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# ARUJ INDUSTRIES LTD.

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CONDENSED INTERIM STATEMENT FOR SIX MONTH PERIOD ENDED  
DECEMBER 31, 2025



*Half Yearly Report*

*December 31, 2025*

**UN-AUDITED**



## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS**

- |                                |   |                 |
|--------------------------------|---|-----------------|
| 1. Mr. Ali Maqsood Butt        | : | Chair Person    |
| 2. Mr. Faisal Khan             | : | Chief Executive |
| 3. Mr. SH. Ghulam Mustafa      | : | Director        |
| 4. Mrs. Durray Zara Butt       | : | Director        |
| 5. Dr. Aruj Butt               | : | Director        |
| 6. Mr. Muhammad Sajjad Hussain | : | Director        |
| 7. Miss Amara Javid            | : | 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](mailto:info@aruj.com)  
Website: [www.aruj.com](http://www.aruj.com)

### **AUDIT COMMITTEE**

Mr. Muhammad Sajjad Hussain	Chairman
Mr. SH. Ghulam Mustafa	Member
Miss Amara Javid	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](mailto:info@aruj.com)  
Website: [www.aruj.com](http://www.aruj.com)

### **HR & REMUNERATION COMMITTEE**

Mr. Muhammad Sajjad Hussain	Chairman
Dr. Aruj Butt	Member
Miss Amara Javid	Member

### **BANKERS**

Bank Alfalah Limited.  
Habib Bank Limited.  
Bank of Punjab.  
JS Bank Limited.  
Habib Metropolitan Bank Ltd.  
Faysal Bank Limited.  
Meezan Bank  
Bank Al Habib

**DIRECTOR'S REPORT**

Your Directors have the pleasure to present to you the Financial Statement of the company for the Half Year ended 31st December, 2025

<b>Particulars</b>	<b>6 Months ended Dec., 31, 2025 Rupees</b>	<b>6 Months ended Dec., 31, 2024 Rupees</b>
Sales	-	191,800
Gross Loss	<b>(10,788,130)</b>	(14,907,816)
Loss Before Taxation	<b>(16,198,196)</b>	(20,966,617)
Taxation	-	2,398
Loss After Taxation	<b>(16,198,196)</b>	(20,969,015)
Loss per Share-basic & diluted	<b>(1.55)</b>	(2.01)

The 2nd Quarter results paint a similar picture as the previous quarters. Rest assured, the directors of your company have been working on solutions to kickstart the company back into business. In this respect, the founder of the company, Mr Maqsood Ahmad Butt, has shown willingness to inject some of his personal money into operations. We are currently planning on starting trading of fusible interlining, a core product of the company, when that cash injection is made.

Your company expects this transaction to be complete by the 3rd quarter of the current financial year. However, we are still steadfast on making your company profitable again.

**Future outlook**

We do hope that the new government would bring back some of this lost confidence. As stated before, your Company believes business outlook should start turning positive beginning from the 4th quarter of the current financial year.

**Note of Thanks:**

The Board would like to extend our sincere 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 26, 2026

**FAISAL KHAN**  
Chief Executive



## ڈائریکٹرز رپورٹ

آپ کی کمپنی عروج و انظر میں لیٹیڈ کے ڈائریکٹرز کمپنی کے 31 دسمبر 2025 کو ختم ہونے والے نصف سال کے حسابات پیش کرنا چاہیں گے۔ مختصر نتائج اس طرح ہیں۔

ششماہی 31 دسمبر 2024	ششماہی 31 دسمبر 2025	
کے اختتام پر	کے اختتام پر	سیلز
191,800	-	کل نقصان
(14,907,816)	(10,788,130)	نقصان ٹیکسیشن سے پہلے
(20,966,617)	(16,198,196)	ٹیکسیشن
2,398	-	نقصان ٹیکسیشن کے بعد
(20,969,015)	(16,198,196)	فی شیئر نقصان
(2.01)	(1.55)	

دوسری ششماہی کے نتائج گزشتہ ششماہیوں کی طرح ہی صورتحال کی عکاسی کرتے ہیں۔ آپ مطمئن رہیں کہ آپ کی کمپنی کے ڈائریکٹرز کمپنی کو دوبارہ کاروبار کی راہ پر گامزن کرنے کے لیے عمل پر کام کر رہے ہیں۔ اس سلسلے میں کمپنی کے بانی، مسٹر مقصود احمد بٹ، نے آپریشنز میں اپنی ذاتی رقم شامل کرنے کی آمادگی ظاہر کی ہے۔ جب یہ سرمایہ فراہم کر دیا جائے گا تو ہم کمپنی کی بنیادی مصنوعات میں سے ایک، فیوزیبل اسٹرانڈنگ، کی تجارت دوبارہ شروع کرنے کا ارادہ رکھتے ہیں۔

