



REDCO TEXTILES LIMITED

ISO 9001 Certified

Quarterly Report as at 31st March 2025



REDCO TEXTILES LIMITED

ISO 9001 2000 Certified

Company Information

Board of Directors

Mrs. Manizah Saif	Chairperson
Mrs. Sarah Muhammad Saya	Chief Executive
Mr. Junaid Khan	
Mr. Irfan Ahmed Siddiqi	
Mr. Ahsan Ur Rehman Khan	
Ms. Ayesha Saif Khan	
Mr. Khalid Rehman Khan	

Chief Financial Officer

Mr. Monim Ul Haq

Company Secretary

Mr. Muhammad Kashif

Auditors

Mushtaq & Co, Chartered Accountants

Audit Committee

Mr. Irfan Ahmed Siddiqi	Chairman
Mrs. Manizah Saif	Member
Mr. Ahsan Ur Rehman Khan	Member

HR and Remuneration Committee

Mr. Irfan Ahmed Siddiqi	Chairman
Mrs. Sarah Muhammad Saya	Member
Mrs. Manizah Saif	Member

Registered Office

Redco Textiles Limited, Redco Arcade, 78 -E, Blue Area, Islamabad 44000, Pakistan.
Tel: (+92-51) 2344251-57 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) 4610401 E-mail: redcotextilemills@redcogroup.com



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Directors' Report

Dear Shareholders,

We are pleased to present our quarterly report of your company's performance as on March 31, 2025.

The business landscape over the past year presented several challenges, including a significant rise in power tariffs, elevated financial costs, a downturn in the fabric market, and reduced demand across the textile value chain. Despite these obstacles, the company managed to maintain profitability. The nine months period under review incurred profit before levies and taxation of Rs. 149.80 million and profit after levies and taxation of Rs. 130.08 million as compared to the previous nine months corresponding period profit before levies and taxation of Rs. 111.98 million and profit after levies and taxation of Rs. 92.94 million.

The highlights of the nine months period include:

- ❖ Increase in sales revenue by 34.11% (1413.13 million) as compared to last corresponding period (1053.67 million).
- ❖ These nine months incurred gross profit of 11.18% (158 million) as compared to gross profit of 3.0% (31.50 million) in previous corresponding period.

During the quarter ended March 31, 2025 the Company incurred profit before levies and taxation of Rs. 3.31 million as compared to the previous quarter profit before levies and taxation of Rs. 41.31 million. The decline in profit in this quarter is due to the fact that management is in process of installation of Solar Plant of almost 4 Mega Watt which is near completion causing stoppages for trial and testing of the said solar unit. It is expected that 4 Mega Watt solar will be fully operational by the end of April 2025 and which reduce energy costs significantly. Since the Company has been enduring a persistently challenging economic landscape, the profit margins for our products have been under pressure and the demand for fabric remains lackluster. However, management had overcome the main challenges of inflation and reduced consumer demand. Your management is aware of the current difficult situation and is consistently evaluating its approach to meet customer demands, enhance productivity through innovation, efficiency and effective cost management initiatives. The recent Standby Agreement (SBA) with the IMF provided breathing space to the deteriorating economy. The IMF deal is likely to restore market confidence and hopefully will lead to a revival of economic activities within the Country. Despite the overall uncertainty and challenges faced by the textile sector, the management is committed to safeguard the interests of the Company's esteemed shareholders.

For and on behalf of the Board,

Sarah Muhammad Saya
Chief Executive Officer

Irfan Ahmed Siddiqi
Director

Islamabad
Dated: April 30, 2025



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REDCO TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-Audited) AS AT MARCH 31, 2025

