

Quarterly Report as at 30th September 2014



Company Information

Board of Directors

Ms. Sarah Saif Khan Chief Executive

Mrs. Taufiqa Amanullah Khan

Mrs. Muniza Saif Khan

Mrs. Samina Asad

Mr. Ahsan ur Rehman Khan

Mr. Imran Zia

Mr. Khalid Rehman

Chief Financial Officer / Company Secretary

Mr. Asad Mumtaz Baloch

Auditors

Mushtaq & Co, Chartered Accountants

Audit Committee

Mrs. Taufiqa Amanullah Khan	Chairperson
Mrs. Muniza Saif Khan	Member
Mrs. Samina Asad	Member
Mr. Imran Zia	Member

HR and Remuneration Committee

Ms. Sarah Saif Khan Chairperson
Mrs. Samina Asad Member
Mr. Imran Zia Member

Registered Office

Redco Textiles Limited, Redco Arcade, 78-E, Blue Area, Islamabad 4400, Pakistan. Tel: (+92-51) 2344252-5 Fax: (+92-51) 2344256 E-mail: sales@redcogroup.com

Mills

Redco Textiles Limited, 3-Km, Rawat-Kallar Seydan Road, P.O Sagri, Rawat, Rawalpindi.

Tel: (+92-51) 4610402-4 Fax: (+92-51) 46104041 E-mail: textiles@redcogroup.com



Directors' Report

Directors' Report

Dear Shareholders.

We are pleased to present quarterly report of your company's performance as at September 30, 2014.

The three months period under review incurred Loss before tax of Rs. 14.766 million and after tax of Rs. 18.369 million, as compared to the previous corresponding quarter's Loss before tax of Rs. 7.502 million and after tax of Rs. 13.080 million.

The highlights of the first quarter include:

- Decrease in sales revenue by 37.58 % (Rs. 224.071 million) as compared to last year corresponding period due to reduction in production and sale of high value items.
- This quarter incurred gross loss of 0.63% as compared to gross profit of 0.22% in previous corresponding period as since start of this quarter textile sector is under pressure.
- ❖ Increase in financial cost by 115.76% to Rs 4.726 million from Rs 2.190.million in the last corresponding quarter due to availment of working capital lines and term finance of Rs. 100 million from Bank Alfalah Limited for 24 Air Jet Looms.

The performance of company shows declining trend subsequent to year end as overall industry performance is under pressure. Management is putting efforts to overcome the situation and in coming quarter 24 Air Jet Looms will start production and will help to increase the overall performance of the company.

For and on behalf of the Board,

Chief Executive

Dated: October 30, 2014.



REDCO TEXTILES LIMITED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT SEPTEMBER 30, 2014

			Restated
	30-Sep-14	30-Jun-14	30-Jun-13
	Un-audited	Audited	Audited
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	978,060,318	982,386,000	924,455,999
Long term investment	123,530	130,640	114,375
Long term deposits and prepayments	4,905,940	4,905,940	4,905,940
	983,089,788	987,422,580	929,476,314
CURRENT ASSETS			
Stores, spare parts and loose tools	39,067,945	43,363,242	34,496,210
Stock in trade	279,979,126	283,262,813	277,216,929
Trade debts	151,325,702	149,258,559	244,272,544
Loans and advances	49,626,133	37,966,388	45,659,566
Trade deposits and short term prepayments	145,881,085	39,680,406	719,394
Tax refunds due from Government	42,204,143	40,913,362	37,366,565
Cash and bank balances	12,914,881	17,955,129	20,974,235
	720,999,015	612,399,899	660,705,443
TOTAL ASSETS	1,704,088,803	1,599,822,479	1,590,181,757
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
50,000,000 (June 30, 2014: 50,000,000) ordinary shares of Rs. 10/- each	500,000,000	500,000,000	500,000,000
solves (valie so, 221 ii solves) ordinary shares or his 107 each	300,000,000	300,000,000	300,000,000
Issued, subscribed and paid up capital			
49,292,600 (June 30, 2014: 49,292,600) ordinary shares of Rs. 10/- each			
	492,926,000	492,926,000	492,926,000
Reserves	68,455	75,565	59,301
Accumulated loss	(85,479,356)	(68,613,968)	(83,251,623)
	407,515,099	424,387,597	409,733,678
SURPLUS ON REVALUATION OF PROPERTY PLANT AND EQUIPMENT - NET OF			
TAX	226,029,036	227,532,398	232,014,914
	,	,,	,_,,,,,,
NON CURRENT LIABILITIES			
Long term financing from associated undertakings - unsecured	415,739,764	415,739,764	417,184,624
Long term financing from directors and others- unsecured	260,427,659	246,640,580	204,524,629
Long term borrowings - Term finance	100,000,000		-
Deferred liabilities	13,315,482	13,306,682	20,636,827
	789,482,905	675,687,026	642,346,080
CURRENT LIABILITIES			
Trade and other payables	171,501,358	175,262,844	192,444,961
Accrued mark up / interest	4,126,191	3,065,230	3,091,583
Short term borrowings	80,434,215	68,887,384	85,550,542
Current portion of :	45 000 000	45 000 000	45 000 000
Long term financing from associated undertaking Long term financing from directors and others	15,000,000 10,000,000	15,000,000 10,000,000	15,000,000 10,000,000
Long term initialiting from directors and others			
CONTINCENCIES AND COMMITMENTS	281,061,764	272,215,458	306,087,086
CONTINGENCIES AND COMMITMENTS	4.70 / 202 202	4 500 000 150	4 500 101 555
TOTAL EQUITY AND LIABILITIES	1,704,088,803	1,599,822,479	1,590,181,757