آپ کی کمپنی کو توقع ہے کہ یہ لین دین موجودہ مالی سال کی تیسری ششماہی تک مکمل ہو جائے گا۔ تاہم، ہم اب بھی آپ کی کمپنی کو دوبارہ منافع بخش بنانے کے لیے عزم پر ثابت قدم ہیں۔

مستقبل کا نقطہ نظر

ہمیں امید ہے کہ نئی حکومت اس کھوئے ہوئے اعتماد میں سے کچھ واپس لائے گی۔ جیسا کہ پہلے کہا گیا ہے، آپ کی کمپنی کا خیال ہے کہ کاروباری نقطہ نظر موجودہ مالی سال کی چوتھی سہ ماہی سے مثبت آغاز کرنا چاہیے۔

شکریہ کا نوٹ:

بورڈ کے قابل قدر شیئر ہولڈرز، صارفین اور خدام فراہم کرنے والوں کا تہدیل سے شکر یہ ادا کرنا چاہتا ہے جن کے تعاون، مسلسل حمایت اور سرپرستی نے ہمیں اپنے مطلوبہ نتائج حاصل کرنے میں مدد فراہم کی ہے۔

بورڈ ایگزیکٹوز، اسٹاف ممبران اور خدام طور پر آپ کی کمپنی کے ورکرز کا بھی شکر یہ ادا کرنا چاہیے گا، جنہوں نے یہ سب ممکن بنانے کے لیے پوری محنت کے ساتھ وفاداری کے ساتھ کام کیا۔

بورڈ کی جانب سے

لاہور

مورخہ 26 فروری 2026

فیصل خان  
چیف ایگزیکٹو



**Independent Practitioner's Review Report  
To the members of ARUJ INDUSTRIES LIMITED  
Report on review of Interim Financial Statements**

**Introduction**

We were engaged to review the accompanying condensed interim statement of financial position of **Aruj Industries Limited** (the Company) as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows for the six-month period then ended, and notes to the financial statements, including material accounting policy information. Management is responsible for the preparation and fair presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. However, because of the matters described in the Basis for Disclaimer of Conclusion paragraph, we were not able to obtain sufficient appropriate evidence as a basis for expressing a conclusion on the financial statements

**Scope of Review**

We were required to conduct our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information 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.

**Basis for Disclaimer of Conclusion**

As disclosed in the interim financial statements, the Company continues to incur losses and has accumulated losses resulting in negative equity as at December 31, 2025. Further, the Company's current liabilities exceed its current assets. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. We do not conform with the management assumption of the ability of the company to continue as a going concern.

During the period, the Company did not carry out any significant manufacturing or trading operations. No sufficient appropriate evidence was made available to us regarding management's plans for resumption of operations or improvement in the Company's financial position.

In addition, adequate accounting records and relevant supporting documentation were not maintained or made available for our review. Various balances including trade debts, trade and other payables, balances payable to financial institutions, accrued mark-up, advances and other receivables include long outstanding amounts from prior periods. We were unable to obtain sufficient appropriate evidence regarding the existence, completeness and valuation of these balances.

Further, no allowance for expected credit losses has been recorded against long-outstanding receivables which appear doubtful of recovery. Inventory balances, where applicable, have not been assessed at the lower of cost and net realizable value in accordance with applicable accounting standards.

**Disclaimer of Conclusion**

Because of the significance of the matter described in the Basis for Disclaimer of Conclusion paragraph, we have not been able to obtain sufficient appropriate evidence to provide a basis for a review conclusion. Accordingly, we do not express a conclusion on the accompanying financial statements.

The engagement partner on the review resulting in this independent auditor's report is **SALAHUDDIN MAHMOOD, FCA**.

**QADEER & COMPANY  
CHARTERED ACCOUNTANTS**

**Lahore:**

**Date: February 26, 2026.**

**UDIN: RR202510809768OeujFR**

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**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)  
AS AT DECEMBER 31, 2025**