	March 31, 2025	June 30, 2024
	Unaudited Rupees	Audited Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	2,494,476,827	2,558,812,915
Long term investment	116,365	67,685
Long term deposits	19,681,879	19,681,879
	2,514,275,071	2,578,562,479
CURRENT ASSETS		
Stores, spare parts and loose tools	497,032,586	484,090,507
Stock in trade	43,135,984	55,548,215
Trade debts	269,260,328	286,482,851
Loans, advances and other receivables	415,694,795	34,414,671
Short term investments	22,000,000	130,000,000
Trade deposits and short term prepayments	786,179	77,599
Tax refunds due from Government	54,238,735	93,403,542
Cash and bank balances	165,324,636	136,820,685
	1,467,473,243	1,220,838,070
TOTAL ASSETS	3,981,748,314	3,799,400,549
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital		
80,000,000 (June 30, 2024: 80,000,000)		
ordinary shares of Rs. 10/- each	800,000,000	800,000,000
Issued, subscribed and paid up capital		
49,292,600 (June 30, 2024: 49,292,600)		
ordinary shares of Rs. 10/- each	492,926,000	492,926,000
Surplus on revaluation of property, plant and equipment - net of tax	852,350,987	869,396,739
Director's loan	69,599,501	69,599,501
Other reserves	61,290	12,610
Accumulated loss	(281,955,255)	(429,078,000)
	1,132,982,523	1,002,856,850
NON CURRENT LIABILITIES		
Staff retirement benefits - gratuity	27,968,568	27,964,686
Deferred taxation	76,231,764	81,977,732
	104,200,332	109,942,418
CURRENT LIABILITIES		
Trade and other payables	320,889,706	222,701,408
Short term borrowings from associated undertakings	973,692,382	871,701,203
Short term borrowings from directors and others	1,449,983,371	1,592,198,670
	2,744,565,459	2,686,601,281
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	3,981,748,314	3,799,400,549

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



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CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Nine Months Ended		Quarter Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Rupees		Rupees	
Sales - net	1,413,125,184	1,053,668,783	488,852,512	428,167,021
Cost of sales	(1,255,159,817)	(1,022,170,367)	(479,115,675)	(378,288,386)
Gross profit	157,965,367	31,498,416	9,736,837	49,878,635
Operating expenses				
Distribution cost	(1,918,247)	(1,827,980)	(706,871)	(1,542,914)
Administrative expenses	(18,578,510)	(17,010,380)	(5,863,388)	(4,581,919)
Other operating expenses	(3,683,105)	(3,524,356)	(1,243,096)	(1,167,589)
	(24,179,862)	(22,362,716)	(7,813,355)	(7,292,422)
Operating profit	133,785,505	9,135,700	1,923,482	42,586,213
Other income	17,690,314	104,549,324	2,656,193	141,915
Finance cost	(1,679,403)	(1,707,780)	(1,272,532)	(1,417,792)
Profit before levies and taxation	149,796,416	111,977,244	3,307,143	41,310,336
Levies	(25,465,391)	(19,036,131)	(562,215)	(7,022,757)
Profit before taxation	124,331,025	92,941,113	2,744,928	34,287,579
Taxation				
Current Tax	-	-	-	-
Deferred Tax	5,745,968	-	38,421,602	-
	5,745,968	-	38,421,602	-
Profit for the period	130,076,993	92,941,113	41,166,530	34,287,579
Earnings per share - basic and diluted	2.639	1.885	0.835	0.696

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

REDCO TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Nine Months Ended		Quarter Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Rupees		Rupees	
Profit for the period	130,076,993	92,941,113	41,166,530	34,287,579
Other comprehensive income:				
Item that may be reclassified subsequently to profit or loss	-	-	-	-
Item that will never be reclassified subsequently to profit or loss				
Investment at Fair Value through OCI				
Fair value gain arised during the period	48,680	21,825	60,140	4,600
Total comprehensive income for the period	130,125,673	92,962,938	41,226,670	34,292,179

