

**QUARTERLY ACCOUNTS  
FOR THE FIRST QUARTER  
ENDED SEPTEMBER 30, 2020  
(UN-AUDITED)**



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**ARUJ INDUSTRIES LTD.**

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**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,  
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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**

Bank Alfalah Limited.  
Habib Bank Limited.  
Bank of Punjab.  
Standard Chartered Bank (Pakistan) Ltd.  
JS Bank Limited.  
Faysal Bank Limited.  
Meezan Bank  
Bank Al-Habib

**DIRECTOR'S REPORT**

The Directors of Aruj Industries Ltd would like to present the unaudited accounts of the 1st Quarter ended 30th September, 2020. In brief, the results are as follows:

	<b>3 Months ended Jul, 20 to Sep, 20 Rupees In Million</b>	<b>3 Months ended Jul, 19 to Sep, 19 Rupees In Million</b>
Net Sale	374.247	246.080
Net Profit before Taxation	5.891	5.107
Earnings per Share	0.40	0.34

The first quarter of the current financial year happened just as everyone was learning to cope with the Covid-19 Pandemic. Your Company was still able to maintain a good performance. This is especially due to the performance of the Processing business, that saw robust demand. We were able to gather a greater customer range that helped us achieve this target. Exports of the Garment unit have similarly increased by 13%, but we might see better result from Q2 onwards, as the effects of the Pandemic on the international market are still not certain.

While the calendar year has been a difficult one, Your Company expects better things Q3 onwards. With hopes of vaccines on the horizon, we see markets starting to go back to pre-COVID19 numbers after that. We expect a stronger finish based on our current projections.

The Board would like to put on record its gratitude to its values 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

**For and on behalf of the Board**

Lahore:  
27<sup>th</sup> November, 2020

**FAISAL KHAN**  
Chief Executive Officer

### ڈائریکٹرز رپورٹ

آپ کی کھنی عروج اظہار بریلینڈ کے ڈائریکٹرز کھنی کے 30 ستمبر 2020 کو ختم ہونے والی کم سماہی کے غیر آڈٹ شدہ اکاؤنٹس پیش کرنا چاہیں گے۔ مختصر اناج اس طرح ہیں۔

سماہی ۱۹۹۹م جولائی 2019 سے ستمبر 2019	سماہی ۲۰۲۰م جولائی 2020 سے ستمبر 2020	
روپے پلین میں	روپے پلین میں	
<b>246.080</b>	<b>374.247</b>	کل فروخت
<b>5.107</b>	<b>5.891</b>	مناجہ ٹیکسٹن سے پہلے
<b>0.34</b>	<b>0.40</b>	نی شیئر آمدنی

موجودہ سال کی سماہی بھی اسی طرح ختم ہوئی جب ہر کوئی کوویڈ-19 کا مقابلہ کرنا سیکھ رہا تھا۔ آپ کی کھنی بھی اچھی کارکردگی کو برقرار رکھتے ہوئے خاص طور پر پروسیسنگ بزنس میں اضافہ ہوا ہے اور گارمنٹ یونٹ کی برآمدات میں بھی اسی طرح 13 فیصد کا اضافہ ہوا ہے۔ اور ہم شاید دوسرے کوارٹر میں بہتر نتائج دیکھیں گے اور بین الاقوامی منڈی پر وبائی اثرات یقینی طور پر یقینی نہیں ہے۔

اگرچہ موجودہ کلینڈر سال میں مشکلات آ رہی ہیں مگر آپ کی کھنی تیسرے کوارٹر کے بعد بہتر چیزوں کی توقع کر رہی ہے اور افیق پروڈیکٹس کی امید پر مارکیٹ COVID-19 پر واپس جانے لگی ہے اور ہم اپنے موجودہ تمام پروڈیکٹ کو بہتر طور پر ختم کرنے کی توقع کرتے ہیں۔

کھنی کی انتظامیہ، ملازمین کی محنت اور لگن سے کام کرنے کیلئے تعریف کے مستحق ہیں ہم اپنے قابل قدر حصص یافتگان، گاہکوں، سپلائرز اور مالیاتی اداروں کی تعاون، مدد، مسلسل حمایت اور اعتماد کے شکر گزار ہیں۔