		Un-audited Dec 31, 2025	Audited June, 2025
	Note	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital: 12,500,000 (June 30, 2025: 12,500,000) ordinary shares of Rs. 10/- each		125,000,000	125,000,000
Issued, subscribed and paid up share capital: 10,457,890 (June 30, 2025: 10,457,890) ordinary shares of Rs. 10/- each		104,578,900	104,578,900
Capital reserve		100,000,000	100,000,000
Revenue reserves - unappropriated loss		(432,265,530)	(416,067,334)
		(227,686,630)	(211,488,434)
Directors' loan - unsecured	7	101,364,748	101,364,748
		(126,321,882)	(110,123,686)
<b>Non-current liabilities</b>			
Long term loan	8	-	-
Lease liabilities		634,964	634,964
Deferred liabilities	9	52,425,449	52,425,449
		53,060,413	53,060,413
<b>Current liabilities</b>			
Trade and other payables	10	285,284,217	285,052,502
Unclaimed dividend		2,290,218	2,290,218
Accrued mark-up		7,926,512	7,926,512
Short term borrowings	11	676,279,769	676,279,769
Current portion of long term loan		6,006,540	6,006,540
Current portion of lease liabilities		6,033,754	6,033,754
Provision for taxation		4,480,871	4,480,871
		988,301,881	988,070,166
<b>CONTINGENCIES AND COMMITMENTS</b>			
	12	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>915,040,412</b>	<b>931,006,893</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	336,446,936	351,394,132
Capital work in progress		-	-
		336,446,936	351,394,132
Long term deposits		1,994,591	1,994,591
		338,441,527	353,388,723
<b>Current assets</b>			
Stores, spares and loose tools		8,399,795	8,399,795
Stock in trade		79,679,073	79,679,073
Trade debts		291,372,473	292,102,431
Loans, advances and other receivables	14	165,549,685	165,891,505
Tax refunds/ rebate due from the Government	15	29,774,538	29,774,538
Cash and bank balances	16	1,823,321	1,770,828
		576,598,885	577,618,170
<b>TOTAL ASSETS</b>		<b>915,040,412</b>	<b>931,006,893</b>

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	<b>Six Months Ended Dec. 31,</b>		<b>Quarter Ended Dec. 31,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
Sales - net	-	191,800	-	191,800
Cost of sales	<b>10,788,130</b>	15,099,616	<b>5,394,066</b>	5,904,136
<b>Gross loss</b>	<b>(10,788,130)</b>	(14,907,816)	<b>(5,394,066)</b>	(5,712,336)
Selling and distribution cost	-	-	-	-
Administrative expenses	<b>5,410,066</b>	4,947,767	<b>3,517,337</b>	2,619,396
<b>Operating loss</b>	<b>(16,198,196)</b>	(19,855,583)	<b>(8,911,403)</b>	(8,331,732)
Finance cost	-	1,111,034	-	346,991
<b>Loss before levy and tax</b>	<b>(16,198,196)</b>	(20,966,617)	<b>(8,911,403)</b>	(8,678,723)
Levy	-	-	-	-
<b>Loss before tax</b>	<b>(16,198,196)</b>	(20,966,617)	<b>(8,911,403)</b>	(8,678,723)
Taxation	-	2,398	-	2,398
<b>Loss after tax</b>	<b>(16,198,196)</b>	(20,969,015)	<b>(8,911,403)</b>	(8,681,121)
<b>Loss per share - basic and diluted</b>	<b>(1.55)</b>	(2.01)	<b>(0.85)</b>	(0.83)

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

**CHIEF EXECUTIVE OFFICER****CHIEF FINANCIAL OFFICER****DIRECTOR**



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	<b>Six Months Ended Dec. 31,</b>		<b>Quarter Ended Dec. 31,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
Loss for the period	<b>(16,198,196)</b>	(20,969,015)	<b>(8,911,403)</b>	(8,681,121)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(16,198,196)</b>	<b>(20,969,015)</b>	<b>(8,911,403)</b>	<b>(8,681,121)</b>

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR



**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Note	Un-audited	Un-audited
		Dec 31, 2025	Dec 31, 2024
		Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before levy and tax		(16,198,196)	(20,966,617)
Adjustment for:			
Depreciation	13	14,947,196	13,951,600
Finance cost		-	1,111,034
		<u>14,947,196</u>	<u>15,062,634</u>
<b>Operating loss before working capital changes</b>		<b>(1,251,000)</b>	<b>(5,903,983)</b>
<i>(Increase)/ decrease in current assets:</i>			
Stores, spare parts and loose tools		-	-
Stock in trade		-	55,866
Trade debts		729,958	43,489,874
Loans, advances and other receivable		341,820	146,023,802
Tax refunds/ rebate due from the Government		-	(735,875)
<i>Increase/ (decrease) in current liabilities:</i>			
Trade and other payables		231,715	(170,933,825)
		<u>1,303,493</u>	<u>17,899,842</u>
<b>Cash generated from operations</b>		<b>52,493</b>	<b>11,995,859</b>
Finance cost paid		-	(1,111,034)
Gratuity paid		-	-
Income tax paid / deducted - net		-	-
<b>Net cash generated from / (used in) operating activities</b>		<b>52,493</b>	<b>10,884,825</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Long-term security deposits		-	8,178,930
<b>Net cash (used in) / generated from investing activities</b>		<b>-</b>	<b>8,178,930</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Directors' loan - net		-	2,466,316
Repayment of lease liabilities - net		-	(2,788,234)
Repayment of long term loan - net		-	(6,006,540)
Dividend paid		-	(2,290,218)
Short term borrowings		-	5,994,842
<b>Net cash (used in) / generated from financing activities *</b>		<b>-</b>	<b>(2,623,832)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>52,493</b>	<b>82,063</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>1,770,828</b>	<b>1,848,582</b>
<b>Cash and cash equivalents at the end of the period</b>	16	<b>1,823,321</b>	<b>1,930,645</b>