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Share Capital	Capital Reserves		Director's Loan	Revenue Reserve	Total equity
		Unrealized gain/(loss) on investment measured at FVTOCI	Revaluation Surplus		Accumulated loss	
Rupees						
Balance as at June 30, 2023	492,926,000	(16,075)	381,964,314	69,599,501	(640,479,489)	303,994,251
Profit for the period after taxation	-	-	-	-	92,941,113	92,941,113
Other comprehensive income for the nine months ended March 31, 2024	-	21,825	-	-	-	21,825
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	(2,975,048)	-	2,975,048	-
Balance as at March 31, 2024	492,926,000	5,750	378,989,266	69,599,501	(544,563,328)	396,957,189
Balance as at June 30, 2024	492,926,000	12,610	869,396,739	69,599,501	(429,078,000)	1,002,856,850
Profit for the period after taxation	-	-	-	-	130,076,993	130,076,993
Other comprehensive income for the nine months ended March 31, 2025	-	48,680	-	-	-	48,680
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	(17,045,752)	-	17,045,752	-
Balance as at March 31, 2025	492,926,000	61,290	852,350,987	69,599,501	(281,955,255)	1,132,982,523

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

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CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

	March 31, 2025	March 31, 2024
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Levies and taxation	149,796,416	111,977,244
Adjustment for non cash items:		
Depreciation	74,425,647	59,444,900
Provision for staff retirement benefits - gratuity	7,185,999	8,406,000
Gain on sale of property, plant and equipment	(2,380,630)	(6,547,004)
Finance cost	1,679,403	1,707,780
	80,910,419	63,011,676
Operating profit before working capital changes	230,706,835	174,988,920
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(12,942,079)	289,463,857
Stock in trade	12,412,231	116,084,194
Trade debts	17,222,523	(327,212,116)
Loans, advances, other receivables & trade deposits	(381,988,704)	(91,834,920)
	(365,296,029)	(13,498,985)
Increase / (decrease) in current liabilities		
Trade and other payables	98,188,298	(242,455,412)
Cash (used in) / generated from operations	(36,400,896)	(80,965,478)
Staff retirement benefits - gratuity paid	(7,182,118)	(8,399,291)
Finance cost paid	(1,679,403)	(1,707,780)
Taxes paid	13,699,416	112,425,959
	4,837,895	102,318,888
Net cash (used in) / generated from operating activities	(31,563,001)	21,353,410
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment - acquired	(4,600,000)	-
Proceeds from sale of assets	2,880,000	13,100,000
Capital work in progress - solar system	(5,988,928)	-
Investment in term deposit certificate	108,000,000	-
Net cash generated / (used in) from investing activities	100,291,072	13,100,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings from associated undertakings	101,991,179	24,225,734
Short term borrowings from directors and others - net	(142,215,299)	(2,111,357)
Net cash (used in) / generated from financing activities	(40,224,120)	22,114,377
Net increase / (decrease) in cash and cash equivalents	28,503,951	56,567,787
Cash and cash equivalents at the beginning of the period	136,820,685	48,542,883
Cash and cash equivalents at the end of the period	165,324,636	105,110,670

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



REDCO TEXTILES LIMITED

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SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

1 COMPANY AND ITS OPERATIONS

Redco Textiles Limited is a Public Limited Company which commenced operations in October 1991. It was incorporated under the Repealed Companies Ordinance 1984, now the Companies Act, 2017 and is listed on the Pakistan Stock Exchange Limited. 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. The manufacturing facility is located at 3-km, Rawat-Kallar Seydan Road, P.O Sagri, Rawat, District Rawalpindi in the Province of Punjab.

2 BASIS OF PRESENTATION

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 Accounting Standard '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 2024.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Pakistan Stock Exchange Limited and section 237 of the Companies Act, 2017.

These condensed interim financial statements have been prepared in accordance with the approved financial reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017. Wherever the requirements of the Companies Act, 2017 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Act, 2017 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 as at and for the preceding year ended June 30, 2024.

4 DATE OF AUTHORIZATION

These condensed interim financial statements have been authorized for issue by the board of Directors of the Company on 30th April 2025.