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	30-Sep-14	30-Sep-13
Sales - net	372,238,796	596,309,826
Cost of sales	(374,565,880)	(594,987,586)
Gross (loss) / profit	(2,327,084)	1,322,240
Operating expenses		
Distribution cost	(1,902,420)	(1,825,113)
Administrative expenses	(5,333,984)	(4,917,757)
Other operating expenses	(655,479)	(578,775)
	(7,891,883)	(7,321,645)
Operating loss	(10,218,967)	(5,999,405)
Other operating income	178,937	687,805
Finance cost	(4,725,807)	(2,190,337)
Loss before taxation	(14,765,838)	(7,501,937)
Taxation	(3,602,913)	(5,578,527)
Loss for the period	(18,368,750)	(13,080,464)
Loss per share - basic and diluted	(0.3726)	(0.2654)

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



REDCO TEXTILES LIMITED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	30-Sep-14	30-Sep-13
Loss for the period after taxation	(18,368,750)	(13,080,464)
Other comprehensive income / (Loss):		
Available for sale financial assets (Loss)/Gain arised during the period	(7,110)	3,135
Total comprehensive loss for the period	(18,375,860)	(13,077,329)

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



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

Loss before taxation		30-Sep-14	30-Sep-13
Adjustment for non cash items: Depreciation Provision for staff retirement benefits Finance cost Depreting profit before working capital changes (Increase) / decrease in current assets Stores, spares and loose tools Stock in trade Trade debts Advances, deposits, prepayments and other receivables Cash used in operations Cash used in operations Staff retirement benefits paid Interest paid Taxes paid Cash used in operating activities CASH FLOWS FROM INVESTING ACTIVITIES Fixed assets purchased Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Net (decrease) in crease in cash and cash equivalents Net (decrease) in carrent in and others Long term borrowings Current Portion of long term financing activities Net (decrease) in carrent loans from associated undertakings Current Portion of long term financing from directors and others Long term Dorrowings Current Portion of long term financing activities Net (decrease) in carrent financing from directors and others Long term borrowings Current Portion of long term financing from directors and others Long term financing from directors and others Long term fortion of long term financing from directors and others Long term fortion of long term financing from directors and others Long term fortion of long term financing from directors and others Long term fortion of long term financing from directors and others Long term fortion of long term financing from directors and others Long term fortion of long term financing from directors and others Long term borrowings Current Portion of long term financing from directors and others Long term fortion of long term financing from directors and others Long term borrowings Long term financing from directors and others Long term financing from directors an	CASH FLOWS FROM OPERATING ACTIVITIES	-	
Depreciation	Loss before taxation	(14,765,838)	(7,501,937)
Provision for staff retirement benefits	Adjustment for non cash items:		
Finance cost 4,725,807 2,190,337 18,250,236 14,183,110 Operating profit before working capital changes 3,484,398 6,681,173 (Increase) / decrease in current assets Stores, spares and loose tools 4,295,297 1,238,805 Stock in trade 3,283,687 (2,067,143) (16,067,007) (2,067,143) (16,067,007) (2,067,143) (16,067,007) (2,067,143) (16,067,007) (2,067,143) (16,067,007) (2,067,143) (16,067,007) (2,067,143) (16,067,007) (2,248,583) (49,294,311) Increase / (decrease) in current liabilities Trade and other payables (3,761,486) 30,375,108 Cash used in operations (112,625,670) (12,238,030) Staff retirement benefits paid (3,664,846) (3,798,781) (4,889,694) (5,006,761) (9,965,740) (9,498,542) (1,411,200) (693,000) (1,411,200) (693,000) (1,411,200) (1,4	Depreciation	12,104,429	11,297,773
18,250,236 14,183,110	Provision for staff retirement benefits		· ·
Operating profit before working capital changes 3,484,398 6,681,173	Finance cost	4,725,807	2,190,337
(Increase) / decrease in current assets Stores, spares and loose tools Stock in trade 3,283,687 (2,067,143) Trade debts (2,067,143) Advances, deposits, prepayments and other receivables (117,860,424) (117,860		18,250,236	14,183,110
Stores, spares and loose tools 3,283,687 8,826,291 1,238,805 8,826,291 1,238,805 8,826,291 1,238,805 8,826,291 1,238,805 8,826,291 1,238,805 8,826,291 1,238,805 8,826,291 1,238,805 8,826,291 1,238,805 8,826,291 1,238,805 1,260,671,43 (2,067,143) (2,067,143) (1,067,007) (117,860,424) (117,860,424) (117,860,424) (112,348,583) (49,294,311) 1 1 1 1 1 1 1 1 1	Operating profit before working capital changes	3,484,398	6,681,173
Stock in trade 3,283,687 (8,826,291) Trade debts (2,067,143) (16,067,007) (25,639,818) (225,63	(Increase) / decrease in current assets		
