
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, 2015

The financial results are summarized as under:

	30 September, 2015	30 September, 2014
	Rupees	Rupees
Sales	592 966 877	605,924,252
Gross Profit/(loss)	(5,040,268)	20,241,616
Profit/(loss) before taxation	(36,402,061)	(7,255,219)
Provision for taxation	1,325,974	(5,659,296)
Profit/(Loss) after tax	(35,076,087)	(12,914,515)
Earning per share	(1.32)	(0.48)

During current quarter, net sales of your Company have dropped by 2.14% comparing the corresponding period due to lower yarn prices. The amount of gross profit turned into gross loss due to continues depressed yarn market and sharp increase in manufacturing overheads.

The future outlook is very uncertain because it is very difficult to predict yarn prices whereas cost of production is keep on rising due to dismal production of cotton crop as well as government is increasing fuel & power prices and levies on various input supplies.

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, October 31, 2015.

GLAMOUR TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2015

	Note	Un-audited September 30, 2015 Rupees	Audited June 30, 2015 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	1,076,973,415	1,093,152,087
Long term deposits		8,981,228	5,767,739
		1,085,954,643	1,098,919,826
CURRENT ASSETS			
Stores, spare parts and loose tools		51,967,236	47,703,485
Stock in trade		153,944,995	296,508,935
Trade debts		120,083,504	131,203,207
Loans and advances		20,435,879	28,546,026
Trade deposits and short term prepayments		2,701,734	157,001
Tax refunds due from Government		68,098,866	73,242,157
Cash and bank balances		3,438,361	9,953,849
		420,670,575	587,314,660
		1,506,625,218	1,686,234,486
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
27,000,000 (June 30, 2015 : 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, 2015 : 26,640,000) Ordinary shares of Rs. 10 each fully paid in cash		266,400,000	266,400,000
Accumulated loss		79,029,186	111,413,143
		345,429,186	377,813,143
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		291,472,165	289,240,697
NON CURRENT LIABILITIES			
Long term financing from banking companies		115,711,268	115,711,271
Long term financing from directors and associates		167,327,567	162,708,358
DEFERRED LIABILITIES			
Staff retirement benefits - gratuity		27,239,699	26,486,299
Deferred taxation		49,235,983	55,485,555
CURRENT LIABILITIES			
Trade and other payables		130,945,615	130,688,916
Accrued mark up / interest		8,710,081	7,879,885
Current portion of long term financing		43,707,979	59,097,348
Short term borrowings		326,845,675	461,123,014
		510,209,350	658,789,163
CONTINGENCIES AND COMMITMENTS	6	-	-
		1,506,625,218	1,686,234,486

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

CHIEF EXECUTIVE

DIRECTOR

GLAMOUR TEXTILE MILLS LIMITED
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Note	September 30, 2015	September 30, 2014
------(Rupees)-----			
Sales		592,966,877	605,924,252
Cost of sales	7	<u>(598,007,145)</u>	<u>(585,682,636)</u>
Gross profit / (loss)		(5,040,268)	20,241,616
Distribution cost		(10,866,285)	(9,244,511)
Administrative expenses		(6,519,013)	(5,212,184)
Finance cost		(13,976,495)	(13,040,140)
Income / (loss) before taxation		<u>(36,402,061)</u>	<u>(7,255,219)</u>
Taxation		1,325,974	(5,659,296)
Income / (loss) for the period		<u><u>(35,076,087)</u></u>	<u><u>(12,914,515)</u></u>
Earnings / (loss) per share - basic and diluted	8	<u><u>(1.32)</u></u>	<u><u>(0.48)</u></u>

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

------(Rupees)-----		
Income / (loss) for the period	(35,076,087)	(12,914,515)
Total comprehensive income / (loss) for the period	<u><u>(35,076,087)</u></u>	<u><u>(12,914,515)</u></u>

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

CHIEF EXECUTIVE

DIRECTOR

GLAMOUR TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	September 30, 2015	September 30, 2014
	2015	
A CASH FLOWS FROM OPERATING ACTIVITIES		
Income / (loss) before taxation	(36,402,061)	(7,255,219)
<i>Adjustments for:</i>		
Depreciation	21,257,358	14,274,508
Provision for staff retirement benefits - gratuity	2,227,000	900,000
Finance cost	13,976,495	13,040,140
Provision for workers profit participation fund	-	-
Profit before changes in working capital	1,058,792	20,959,429
<i>(Increase) / decrease in current assets</i>		
Stores, spare parts and loose tools	(4,263,751)	(23,390,415)
Stock in trade	142,563,941	(115,853,949)
Trade debts	11,119,703	(19,230,363)
Loans and advances	8,110,147	(13,900,217)
Trade deposits and short term prepayments	(2,544,733)	(1,697,962)
Tax refunds due from Government	8,684,844	(13,151,763)
<i>Increase in current liabilities</i>		
Trade and other payables	256,698	59,419,354
	163,926,849	(127,805,315)
Cash used in operations	164,985,641	(106,845,886)
Payments for :		
Finance cost	(8,527,090)	(10,162,483)
Taxation	(3,541,553)	(5,496,947)
Staff retirement benefits - gratuity	(1,473,600)	(1,199,927)
	(13,542,243)	(16,859,357)
Net cash used in operating activities	151,443,398	(123,705,243)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment acquired	(5,078,687)	(61,850,479)
Long term deposits	(3,213,489)	-
Net cash used in investing activities	(8,292,176)	(61,850,479)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loans from banking companies -repaid	(15,389,372)	59,257,992
Short term borrowings -net	(134,277,338)	125,284,100
Net cash used in financing activities	(149,666,710)	184,542,092
Net decrease in cash and cash equivalents (A+B+C)	(6,515,488)	(1,013,630)
Cash and cash equivalents at the beginning of the period	9,953,849	12,561,160
Cash and cash equivalents at the end of the period	3,438,361	11,547,530
Cash and cash equivalents		
Cash and bank balances	3,438,361	11,547,530
	3,438,361	11,547,530

