,434,039
Cost of sales	<u>(10,733,443,352)</u>	<u>(9,185,919,277)</u>
<b>Gross profit</b>	<b>1,612,731,477</b>	1,071,514,762
Other income	<b>6,804,907</b>	3,830,127
<b>Profit before taxation</b>	<b>788,324,181</b>	503,936,220
Provision for current tax	<b>(152,899,408)</b>	(135,461,026)
<b>Profit after taxation</b>	<u><b>635,424,773</b></u>	<u>368,475,194</u>
<b>EPS - basic and diluted</b>	<u><b>98.79</b></u>	<u>57.29</u>

# Turnover - Million

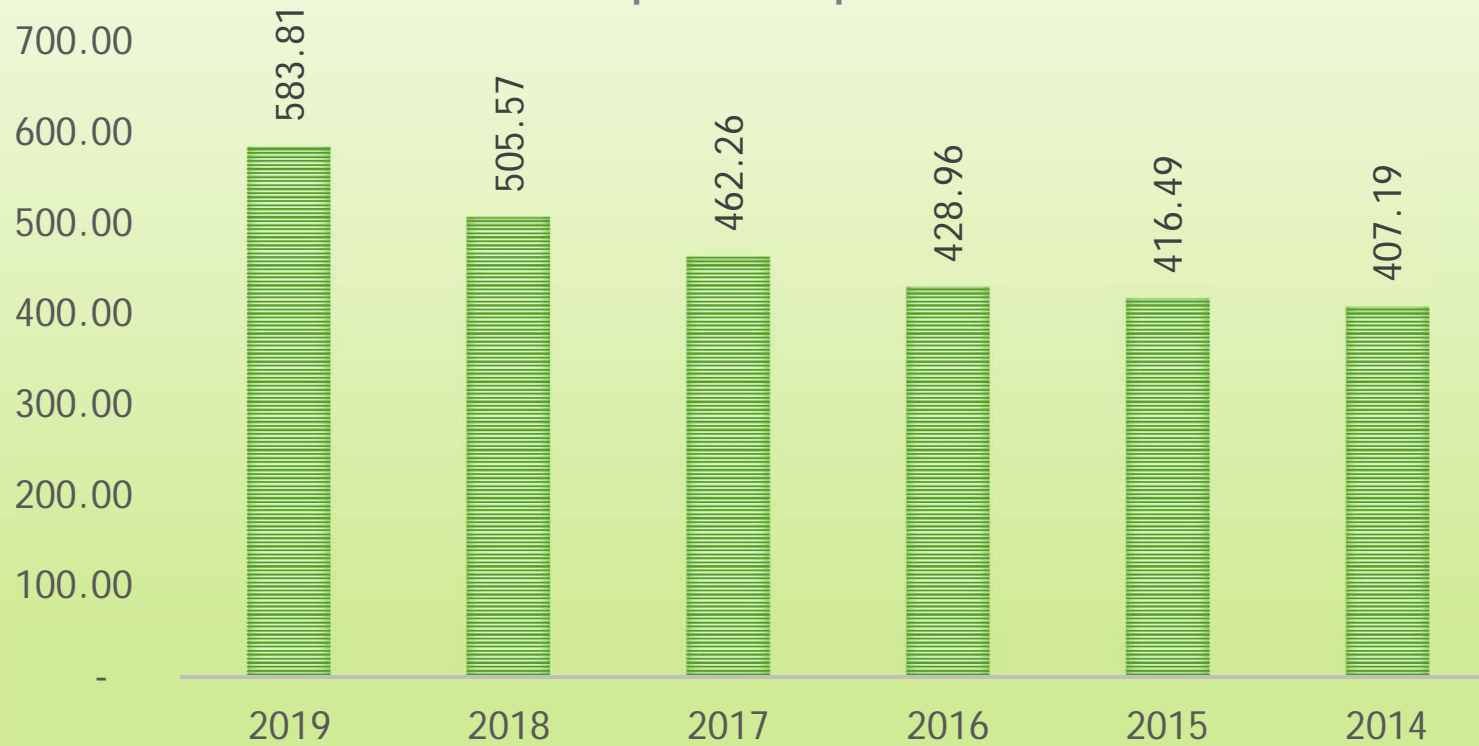




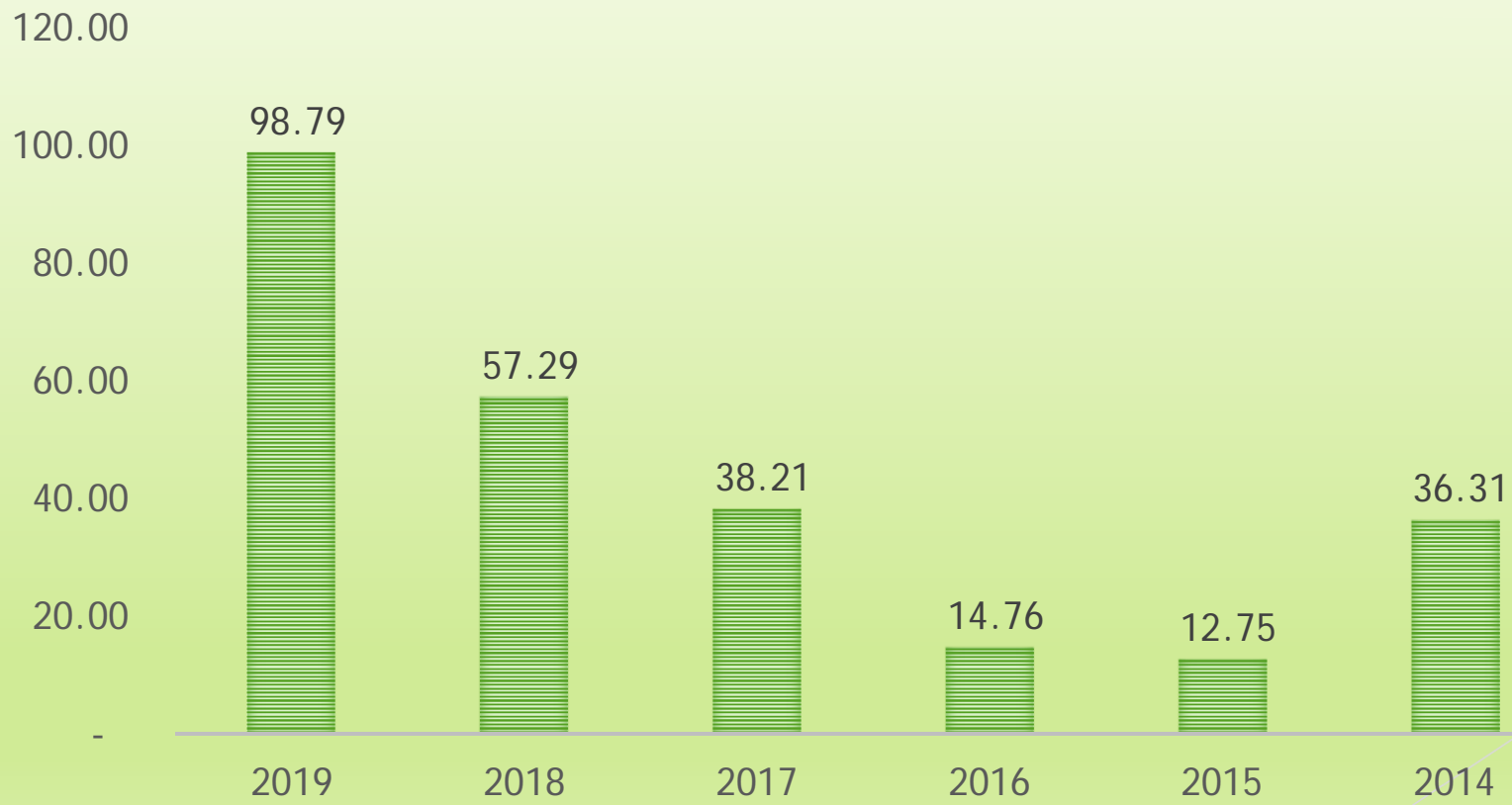
	2019	2018	2017	2016	2015	2014
■ Profit before tax (%)	6.39%	4.91%	4.68%	1.86%	1.56%	3.10%
■ Profit after tax (%)	5.15%	3.59%	3.05%	1.39%	1.08%	3.16%