Trade debts	Stores, spares and loose tools	4,295,297	1,238,805
Advances, deposits, prepayments and other receivables (117,860,424) (25,639,818) (112,348,583) (49,294,311) Increase / (decrease) in current liabilities Trade and other payables Cash used in operations (112,625,670) (12,238,030) Staff retirement benefits paid (1,411,200) (693,000) Interest paid (3,664,846) (3,798,781) Taxes paid Advances, deposits, prepayments and tothers Interest paid (4,889,694) (5,006,761) (9,965,740) (9,498,542) Net cash used in operating activities CASH FLOWS FROM INVESTING ACTIVITIES Fixed assets purchased (7,782,747) (4,652,771) Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance Short term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 Cash and cash equivalents at the beginning of the period (25,039,318) (49,294,311) (49,294,311) (49,294,311) (49,294,311) (40,692,670) (112,238,030) (112,625,670) (112,238,030) (112,625,670) (112,238,030) (122,38,030) (122,38,030) (122,38,030) (124,899) (4,889,944) (5,006,761) (4,652,771) (4,652,	Stock in trade	3,283,687	(8,826,291)
Increase / (decrease) in current liabilities Trade and other payables (3,761,486) 30,375,108 Cash used in operations (112,625,670) (12,238,030) Staff retirement benefits paid (1,411,200) (693,000) Interest paid (3,664,846) (3,798,781) Taxes paid (4,889,694) (5,006,761) (9,965,740) (9,985,742) Net cash used in operating activities (122,591,410) (21,736,572) CASH FLOWS FROM INVESTING ACTIVITIES Fixed assets purchased (7,782,747) (4,652,771) Net cash used in investing activities (7,782,747) (4,652,771) CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings 1,787,079 Long term financing from directors and others 13,787,079 Long term borrowings - Term finance 100,000,000 Short term borrowings - Term finance 11,546,831 (2,999,728) Current Portion of long term loans from associated undertakings (88,006) Current Portion of long term financing from directors and others (244,899) Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 Cash and cash equivalents at the beginning of the period 17,955,129 20,974,235	Trade debts	(2,067,143)	(16,067,007)
Increase / (decrease) in current liabilities	Advances, deposits, prepayments and other receivables	(117,860,424)	(25,639,818)
Trade and other payables (3,761,486) 30,375,108 Cash used in operations (112,625,670) (12,238,030) Staff retirement benefits paid (1,411,200) (693,000) Interest paid (3,664,846) (3,798,781) Taxes paid (4,889,694) (5,006,761) Pop. 65,740 (9,498,542) Net cash used in operating activities (122,591,410) (21,736,572) CASH FLOWS FROM INVESTING ACTIVITIES (7,782,747) (4,652,771) Net cash used in investing activities (7,782,747) (4,652,771) CASH FLOWS FROM FINANCING ACTIVITIES (7,782,747) (4,652,771) Loan from associated undertakings - 41,500,000 Long term financing from directors and others 100,000,000 - Long term borrowings - Term finance 100,000,000 - Short term borrowings 11,546,831 (2,909,728) Current Portion of long term loans from associated undertakings - (88,006) Current Portion of long term financing activities 125,333,909 38,257,367 Net (decrease)/ increase in cash and cash equivalents ((112,348,583)	(49,294,311)
Cash used in operations (112,625,670) (12,238,030) Staff retirement benefits paid (1,411,200) (693,000) Interest paid (3,664,846) (3,798,781) Taxes paid (4,889,694) (5,006,761) (9,965,740) (9,498,542) Net cash used in operating activities (122,591,410) (21,736,572) CASH FLOWS FROM INVESTING ACTIVITIES (7,782,747) (4,652,771) Net cash used in investing activities (7,782,747) (4,652,771) CASH FLOWS FROM FINANCING ACTIVITIES 13,787,079 41,500,000 Long term financing from directors and others 13,787,079 - Long term borrowings - Term finance 100,000,000 - Short term borrowings 11,546,831 (2,909,728) Current Portion of long term loans from associated undertakings - (88,006) Current Portion of long term financing activities 125,333,909 38,257,367 Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 Cash and cash equivalents at the beginning of the period 17,955,129 20,974,235			
Staff retirement benefits paid (1,411,200) (693,000) (693,000) (693,000) (3,664,846) (3,798,781) (4,889,694) (5,006,761) (9,965,740) (9,965,740) (9,9498,542) (21,736,572) (2	Trade and other payables	(3,761,486)	30,375,108
Interest paid (3,664,846) (3,798,781) (4,889,694) (5,006,761) (9,965,740) (9,498,542) (122,591,410) (21,736,572) (21,736,572) (21,736,572) (21,736,572) (21,736,572) (21,736,572) (3,652,771) (4,6	Cash used in operations	(112,625,670)	(12,238,030)
Taxes paid (4,889,694) (5,006,761) (9,965,740) (9,498,542) Net cash used in operating activities (122,591,410) (21,736,572) CASH FLOWS FROM INVESTING ACTIVITIES Fixed assets purchased (7,782,747) Net cash used in investing activities (7,782,747) CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (5,040,248) 11,868,025 17,955,129 20,974,235	Staff retirement benefits paid	(1,411,200)	(693,000)