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

CHIEF EXECUTIVE

DIRECTOR

GLAMOUR TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Share capital	Accumulated profit/(loss) (Rupees)	Total
Balance as at July 01, 2014	266,400,000	96,998,771	363,398,771
Total comprehensive income for the three months ended September 30,2013.	-	(12,914,515)	(12,914,515)
Transfer from revaluation surplus of property, plant and equipment on account of incremental depreciation	-	4,349,524	4,349,524
Balance as at September 30, 2014	<u>266,400,000</u>	<u>88,433,780</u>	<u>354,833,780</u>
Balance as at July 01, 2015	266,400,000	111,413,143	377,813,143
Total comprehensive income/(loss) for the three months ended September 30,2014.	-	(35,076,087)	(35,076,087)
Transfer from revaluation surplus of property, plant and equipment on account of incremental depreciation	-	2,692,130	2,692,130
Balance as at September 30, 2015	<u>266,400,000</u>	<u>79,029,186</u>	<u>345,429,186</u>

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

CHIEF EXECUTIVE

DIRECTOR

GLAMOUR TEXTILE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

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, 2015.

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, 2015.

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, 2015 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, 2015.

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 2015.

	Note	September 30, 2015	June 30, 2015
(Rupees)			
5 PROPERTY, PLANT AND EQUIPMENT			
Operating assets- owned		1,076,973,415	1,079,921,495
Capital work in progress- at cost			13,230,592
		<u>1,076,973,415</u>	<u>1,093,152,087</u>
5.1 Operating assets - owned			
Opening written down value		1,079,921,495	786,800,109
Additions during the period	5.2	18,309,278	374,220,881
		<u>1,098,230,773</u>	<u>1,161,020,990</u>
Disposals during the period	5.2	-	-
Depreciation during the period		(21,257,358)	(81,099,495)
Closing written down value		<u>1,076,973,415</u>	<u>1,079,921,495</u>
		<u>September 30, 2015</u>	<u>June 30, 2015</u>
(Rupees)			

5.2 Additions and disposals during the period

	Additions	Disposals	Additions	Disposals
Buildings	-	-	56,123,500	-
Plant and machinery	18,309,278	-	313,362,714	-
Furniture, fixture & equipments	-	-	989,978	-
Vehicles	-	-	3,744,689	-
	<u>18,309,278</u>	<u>-</u>	<u>374,220,881</u>	<u>-</u>

6 CONTINGENCIES AND COMMITMENTS

Contingencies

Bills discounted with recourse Rs. 224,859,786 (June 30, 2015 : Rs. 279,832,340).

Bank guarantee issued in the ordinary course of business Rs. 14,363,510 (June 30, 2015 : Rs. 14,363,510).

Commitments

Letter of credit for stores and spares Rs. 2,134,473 (June 30, 2015 : Rs. 3,654,084).

7 COST OF SALES

	Quarter ended	
	September 30,	September 30,
	2015	2014
	(Rupees)	
Raw material consumed	412,521,097.00	447,269,921
Cost of raw material sold	10,765,019.00	-
Fuel and power	75,063,096.00	69,772,881
Stores and spares consumed	14,407,878.00	9,252,134
Salaries, wages and other benefits	43,462,320.00	32,863,431
Staff retirement benefits - gratuity	2,000,000.00	675,000
Packing material consumed	11,394,706.00	9,477,510
Depreciation	20,031,266.00	13,196,001
Repair and maintenance	1,195,324.00	1,130,076
Vehicle running expenses	390,227.00	585,588
Insurance expenses	1,171,135.00	1,111,176
Cotton cess	903,200.00	822,450
Other expenses	842,682.00	690,720
	594,147,950.00	586,846,888
Work in process		
Opening	11,316,951	11,105,414
Closing	(10,954,527)	(14,752,187)
	362,424	(3,646,773)
Cost of goods manufactured	594,510,374	583,200,115
Finished goods		
Opening	37,045,138	51,377,898
Purchased during the period	-	-
Closing	(33,548,367)	(48,895,377)
	3,496,771	2,482,521
	598,007,145	585,682,636

	September 30, 2015	September 30, 2014
	(Rupees)	
8 EARNINGS / (LOSS) PER SHARE		
Income / (loss) for the period	(35,076,087)	(12,914,515)
Weighted average number of ordinary shares	26,640,000	26,640,000
Earnings / (loss) per share - basic	<u>(1.32)</u>	<u>(0.48)</u>
There is no dilutive effect on basic earnings / (loss) per share of the company.		

	September 30, 2015	June 30, 2015
	(Rupees)	

9 RELATED PARTY TRANSACTIONS

Nature of transaction/ balances

Long term financing from directors- transfer from short term borrowings	-	60,000,000
Short term borrowings from director- repaid	-	300,000
Closing balance short term borrowings from directors	-	97,535,000
Closing balance long term financing from directors	164,802,100	164,802,100
Closing balance long term financing from associate undertaking	65,000,000	65,000,000
Closing balance short term borrowings from associated undertaking	20,000,000	20,000,000
Short term borrowings from associated undertaking- received	-	80,000,000
Short term borrowings from associated undertaking- repaid	-	60,000,000

10 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on **October 31, 2015** by the board of directors of the company.

11 GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR