



GLAMOUR TEXTILE
MILLS LIMITED



Quarterly Report
for the period ended
31 March 2014



Directors' Report

On behalf of the board of directors, I take pleasure to present condensed interim financial statements for period of nine months and the quarter ended March 31, 2014.

The financial results are summarized as under:

	Quarter Ended		Nine Months Ended	
	31 March 2014 Rupees	31 March 2013 Rupees	31 March 2014 Rupees	31 March 2013 Rupees
Sales	526,956,850	682,442,548	1,895,526,962	1,723,059,739
Gross profit	12,735,743	109,623,054	107,216,300	210,538,224
Profit/(loss) after tax	(14,277,999)	52,948,376	(2,990,909)	89,474,665
Earnings per share	(0.54)	1.99	(0.11)	3.36

Although overall profitability is not satisfactory but sales revenue for nine months shown growth of 10.01% by increasing sales from Rs.1,723 million to Rs.1,896 million. The decrease in sales for March 2014 quarter is 22.78%, from Rs.682 million to Rs.527 million. The cost of sales of current nine months period is 94.34 % of sales as compare to 87.78% of sales in comparative period last year; this increase in cost of sales is mainly due to higher raw material cost and electricity cost. The administrative expenses are stood at 0.67% of sales from 0.55% in comparative period last year.

The future outlook for last quarter of the current year is not healthy due to uncertainty of demand of yarn together with depressing yarn prices. If the size of future cotton crop increased, it will reduce price of raw cotton and same will adversely affect yarn prices.

The company is working on planned expansion for next financial. The current expansion plan is based on acquiring improved technology to achieve business growth.

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, April 30, 2014



GLAMOUR TEXTILE MILLS LIMITED

Condensed Interim Balance Sheet (Un-audited)
As At 31 March 2014

	Note	Un-audited 31 March 2014 Rupees	Audited 30 Jun 2013 Rupees	Audited 30 Jun 2012 Rupees
ASSETS				
NON CURRENT ASSETS				
Property, plant and equipment	5	814,123,216	804,262,695	591,042,020
Long term deposits		5,714,699	5,714,699	5,416,699
		819,837,915	809,977,394	596,458,719
CURRENT ASSETS				
Stores, spare parts and loose tools		36,924,212	25,536,530	25,240,166
Stock in trade		559,652,807	187,058,353	159,454,387
Trade debts		121,687,584	159,665,078	131,153,156
Loans and advances		42,630,921	22,873,786	13,676,969
Trade deposits and short term prepayments		4,791,656	5,092,702	432,549
Tax refunds due from Government		43,683,555	28,864,650	13,148,985
Cash and bank balances		10,849,619	8,650,844	9,196,074
		820,220,354	437,741,943	352,302,286
		1,640,058,269	1,247,719,337	948,761,005
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized capital 27,000,000 (June 30, 2013 : 27,000,000) Ordinary shares of Rs. 10 each		270,000,000	270,000,000	270,000,000
Issued, subscribed and paid up capital 26,640,000 (June 30, 2013: 26,640,000) Ordinary shares of Rs. 10 each fully paid in cash		266,400,000	266,400,000	266,400,000
Accumulated loss		128,569,323	116,707,531	(29,282,937)
		394,969,323	383,107,531	237,117,063
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		291,317,466	306,170,168	293,125,843
NON CURRENT LIABILITIES				
Long term financing		129,802,100	129,802,100	129,802,100
DEFERRED LIABILITIES				
Staff retirement benefits - gratuity		15,359,006	16,406,098	13,515,115
Deferred taxation		76,029,238	76,029,238	-
CURRENT LIABILITIES				
Trade and other payables		103,605,273	64,126,485	44,779,248
Accrued mark up / interest		16,469,271	7,986,779	7,296,490
Short term borrowings	6	595,928,501	264,090,938	203,125,146
Current portion of long term financing		-	-	20,000,000
Provision for taxation		16,578,091	-	-
		732,581,136	336,204,202	275,200,884
CONTINGENCIES AND COMMITMENTS				
	7	-	-	-
		1,640,058,269	1,247,719,337	948,761,005

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

Lahore:
April 30, 2014

AZHER ELAHI
Chief Executive

ATHER J. ELAHI
Diretor

**GLAMOUR TEXTILE MILLS LIMITED****Condensed Interim Profit and Loss Account (Un-audited)
For the Nine Months Ended March 31, 2014**

