



GLAMOUR TEXTILE
MILLS LIMITED



Quarterly Report
for the Quarter ended
30 September 2013



GLAMOUR TEXTILE MILLS LIMITED

Company Information

Chairman & Chief Executive
Mr. Azher Elahi

Directors
Mr. Asad Elahi
Mr. Ather J. Elahi
Mr. Mansoor Elahi
Mrs. Naureen Asad
Mrs. Shafqat Azher
Mrs. Mehnaz Ather Elahi
Mr. Fahad Elahi

Audit Committee
Mr. Asad Elahi (Chairman)
Mr. Ather J. Elahi (Member)
Sheikh Rasheed Ahmed (Member)

Chief Financial Officer &
Company Secretary
Mr. Ishfaq Saeed

Auditors:
Mushtaq & Co.
Chartered Accountants

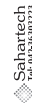
Bankers:
Soneri Bank Ltd.

Share Registrars:
Corplink (Pvt) Ltd.
Wings Arcade, 1-K, Commercial
Model Town, Lahore.
Ph: 042-3583 9182, 3588 7262
Fax: 042 -3586 9037

Registered Office/Mills
11-KM, Manga-Raiwind Road,
Tehsil & District Kasur.
Tel: (042) 3539 2794-5
Fax: (042) 35391566
E-mail: info@glamourtextiles.com

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GLAMOUR TEXTILE MILLS LTD.
11-KM, Manga-Raiwind Road,
Tehsil & District Kasur.





Directors' Report

On behalf of the board of directors, I take pleasure to present 1st quarter report along with un-audited accounts for the quarter ended September 30, 2013

The financial results are summarized as under:

	30 September 2013 (Rupees)	30 September 2012 (Rupees)
Sales	655,322,031	480,734,135
Gross Profit	53,382,939	44,534,937
Profit before taxation	20,664,965	22,954,393
Provision for taxation	(6,214,674)	(2,543,925)
Profit/(Loss) after tax	14,450,291	20,410,468
Earning per share	0.54	0.77

During current quarter, net sales of your Company have increased by 36.31% comparing the corresponding period owing higher production and sales. The amount of gross profit earned increase by 19.87% against the corresponding period. The profit before taxation is decreased by 9.97% against corresponding period due to increase in prices of input cost. The current cost of raw cotton consumed @ Rs.6,649/= per maund as compare to Rs. 5,925/= per maund last year quarter thus showing increase of 12.22%.

The company is working on expansion plan in order increase production and replaces some of old machinery. The expansion completed to the end of this quarter is financed by directors from their own sources and further capital expenditures will be financed from long term borrowings from bank.

The future outlook is unpredictable due to unstable demand of yarn in local and international market, heavy electricity shutdown and unbridled inflation. The company is making its best efforts to earn margin on its products by procuring cotton at viable prices and keep changing product mix moving towards high margin count of yarn having good demand in the market.

The Directors of your Company wish to thankful to the Banks for the financial support and co-operation they have extended to the company. The Directors would like to express their appreciation for the dedication and hard work of the workers, staff and members of management team.

For and on behalf of Board of Directors
GLAMOUR TEXTILE MILLS LTD.,

AZHER ELAHI
Chief Executive
Lahore.
Thursday, October 30, 2013

**GLAMOUR TEXTILE MILLS LIMITED****Condensed Interim Balance Sheet (Un-audited)**

As At 30 September, 2013

	Note	30 September 2013 Rupees	30 June 2013 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	798,369,633	804,262,695
Long term deposits		5,714,699	5,714,699
		804,084,332	809,977,394
CURRENT ASSETS			
Stores, spare parts and loose tools		30,615,388	25,536,530
Stock in trade		464,946,950	187,058,353
Trade debts		166,035,142	159,665,078
Loans and advances		124,470,795	22,873,786
Trade deposits and short term prepayments		4,116,494	5,092,702
Tax refunds due from Government		36,429,559	28,864,650
Cash and bank balances		18,811,125	8,650,844
		845,425,453	437,741,943
		1,649,509,785	1,247,719,337
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital 27,000,000 (June 30, 2012 : 27,000,000)			
Ordinary shares of Rs. 10 each		270,000,000	270,000,000
Issued, subscribed and paid up capital 26,640,000 (June 30, 2012 : 26,640,000)			
Ordinary shares of Rs. 10 each fully paid in cash		266,400,000	266,400,000
Accumulated loss		142,023,867	123,409,498
		408,423,867	389,809,498
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		301,846,589	306,170,168
NON CURRENT LIABILITIES			
Long term financing		129,802,100	129,802,100
DEFERRED LIABILITIES			
Staff retirement benefits - gratuity		8,961,131	9,704,131
Deferred taxation		76,188,738	76,029,238
CURRENT LIABILITIES			
Trade and other payables		132,956,179	64,126,485
Accrued mark up / interest		15,733,004	7,986,779
Current portion of long term financing		-	-
Short term borrowings		569,383,503	264,090,938
Provision for taxation		6,214,674	-
		724,287,360	336,204,202
CONTINGENCIES AND COMMITMENTS	6	-	-
		1,649,509,785	1,247,719,337

The annexed notes form an integral part of these condensed interim financial statements.