5 GENERAL

Figures have been rounded off to the nearest rupees.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

ڈائریکٹر رپورٹ

محترم حصص داران

ہم 31 مارچ 2025ء کو ختم ہونے والی سہ ماہی کی کارکردگی پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

گزشتہ سال کے دوران کاروباری ماحول نے کئی چیلنجز پیش کیے جن میں بجلی کے نرخوں میں نمایاں اضافہ، مالی اخراجات میں زیادتی، کپڑے کی مارکیٹ میں کمی اور ٹیکسٹائل ویلیو چین میں مجموعی طور پر طلب میں کمی شامل ہیں۔

زیر نظر نو ماہ کے عرصہ میں قبل از لیویز اور ٹیکس منافع (149.80 ملین روپے) اور بعد از لیویز اور ٹیکس منافع (130.08 ملین روپے) رہا ہے جبکہ اس کے مقابلہ میں گزشتہ اسی نو ماہ کی مدت میں قبل از لیویز اور ٹیکس منافع (111.98 ملین روپے) اور بعد از لیویز اور ٹیکس منافع (92.94 ملین روپے) تھا۔

زیر نظر نو ماہ کے اہم نکات درج ذیل ہیں۔

- فروخت کے حجم میں گزشتہ اسی مدت (1053.67 ملین روپے) کے مقابلہ میں 34.11 فیصد (1413.13 ملین روپے) اضافہ ہوا ہے۔
- ان نو ماہ میں خالص منافع گزشتہ اسی مدت کے خالص منافع 3 فیصد (31.5 ملین روپے) کے مقابلہ میں 11.18 فیصد (158 ملین روپے) رہا ہے۔

31 مارچ 2025 کو ختم ہونے والی سہ ماہی کے دوران کمپنی کو پچھلی سہ ماہی میں ہونے والے 41.31 ملین روپے کے بعد از لیویز اور ٹیکس منافع کے مقابلہ میں 3.31 ملین روپے رہا ہے۔

اس سہ ماہی میں منافع میں کمی کی وجہ یہ ہے کہ کمپنی تقریباً 4 میگا واٹ کے شمسی توانائی کی تنصیب کے مرحلے میں ہے جو تکمیل کے قریب ہے اور آزمائشی و تجرباتی مراحل کے دوران عارضی رکاوٹوں نے پیداواری سرگرمیوں کو متاثر کیا۔ امید ہے کہ 4 میگا واٹ کا شمسی توانائی کا منصوبہ اپریل 2025 کے آخر تک مکمل طور پر فعال ہو جائے گا جس سے توانائی کے اخراجات میں نمایاں کمی آئے گی۔ چونکہ کمپنی مسلسل مشکل اقتصادی حالات کا سامنا کر رہی ہے ہماری مصنوعات کے منافع کی شرح پر دباؤ ہے مہنگائی اور توانائی کی بلند لاگت کی وجہ سے کپڑے کی طلب میں کمی ہے انتظامیہ موجودہ صورتحال کو مد نظر رکھتے ہوئے صارفین کی ضروریات کو جدت، کارکردگی اور اخراجات کو قابو میں رکھتے ہوئے پیداوار بڑھانے کے لیے اپنی حکمت عملی کا مسلسل جائزہ لے رہی ہے۔ آئی۔ ایم۔ ایف کے ساتھ موجودہ اسٹینڈ بائی معاہدے نے معیشت کو کچھ سہارا فراہم کیا ہے اس معاہدے سے مارکیٹ میں اعتماد بحال ہونے کی امید ہے اور توقع ہے کہ ملک میں معاشی سرگرمیوں میں بہتری آئے گی۔ انتظامیہ ٹیکسٹائل صنعت کو درپیش مجموعی غیر یقینی صورتحال اور چیلنجز کے باوجود کمپنی کے معزز حصص داران کے مفادات کے تحفظ کے لیے پرعزم ہے۔

عرفان احمد صدیقی

ڈائریکٹر

بنگم بورڈ آف ڈائریکٹرز

سارہ محمد سانیہ

سی۔ ای۔ او

بتاریخ: 30 اپریل 2025



REDCO TEXTILES LIMITED

www.redcotextiles.com

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