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# ARUJ INDUSTRIES LTD.

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*Half Yearly Report*

*December 31, 2019*

**UN-AUDITED**





**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

- |                               |   |                 |
|-------------------------------|---|-----------------|
| 1. Mr. Maqsood Ahmad Butt FCA | : | Chair Person    |
| 2. Mr. Faisal Khan            | : | Chief Executive |
| 3. Mrs. Naseem Maqsood Butt   | : | Director        |
| 4. Mr. Ali Maqsood            | : | Director        |
| 5. Mrs. Durray Zara Butt      | : | Director        |
| 6. Dr. Aruj Butt              | : | Director        |
| 7. Muhammad Saeed Akhtar      | : | Director        |

**CHIEF FINANCIAL OFFICER**

Mrs. Durray Zara Butt

**COMPANY SECRETARY**

Mr. Muhammad Sajjad Hussain

**SHARE REGISTRARS**

M/s. Corplink (Pvt.) Ltd.  
Wings Arcade, 1-K, Commercial  
Model Town Lahore.  
Tel: 35839182, 35869037

**LEGAL ADVISOR**

Mr. Mian Waheed Akhtar,  
Advocate High Court/ Supreme Court  
Lahore.

**AUDITORS**

M/s. Qadeer & Co.  
Chartered Accountants,  
32-A Lawrence Road,  
Lahore.

**REGISTERED OFFICE**

2-KM Off Raiwind-Manga Road,  
Raiwind, Lahore.  
Tel: (92 - 42) 35393125-6, 38102800  
Fax: (92 - 42) 35393127  
E-mail: info@aruj.com  
Website: www.aruj.com

**AUDIT COMMITTEE**

Muhammad Saeed Akhtar	Chairman
Mr. Maqsood Ahmad Butt FCA	Member
Mr. Ali Maqsood Butt	Member

**REGISTERED OFFICE**

2-KM Off Raiwind-Manga Road,  
Raiwind, Lahore.  
Tel: (92 - 42) 35393125-6, 38102800  
Fax: (92 - 42) 35393127  
E-mail: info@aruj.com  
Website: www.aruj.com

**HR & REMUNERATION COMMITTEE**

Muhammad Saeed Akhtar	Chairman
Mrs. Naseem Maqsood Butt	Member
Dr. Aruj Butt	Member

**BANKERS**

Standard Chartered Bank (Pakistan) Ltd.  
Bank Alfalah Limited.  
Habib Bank Limited.  
JS Bank Limited.  
The Bank of Punjab  
Faysal Bank Limited.  
Mezan Bank



**DIRECTOR'S REPORT**

Your Directors have the pleasure to present to you the Financial Statement of the company for the Half Year ended 31 December, 2019

	<b>6 Months ended Dec., 31, 2019 Rupees</b>	<b>6 Months ended Dec., 31, 2018 Rupees</b>
Sales	552,071,504	593,520,490
Gross Profit	70,130,559	53,212,928
Profit / (Loss) Before Taxation	14,614,585	10,868,640
Taxation	4,389,666	(1,127,461)
Profit / (Loss) After Taxation	10,224,919	11,996,101
Earnings per Share	0.98	1.15

As with all sectors operating in the current economic adjustment period, your Company did see a dip in total sales but increased the gross profit by increasing export to 60% of the total as compared with 42% of the total in the previous corresponding period. This dip in sales was due to market pressures felt inside Pakistan, as our local sales struggled like the rest of the economy

Your Company, however is pleased to announce that we were able to increase our exports by 30.6% as compared to Last Half Year. We are seeing a resurgence in the export sector, which has translated to increased business in both the Processing and the Apparels divisions. We hope to capitalise on this momentum, and are focusing on the export markets that your Company has been developing in the last year.

Pakistan has been under duress due to the extremely high cost of doing business which is likely to go higher thus reducing gross profit. Your Company is facing these issues like the rest of the country. Chief among these are the interest rate and utilities. Your Company is compensating for these increases by controlling the cost of production wherever possible. But the current outlook makes it seem like this spike in inflation will be with us for at least another year which shall cause our margin to reduce in the coming couple of quarters.