\* There are no non-cash items included in these activities.

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Issued, subscribed and paid up share capital	Capital reserves	Revenue reserves - unappropriated loss	Sub Total		Directors' loan - unsecured	Total Equity
				Share capital and reserves			
(RUPEES)							
Balance as at July 01, 2024 (audited)	104,578,900	100,000,000	(375,651,301)	(171,072,401)		97,058,538	(74,013,863)
Total comprehensive loss for the period	-	-	(20,969,015)	(20,969,015)		-	(20,969,015)
Directors' loan - unsecured	-	-	-	-		2,466,316	2,466,316
Balance as at December 31, 2024	104,578,900	100,000,000	(396,620,316)	(192,041,416)		99,524,854	(92,516,562)
<b>Balance as at July 01, 2025 (audited)</b>	<b>104,578,900</b>	<b>100,000,000</b>	<b>(416,067,334)</b>	<b>(211,488,434)</b>		<b>101,364,748</b>	<b>(110,123,686)</b>
Total comprehensive loss for the period			(16,198,196)				(16,198,196)
Directors' loan - unsecured						-	
Balance as at December 31, 2025 (un-audited)	104,578,900	100,000,000	(432,265,530)	(211,488,434)		101,364,748	(126,321,882)

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

**CHIEF EXECUTIVE OFFICER****CHIEF FINANCIAL OFFICER****DIRECTOR**



**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL  
STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

**1 LEGAL STATUS AND OPERATIONS**

Aruj Industries Limited ("the Company") was incorporated in Pakistan on December 31, 1992 under the Repealed 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 geographical location and address of the Company's business units, including mills/plant is as under:

**Geographical location**

2-KM, Off Raiwind Manga Road, Raiwind, Lahore.

1-KM, Raiwind Road, Thokar Niaz Baig, Lahore.

**2 GOING CONCERN ASSUMPTION**

During the half year period ended December 31, 2025 (interim period), the Company has incurred a gross loss of Rs. 10.788 million (December 31, 2024: Rs. 14.907 million). It has also incurred a net loss of Rs. 16.198 million (December 31, 2024: Rs. 20.969 million). In addition, as at the period end, its accumulated losses stand at Rs. 432.265 million (June 30, 2025: Rs. 416.067 million). These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.

During the period, the Company did not carry out any manufacturing or significant trading operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

**3 BASIS OF PREPARATION**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting 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.

Where the provision of and directives issues under the Companies Act, 2017 differ with the requirements of IAS 34 or IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of Companies Act, 2017 and should be read in conjunction with audited annual financial statements of the Company for the year ended June 30, 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

The figures included in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2025 and 2024 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they are required to review only the cumulative figures for the half year period ended December 31, 2025 and 2024.

**4 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 condensed interim statement of cash flows, all the transactions have been accounted for on accrual basis.

**5 MATERIAL ACCOUNTING POLICY INFORMATION**

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 2025.

**5.1 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 Standards) 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.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.



**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

**5.2 Standards, amendments and Interpretations adopted during the year**

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period beginning on or after July 1, 2024, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these financial statements.

**5.3 Standard, interpretation and amendments to approved accounting standards that are not yet effective and have not been early adopted by the Company:**

<b>Standards, amendments or interpretations</b>	<b>Effective date (accounting period beginning on or after)</b>
IFRS 9 - Financial Instruments - Classification and Measurements (amendments)	January 1, 2026
IFRS 17 - Insurance Contracts	January 1, 2026
IFRS 7 - Financial Instruments Disclosures' (amendments)	January 1, 2026
IAS 21 - The Effects of Changes in Foreign Exchange Rates' (amendments)	January 1, 2025
Annual improvement to IFRS 7, IFRS 9, IFRS 10 (Consolidated Financial Statements) and IAS 7 (Statement of Cashflows)	January 1, 2026

The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been noticed locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2024;

- IFRIC 1 First-time Adoption of International Financial Reporting Standards
- IFRIC 12 Service Concession Arrangement
- IFRS 18 Presentation and Disclosures in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

**6 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of these condensed interim financial statements are in conformity with the approved accounting and reporting standards as applicable in Pakistan for interim reporting requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on the historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied to financial statements as at and for the year ended June 30, 2025.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2025.