یہ ڈی کی جانب سے:-

فیصل خان

چیف ایگزیکٹو

لاہور

مورخہ: 27 نومبر 2020

**BALANCE SHEET  
AS AT SEPTEMBER 30, 2020**

	(UN-AUDITED) SEPTEMBER 30, 2020 Rupees	(AUDITED) June 30, 2020 Rupees
<b>CAPITAL AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorised Capital 12,500,000 ordinary shares of Rs. 10/- each	<b>125,000,000</b>	125,000,000
Issued, Subscribed & Paid up Capital:	<b>104,578,900</b>	104,578,900
Capital Reserve	<b>100,000,000</b>	100,000,000
Director Loan	<b>90,398,538</b>	87,448,538
Retained earning	<b>103,077,532</b>	98,894,561
	<b>398,054,970</b>	390,921,999
<b>NON-CURRENT LIABILITIES</b>		
Liabilities against assets subject to finance lease	<b>6,366,805</b>	5,363,183
Deferred liabilities	<b>56,397,744</b>	56,397,744
	<b>62,764,549</b>	61,760,927
<b>CURRENT LIABILITIES:</b>		
Short Term Finance	<b>473,321,803</b>	508,626,794
Current maturity of Finance Lease	<b>-</b>	27,748,819
Trade and other payable	<b>262,498,253</b>	233,084,016
Unclaim Dividend	<b>2,290,218</b>	2,290,218
Accrued Markup of short term loans-secured	<b>12,615,118</b>	11,097,362
Provision for Taxation	<b>14,563,343</b>	12,854,806
	<b>790,539,684</b>	795,702,015
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>-</b>	-
	<b>1,251,359,203</b>	1,248,384,941
<b>PROPERTY PLAND AND EQUIPMENT</b>		
<b>Operating Fixed Assets - Tangible</b>		
At Written down value	<b>392,427,750</b>	400,164,402
<b>CAPITAL WORK IN PROGRESS - P &amp; M</b>	<b>37,550,150</b>	36,251,914
<b>LONG TERM SECURITY DEPOSITS</b>	<b>9,813,086</b>	9,813,086
<b>CURRENT ASSETS:</b>		
Stores and spares	<b>14,582,620</b>	13,528,250
Stock in trade	<b>222,916,354</b>	286,100,101
Trade Debts	<b>313,297,637</b>	326,115,399
Loan & Advances	<b>187,696,412</b>	96,879,289
Trade deposits & Short Term pre-payments	<b>547,582</b>	174,081
Other Receivable	<b>44,102,404</b>	57,777,941
Cash and bank balances	<b>28,425,208</b>	21,580,478
	<b>811,568,217</b>	802,155,539
<b>TOTAL ASSETS</b>	<b>1,251,359,203</b>	1,248,384,941

**PROFIT AND LOSS ACCOUNT ( UN - AUDITED)  
FOR THE FIRST QUARTER ENDED  
SEPTEMBER 30, 2020**

	Jul-20 TO Sep-20 Rupees	Jul-19 TO Sep-19 Rupees
Sales - net	374,247,117	246,080,989
Less: Cost of sales	(341,802,596)	(214,577,914)
Gross Profit	32,444,521	31,503,075
Less: Operating expenses:		
Administrative and General	(7,305,871)	(8,667,935)
Selling and Distribution	(5,247,837)	(5,675,326)
	(12,553,708)	(14,343,261)
Operating profit / (loss)	19,890,813	17,159,814
Finance Cost	(13,689,225)	(11,783,163)
	6,201,588	5,376,651
Add: Other income	-	-
	6,201,588	5,376,651
Workers' profit participation fund	(310,079)	(268,833)
Profit / (loss) before taxation	5,891,508	5,107,818
Provision for taxation	(1,708,537)	(1,532,346)
Profit / (loss) after taxation	4,182,971	3,575,472
Earnings per share - basic	0.40	0.34