**Note of Thanks:**

The Board would like to put on record its gratitude to its valued shareholders, customers and raw materials suppliers whose cooperation, constant support and patronage have enabled us to achieve our desired results.

The Board would also like to express its thanks to the Executives, Staff members and especially the Workers of your Company, who have loyally worked with utmost effort to make this all possible

FOR AND ON BEHALF OF THE BOARD

Lahore  
Dated: February 27, 2020

**FAISAL KHAN**  
Chief Executive



## ڈائریکٹرز رپورٹ

آپ کی کھنی عروج انڈسٹریز لمیٹڈ کے ڈائریکٹرز کھنی کے 31 دسمبر 2019 کو ختم ہونے والے نصف سال کے حسابات پیش کرنا چاہیں گے۔ مختصر نتائج اس طرح ہیں۔

سہ ماہی اختتام 31 دسمبر 2018 روپے	سہ ماہی اختتام 31 دسمبر 2019 روپے	
593,520,490	552,071,504	کل فروخت
53,212,928	70,130,559	منافع
10,868,640	14,614,585	منافع / نقصان (ٹیکسیشن سے پہلے)
(1,127,461)	4,389,666	ٹیکسیشن
11,996,101	10,224,919	منافع / نقصان (ٹیکسیشن کے بعد)
1.15	0.98	فی شیئر آمدنی

موجودہ معاشی حالات میں کام کرنے والے تمام شعبوں کی طرح، آپ کی کھنی نے بھی کل فروخت میں کمی دیکھی تھی لیکن برآمدات میں اضافہ ہونے سے مجموعی فروخت کے 60 فیصد تک بچھری گیا ہے جبکہ پچھلے اسی عرصے میں برآمدات کل فروخت کا 42 فیصد تھا۔ فروخت میں یہ کمی پاکستان کے اندر منڈی کے دباؤ کی وجہ سے تھی، کیونکہ ہماری مقامی فروخت بھی باقی معیشت کی طرح محدود و محدود رہی ہے۔

تاہم، آپ کی کھنی، یہ اعلان کرتے ہوئے خوش ہے کہ ہم گزشتہ نصف سال کے مقابلہ میں برآمدات میں قابل قدر اضافہ کر سکے ہیں۔ ہم برآمدی شعبے میں ایک نئی روح دیکھ رہے ہیں، جس نے پروسنگ اور بلیوسات دونوں حصوں میں کاروبار کو بڑھا دیا ہے۔ ہمیں امید ہے کہ اس رفتار سے ہم فائدہ اٹھائیں گے، ہم پچھلے سال سے برآمدی منڈیوں پر توجہ مرکوز کر رہے ہیں۔

انتہائی سخت قیمت پر کاروبار کرنے کی وجہ سے پاکستان سخت دباؤ کا شکار ہے جس سے آنے والے دنوں میں مجموعی منافع میں کمی واقع ہو سکتی ہے۔ آپ کی کھنی کو جن بڑے مسائل کا سامنا ہے۔ ان میں سود کی شرح اور لوٹاٹائی اہم ہیں۔ آپ کی کھنی جہاں بھی ممکن ہو پیپرواداری لاگت کو کنٹرول کرتے ہوئے ان اضافوں کی فی الحال تو حفاظت کر رہی ہے۔ لیکن موجودہ حکومتی پالیسیوں سے ایسا لگتا ہے جیسے منگائی میں اضافے کا رجحان کم از کم اور ایک سال ہمارے ساتھ رہے گا جو آنے والے مہینوں میں ہمارے مارجن کو کم کرنے کا سبب بنے گا۔

### شکر کا نوٹ:

یورڈ اپنے قابل قدر مددگاروں، گاہکوں اور خاندان کے ممبروں کے ساتھ ساتھ ان کے تعاون، مسلسل حمایت اور توجہ سے ہمیں اپنے مطلوبہ نتائج حاصل کرنے کے قابل بنایا ہے۔

یورڈ اپنے ایگزیکٹوز، اسٹاف کے اہلکار اور خاص طور پر آپ کی کھنی کے کارکنوں کا شکر یہاں کرتی ہے، جنہوں نے شاندار کوششوں کے ساتھ کام کر کے، یہ نتائج ممکن بنائے۔

یورڈ کی جانب سے



## **INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the Members of Aruj Industries Limited**  
**Report on Review of Interim Financial Statements**

### **INTRODUCTION**

We have reviewed the accompanying condensed interim statement of financial position of **ARUJ INDUSTRIES LIMITED** as at December 31, 2019 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the financial statements for the six month period then ended (hereinafter referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2019 and 2018 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2019.