	<b>Un-audited</b>	<b>Audited</b>
	<b>Dec 31, 2025</b>	<b>June 30, 2025</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>7 DIRECTORS' LOAN - UNSECURED</b>		
Loan from directors - unsecured	<b>101,364,748</b>	101,364,748
<b>8 LONG TERM LOAN</b>		
<i>Loan from banking companies - secured</i>		
Bank Alfalah Limited	6,006,540	6,006,540
Less: Current portion of long term loan	<b>(6,006,540)</b>	(6,006,540)
	-	-
<b>9 DEFERRED LIABILITIES</b>		
Deferred tax - net	<b>35,055,354</b>	35,055,354
Employees retirement benefits - gratuity	<b>17,370,095</b>	17,370,095
	<b>52,425,449</b>	52,425,449

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL  
STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Un-audited Dec 31, 2025	Audited June 30, 2025
	Rupees	Rupees
<b>10 TRADE AND OTHER PAYABLES</b>		
Creditors	205,617,262	205,617,262
Advances from customers - unsecured:		
Local	21,848,303	21,848,303
Foreign	7,330,421	7,330,421
Accrued liabilities	4,366,139	4,162,282
Workers' welfare fund	4,524,546	4,524,546
Workers' profit participation fund	-	-
Withholding tax payable	11,349,542	11,323,244
Employees retirement benefits - current portion	17,675,769	17,675,769
Other payables	12,572,235	12,570,675
	<u>285,284,217</u>	<u>285,052,502</u>
<b>11 SHORT TERM BORROWINGS</b>		
<i>From banking companies - secured:</i>		
Habib Bank Limited	94,242,833	94,242,833
The Bank of Punjab	147,653,000	147,653,000
Bank Alfalah Limited	350,875,381	350,875,381
Meezan Bank Limited	76,200,977	76,200,977
Bank Overdrafts - Bank Alfah	7,307,578	7,307,578
	<u>676,279,769</u>	<u>676,279,769</u>
<b>12 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 year ended June 30, 2025.		
<b>Commitments</b>		
There are no known material commitments as at reporting date (June 30, 2025: nil)		
<b>13 PROPERTY PLANT AND EQUIPMENT</b>		
Opening balance (WDV)	351,394,132	383,663,671
Add: Additions during the period / year	-	-
Less: Deletions during the period / year		(3,534,005)
Less: Depreciation charged for the period / year	(14,947,196)	(28,735,534)
	<u>336,446,936</u>	<u>351,394,132</u>
<b>14 LOANS, ADVANCES AND OTHER RECEIVABLES</b>		
Loans and advances - considered good	163,349,685	163,691,505
Rebate and DLTTL receivable	2,200,000	2,200,000
	<u>165,549,685</u>	<u>165,891,505</u>
<b>15 TAX REFUNDS/ REBATE DUE FROM THE GOVERNMENT</b>		
Advance income tax	11,066,477	11,066,477
Sales tax refundable	18,708,061	18,708,061
	<u>29,774,538</u>	<u>29,774,538</u>
<b>16 CASH AND BANK BALANCES</b>		
	123,366	72,651
Cash in hand	1,699,955	1,698,177
Cash at banks - <i>current accounts</i>	1,823,321	1,770,828
	<u>-</u>	<u>-</u>
<b>17 TRANSACTION WITH RELATED PARTIES</b>		
Receipt of Directors' loan - net	-	101,364,748



**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL  
STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

**18 ENTITY-WIDE INFORMATION**

The Company constitutes of a single reportable segment, the principal classes of products are Fusible Interlining, Dying / Bleaching / Processing, Stitching of Fabric and other related products.

All of the revenue of the Company during the period relates to the customers in Pakistan.

All non-current assets of the Company as at the period end are located in Pakistan.

**19 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were approved and authorized for issue on February 26, 2026 by the Board of Directors of the Company.

**20 CORRESPONDING FIGURES**

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant rearrangement / reclassification of corresponding figures have been made.

**21 GENERAL**

Figures have been rounded off to the nearest of Pakistani rupees.

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