



## BLESSED TEXTILES LIMITED

### NOTES TO THE ACCOUNTS ( UN-AUDITED ) FOR THE QUARTER ENDED SEPTEMBER 30, 2006

#### 1 NATURE AND SCOPE OF THE BUSINESS

The company was incorporated in Pakistan as a Public limited company on September 29, 1987. Its shares are quoted on the Karachi, Lahore and Islamabad Stock Exchanges. The main business of the company is manufacturing and sale of yarn and woven fabrics. The registered office is located at Umer Chambers 10/2, Bilmoria Street, Off I.I Chundrigar Road, Karachi.

#### 2 ACCOUNTING POLICIES

All accounting policies adopted for the preparation of these quarterly accounts are the same as applied in preparation of the preceding annual published accounts of the company for the year ended June 30, 2006.

#### 3 STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL	GENERAL RESERVE	PROFIT FOR THE YEAR AND APPROPRIATION	TOTAL RUPEES
	----- RUPEES -----			
<b>Balance as at June 30, 2005</b>	64,320,000	350,000,000	62,795,922	477,115,922
Profit for the year	-	-	129,818,803	129,818,803
Transferred to general reserve	-	180,000,000	(180,000,000)	-
Final dividend for the year ended June 30, 2005 @ Rs. 0.75 per share	-	-	(4,824,000)	(4,824,000)
<b>Balance as at June 30, 2006</b>	64,320,000	530,000,000	7,790,725	602,110,725
Profit for the quarter	-	-	53,495,401	53,495,401
<b>Balance as at September 30, 2006</b>	64,320,000	530,000,000	61,286,126	655,606,126

#### 4 OBLIGATION UNDER FINANCE LEASE SECURED

	SEPTEMBER 2006 RUPEES	JUNE 2006 RUPEES
Opening Balance	45,114,890	71,952,547
Less: Paid during the period	<u>(6,977,812)</u>	<u>(26,837,657)</u>
	38,137,078	45,114,890
Less: Transfer to current maturity	<u>(38,137,078)</u>	<u>(28,583,154)</u>
Closing Balance	<u>                  -</u>	<u>16,531,736</u>

#### 5 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2006.



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### 6 ACQUISITION AND DISPOSAL OF FIXED ASSETS

	SEPTEMBER 2006		JUNE 2006	
	Addition	Deletion	Addition	Deletion
Freehold land	-	-	-	-
Building on freehold land	-	-	177,582,904	-
Non factory building on freehold land	-	-	31,385,645	-
Plant & Machinery	19,655,941	-	688,055,149	2,910,928
Electric Installation	-	-	17,124,667	-
Office Equipment-factory	-	-	38,130	-
Office Equipment-office	-	-	267,750	-
Equipment and Other Assets	-	-	2,428,949	-
Furniture & Fixture-factory	90,800	-	1,468,158	-
Vehicles	-	302,313	4,876,783	1,498,726
	<b>19,746,741</b>	<b>302,313</b>	<b>923,228,135</b>	<b>4,409,654</b>

### 7 CAPITAL WORK IN PROGRESS

	SEPTEMBER 2006 RUPEES	JUNE 2006 RUPEES
Factory Building	4,294,359	-
Plant & Machinery	5,282,502	-
Furniture & Fixtures	84,740	-
	<b>9,661,601</b>	<b>-</b>

### 8 TRANSACTIONS WITH ASSOCIATED UNDERTAKING

The Company enters into transactions with the 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 terms of employment are as follows:

	SEP. 2006 RUPEES	SEP. 2005 RUPEES
Services received	1,232,000	3,216,300
Electricity purchased	2,107,101	24,985,733
Purchase of yarn, fabric and stores	60,703,132	221,042,166
Purchase of cotton	8,811,534	8,713,519
Sales of yarn and fabric	92,368,001	29,765,264
Sale of property, plant and equipment	-	875,000

### 9 COMPARATIVE FIGURES

Comparative figures have been reclassified, wherever necessary, for the purposes of comparison. 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 whereas Profit and Loss Account and Cash Flow Statement have been compared with corresponding figures of last comparative quarter.

### 10 DATE OF AUTHORIZATION FOR ISSUE

These financial statement have been approved by the board of director of the company and authorized for issue on 30th October 2006.

### 11 GENERAL

The figures have been rounded off to the nearest rupee.