### **SCOPE OF REVIEW**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim financial statements Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **CONCLUSION**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements as of and for the six months period ended December 31, 2019 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **ABDUL RAHMAN**.



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)  
AS AT DECEMBER 31, 2019**

	Note	Un-audited December 31, 2019 Rupees	Audited June 30, 2019 Rupees
<b>CAPITAL AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital: 12,500,000 (June 2019: 12,500,000) ordinary shares of Rs. 10/- each		<u>125,000,000</u>	<u>125,000,000</u>
Issued, subscribed and paid up capital: 10,457,890 (June 2019: 10,457,890) ordinary shares of Rs. 10/- each		104,578,900	104,578,900
Capital Reserve		100,000,000	100,000,000
Directors' Loan	5	86,868,538	87,868,538
Unappropriated profit		98,772,530	88,547,611
		<u>390,219,968</u>	<u>380,995,049</u>
<b>NON-CURRENT LIABILITIES</b>			
Liabilities against assets subject to finance lease		16,434,053	19,806,082
Deferred liabilities	6	48,081,644	49,525,182
		<u>64,515,697</u>	<u>69,331,264</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	517,295,372	407,381,371
Unclaimed dividend		2,290,218	2,290,218
Markup accrued on loans and other payables		6,305,521	8,956,522
Short term borrowings	8	404,338,285	419,375,247
Current portion of long term borrowings		26,867,776	32,101,632
Provision for taxation		5,833,204	8,440,771
		<u>962,930,376</u>	<u>878,545,761</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9	-	-
		<u>1,417,666,041</u>	<u>1,328,872,074</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	419,082,670	431,855,040
Capital work in process		32,926,321	25,213,388
		<u>452,008,991</u>	<u>457,068,428</u>
Long term deposits		9,062,666	9,262,666
		<u>461,071,657</u>	<u>466,331,094</u>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		14,015,201	13,296,746
Stock in trade		338,981,826	259,949,572
Trade debts		366,133,900	424,327,185
Loans and advances	11	163,538,818	104,848,384
Trade deposits and short term prepayments		321,420	450,446
Tax refunds due from the Government		58,861,958	49,721,041
Cash and bank balances	12	14,741,261	9,947,606
		<u>956,594,384</u>	<u>862,540,980</u>
		<u>1,417,666,041</u>	<u>1,328,872,074</u>

The annexed notes form an integral part of this condensed interim financial information.

**FAISAL KHAN**  
CHIEF EXECUTIVE

**ALI MAQSOOD BUTT**  
DIRECTOR

**MRS. DURRAY ZARA BUTT**  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

	Six Months Ended December 31,		Quarter Ended December 31,	
	2019	2018	2019	2018
	Rupees			
Sales - net	552,071,504	593,520,490	305,990,515	339,822,513
Cost of sales	481,940,945	540,307,562	267,363,031	309,493,142
Gross profit	70,130,559	53,212,928	38,627,484	30,329,371
<b>Operating expenses:</b>				
Administrative and general	21,102,570	20,667,350	12,434,635	12,662,393
Selling and distribution	9,314,972	8,469,139	3,639,646	3,305,907
	30,417,542	29,136,489	16,074,281	15,968,300
Operating profit	39,713,017	24,076,439	22,553,203	14,361,071
<b>Finance cost</b>	24,329,243	16,716,614	12,546,080	8,836,086
	15,383,774	7,359,825	10,007,123	5,524,985
<b>Other operating income</b>	-	4,080,849	-	3,095,599
	15,383,774	11,440,674	10,007,123	8,620,584
<b>Workers' profit participation fund</b>	769,189	572,034	505,356	431,030
Profit before taxation	14,614,585	10,868,640	9,506,767	8,189,554
<b>Provision for taxation</b>	4,389,666	(1,127,461)	2,857,320	(1,904,396)
Profit after taxation	10,224,919	11,996,101	6,649,447	10,093,950
<b>Earnings per share - basic &amp; diluted</b>	0.98	1.15	0.64	0.97

The annexed notes form an integral part of this condensed interim financial information.

