

RAILWAY ESTATE DEVELOPMENT & MARKETING COMPANY (PRIVATE) LIMITED

HALF-YEARLY FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 31 DECEMBER, 2025

RAILWAY ESTATE DEVELOPMENT & MARKETING COMPANY (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DEC 31, 2025

	Note	Dec 2025	June 2025
		--------Rupees--------	
NON - CURRENT ASSETS			
Property, plant and equipment	4	43,340,773	17,332,840
Deferred tax asset	5	-	194,467
Security deposit	6	1,503,610	471,600
		44,844,383	17,998,907
CURRENT ASSETS			
Advances and prepayments	7	1,236,511	21,740,171
Income tax refund due from the government	8	14,657,251	10,439,771
Short term investment	9	-	47,377,500
Bank balances	10	451,708,617	80,269,147
		467,602,379	159,826,589
TOTAL ASSETS		512,446,762	177,825,496
SHARE CAPITAL AND RESERVES			
Authorized capital:			
10,000 (2024 : 10,000) ordinary shares of Rs. 10 each		100,000	100,000
Issued, subscribed and paid-up capital	11	100,000	100,000
Unappropriated profit		96,806,220	103,279,361
		96,906,220	103,379,361
NON-CURRENT LIABILITIES			
Staff retirement benefits - Gratuity	12	1,200,625	1,277,825
Deferred Tax Liability		961,732	
		2,162,357	1,277,825
CURRENT LIABILITIES			
Unearned Revenues		272,704,208	-
Trade and other payables	13	140,673,977	73,168,310
		413,378,185	73,168,310
CONTINGENCIES AND COMMITMENTS	14	-	-
TOTAL EQUITY & LIABILITIES		512,446,762	177,825,496

The annexed notes 1 to 21 form an integral part of these financial statements.

Chief Executive Officer

Director

RAILWAY ESTATE DEVELOPMENT & MARKETING COMPANY (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED DEC 31, 2025

	Note	Dec 2025	Dec 2024
		--------Rupees--------	
Income	15	63,265,298	56,067,426
Marketing / advertisement cost		(8,136,075)	(275,713)
Transaction Advisory / Evaluation services		(9,875,000)	(698,000)
Gross profit		45,254,223	55,093,713
Administrative expenses	16	(49,780,349)	(30,692,443)
Other income		-	-
(Loss)/ Profit before taxation		(4,526,126)	24,401,270
Taxation	17	(1,947,015)	(4,617,921)
(Loss)/ Profit after taxation		(6,473,141)	19,783,349

The annexed notes 1 to 21 form an integral part of these financial statements.

Chief Executive Officer

Director

RAILWAY ESTATE DEVELOPMENT & MARKETING COMPANY (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DEC 31, 2025

	Dec 2025	Dec 2024
	--------Rupees--------	
Profit after taxation	(6,473,141)	19,783,349
Other comprehensive income	-	-
Total comprehensive income	(6,473,141)	19,783,349

The annexed notes 1 to 21 form an integral part of these financial statements.

Chief Executive Officer

Director

RAILWAY ESTATE DEVELOPMENT & MARKETING COMPANY (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DEC 31, 2025

	Share capital	Unappropriated profit	Total
		--------Rupees--------	
Balance as at 30 June, 2024	100,000	32,602,355	32,702,355
Total comprehensive income for the year			
Profit after taxation	-	19,783,349	19,783,349
Other comprehensive income	-	-	-
	-	19,783,349	19,783,349
Balance as at December 31, 2024	100,000	52,385,704	52,485,704
Total comprehensive income for the year			
Profit after taxation	-	50,893,657	50,893,657
Other comprehensive income	-	-	-
	-	50,893,657	50,893,657
Balance as at Jun 30, 2025	100,000	103,279,361	103,379,361
Total comprehensive income for the period			
Profit after taxation	-	(6,473,141)	(6,473,141)
Other comprehensive income	-	-	-
	-	(6,473,141)	(6,473,141)
Balance as at Dec 31, 2025	100,000	96,806,220	96,906,220

The annexed notes 1 to 21 form an integral part of these financial statements.