AZHER ELAHI
Chief Executive
Lahore.
October 30, 2013

ATHER J. ELAHI
Diretor

**GLAMOUR TEXTILE MILLS LIMITED****Condensed Interim Profit and Loss Account (Un-audited)**

For the Quarter Ended 30 September, 2013

	Note	30 September 2013 Rupees	30 September 2012 Rupees
Sales		655,322,031	480,734,135
Cost of sales	7	(601,939,092)	(436,199,198)
Gross profit/(loss)		53,382,939	44,534,937
Distribution cost		(15,937,561)	(5,807,757)
Administrative expenses		(3,991,492)	(2,757,072)
Other operating expenses		(1,036,909)	(4,257,978)
Finance cost		(11,752,012)	(8,757,737)
Income / (loss) before taxation		20,664,965	22,954,393
Taxation		(6,214,674)	(2,543,925)
Income / (loss) for the period		14,450,291	20,410,468
Earnings / (loss) per share - basic and diluted	8	0.54	0.77

**Condensed Interim Statement of Comprehensive Income
(Un-audited)**

For the Quarter Ended 30 September, 2013

	30 September 2013 Rupees	30 September 2012 Rupees
Income / (loss) for the period	14,450,291	20,410,468
Total comprehensive income / (loss) for the period	14,450,291	20,410,468

The annexed notes form an integral part of these condensed interim financial statements.

AZHER ELAHI
Chief Executive
Lahore.
October 30, 2013ATHER J. ELAHI
Diretor

**GLAMOUR TEXTILE MILLS LIMITED****Condensed Interim Cash Flow Statement (Un-audited)**

For the Quarter Ended 30 September, 2013

	30 September 2013 Rupees	30 September 2012 Rupees
A CASH FLOWS FROM OPERATING ACTIVITIES		
Income / (loss) before taxation	20,664,965	22,954,393
Adjustments for:		
Depreciation	14,570,045	10,307,014
Provision for staff retirement benefits - gratuity	900,000	1,102,500
Finance cost	11,752,012	8,757,737
(Profit) / Loss on sale of fixed assets	-	3,046,163
Provision for workers profit participation fund	1,036,909	3,046,163
Profit before changes in working capital	48,923,931	49,213,970
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(5,078,858)	1,924,511
Stock in trade	(277,888,597)	(32,461,652)
Trade debts	(6,370,063)	786,334
Loans and advances	(101,597,010)	(29,840,096)
Trade deposits and short term prepayments	976,208	(1,157,189)
Tax refunds due from government	206,804	211,736
Increase in current liabilities		
Trade and other payables	67,792,786	9,137,442
	(321,958,730)	(51,398,914)
Cash used in operations	(273,034,799)	(2,184,944)
Payments for:		
Finance cost	(4,005,787)	(7,583,919)
Taxation	(7,771,713)	(3,114,678)
Staff retirement benefits - gratuity	(1,643,000)	(4,142,500)
	(13,420,500)	(14,841,097)
Net cash used in operating activities	(286,455,299)	(17,026,041)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment acquired	(8,676,984)	(37,126,689)
Sale Proceeds of fixed assets	-	4,267,241
Long term loans and advances	-	(298,000)
Net cash used in investing activities	(8,676,984)	(33,157,448)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings -net	305,292,564	56,326,748
Net cash used in financing activities	305,292,564	56,326,748
Net decrease in cash and cash equivalents (A+B+C)	10,160,281	6,143,259
Cash and cash equivalents at the beginning of the period	8,650,844	9,196,074
Cash and cash equivalents at the end of the period	18,811,125	15,339,333
Cash and cash equivalents		
Cash and bank balances	18,811,125	15,339,333
	18,811,125	15,339,333

The annexed notes form an integral part of these condensed interim financial statements.

AZHER ELAHI
Chief Executive
Lahore.
October 30, 2013

ATHER J. ELAHI
Diretor



GLAMOUR TEXTILE MILLS LIMITED

**Condensed Interim Statement of Changes
in Equity (Un-audited)**

For the Quarter Ended 30 September, 2013

Description	Share Capital	Accumulated Profit/(Loss)	Total
	Rupees	Rupees	Rupees
Balance as at July 01, 2012	266,400,000	(25,274,680)	241,125,320
Total comprehensive income for the three months ended September 30, 2012.	-	20,410,468	20,410,468
Transfer from revaluation surplus of property, plant and equipment	-	3,576,071	3,576,071
Balance as at September 30, 2012	266,400,000	(1,288,141)	265,111,859
Balance as at July 01, 2013	266,400,000	123,409,498	389,809,498
Total comprehensive income for the three months ended September 30, 2012.	-	14,450,291	14,450,291
Transfer from revaluation surplus of property, plant and equipment	-	4,164,078.00	4,164,078
Balance as at September 30, 2013	266,400,000	142,023,867	408,423,867

The annexed notes form an integral part of these condensed interim financial statements.