**FAISAL KHAN**  
CHIEF EXECUTIVE

**ALI MAQSOOD BUTT**  
DIRECTOR

**MRS. DURRAY ZARA BUTT**  
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

	<u>Quarter Ended</u>		<u>Six Months Ended</u>	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	Rupees			
Profit for the period	10,224,919	11,996,101	6,649,447	10,093,950
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>10,224,919</u>	<u>11,996,101</u>	<u>6,649,447</u>	<u>10,093,950</u>

The annexed notes form an integral part of this condensed interim financial information.

FAISAL KHAN  
CHIEF EXECUTIVE

ALI MAQSOOD BUTT  
DIRECTOR

MRS. DURRAY ZARA BUTT  
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

Note	December 31, 2019	December 31, 2018
	Rupees	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>14,614,585</b>	10,868,640
<b>Adjustments for:</b>		
Depreciation	18,648,470	18,693,891
Finance cost	24,329,243	16,716,614
Workers' profit participation fund	769,189	572,034
Gain on disposal of fixed assets	-	(4,080,849)
	<u>43,746,902</u>	<u>31,901,690</u>
<b>Cash flows before working capital changes</b>	<b>58,361,487</b>	42,770,330
(Increase)/Decrease in current assets		
Stores, spare parts and loose tools	(718,455)	(1,109,125)
Stock in trade	(79,032,254)	33,387,246
Trade debts	58,193,285	(80,612,084)
Loans And Advances	(62,649,241)	(17,384,691)
Trade deposits & short term pre-payments	129,026	441,031
Other receivables	(9,140,917)	3,033,925
(Decrease)/Increase in current liabilities		
Trade and other payables	109,144,812	(3,675,945)
	<u>15,926,256</u>	<u>(65,919,643)</u>
Cash generated from/(used in) operations	74,287,743	(23,149,313)
Income tax paid/ refund	(4,481,964)	(2,636,079)
Finance cost paid	(26,980,244)	(17,139,290)
<b>Net cash (outflows) / inflows from operating activities</b>	<b>42,825,535</b>	(42,924,682)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(5,876,100)	(24,121,320)
Capital work in process	(7,712,933)	(9,551,354)
Long term deposits	200,000	(1,989,095)
Disposal Proceeds	-	12,908,000
<b>Net cash outflows from investing activities</b>	<b>(13,389,033)</b>	(22,753,769)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	-
Increase / payments of liabilities against assets subject to finance lease	(8,605,885)	5,307,169
Increase/ payments of Directors' Loan	(1,000,000)	7,000,000
Short term borrowings	(15,036,962)	48,905,984
<b>Net cash inflows from financing activities</b>	<b>(24,642,847)</b>	61,213,153
Net (decrease) / increase in cash and cash equivalents	4,793,655	(4,465,298)
Cash and cash equivalents at the beginning of the period	9,947,606	17,974,695
Cash and cash equivalents at the end of the period	12 <u>14,741,261</u>	<u>13,509,397</u>

The annexed notes form an integral part of this condensed interim financial information.

