

**QUARTERLY ACCOUNTS
FOR THE FIRST QUARTER
ENDED SEPTEMBER 30, 2018
(UN-AUDITED)**



ARUJ INDUSTRIES LTD.



ARUJ INDUSTRIES LTD.

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. Sh. Ghulam Mustafa | : | 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

Sh. Ghulam Mustafa	Chairman
Mr. Maqsood Ahmad Butt FCA	Member
Mr. Ali Maqsood Butt	Member

REGISTERED OFFICE

2-KM Off Raiwind-Manga Road,
Raiwind, Lahore.
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HR & REMUNERATION COMMITTEE

Sh. Ghulam Mustafa	Chairman
Mrs. Naseem Maqsood Butt	Member
Dr. Aruj Butt	Member

BANKERS

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



The Directors of Aruj Industries Ltd would like to present the unaudited accounts of the 1st Quarter ended 30th September, 2018. In brief, the results are as follows:

	3 Months ended Jul, 18 to Sep,18 Rupees In Million	3 Months ended Jul, 17 to Sep, 17 Rupees In Million
Net Sale	253.697	326.766
Net Profit before Taxation	2.679	16.173
Earnings per Share	0.18	1.08

While the first quarter of the new financial year was off to a slower than expected start, Your Company hopes to gain lost ground in the coming months. In the Apparel Unit, we have successfully added buyers outside of the UK, with European customers also being catered.

The recent devaluation of the Pakistani Rupee did cause a rise in costs, but we do foresee an increase in the demand for Made In Pakistan apparels as they will be able to compete with other Asian suppliers. We are thus hopeful to cover the gap in sale in the coming 3 quarters.

We have also made slight adjustments to our Processing Unit. Energy costs have remained unbridled despite the Government's best efforts to rope them in. This has made us rethink the product base we were producing. As such, we hope to shift to other products that shall give us good returns while utilising fewer working capital.

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:
29th November, 2018

FAISAL KHAN
Chief Executive Officer

ڈائریکٹر رپورٹ

آپ کی کمپنی عروج انٹرنیشنل پرائیویٹ لمیٹڈ کے ڈائریکٹر رہ چکی ہے 30 ستمبر 2018ء میں ختم ہونے والے سہ ماہی کے لیے فیئر آڈٹ شدہ اکاؤنٹس کے ساتھ ساتھ نیا رپورٹ پیش کرنا چاہیں گے۔

سہائی جولائی 2017 سے ستمبر 2017 کے اختتام تک	سہائی جولائی 2018 سے ستمبر 2018 کے اختتام تک	ملا
326.766	253.697	مناقصہ/یکمیشن سے پہلے
16.173	2.679	فی شیئر آمدنی
1.08	0.18	

اگرچہ نئے مالی سال کی پہلی سرمایہ کا آغاز توقع سے زیادہ مست تھا لیکن آپ کی کمپنی آنے والے مہینوں میں کوئی بھی پوزیشن حاصل کرنے میں برآمدیدے۔ ایچ آر پونٹ میں، ہم نے برطانیہ کے علاوہ یورپ کے کچھ دیگر ممالک میں برآمدیدے۔

پاکستانی رویہ کی حالیہ گراؤت اخراجات میں اضافے کا سبب بنی ہے، لیکن ہم ساختہ پاکستان کے لئے طلب میں اضافہ دیکھ رہے ہیں کیونکہ ہم دیگر ایشیائی سپلائرز کے ساتھ مقابلہ کرنے میں کامیاب ہوں گے۔ ہم امید رکھتے ہیں کہ آئے والے 3 سہ ماہیوں میں کم تیل کی کمی کو پورا کر لیں گے۔

ہم نے اپنے پروسٹنگ یونٹ میں بہت سارے ایڈجسٹمنٹ بھی کئے ہیں۔ حکومت کی سب اچھی کوششوں کے باوجود توانائی کی قیمتوں میں قیمتیں بڑھ رہی ہے۔ جس کی وجہ سے ہم نے اپنی مصنوعات میں ردوبدل کیا ہے۔ اس طرح، ہم دوسرے مصنوعات بہتر قیمتوں پر اچھی شرح منافع پر بیچ سکیں گے۔

کھیتی اپنے، گاؤں اور خام مال کے پلاؤں کا شکر یہ رکھنا چاہتی ہے جن کی مسلسل حمایت اور تحفظ نے ہمیں اپنے مطلوبہ نتائج حاصل کرنے میں مدد دی ہے۔ یورپ اسٹاف کے ارکان اور خاص طور پر آپ کی کمپنی کے کارکنوں کا شکر یہ ادا کرتی ہے، جنہوں نے یہ سب کچھ کرنے کے لئے انتہائی کوششوں کے ساتھ کام کیا ہے۔

بورڈ کی جانب سے:-

فیصل خان
چیف ایگزیکٹو آفیسر

لا حول

29 نومبر 2018

**ARUJ INDUSTRIES LTD.**

BALANCE SHEET

AS AT SEPTEMBER 30, 2018

	(UN-AUDITED) SEP, 30, 2018 Rupees	(AUDITED) June 30, 2018 Rupees
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised Capital		
12,500,000 ordinary shares		
of Rs. 10/- each	125,000,000	125,000,000
Issued, Subscribed & Paid up Capital:	104,578,900	104,578,900
Capital Reserve	100,000,000	100,000,000
Retained earning	76,709,705	74,807,554
	281,288,605	279,386,454
NON-CURRENT LIABILITIES		
Liabilities against assets subject to		
finance lease	42,524,584	29,777,120
Long-term Loan	82,023,538	83,523,538
Deferred liabilities	43,435,337	43,435,337
	167,983,459	156,735,995
CURRENT LIABILITIES:		
Short Term Finance	444,843,023	406,017,881
Current maturity of		
Finance Lease	20,931,355	26,607,424
Trade and other payable	344,705,015	331,590,322
Unclaim Dividend	2,290,218	2,290,218
Accrued Markup of short term loans-secured	1,855,994	4,142,499
Provision for Taxation	11,881,010	11,104,075
	826,506,615	781,752,419
CONTINGENCIES AND COMMITMENTS	-	-
	1,275,778,679	1,217,874,868
PROPERTY PLAND AND EQUIPMENT		
Operating Fixed Assets - Tangible		
At Written down value	394,956,136	380,709,097
CAPITAL WORK IN PROGRESS - P & M	54,881,376	52,832,815
LONG TERM SECURITY DEPOSITS	7,073,571	7,073,571
CURRENT ASSETS:		
Stores and spares	11,140,579	10,031,453
Stock in trade	401,945,708	366,059,808
Trade Debts	215,380,457	228,227,368
Loan & Advances	127,912,381	113,240,465
Trade deposits & Short Term pre-payments	1,495,181	1,587,610
Other Receivable	50,332,752	40,137,986
Cash and bank balances	10,660,538	17,974,695
	818,867,596	777,259,385
TOTAL ASSETS	1,275,778,679	1,217,874,868

Chief Executive Officer

Director

Chief Financial Officer

**ARUJ INDUSTRIES LTD.**

**PROFIT AND LOSS ACCOUNT (UN - AUDITED)
FOR THE FIRST QUATER ENDED
SEPTEMBER, 2018**

	Jul-18	Jul-17
	To Sep-18 Rupees	To Sep-17 Rupees
Sales - net	253,697,977	326,766,383
Less: Cost of sales	(230,814,420)	(288,301,649)
Gross Profit	22,883,557	38,464,734
Less: Operating expenses:		
Administrative and General	(8,004,957)	(6,936,651)
Selling and Distribution	(5,163,232)	(6,762,250)
	(13,168,189)	(13,698,901)
Operating profit / (loss)	9,715,368	24,765,833
Finance Cost	(7,880,528)	(7,741,008)
	1,834,840	17,024,825
Add: Other income	985,250	-
	2,820,090	17,024,825
Workers' profit participation fund	(141,004)	(851,241)
Profit / (loss) before taxation	2,679,085	16,173,584
Provision for taxation	(776,935)	(4,852,075)
Profit / (loss) after taxation	1,902,151	11,321,509
Earnings per share - basic	0.18	1.08

Chief Executive Officer

Director

Chief Financial Officer

**ARUJ INDUSTRIES LTD.**

CASH FLOW STATEMENT (UN-AUDITED)

FOR THE FIRST QUATER ENDED SEPTEMBER, 2018

	Quarter Ended Sept. 30, 2018 Rupees	Quarter Ended Sept. 30, 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before taxation	2,679,085	16,173,584
Adjustments for:		
Depreciation	8,465,829	6,879,815
Financial Charges	7,880,528	7,741,008
W.P.P.F		851,241
Gratuity paid	-	(61,000)
	<u>16,346,357</u>	<u>15,411,064</u>
Cash Flow Before Working Capital Changes	19,025,443	31,584,648
Working Capital Changes		
(Increase) / Decrease in current assets:		
Stores, spare parts and loose tools and	(1,109,126)	(2,502,086)
Stock in trade	(35,885,900)	(12,031,320)
Trade debts	12,846,911	(4,183,725)
Loan and advances	(14,671,916)	(11,137,358)
Trade deposits and short prepayments	92,429	(59,695)
Other Receivables	(10,194,766)	3,965,822
Increase / (decrease) in current liabilities:		
Trade and other payables	13,114,693	17,769,213
	<u>(35,807,675)</u>	<u>(8,179,149)</u>
Cash Generated from / (used in) Operations	(16,782,232)	23,405,499
Financial Cost Paid	(10,167,033)	(7,832,043)
Net Cash inflow /(outflow) from operating activities	(26,949,265)	15,573,456
CASH FLOWS FROM INVESTING ACTIVITIES:		
Security Deposits	-	(1,638,000)
Fixed capital expenditure	(22,712,868)	(43,254,617)
Capital Work In Progress	(2,048,561)	
Net Cash inflow /(outflow) from Investing activities	(24,761,429)	(44,892,617)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Long Term loans (Paid)/Received	(1,500,000)	-
Payment of liabilities against assets subject to finance lease	7,071,395	(6,286,638)
Net Cash inflow /(outflow) from Financing activities	5,571,395	(6,286,638)
Net (Increase) / Decrease in cash and cash equivalents	(46,139,299)	(35,605,799)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	(388,043,186)	(308,191,868)
CASH AND CASH EQUIVALENTS AT THE END OF FIRST QUATER - A	(434,182,485)	(343,797,667)
A CASH AND CASH EQUIVALENTS		
Short term finance	(444,843,023)	(365,540,996)
Cash and Bank balances	10,660,538	21,743,229
	<u>(434,182,485)</u>	<u>(343,797,767)</u>

Chief Executive Officer

Director

Chief Financial Officer



ARUJ INDUSTRIES LTD.

STATEMENT OF CHANGES IN EQUITY

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

	Share Capital Rupees	Capital Reserves Rupees	Rupees Un-appropriat- ed Profit Rupees	Total
Balance as at July 01.2017	104,578,900	100,000,000	80,354,915	284,933,815
Net Profit for 3 Months upto September 30 , 2017			11,321,509	11,321,509
Balance as at Sep.'30 2017	<u>104,578,900</u>	<u>50,000,000</u>	<u>91,676,424</u>	<u>296,255,324</u>
Balance as at July 01.2018	104,578,900	100,000,000	74,807,554	279,386,454
Net Profit for 3 Months upto September 30 , 2018			1,902,151	1,902,151
Balance as at Sep.'30 2018	<u>104,578,900</u>	<u>100,000,000</u>	<u>76,709,705</u>	<u>281,288,605</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 First Quarter Accounts are the same as those applied in the preparation of the preceding annual published accounts for the year ended June 30. 2018 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.

	Sep. 30 2018 Rupees	Sep. 30 2017 Rupees
4 Basic Earning per Share		
Net Profit for the Three months	1,902,151	11,321,509
Number of Ordinary Shares	10,457,890	10,457,890
Earning per Share (Rs.)	0.18	1.08

Chief Executive Officer

Director

Chief Financial Officer

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ARUJ INDUSTRIES LTD.

📍 **Corporate Office:** 2-Km off Raiwind Manga Road,
Raiwind, Lahore, Pakistan.

📍 **Lahore Office (Stitching Unit):** Aruj House 1-KM Raiwind Road,
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