Chief Executive

Director

Chief Financial Officer

**CASH FLOW STATEMENT (UN-AUDITED)****FOR THE FIRST QUATER ENDED  
SEPTEMBER 30, 2020**

	SEPTEMBER 30, 2020 Rupees	SEPTEMBER 30, 2019 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	5,891,508	5,107,819
<b>Adjustments for:</b>		
Depreciation	8,293,752	9,054,469
Financial Charges	13,689,225	11,783,163
W.P.P.F	310,079	268,833
	<u>22,293,057</u>	<u>21,106,465</u>
<b>Cash Folw Before Working Capital Changes</b>	28,184,565	26,214,283
<b>Working Capital Changes</b>		
(Increase) / Decrease in current assets	(1,054,370)	(4,796,623)
Stores, spare parts and loose tools and Stock in trade	63,183,747	(44,066,533)
Trade debts	12,817,762	67,379,164
Loan and advances	(90,817,123)	(23,933,112)
Trade deposits and short prepayments	(373,501)	(365,834)
Other Receivables	13,675,537	(22,769,593)
Increase/ (decrease) in current liabilities		
Trade and other payables	29,104,158	3,007,621
	<u>26,536,210</u>	<u>(25,544,910)</u>
<b>Cash Generated from Operations</b>	54,720,775	669,373
Financial Cost Paid	(12,171,469)	(17,700,662)
Dividend paid	-	
<b>Net Cash inflow /(outflow) from operating activities</b>	<u>42,549,306</u>	<u>(17,031,289)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Security Deposits	-	200,000
Fixed capital expenditure	(557,100)	(2,408,721)
Capital Work In Progress	(1,298,236)	-
<b>Net Cash inflow /(outflow) from Investing activities</b>	<u>(1,855,336)</u>	<u>(2,208,721)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Long Term loans (Paid)/Received	2,950,000	(500,000)
Payment of liabilities against assets subject to finance lease	(1,494,249)	(6,589,768)
<b>Net Cash inflow /(outflow) from Financing activities</b>	<u>1,455,751</u>	<u>(7,089,768)</u>
<b>Net (Increase) / Decrease in cash and cash equivalents</b>	42,149,721	(26,329,778)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>(487,046,316)</u>	<u>(409,427,641)</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF FIRST QUARTER</b>	<u>(444,896,595)</u>	<u>(435,757,419)</u>
<b>A CASH AND CASH EQUIVALENTS</b>		
Short term finance	(473,321,803)	(461,553,086)
Cash and Bank balances	28,425,208	25,795,667
	<u>(444,896,595)</u>	<u>(435,757,419)</u>

Chief Executive

Director

Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED  
SEPTEMBER 30, 2020**

	Share Capital Rupees	Capital Reserves Rupees	Un-appropriat- ed Profit Rupees	Total Rupees
Balance as at July 01.2019	104,578,900	100,000,000	88,547,611	293,126,511
Net Profit for 3 Months upto September 30 , 2019			3,575,473	3,575,473
Balance as at September 30.,2019	<u>104,578,900</u>	<u>100,000,000</u>	<u>92,123,084</u>	<u>296,701,984</u>
Balance as at July 01.2020	104,578,900	100,000,000	98,894,561	303,473,461
Loan From Directors				-
Net Profit for 3 Months upto September 30, 2020			4,182,971	4,182,971
Balance as at September 30.,2020	<u>104,578,900</u>	<u>100,000,000</u>	<u>103,077,532</u>	<u>307,656,432</u>

1. These Accounts are un-audited and are being presented as required under the Companies Act 2017.
2. The accounting policies adopted for the preparation of the third Quarter Accounts are the same as those applied in the preparation of the preceding annual published accounts for the year ended June 30. 2020 of the company
3. Figures for previous period have been re-arranged where-ever necessary, for the purpose of comparison and have been rounded off to the nearest rupee.

	September 30 2020 Rupees	September 30 2019 Rupees
<b>4 Basic Earning per Share</b>		
Net Profit for the Three months	4,182,971	3,575,472
Number of Ordinary Shares	10,457,890	10,457,890
Earning per Share (Rs.)	0.40	0.34

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