Note	3rd Quarter Ended		Nine Months Ended	
	31 March 2014 (Rupees)	31 March 2013 (Rupees)	31 March 2014 (Rupees)	31 March 2013 (Rupees)
Sales	526,956,850	682,442,548	1,895,526,962	1,723,059,739
Cost of sales 8	(514,221,107)	(572,819,494)	(1,788,310,662)	(1,512,521,515)
Gross profit/(loss)	12,735,743	109,623,054	107,216,300	210,538,224
Other operating income	788,353	698,380	788,353	705,669
Distribution cost	(9,349,316)	(20,845,986)	(39,208,693)	(39,904,293)
Administrative expenses	(5,468,953)	(4,615,315)	(14,811,866)	(11,518,947)
Other operating expenses	(386,309)	(3,010,875)	(5,124,743)	(9,158,375)
Finance cost	(6,882,401)	(23,591,058)	(35,272,169)	(49,696,369)
Income / (loss) before taxation	(8,562,883)	58,258,200	13,587,182	100,965,909
Taxation	(5,715,116)	(5,309,824)	(16,578,091)	(11,491,244)
Income / (loss) for the period	(14,277,999)	52,948,376	(2,990,909)	89,474,665
Earnings / (loss) per share - basic and diluted 9	(0.54)	1.99	(0.11)	3.36

**Condensed Interim Statement of Comprehensive
Income (Un-audited)
For the Nine Months Ended March 31, 2014**

	31 March 2014 (Rupees)	31 March 2013 (Rupees)	31 March 2014 (Rupees)	31 March 2013 (Rupees)
Profit for the period	(14,277,999)	52,948,376	(2,990,909)	89,474,665
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	(14,277,999)	52,948,376	(2,990,909)	89,474,665

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

Lahore:
April 30, 2014

AZHER ELAHI
Chief Executive

ATHER J. ELAHI
Director

**GLAMOUR TEXTILE MILLS LIMITED****Condensed Interim Cash Flow Statement (Un-audited)
For the Nine Months Ended March 31, 2014**

	31 March 2014 Rupees	31 March 2013 Rupees
A CASH FLOWS FROM OPERATING ACTIVITIES		
Income / (loss) before taxation	13,587,182	100,965,909
Adjustments for:		
Depreciation	44,860,481	33,364,678
Provision for staff retirement benefits - gratuity	4,323,042	2,914,500
Finance cost	35,272,169	49,696,369
(Profit)/loss on disposal of property, plant and equipment	(788,353)	3,138,711
Provision for worker's profit participation fund	715,115	5,313,995
Profit before changes in working capital	97,969,636	195,394,162
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(11,387,682)	(5,089,659)
Stock in trade	(372,594,454)	(410,903,397)
Trade debts	37,977,495	(79,379,645)
Loans and advances	(19,757,135)	(17,401,755)
Trade deposits and short term prepayments	301,046	(1,067,240)
Tax refunds due from Government	4,363,640	(4,596,551)
Increase in current liabilities		
Trade and other payables	38,763,673	85,962,365
	(322,333,417)	(432,475,882)
Cash used in operations	(224,363,781)	(237,081,720)
Payments for:		
Finance cost	(26,789,677)	(41,614,201)
Taxation	(19,182,545)	(11,949,289)
Staff retirement benefits - gratuity	(5,370,134)	(5,948,258)
	(51,342,356)	(59,511,748)
Net cash used in operating activities	(275,706,137)	(296,593,468)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment acquired	(56,182,650)	(56,023,855)
Sale proceeds of Property, plant and equipment	2,250,000	6,267,241
Long term deposits	-	(298,000)
Dividend paid	-	(155,927)
Net cash used in investing activities	(53,932,650)	(50,210,541)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings- net	331,837,563	349,318,171
Net cash used in financing activities	331,837,563	349,318,171
Net decrease in cash and cash equivalents (A+B+C)	2,198,776	2,514,162
Cash and cash equivalents at the beginning of the period	8,650,843	9,196,074
Cash and cash equivalents at the end of the period	10,849,619	11,710,236
Cash and cash equivalents	10,849,619	11,710,236
Cash and bank balances	10,849,619	11,710,236

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

Lahore:
April 30, 2014

AZHER ELAHI
Chief Executive

ATHER J. ELAHI
Diretor

**GLAMOUR TEXTILE MILLS LIMITED****Condensed Interim Statement of Changes in Equity (Un-audited)
For the Nine Months Ended March 31, 2014**