AZHER ELAHI
Chief Executive
Lahore.
October 30, 2013

ATHER J. ELAHI
Diretor

**Notes to the Accounts (Un-audited)**

For the Quarter Ended 30 September, 2013

1 STATUS AND ACTIVITIES

The company was incorporated in Pakistan as a public limited company under the Companies Ordinance, 1984 in 1991 and is listed at the Karachi, Lahore and Islamabad stock exchanges. Registered office of the company is situated at 11 K.M., Manga - Raiwind Road, District Kasur. The principal business of the company is to manufacture and sale of yarn.

2 BASIS OF PREPARATION**2.1 Statement of compliance**

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34, "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended 30th June, 2013.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

These condensed interim financial statements comprise of condensed interim statement of financial position, condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with the notes for the three months ended September 30, 2013.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended 30 June, 2013 except amendments to certain existing standards and new interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and do not have any impact on the accounting policies of the Company.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision

Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June, 2013.

The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2013.

		30 Sep, 2013 Rupees	30 June, 2013 Rupees
5 PROPERTY, PLANT AND EQUIPMENT			
5.1 Operating assets - owned			
Opening written down value		803,523,048	590,731,623
Add Revaluation of fixed assets		-	102,609,374
Additions during the period	5.2	282,000	165,805,604
		803,805,048	859,146,601
Disposals during the period	5.2	-	(9,405,952)
Depreciation during the period		(14,570,045)	(46,217,601)
Closing written down value		789,235,003	803,523,048

**GLAMOUR TEXTILE MILLS LIMITED**

	30 Sep, 2013		30 June, 2013	
	Additions	Disposals	Additions	Disposals
	R u p e e s			
5.2 Additions and disposals during the period				
Building	-	-	7,694,545	-
Plant and machinery	-	-	151,571,232	(7,989,600)
Furniture, fixture & equipments	212,000	-	1,345,577	-
Vehicles	70,000	-	5,194,250	(1,416,352)
	<u>282,000</u>	<u>-</u>	<u>165,805,604</u>	<u>(9,405,952)</u>

6 CONTINGENCIES AND COMMITMENTS

Contingencies

Bills discounted with recourse Rs. 364,094,300 (June 30, 2013 : Rs. 363,997,921).

Bank guarantee issued in the ordinary course of business Rs. 14,363,510 (June 30, 2013 : Rs. 14,363,510).

Commitments

Letter of credit for capital expenditures Rs. 204,087,512 (June 30, 2013 : Rs. 159,169,688).

Letter of credit for stores and spares Rs. 1,483,047 (June 30, 2013 : Rs. 1,395,414).

	30 Sep, 2013 Rupees	30 Sep, 2012 Rupees
7 COST OF SALES		
Raw material consumed	478,566,546	348,648,081
Fuel and power	56,200,826	44,614,687
Stores and spares consumed	13,603,180	10,367,487
Salaries, wages and other benefits	29,349,880	24,933,940
Staff retirement benefits - gratuity	675,000	877,000
Packing material consumed	8,954,641	6,238,437
Depreciation	13,619,843	9,603,966
Other expenses	4,773,419	2,505,573
	<u>605,743,335</u>	<u>447,789,171</u>
Work in process		
Opening	12,175,613	7,861,316
Closing	(14,036,063)	(9,492,242)
	<u>(1,860,450)</u>	<u>(1,630,926)</u>
Cost of goods manufactured	<u>603,882,885</u>	<u>446,158,245</u>
Finished goods		
Opening	7,819,232	11,515,373
Purchased during the period	21,797,654	-
Closing	(31,560,679)	(21,474,420)
	<u>(1,943,793)</u>	<u>(9,959,047)</u>
	<u>601,939,092</u>	<u>436,199,198</u>

**GLAMOUR TEXTILE MILLS LIMITED**

	30 Sep, 2013 Rupees	30 Sep, 2012 Rupees
8 EARNINGS / (LOSS) PER SHARE		
Income / (loss) for the period	14,450,291	20,410,468
Weighted average number of ordinary shares	26,640,000	26,640,000
Earnings / (loss) per share - basic	0.54	0.77

There is no dilutive effect on basic earnings / (loss) per share of the company.

	30 Sep, 2013 Rupees	30 June, 2013 Rupees
9 RELATED PARTY TRANSACTIONS		
Balance with related parties		
Long term financing from directors		
- Unsecured interest free	64,802,100	64,802,100
Long term financing from associated undertakings		
- Unsecured interest free	65,000,000	65,000,000
Current portion of long term financing from associated undertakings		
- Unsecured interest free	-	20,000,000
Short term borrowings from directors utilized- unsecured on mark-up basis	149,835,000	156,689,000
Mark-up on short term borrowings from directors	5,603,992	3,959,340

10 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on October 30, 2013 by the board of directors of the company.

11 GENERAL

Figures have been rounded off to the nearest rupee.

AZHER ELAHI
Chief Executive
Lahore.
October 30, 2013

ATHER J. ELAHI
Diretor