Chief Executive Officer

Director

RAILWAY ESTATE DEVELOPMENT & MARKETING COMPANY (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DEC 31, 2025

	Note	Dec 2025	Dec 2024
		--------Rupees--------	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		(4,526,126)	24,401,270
Adjustment for:			
Depreciation	4	4,110,335	1,691,042
Provision for gratuity	12	-	-
Cash flows before working capital changes		(415,791)	26,092,312
Changes in working capital:			
(Increase)/decrease in current assets:			
Advances and prepayments		19,471,650	212,500
		19,471,650	212,500
Increase/(decrease) in current liabilities:			
Unearned Revenues		272,704,208	
Trade and other payables		67,505,667	317,109,864
		340,209,875	317,109,864
Cash (used in)/generated from operations		359,265,734	343,414,676
Payments for:			
Employee benefits	12.1	(77,200)	-
Income tax withheld	8.1	(5,008,294)	(5,932,693)
Net cash (used in) / generated from operating activities		354,180,240	337,481,983
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure	4	(30,118,270)	(1,625,770)
Short term investments	9	47,377,500	(24,600,000)
Net cash used in investing activities		17,259,230	(26,225,770)
CASH FLOW FROM FINANCING ACTIVITIES		-	-
Net cash inflow from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		371,439,470	311,256,213
Cash and cash equivalents at beginning of the year		80,269,147	236,815,865
Cash and cash equivalents at end of the year	10	451,708,617	548,072,079

The annexed notes 1 to 21 form an integral part of these financial statements.

Chief Executive Officer

Director

RAILWAY ESTATE DEVELOPMENT & MARKETING COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Railway Estate Development and Marketing Company (Private) Limited 'REDAMCO' "the Company" was incorporated on 12th March, 2012 under repealed Companies Ordinance 1984, as a private company limited by shares vide Registration No. 0078902.

1.2 The objective of the Company is to carry on the business of managing, maintaining, developing, promoting, improving, utilizing, performing and undertaking the non-core revenue generating activities of its parent entity i.e. Ministry of Railways or its successor entity/organization/corporation/department for and on its behalf, including but not limited to development of its real estate and management of selling rights of various products over the entire railway network, whether exclusively or in co-operation or collaboration with it or any other entity. The Company is wholly owned subsidiary of Ministry of Railways (MoR) Government of Pakistan. The registered office of the Company was situated at House No. 82, Stephenson Road, Near Railway Officer's Club, Rawalpindi. However subsequent to year end application has been filed with SECP for a change in address to 1st floor, carriage factory, I-11/1, Islamabad. The Company is authorized by the Ministry of Railways through a notification No. 24(2)/2012-E-I dated April 03, 2012 to act on its behalf for land development/commercialization and other non-core businesses.

1.3 Consequent to the Honorable Supreme Court's judgement, Crl.O. No. 120/2016 and 51/2017 dated January 04, 2019 imposing restriction on leasing out the Railway's land for a maximum period of 05 years the Ministry of Railways has decided the closure of the Company. In line with the letter # 24(2)/2019-E-1 dated 13th May, 2019 from the Ministry of Railways (MoR) the projects and the legal cases being looked upon by the Company on behalf of Pakistan Railways (PR) and MoR were handed over to concerned departments of Pakistan Railways (PR) on September 23, 2020. However, the winding up proceedings of the Company have not been carried out and the Company remained dysfunctional until before August 02, 2022 when the Company has been revived by the ministry of railways vide its letter No. 24(2)/2012 dated August 03, 2022 after the approval of the federal cabinet though cabinet division's memorandum No. 13/CM/2022-D dated May 24, 2022.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

'- International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

'- Provisions of and directives issued under the Companies Act, 2017 and State - Owned Enterprises (Governance and Operations) Act, 2023

Where provisions of and directives issued under the Companies Act, 2017 and State - Owned Enterprises (Governance and Operations) Act, 2023 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 and State - Owned Enterprises (Governance and Operations) Act, 2023 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except staff retirement benefits - gratuity measured at present value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with accounting and reporting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

i Expected credit loss - note 3.5
ii Staff retirement benefits-Gratuity - note 3.6 & 12
iii Deffered tax - note 3.3 & 5
iv Depreciation - note 3.1.3 & 4
v Contingencies and commitments - note 14
vi Provision for taxation - note 3.3 & 18
vii Provisions - note 3.11

2.5 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED AND APPROVED ACCOUNTING AND REPORTING STANDARDS

2.5.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments, and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either irrelevant to the Company's operations or are not expected to significantly impact the Company's financial statements other than certain additional disclosures.

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2024
IFRS 7	Amendments to IFRS 7 "Financial Instruments Disclosures"- Supplier Finance Arrangements	January 1, 2024
IAS 7	Amendments to IAS 7 "Statement of Cash Flows"	January 1, 2024
IFRS 16	Amendments to IFRS 16 "Leases" - Clarification on how seller-lessee subsequently measures sale and lease back transaction	January 1, 2024

2.5.2 Standards, amendments and interpretations to existing standards that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

		Effective date (annual reporting periods beginning on or after)
IAS 21	Amendments to lack of exchangeability	January 1, 2025
IFRS 7 & 9	Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 7 & 9	January 1, 2026
IFRS 7 & 9	Contracts referencing Nature-dependent Electricity	January 1, 2026
IFRS 1,7,9,10 & IAS 7	Annual improvements to IFRS Accounting Standards	January 1, 2026
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information	July 1, 2027
IFRS S2	Climate-Related Disclosures	July 1, 2027

Further, the following standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan as at June 30, 2025:

- IFRS 1 First-time adoption of International Financial Reporting Standards
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

Items included in property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are recognized in the statement of profit or loss during the financial period in which they are incurred.

Gains and losses on disposals of property, plant and equipment are recognized in the statement of profit or loss.

3.1.2 Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

3.1.3 Depreciation

Depreciation is charged so as to write off the cost or revalued amount of assets (other than land and capital work in progress) over their estimated useful lives, using the reducing balance method at rates specified in note 4 to the financial statements.

Useful lives are determined by the management based on the expected usage of an asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors.

The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end. The effects of adjustments to residual values, useful lives and methods are recognized prospectively as a change in accounting estimates.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash with banks on current and saving account which are subject to insignificant risk of change in value.

3.3 Taxation

Taxation for the year comprises current and deferred tax.

a) Current

Income tax is recognized taxable at the current rates of tax after taking into account tax credits and rebates

b) Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantially enacted by the balance sheet date.

Changes in deferred tax asset and liabilities are recognized as a component of tax income or expense in profit and loss, except where they relate to items that are recognized directly in equity, in which case the related deferred tax is also recognized in equity.

3.4 Financial instruments

3.4.1 Financial assets other than those due from the Government of Pakistan

The Company classifies its financial assets in the following categories: at fair value through profit or loss and at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition.

a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

b) Financial assets at amortized cost

All financial assets are recognized at the time the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognized on trade-date – the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs for all financial assets except those that are carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the statement of profit or loss. Financial assets are de-recognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Financial assets at amortized cost are measured using the effective interest rate method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of profit or loss in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the statement of profit or loss as part of other income when the Company's right to receive payment is established. The Company applies simplified approach, as allowed under IFRS 9, for measuring expected credit losses which uses a lifetime expected loss allowance for all the financial assets. It assesses, on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3.4.2 Financial liabilities

All financial liabilities are recognized at the time the Company becomes a party to the contractual provisions of the instrument.

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss.

Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.5 Impairment

Financial assets

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowances at an amount equal to lifetime ECLs. Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

Non-financial assets

The carrying amount of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro-rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

3.6 Defined benefit plan - Gratuity

The Company operates an unfunded gratuity plan for its eligible regular employees, in accordance with the REDAMCO Service Rules (August 2015). Under the plan, employees are entitled to receive a lump-sum payment equivalent to one month's basic salary for each completed year of service, provided that the employee has rendered at least six months of continuous service in that year.

The liability for gratuity is recognized in the statement of financial position in accordance with the requirements of IAS 19 – Employee Benefits, based on an actuarial valuation carried out by an independent actuary as at June 30, 2025 using the projected unit credit method. The valuation takes into account the Company's best estimates of expected future salary increases, discount rate, employee turnover, and mortality rates.

Actuarial gains and losses arising from changes in actuarial assumptions are recognized in other comprehensive income in the period in which they occur. The current service cost, past service cost and net interest on the defined benefit liability are charged to profit or loss.

3.7 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within short period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at cost which is the fair value of the consideration to be paid or given in future for goods and services received or to be delivered or for any other amount, whether or not billed to the Company.

3.8 Advances, deposits and prepayments

Advances, deposits and prepayments are recognized at fair value of the consideration to be received /adjusted in the future.

3.9 Revenue recognition

The Company is mandated to undertake on behalf of Pakistan Railways/MoR the non-core revenue generating activities which mainly include management and development of real estate of Pakistan Railways/MoR and award and management of selling rights of various products over railway network. In consideration the Company is entitled for 15 percent of actual cash receipts generated for MoR/Pakistan Railways from the above referred non-core revenue generating activities. The revenue is recognized on a time when the contractual cash proceeds are recovered by the Company on completion of conditions underlying the relevant contracts executed with third parties on behalf of MoR/Pakistan Railways.

Interest income is recorded on receipt basis

Financial assistance received from MoR for meeting the revenue expenditure of the Company is recognized as income when the same is received.

Financial assistance received from MoR for acquisition of fixed assets are deferred when received and recognized as income to the extent the assets are depreciated over its useful life.

3.10 Write-back of liabilities

Liabilities are written back when the Company is legally discharged from the obligation, or when the obligation is formally waived, cancelled, or has expired under applicable laws or contractual terms. The amount of such liabilities is recognized in the statement of profit or loss as Other income in the period in which the write-back occurs.

3.11 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of expected future cash flows, discounted at a pre tax rate that reflects current market assessment of the time value of the money and the risk specific to the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

3.12 Related party transactions

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party or between two or more segments of the Company are at arm's length basis determined using the comparable price method except in circumstances where it is not in the interest of the Company to do so.

3.13 Share capital

Ordinary shares are clasified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

RAILWAY ESTATE DEVELOPMENT & MARKETING COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DEC 31, 2025

4 Property and equipment

Particulars	Cost					Accumulated Depreciation and Impairment					W.D.V
	As at July 01, 2025	Additions	Deletions	As at Dec 31, 2025	Rate %	As at July 01, 2025	Deletions	Impairment	Charge for the period	As at Dec 31, 2025	As at Dec 31, 2025
						Pak Rupees					
Office equipments	3,686,628	693,014	-	4,379,642	15%	770,977	-	-	291,714	1,062,691	3,316,951
Furniture and fixtures	7,011,401	-	-	7,011,401	15%	1,101,637	-	-	502,657	1,604,294	5,407,107
Computer equipments	3,776,768	480,523	-	4,257,291	30%	1,178,681	-	-	527,403	1,706,084	2,551,207
Vehicles	9,900,000	28,944,736	-	38,844,736	20%	3,990,667	-	-	2,788,561	6,779,228	32,065,508
Capital work											
	24,374,797	30,118,273	-	54,493,070		7,041,961	-	-	4,110,335	11,152,297	43,340,773

Particulars	Cost					Accumulated Depreciation and Impairment					W.D.V
	As at July 01, 2024	Additions	Deletions	As at Dec 31, 2024	Rate %	As at July 01, 2024	Deletions	Impairment	Charge for the year	As at Dec 31, 2024	As at Dec 31, 2024
						Pak Rupees					
Office equipments	3,278,208	315,420	-	3,593,628	15%	270,783	-	-	248,653	519,436	3,074,189
Furniture and fixtures	4,733,599	746,162	-	5,479,761	15%	309,308	-	-	363,465	672,773	4,806,988
Computer equipments	2,306,650	564,188	-	2,960,838	30%	353,302	-	-	340,258	693,560	2,267,278
Vehicles	9,900,000	-	-	9,900,000	20%	2,513,333	-	-	738,666	3,251,999	6,648,001
	20,308,457	1,625,770	-	21,934,227		3,446,726	-	-	1,691,042	5,137,768	16,796,456

5	DEFERRED TAX (ASSET)/LIABILITY	Note	Dec 2025	June 2025
			--------Rupees--------	
	Deferred tax liability		1,135,822	176,102
	Deferred tax asset		(174,091)	(370,569)
	Net deferred tax liability		961,731	(194,467)
	Deferred tax liability on taxable temporary differences:			
	Accelerated depreciation allowance	5.1	1,135,822	176,102
	Deferred tax asset on deductible temporary differences:			
	Unused tax credit	5.1	-	-
	Staff retirement benefits- gratuity	5.1	(174,091)	(370,569)
			961,731	(194,467)

5.1 Movement in deferred taxation

Deferred tax liabilities / (assets)	As at July 1, 2025	Statement of profit or loss	Other comprehensive income	As at June 30, 2025
	(Rupees)			
The balance of deferred tax is in respect of the following temporary differences:				
Effect of taxable temporary differences:				
Accelerated depreciation allowance	176,102	959,720	-	1,135,822
Effect of deductible temporary differences:				
Unused tax credit	-	-	-	-
Staff retirement benefits	(370,569)	196,478	-	(174,091)
	(194,467)	1,156,198	-	961,731

Deferred tax liabilities / (assets)	As at July 1, 2024	Statement of profit or loss	Other comprehensive income	As at June 30, 2025
	(Rupees)			
The balance of deferred tax is in respect of the following temporary differences:				
Effect of taxable temporary differences:				
Accelerated depreciation allowance	142,257	33,845	-	176,102
Effect of deductible temporary differences:				
Unused tax credit	(291,534)	291,534	-	-
Staff retirement benefits	-	(370,569)	-	(370,569)
	(149,277)	(45,190)	-	(194,467)

6 SECURITY DEPOSIT

This represents security deposit paid to Pakistan State Oil against fleet cards.

			Dec 2025	June 2025
			--------Rupees--------	
7	**ADVANCES & PREPAYMENTS**			
	Advance to employees		200,002	200,002
	Advance to Railway Constructions Pakistan Limited - related party	7.1	929,009	1,666,109
	Advance for capital expenditure - Vehciles		-	19,741,560
	Others		107,500	132,500
			1,236,511	21,740,171

7.1 This represents an advance payment made to Railway Constructions Pakistan Limited for the purchase of a transformer, and it will be adjusted against the utilities. The maximum amount outstanding at any time during the period was Rs. 1,666,109/- (2025: Rs. 2,115,659/-).

		Note	Dec 2025	June 2025
			--------Rupees--------	
8	**INCOME TAX REFUND DUE FROM GOVERNMENT**			
	Balance at beginning of the year		10,439,770	30,825,350
	Withheld during the year	8.1	5,008,294	10,404,799
	Adjustment of previous year	8.2	-	(1,786,948)
	Taxation for the year	17	(790,816)	(29,003,430)
	Balance at end of the year		14,657,251	10,439,770

8.1 This represents income tax deducted at source on profits earned on funds of MoR.

8.2 This amount pertains to withholding tax deducted by a contracting party against lease rentals but not deposited with the Federal Board of Revenue (FBR).

		Dec 2025	June 2025
		--------Rupees--------	
9	**SHORT TERM INVESTMENT**		
	Term deposit receipts-at ammortized cost	-	47,377,500
		-	47,377,500

		Note	Dec 2025	June 2025
			--------Rupees--------	
10	**BANK BALANCES**			
	Current accounts		106,993	106,993
	Saving accounts	10.1	451,601,624	80,162,154
			451,708,617	80,269,147

10.1 The balances in saving accounts with various banks carried interest rates ranging from 4.5% to 10% (2025: 4.5% to 10%) per annum.