Net cash used in operating activities (122,591,410) (21,736,572) CASH FLOWS FROM INVESTING ACTIVITIES Fixed assets purchased (7,782,747) (4,652,771) Net cash used in investing activities (7,782,747) (4,652,771) CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance 100,000,000 Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities 125,333,909 38,257,367 Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 Cash and cash equivalents at the beginning of the period 17,955,129 20,974,235	Interest paid	(3,664,846)	(3,798,781)
Net cash used in operating activities (122,591,410) (21,736,572) CASH FLOWS FROM INVESTING ACTIVITIES Fixed assets purchased (7,782,747) (4,652,771) Net cash used in investing activities (7,782,747) (4,652,771) CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities (2,909,728) Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 Cash and cash equivalents at the beginning of the period 17,955,129 20,974,235	Taxes paid	(4,889,694)	(5,006,761)
CASH FLOWS FROM INVESTING ACTIVITIES Fixed assets purchased (7,782,747) (4,652,771) Net cash used in investing activities (7,782,747) (4,652,771) CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (4,652,771) (4,652,771) 41,500,000 13,787,079 100,000,000 113,787,079 100,000,000 11,546,831 (2,909,728) (244,899) 38,257,367		(9,965,740)	(9,498,542)
Fixed assets purchased (7,782,747) (4,652,771) Net cash used in investing activities (7,782,747) (4,652,771) CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771) (4,652,771)	Net cash used in operating activities	(122,591,410)	(21,736,572)
Net cash used in investing activities (7,782,747) (4,652,771) CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (4,652,771) 41,500,000 -1,10,000,000 -1,	CASH FLOWS FROM INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period Long term financing from directors and others 100,000,000 11,546,831 (2,909,728) (88,006) (244,899) 125,333,909 38,257,367 Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 20,974,235	Fixed assets purchased	(7,782,747)	(4,652,771)
Loan from associated undertakings Long term financing from directors and others Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period 41,500,000 100,000,000 11,546,831 (2,909,728) (88,006) (244,899) 38,257,367 Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 20,974,235	Net cash used in investing activities	(7,782,747)	(4,652,771)
Long term financing from directors and others Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period 13,787,079 100,000,000 - (2,909,728) (88,006) (244,899) 125,333,909 38,257,367 11,868,025 20,974,235	CASH FLOWS FROM FINANCING ACTIVITIES		
Long term borrowings - Term finance Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period 100,000,000 11,546,831 (2,909,728) (88,006) (244,899) 125,333,909 38,257,367 Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 20,974,235	Loan from associated undertakings	-	41,500,000
Short term borrowings Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period 11,546,831 (2,909,728) (88,006) (244,899) 125,333,909 38,257,367 Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 20,974,235	Long term financing from directors and others	13,787,079	
Current Portion of long term loans from associated undertakings Current Portion of long term financing from directors and others Net cash generated from financing activities Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period Current Portion of long term loans from associated undertakings (288,006) (2244,899) (25,333,909) (25,333,909) (26,040,248) (27,367) (27,367) (28,006) (244,899) (29,367) (20,974,235)	Long term borrowings - Term finance	100,000,000	-
Current Portion of long term financing from directors and others Net cash generated from financing activities 125,333,909 38,257,367 Net (decrease)/ increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period 17,955,129 20,974,235	Short term borrowings	11,546,831	(2,909,728)
Net cash generated from financing activities125,333,90938,257,367Net (decrease)/ increase in cash and cash equivalents(5,040,248)11,868,025Cash and cash equivalents at the beginning of the period17,955,12920,974,235	Current Portion of long term loans from associated undertakings	-	(88,006)
Net (decrease)/ increase in cash and cash equivalents (5,040,248) 11,868,025 Cash and cash equivalents at the beginning of the period 17,955,129 20,974,235	Current Portion of long term financing from directors and others	-	(244,899)
Cash and cash equivalents at the beginning of the period 17,955,129 20,974,235	Net cash generated from financing activities	125,333,909	38,257,367
	Net (decrease)/ increase in cash and cash equivalents	(5,040,248)	11,868,025
Cash and cash equivalents at the end of the period 12,914,881 32,842,260	Cash and cash equivalents at the beginning of the period	17,955,129	20,974,235
	Cash and cash equivalents at the end of the period	12,914,881	32,842,260