**FAISAL KHAN**  
CHIEF EXECUTIVE

**ALI MAQSOOD BUTT**  
DIRECTOR

**MRS. DURRAY ZARA BUTT**  
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

	Rupees				Total
	Issued, subscribed and paid-up capital	Capital Reserve	Directors' Loan	Unappropriated profit	
<b>Balance as at July 01, 2018 - (Audited)</b>	104,578,900	100,000,000	83,523,538	74,807,554	362,909,992
Total Comprehensive income for the period	-	-	-	11,996,101	11,996,101
Transaction with Owners	-	-	7,000,000	-	7,000,000
Dividend	-	-	-	-	-
<b>Balance as at December 31, 2018 - (Un-Audited)</b>	<b>104,578,900</b>	<b>100,000,000</b>	<b>90,523,538</b>	<b>86,803,655</b>	<b>381,906,093</b>
<b>Balance as at July 01, 2019 - (Audited)</b>	104,578,900	100,000,000	87,868,538	88,547,611	380,995,049
Total Comprehensive income for the period	-	-	-	10,224,919	10,224,919
Transaction with Owners	-	-	(1,000,000)	-	(1,000,000)
Dividend	-	-	-	-	-
<b>Balance as at December 31, 2019 - (Un-Audited)</b>	<b>104,578,900</b>	<b>100,000,000</b>	<b>86,868,538</b>	<b>98,772,530</b>	<b>390,219,968</b>

The annexed notes form an integral part of this condensed interim financial information.

FAISAL KHAN  
CHIEF EXECUTIVE

ALI MAQSOOD BUTT  
DIRECTOR

MRS. DURRAY ZARA BUTT  
CHIEF FINANCIAL OFFICER



**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

**1 LEGAL STATUS AND OPERATIONS**

Arju Industries Limited ("the Company") was incorporated in Pakistan on December 31, 1992 under the Companies Ordinance, 1984 (now the Companies Act 2017), as a Public Company, limited by shares which are quoted on Pakistan Stock Exchange Limited. The company is principally engaged in manufacturing of Fusible Interlining and Dying / Bleaching / Stitching of Fabric. The Company commenced its commercial operations on May 15, 1995. The registered office and factory of the Company is situated at 2-KM, Off Raiwind Manga Road, Raiwind, Lahore.

**2 BASIS OF PREPARATION**

This condensed financial information is prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of;

-International Accounting Standard (IAS) 34, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

Provisions of and directives issued under the Companies Act, 2017.

In case where requirements differ, the provision of or directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information does not include all of the information required for full financial statements, and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2019.

**3 BASIS OF MEASUREMENT**

This condensed interim financial information has been prepared under the historical cost convention. In this condensed interim financial information, except for the cash flow statement, all the transactions have been accounted for on accrual basis.

**4 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 30 June 2019. Except for the adoption of new and amendment accounting standards as of July 01, 2019.

**4.1 New standards / amendments adopted by the Company**

**Leases - IFRS 16**

IFRS 16 affect primarily the accounting by lessees and results in the recognition of almost all leases on statement of financial position. The standard removes the distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

On initial application, the Company is using recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option, and lease contracts for which the underlying asset is a low-value assets. Accordingly, initial application of IFRS 16 did not have any impact on these condensed interim financial statements.

**Financial Instruments - IFRS 9**

The IFRS 9 introduces new requirements for the recognition, classification and measurement of financial assets and liabilities & impairment of financial assets. IASB has published the complete version of IFRS 9, 'Financial Instruments', which replaces the guidance in IAS 39 'Financial Instruments: Recognition and Measurement'. Classification and measurement of financial assets Under IFRS 9, financial assets can be classified into three categories i.e. financial assets through profit & loss, financial assets measured at amortized cost & financial assets through other comprehensive income. On July 01, 2019, the Company has assessed which measurement apply to the financial assets held by the Company. The initial application of IFRS 9 only effected the classification of certain financial assets that were previously recognised as loans and receivables. The adoption of standards doesn't effect the reported figures of the financial assets and liabilities of the Company.

**4.2 Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out as on June 30, 2019. The impact of remeasurement of staff retirement benefit plans has not been incorporated in these condensed interim financial statements.**



	Un-audited Dec 31, 2019 Rupees	Audited June 30, 2019 Rupees
<b>5 DIRECTORS' LOAN</b>		
Loan from directors Un-Secured	<u>86,868,538</u>	<u>87,868,538</u>
	<b>86,868,538</b>	<b>87,868,538</b>
<b>6 DEFERRED LIABILITIES</b>		
Deferred tax liability	<u>16,961,285</u>	<u>18,404,823</u>
Staff retirement benefits-gratuity	<u>31,120,359</u>	<u>31,120,359</u>
	<b>48,081,644</b>	<b>49,525,182</b>
<b>7 TRADE &amp; OTHER PAYABLES</b>		
Creditors	<u>474,068,501</u>	<u>375,272,450</u>
Accrued Expenses	<u>21,686,658</u>	<u>14,257,874</u>
Advances from Customers	<u>6,708,537</u>	<u>10,979,132</u>
Other Payables	<u>9,912,990</u>	<u>2,722,418</u>
Workers Welfare Fund	<u>3,440,346</u>	<u>3,440,346</u>
Workers Profit Participation Fund	<u>1,478,340</u>	<u>709,151</u>
	<b>517,295,372</b>	<b>407,381,371</b>
<b>8 SHORT TERM BORROWING - SECURED</b>		
<b>From banking companies-secured</b>		
Standard Chartered Bank (Pakistan) Limited	<u>200,088,852</u>	<u>211,237,185</u>
Habib Bank Limited	<u>97,700,000</u>	<u>97,700,000</u>
The Bank of Punjab	<u>100,000,000</u>	<u>100,000,000</u>
<b>Overdrafts</b>		
Habib Bank Limited	<u>-</u>	<u>2,864,149</u>
J.S Bank Limited	<u>3,095,510</u>	<u>6,396,185</u>
Meezan Bank	<u>3,453,923</u>	<u>1,177,728</u>
	<b>404,338,285</b>	<b>419,375,247</b>
<b>9 CONTINGENCIES AND COMMITMENTS</b>		
<b>CONTINGENCIES:</b>		
There is no material change in the status of the contingencies reported in the annual financial statements for the ended June 30, 2019.		
<b>COMMITMENTS:</b>		
Commitments with respect Letter of Credit as on date of Statement of Financial Position amounts to Rs.3,325,023(June 30, 2019: Nil)		
<b>10 PROPERTY PLANT AND EQUIPMENT</b>		
Opening balance (WDV)	<u>431,855,040</u>	<u>380,709,097</u>
Add: Additions during the period / year	<u>5,876,100</u>	<u>97,158,556</u>
Less: Deletions during the period / year	<u>-</u>	<u>(21,513,662)</u>
Less: Depreciation charged for the period / year	<u>(18,648,470)</u>	<u>(35,840,413)</u>
Add: Adjustment of accumulated depreciation relating to disposal of fixed assets	<u>-</u>	<u>11,341,462</u>
	<b>419,082,670</b>	<b>431,855,040</b>
<b>11 LOANS AND ADVANCES</b>		
Advances - considered good	<u>98,292,223</u>	<u>40,685,160</u>
Rebate Receivable	<u>28,863,589</u>	<u>23,821,411</u>
Advance income tax-net of adjustment	<u>36,383,006</u>	<u>40,341,813</u>
	<b>163,538,818</b>	<b>104,848,384</b>
<b>12 CASH AND BANK BALANCES</b>		
Cash at Bank	<u>2,759,662</u>	<u>7,449,606</u>
Cash in Hand	<u>11,981,599</u>	<u>2,498,000</u>
	<b>14,741,261</b>	<b>9,947,606</b>
<b>13 DATE OF AUTHORIZATION FOR ISSUE</b>		
This condensed interim financial information was approved and authorized for issue on February 27, 2020 by the board of directors of the Company.		
<b>14 CORRESPONDING FIGURES</b>		
Corresponding figures have been rearranged / reclassified, wherever necessary.		
<b>15 GENERAL</b>		
-	Figures have been rounded off to the nearest of rupees.	
-	Corresponding figures have been re-arranged, wherever necessary to the facilitation of comparison.	

**FAISAL KHAN**  
CHIEF EXECUTIVE

**ALI MAQSOOD BUTT**  
DIRECTOR

**MRS. DURRAY ZARA BUTT**  
CHIEF FINANCIAL OFFICER

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