11 **ISSUED, SUBSCRIBED & PAID - UP CAPITAL**

	Dec 2025	June 2025
	--------Rupees--------	
Authorized capital		
10,000 (June 2025: 10,000) ordinary shares of Rs. 10 each.	100,000	100,000
Issued, subscribed and paid up capital		
10,000 (June 2025: 10,000) ordinary shares of Rs. 10 each in cash	100,000	100,000

Represent 10,000 (June 2025: 10,000) ordinary shares of Rs. 10 each fully paid in cash. These 10,000 (June 2025: 10,000) shares represent 100% (June 2025: 10,000) shareholding held by the Ministry of Railways (the holding entity of the Company) (MoR).

The Company has only one class of ordinary shares which carries no right to fixed income. The shareholder are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

		Note	Dec 2025	June 2025
			--------Rupees--------	
12	**STAFF RETIREMNT BENEFITS - GRATUITY**			
	Defined benefits plan - Gratuity	12.1	**1,200,625**	1,277,825
			1,200,625	1,277,825
12.1	**Defined benefits plan - Gratuity**			
	The movement in defined benefit obligation is as follows:			
	Present value of defined benefit obligation at beginning		**1,277,825**	-
	Current service cost		**-**	588,467
	Past service cost		**-**	1,834,258
	Interest cost		**-**	-
	Benefits paid		**(77,200)**	(1,144,900)
	Remeasurement adjustments			
	- Actuarial losses from changes in financial assumptions		**-**	-
	- Experience adjustments		**-**	-
			1,200,625	1,277,825
13	**TRADE AND OTHER PAYABLES**			
	Due to Ministry of Railways (MoR)	13.1	**115,101,386**	68,598,091
	Accrued liabilities		**17,518,096**	4,270,219
	Audit fee payable		**-**	300,000
	Bid Security		**8,000,000**	-
	Others		**54,495**	-
			140,673,977	73,168,310
13.1	**DUE TO MINISTRY OF RAILWAYS (MoR)**			
	Balance at the beginning of the year		**68,598,091**	270,648,329
	Gross receipts		**676,473,694**	1,129,072,400
	Bank profits	13.1.1	**17,999,107**	57,527,922
	Less: Unearned Revenues	13.1.2	**(272,704,208)**	-
	Funds collected during the year		**421,768,593**	1,186,600,322
	Funds transferred to MoR		**(312,000,000)**	(1,190,455,551)
	Refundable security deposits	13.1.3	**-**	(19,125,000)
	Retention money against construction of shops		**-**	(1,079,959)
	Less: Funds attributable to the Company:			
	Service fee	15	**(63,265,298)**	(177,990,050)
	Balance at the end of the year		**115,101,386**	68,598,091

13.1.1 This represents interest earned on funds of MoR maintained in the Company's bank accounts which are payable to MoR as per approved policy on the basis of understanding with MoR.

13.1.2 This represents the aggregate receipts collected by the Company on behalf of MoR against various non-core revenue activities of Pakistan Railways/MoR which mainly include leases of its real estate and the award of selling rights of various products over railway network of Pakistan Railways.

13.1.3 This represent refundable security deposit received and readjusted during the year from parties and MoR, under different contracts from and on behalf of MoR.

14 CONTINGENCIES AND COMMITMENTS

14.1 Assessment orders for tax year 2014 and 2015 issued by deputy commissioner Inland Revenue (DCIR), zone corporate, regional tax office Islamabad created demands of Rs 7,182,034 and Rs. 5,925,537 respectively on account of disallowance of travelling and conveyance expenses, POL charges, entertainment expenses, bank profit and tax deduction on property income. Being aggrieved the Company filed appeal against the said order before (CIR) appeal who decided the appeal vide order bearing No. 39 dated August 30, 2017 and appeal vide order bearing No. 49 dated August 30, 2017 respectively upholding the order of the Assessing officer on the issue of bank profit amounting to Rs. 2,344,396 and Rs. 1,962,114 respectively. Being aggrieved the Company filed appeal before ATIR dated October 24, 2017. These cases are still pending before the ATIR for adjudication. Based on tax advisor advice management expects a favourable outcome accordingly no provision is made in these financial statements.