CHIEF EXECUTIVE DIRECTOR

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



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	Share Capital	Accumulated Profit/(Loss)	Fair Value Reserve	Total
Balance as at June 30, 2013 - restated	492,926,000	(83,251,623)	59,301	409,733,678
Total comprehensive (loss) / income for the period	-	(13,080,464)	3,135	(13,077,329)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	1,582,486	-	1,582,486
Balance as at September 30, 2013 - restated	492,926,000	(94,749,601)	62,436	398,238,835
Balance as at June 30, 2014	492,926,000	(68,613,968)	75,565	424,387,597
Total comprehensive loss for the period	-	(18,368,750)	(7,110)	(18,375,860)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	1,503,362	-	1,503,362
Balance as at September 30, 2014	492,926,000	(85,479,356)	68,455	407,515,099

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



SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

1 STATUS AND NATURE OF BUSINESS

Redco Textiles Limited is a Public Limited Company which commenced operations in October 1991. It was incorporated under the Companies Ordinance 1984 and is listed on the Karachi and Lahore Stock Exchanges. Redco's principal activities include manufacture and sale of yarn and greige fabric. The registered office of the company is situated at 78-E, Redco Arcade, Blue Area, Islamabad.

2 BASIS OF PRESENTATION

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, 2014.

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

These financial statements have been prepared in accordance with the approved financial reporting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984 or the requirements of the said directive take precedence.

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 June 30, 2014.

4 DATE OF AUTHORIZATION

These condensed interim financial statements have been authorized for issue by the board of Directors of the Company on 30th October 2014.

5 GENERAL

Figures have been rounded off to the nearest rupees.



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