■ Profit before tax (%)   ■ Profit after tax (%)

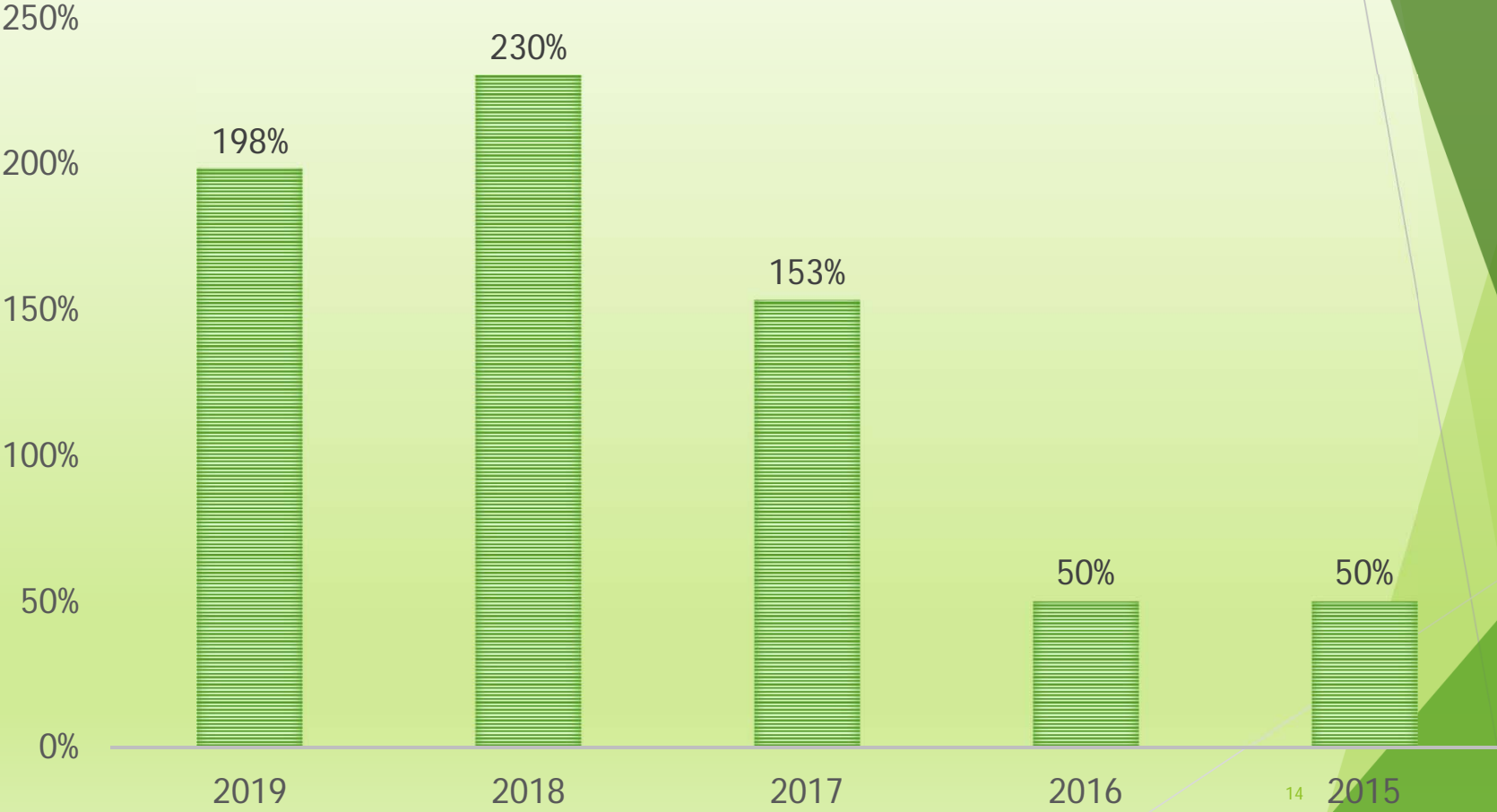
## Break-up value per share



## Earnings per share



# Cash Dividend



### Year-Wise Operating Data

2019	2018	2017	2016	2015	2014
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#### Spinning Unit

Spindle installed	68,640	68,640	68,640	59,136	59,136	55,872
Spindles worked	68,640	68,640	68,640	59,136	59,136	55,872
Installed capacity conversion into 20/s - Kg	23,405,000	23,405,000	23,405,000	21,015,867	21,015,867	21,015,867
Actual production converted into 20s - Kg	25,285,000	25,240,000	21,911,000	20,979,751	19,934,197	18,657,200

#### Weaving Unit

Air jet looms installed	140	140	140	139	139	136
Air jet looms worked	140	140	140	139	139	136
Installed capacity conversion into 50 picks - Mtr	29,355,000	20,352,500	20,352,500	19,771,000	19,771,000	19,771,000
Actual production converted to 50 picks - Mtr	25,773,000	26,942,000	14,491,059	11,634,888	11,456,148	19,735,000



**Year-Wise Financial Data - (Rupees in Thousands)**

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
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**Profit and loss account**

Turnover (Net)	12,346,175	10,257,434	8,064,238	6,846,744	7,623,285	7,379,595
Gross profit	1,612,731	1,071,515	795,444	521,135	650,230	774,305
Operating profit	1,159,828	690,724	543,551	296,346	379,266	486,438
Financial expenses	371,504	186,788	166,058	168,906	260,190	257,648
Profit before tax	788,324	503,936	377,493	127,440	119,076	228,790
Profit after tax	635,425	368,475	245,797	94,938	82,001	233,536
Cash dividend	127,354	147,936	98,410	32,160	32,160	16,080

**Balance Sheet**

Share Capital	64,320	64,320	64,320	64,320	64,320	64,320
Reserves	3,000,000	3,000,000	2,800,000	2,600,000	2,500,000	2,500,000
Shareholder equity	3,755,089	3,251,805	2,973,279	2,759,050	2,678,841	2,619,025
Long term liabilities	1,600,162	1,543,020	1,817,591	1,376,316	1,063,744	1,321,203
Short term loan	2,190,947	3,146,462	1,242,801	1,153,712	380,500	682,904
Current liabilities	3,185,410	3,980,546	1,846,274	1,765,146	1,038,510	1,404,997
Current portion of LT loans	369,637	303,439	221,742	254,009	280,492	274,746
Fixed assets	3,786,032	3,595,552	3,897,891	3,512,679	3,052,232	3,237,433
Current assets	5,333,098	5,695,622	3,169,630	2,593,542	1,877,665	2,217,505

## Performance Ratios

	2019	2018	2017	2016	2015	2014
Sales growth (%)	20.36%	27.20%	17.78%	-10.19%	3.30%	27.99%
Gross profit (%)	13.06%	10.45%	9.86%	7.61%	8.53%	10.49%
Profit before tax (%)	6.39%	4.91%	4.68%	1.86%	1.56%	3.10%
Profit after tax (%)	5.15%	3.59%	3.05%	1.39%	1.08%	3.16%

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Breakup value per share	583.81	505.57	462.26	428.96	416.49	407.19
Market value of share	239.90	355.30	240.36	150.00	146.00	151.96

Earnings per share	98.79	57.29	38.21	14.76	12.75	36.31
Price earning ratio	2.43	6.20	6.29	10.16	11.45	4.19

### **Leverage**

Gearing ratio	1.11	1.54	1.10	1.01	0.64	0.87
Debt to equity (%)	42.61%	47.45%	61.13%	49.88%	39.71%	50.45%
Interest covering ratio	3.12	3.70	3.27	1.75	1.46	1.89

### **Liquidity ratio**

Current ratio	1.67	1.43	1.72	1.47	1.81	1.58
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## Questions and Answers Session

**Thankyou**