14.2 There are some litigations filed against the Company, in most of which the Company involved as proforma defendant/respondent and has no direct financial impact even if cases are decided against Company. Further litigations filed by the Company or where the Company is petitioner/appellant, management is of the opinion that the Company has good prima facie cases and cases are likely to be decided in favor of Company and so no provision is made for these litigations in these financial statements.

14.3 There were no commitments at the period ending December 31, 2025 (June 30, 2025: Nil).

15 INCOME

	Note	Dec 2025	Dec 2024
		--------Rupees--------	
Service fee	15.1	63,265,298	56,067,426
		63,265,298	56,067,426

15.1 The Company is mandated to undertake the non-core revenue generating activities of MoR and Pakistan Railways. The Company is engaged in management and development of real estate of MoR/Pakistan Railways and the award and management of selling rights of various products over its railway network. In consideration of above services, the Company is entitled for the consideration representing 15% of gross amount of actual cash receipts generated for MoR/Pakistan Railways from non-core revenue generating activities including interest earned thereon. Current year receipts mainly represents collections on behalf of MoR on account of lease rentals.

16 ADMINISTRATIVE EXPENSES	Note	Dec 2025	Dec 2024
		--------Rupees--------	
Salaries & other benefits		**32,502,365**	22,040,957
Travelling and conveyance		**2,511,378**	515,939
Repair & maintenance		**841,846**	446,764
Printing and stationery		**442,007**	182,375
Vehicle repair and maintenance		**508,924**	291,628
POL charges		**3,198,176**	1,504,925
Communication		**410,473**	411,839
Utilities		**685,182**	330,000
Legal and professional charges		**804,225**	1,170,995
Consultancy services		**-**	760,000
Other services		**315,400**	286,400
Entertainment		**340,974**	264,464
Auditor's remuneration		**-**	
Office rent		**726,000**	660,000
Advertisement		**2,150,326**	
Newspaper & books		**9,080**	7,210
Bank charges		**8,700**	
Depreciation		**4,110,335**	1,691,045
Miscellaneous		**214,958**	127,902
		49,780,349	30,692,443

17 TAXATION.			
Current taxation			
- for the year		**790,816**	4,617,921
- adjustment of unused tax credits		**-**	-
Deferred taxation	**5.1**	**1,156,198**	-
		1,947,015	4,617,921

18 TRANSACTIONS WITH RELATED PARTIES

Ministry of Railways owns 100% (2025: 100%) shares of the Company. Therefore, all entities owned and controlled by the Ministry of Railways are related parties of the Company. Other related parties comprise associated companies, major shareholders and key management personnel. The Company in normal course of business pays for airfare, electricity, telephone, gas, and make regulatory payments to entities controlled by the GoP which are not material, hence not disclosed in the financial statements. Transactions with related parties other than disclosed below are disclosed in relevant notes to the financial statements and were executed according to the terms agreed.

Following are the related parties with whom the Company had entered into transactions during the year:

	Note	Dec 2025 Rupees	Dec 2024 Rupees
Ministry of Railways (MoR)			
Funds transferred to MoR	**13.1**	**312,000,000**	-

	Note	Dec 2025 Rupees	Dec 2024 Rupees
Railway Constructions Pakistan Limited ("RAILCOP")			
Rent	16	726,000	660,000
Utilities	16	120,000	330,000

Related party	Basis for relationship	Number of shares held in the Company	Aggregate % shareholding in the Company
Ministry of Railways	Ultimate parent entity	10,000	100%
Pakistan Railway Advisory & Consultancy Services	Fellow subsidiary	-	0%
Railway Constructions Pakistan Limited ("RAILCOP")	Fellow subsidiary	-	0%

19 Number of employees

	2025	2024
	--------Number--------	
Number of employees at the end of the period	39	26

20 GENERAL

20.1 Figures have been rounded off to the nearest rupee.

20.2 Corresponding figures have been re-arranged and re-classified, where necessary, for the purpose of better presentation and comparison.

21 DATE OF AUTHORIZATION FOR ISSUE

The financial statements were approved by the board of directors and authorised for issue on 16-02-2026

Chief Executive Officer

Director