Description	Share Capital	Accumulate Profit/(Loss)	Total
	Rupees	Rupees	Rupees
Balance as at July 01, 2012	266,400,000	(25,274,680)	241,125,320
Effect of retrospective application of change in an accounting policy referred in note 3.3	-	(4,008,257)	(4,008,257)
Balance as at July 01, 2012 - as restated	266,400,000	(29,282,937)	237,117,063
Total comprehensive income for the period	-	89,474,665	89,474,665
Dividend for the year ended June 30, 2012 at Rs. 1/- per share *	-	(276,500)	(276,500)
Transfer from revaluation surplus of property, plant and equipment on account of disposal during the year	-	907,082	907,082
Transfer from revaluation surplus of property, plant and equipment on account of incremental depreciation	-	9,824,528	9,824,528
Balance as at March 31, 2013	266,400,000	70,646,838	337,046,838
Profit for the remaining period	-	49,958,459	49,958,459
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - remaining period	-	2,804,201	2,804,201
Effect of retrospective application of change in an accounting policy referred in note 3.3	-	(6,701,967)	(6,701,967)
Balance as at July 01, 2013 - as restated	266,400,000	116,707,531	383,107,531
Total comprehensive income / (loss) for the period	-	(2,990,909)	(2,990,909)
Transfer from revaluation surplus of property, plant and equipment on account of incremental depreciation - net of tax	-	14,852,701	14,852,701
Balance as at March 31, 2014	266,400,000	128,569,323	394,969,323

* The directors / sponsors had waived their share of dividend amounting to Rs. 26.363 million. The annexed notes form an integral part of this condensed interim financial information.

Lahore:
April 30, 2014

AZHER ELAHI
Chief Executive

ATHER J. ELAHI
Director

**Condensed Interim Notes to the Accounts (Un-audited)
For the Nine Months Ended March 31, 2014****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 yam.

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 balance sheet, condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flows statement and condensed interim statement of changes in equity together with the notes for the nine months ended March 31, 2014. These condensed interim financial statements also include the condensed profit and loss account for the quarter ended March 31, 2014.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 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 as disclosed in the note 3.3.



GLAMOUR TEXTILE MILLS LIMITED

- 3.2 Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.
- 3.3 During the period, the company has adopted IAS 19, (Revised) 'Employee Benefits'. The amendments in the revised standard require the company to eliminate the corridor approach and recognise all actuarial gains and losses (now called 'remeasurements', that result from the remeasurement of defined benefits obligations and fair value of plan assets at the balance sheet date) in other comprehensive income as they occur, immediately recognise all past service costs and replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefits liability / asset.

This change in accounting policy has been accounted for retrospectively as required under International Accounting Standard - 8 'Accounting Policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have been restated.

Effects of the change in the accounting policy on the interim financial statement are not quantifiable, hence the effects based on the relevant available actuarial valuation on the financial statements have been summarized below:

	30 June 2013 Rupees	30 June 2012 Rupees
Impact on Balance Sheet		
Increase in the retirement benefits obligation	6,701,967	4,008,257
Decrease in deferred tax liability	-	-
Decrease in accumulated profits	6,701,967	4,008,257
Impact on profit and loss account		
Increase in profit and loss account	368,573	354,592
Decrease in deferred taxation - current year	-	-
Decrease in other comprehensive income	3,062,283	794,945

During the year ended June 30, 2012 deferred tax asset was not booked in the financial statements therefore, increase in obligation against retirement benefits has not any impact on deferred tax liability. Deferred tax liability in the financial statements for the year ended June 30, 2013, comprises of only timing differences of components of surplus on revaluation of property, plant and equipment therefore, increase in obligation against retirement benefits has also not any impact on the financial statements.

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.

	Note	31 March 2014 Rupees	30 June 2013 Rupees
5 PROPERTY, PLANT AND EQUIPMENT			
Operating assets - owned	5.1	770,299,721	803,523,048
Capital work in progress - at cost		43,823,495	739,647
		814,123,216	804,262,695
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	13,098,802	165,805,604
		816,621,850	859,146,601
Disposals during the period	5.2	(1,461,648)	(9,405,952)
Depreciation during the period		(44,860,481)	(46,217,601)
		770,299,721	803,523,048
Closing written down value			



GLAMOUR TEXTILE MILLS LIMITED

	March 31, 2014 (Rupees)	June 30, 2012 (Rupees)
10 RELATED PARTY TRANSACTIONS		
Balance with related parties		
Long term financing from directors	64,802,100	64,802,100
Long term financing from associated undertakings	65,000,000	65,000,000
Short term borrowings from directors	197,835,000	40,689,000
	31 March	31 March
Transaction with related parties	214	2013
Short term borrowings from directors - received	166,000,000	150,000,000
Short term borrowings from directors - repayment	8,854,000	-
11 DATE OF AUTHORIZATION FOR ISSUE		
These condensed interim financial statements have been authorized for issue on April 30, 2014 by the board of directors of the company.		
12 GENERAL		
Figures have been rounded off to the nearest rupee.		

Lahore:
April 30, 2014

AZHER ELAHI
Chief Executive

ATHER J. ELAHI
Director

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
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E-mail: info@glamourtextiles.com

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11-KM, Manga-Raiwind Road,
Tehsil & District Kasur.