
ARUJ INDUSTRIES LTD.

CONDENSED INTERIM STATEMENT FOR SIX MONTH PERIOD ENDED
DECEMBER 31, 2023



Half Yearly Report

December 31, 2023

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
Website: 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
Website: 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 31 December, 2023

Particulars	6 Months ended Dec., 31, 2023 Rupees	6 Months ended Dec., 31, 2022 Rupees
Sales	234,157,955	508,284,645
Gross Loss	(45,997,676)	(37,478)
Loss Before Taxation	(76,907,851)	(38,283,630)
Taxation	7,475,828	8,388,400
Loss After Taxation	(84,383,680)	(46,672,030)
Loss per Share-basic & diluted	(8.07)	(4.46)

As stated in the Q1 Report, your Company had a lean performing Q2. Increase in fuel prices from the last quarter have persisted and have put a heavy pressure on demand. Further, the political climate inside the country shook the confidence of the business community, who seem to be wary before spending their money.

With the new government in place, we are now eyeing gas and electricity prices, which the government will have to bring under control for us to remain competitive with the rest of the textile producing countries.

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



ڈائریکٹرز رپورٹ

آپ کی کئینی عروج انڈسٹریز لمیٹڈ کے ڈائریکٹرز کئینی کے 31 دسمبر 2023 کو ختم ہونے والے نصف سال کے حسابات پیش کرنا چاہیں گے۔ مختصر نتائج اس طرح ہیں۔

ششماہی 31 دسمبر 2022	ششماہی 31 دسمبر 2023	
کے اختتام پر	کے اختتام پر	ملین
508,284,645	234,157,955	کل نقصان
(37,478)	(45,997,676)	نقصان ٹیکسیشن سے پہلے
(38,283,630)	(76,907,851)	ٹیکسیشن
8,388,400	7,475,828	نقصان ٹیکسیشن کے بعد
(46,672,030)	(84,383,680)	فی شیئر نقصان
(4.46)	(8.07)	

جیسا کہ Q1 رپورٹ میں بتایا گیا ہے، آپ کی کئینی Q2 میں کمزور کارکردگی کا مظاہرہ کر رہی تھی۔ پچھلی سہ ماہی سے ابیدھن کی قیمتوں میں اضافہ برقرار ہے اور اس نے مانگ پر بہت زیادہ دباؤ ڈالا ہے۔ خرید، ملک کے اندر سیاسی ماحول نے تاجر برادری کے اعتماد کو متزلزل کر دیا، جو اپنا پیسہ خرچ کرنے سے پہلے ہوشیار دکھائی دیتے ہیں۔

نئی حکومت کے آنے کے بعد، اب ہم گیس اور بجلی کی قیمتوں پر نظریں جمائے ہوئے ہیں، جن پر حکومت کو قابو میں لانا ہوگا تاکہ ٹیکسٹائل پیدا کرنے والے باقی ممالک کے ساتھ مسابقت میں رہ سکیں۔

مستقبل کا نقطہ نظر

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

شکریہ کا نوٹ:

بورڈ اے قابل قدر شیئر ہولڈرز، صارفین اور ختام مال فراہم کرنے والوں کا تہہ دل سے شکریہ ادا کرنا چاہتا ہے جن کے تعاون، مسلسل حمایت اور سرپرستی نے ہمیں اپنے مطلوبہ نتائج حاصل کرنے میں مدد فراہم کی ہے۔

بورڈ اے ایگزیکٹوز، اسٹاف ممبران اور خاص طور پر آپ کی کئینی کے ورکرز کا بھی شکریہ ادا کرنا چاہے گا، جنہوں نے یہ سب ممکن بنانے کے لیے پوری محنت کے ساتھ وفاداری کے ساتھ کام کیا۔

بورڈ کی جانب سے

فیصل خان

چیف ایگزیکٹو

لاہور

مورخہ 29 فروری 2024



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, 2023** and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after 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 other comprehensive income for the quarters ended December 31, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the six-months period ended **December 31, 2023**.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information 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 are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Matter of Emphasis

Without qualifying our report, we draw attention of the members towards note 2 of the condensed interim financial statements, which indicates that the Company incurred net loss amounting to Rs. 84.384 million during the half year ended December 31, 2023 and as of that date, it has accumulated loss of Rs. 124.004 million. These conditions, along with other matters as set forth in note 2, indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The engagement partner on the review resulting in this independent auditor's review report is Tahir Razzaque Khan, FCA.

QADEER & COMPANY
CHARTERED ACCOUNTANTS

Lahore:

Date: February 29, 2024

UDIN: RR2023107065TeZ9uSNj



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2023**

	<u>Un-audited</u>	<u>Audited</u>
	<u>Dec 31, 2023</u>	<u>June, 2023</u>
<u>Note</u>	<u>Rupees</u>	<u>Rupees</u>
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital: 12,500,000 (June 30, 2023: 12,500,000) ordinary shares of Rs. 10/- each	<u>125,000,000</u>	125,000,000
Issued, subscribed and paid up capital: 10,457,890 (June 30, 2023: 10,457,890) ordinary shares of Rs. 10/- each	<u>104,578,900</u>	104,578,900
Capital reserves	<u>100,000,000</u>	100,000,000
Directors' loan	7 <u>97,058,538</u>	94,308,538
Accumulated loss	<u>(124,003,841)</u>	(39,620,161)
	<u>177,633,597</u>	259,267,277
NON-CURRENT LIABILITIES		
Long term loan	8 <u>-</u>	-
Lease liabilities	<u>12,659,340</u>	15,797,489
Deferred liabilities	9 <u>47,315,216</u>	42,766,362
	<u>59,974,556</u>	58,563,851
CURRENT LIABILITIES		
Trade and other payables	10 <u>273,937,646</u>	194,185,582
Unclaimed dividend	<u>2,290,218</u>	2,290,218
Markup accrued on loans and other payables	<u>20,669,356</u>	7,926,512
Short term borrowings	11 <u>676,169,596</u>	681,317,985
Current portion of long term loan	<u>6,006,540</u>	6,006,540
Current portion of lease liabilities	<u>7,184,673</u>	6,808,399
Provision for taxation	<u>13,298,145</u>	10,371,171
	<u>999,556,176</u>	908,906,407
CONTINGENCIES AND COMMITMENTS		
	<u>1,237,164,329</u>	1,226,737,535
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	13 <u>394,011,208</u>	410,604,548
Capital work in progress	<u>6,548,799</u>	6,548,799
	<u>400,560,007</u>	417,153,347
Long term deposits	<u>1,994,591</u>	1,733,341
	<u>402,554,598</u>	418,886,688
CURRENT ASSETS		
Stores, spare parts and loose tools	<u>24,526,245</u>	24,526,245
Stock in trade	<u>253,142,771</u>	280,184,309
Trade debts	<u>312,901,069</u>	285,554,958
Loans and advances	14 <u>193,508,261</u>	159,936,412
Tax refunds due from the Government	15 <u>43,952,041</u>	48,761,540
Cash and bank balances	16 <u>6,579,344</u>	8,887,383
	<u>834,609,731</u>	807,850,847
	<u>1,237,164,329</u>	1,226,737,535

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

**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Six Months Ended Dec. 31,		Quarter Ended Dec. 31,	
	2023	2022	2023	2022
	Rupees	Rupees	Rupees	Rupees
Sales - net	234,157,955	508,284,645	117,565,441	170,880,636
Cost of sales	280,155,631	508,322,123	141,445,803	191,143,401
Gross loss	(45,997,676)	(37,478)	(23,880,362)	(20,262,765)
Operating expenses				
Administrative and general	14,765,087	15,819,895	7,665,910	7,061,184
Selling and distribution	332,848	2,173,173	-	194,832
	15,097,935	17,993,068	7,665,910	7,256,016
Operating loss	(61,095,611)	(18,030,546)	(31,546,271)	(27,518,781)
Finance cost	15,812,240	20,253,084	15,062,272	11,126,542
Loss before taxation	(76,907,851)	(38,283,630)	(46,608,543)	(38,645,323)
Taxation	7,475,828	8,388,400	6,018,422	4,493,398
Loss after taxation	(84,383,680)	(46,672,030)	(52,626,966)	(43,138,721)
Loss per share - basic & diluted	(8.07)	(4.46)	(5.03)	(4.12)

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



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Six Months Ended Dec. 31,		Quarter Ended Dec. 31,	
	2023	2022	2023	2022
	Rupees	Rupees	Rupees	Rupees
Profit/(loss) for the period	(84,383,680)	(46,672,030)	(52,626,966)	(43,138,721)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the period	<u>(84,383,680)</u>	<u>(46,672,030)</u>	<u>(52,626,966)</u>	<u>(43,138,721)</u>

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

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR



**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Un-audited Dec 31, 2023	Un-audited Dec 31, 2022
Note	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(76,907,851)	(38,283,630)
Adjustments for:		
Depreciation	13 16,593,340	17,679,827
Finance cost	15,812,240	20,253,084
	32,405,580	37,932,911
Cash flows before working capital changes	(44,502,271)	(350,719)
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	-	(1,061,400)
Stock in trade	27,041,538	68,048,153
Trade debts	(27,346,111)	17,577,655
Loans and advances	(31,868,106)	(25,771,301)
Other receivables	4,809,499	18,133,406
Increase / (decrease) in current liabilities		
Trade and other payables	79,752,065	(58,326,908)
	52,388,885	18,599,605
Cash generated from/(used in) operations	7,886,614	18,248,886
Income tax paid	(1,703,743)	(2,577,735)
Finance cost paid	(3,069,396)	(20,044,743)
Net cash inflows / (outflows) from operating activities	3,113,475	(4,373,592)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	-	(51,200)
Long term deposits	(261,250)	1,389,170
Net cash (outflows) / inflows from investing activities	(261,250)	1,337,970
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of lease liabilities	(2,761,875)	(5,975,497)
Proceeds of Directors' loan	2,750,000	1,140,000
Payments of long term loans	-	(6,006,443)
(Payments) / Proceeds of short term borrowings	(5,148,389)	15,502,347
Net cash (outflows) / inflows from financing activities	(5,160,264)	4,660,407
Net (decrease) / increase in cash and cash equivalents	(2,308,039)	1,624,785
Cash and cash equivalents at the beginning of the period	8,887,383	14,950,238
Cash and cash equivalents at the end of the period	16 6,579,344	16,575,023

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

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Rupees				
	Issued, subscribed and paid-up capital	Capital Reserves	Directors' Loan	Accumulated profit / (loss)	Total
Opening balance as at July 01, 2022 (audited)	104,578,900	100,000,000	93,168,538	89,198,025	386,945,463
Total comprehensive loss for the period	-	-	-	(46,672,030)	(46,672,030)
Directors' loan	-	-	1,140,000	-	1,140,000
Balance as at December 31, 2022 (un-audited)	104,578,900	100,000,000	94,308,538	42,525,995	341,413,433
Balance as at July 01, 2023 (audited)	104,578,900	100,000,000	94,308,538	(39,620,161)	259,267,277
Total comprehensive loss for the period	-	-	-	(84,383,680)	(84,383,680)
Directors' loan	-	-	2,750,000	-	2,750,000
Balance as at December 31, 2023 (un-audited)	104,578,900	100,000,000	97,058,538	(124,003,841)	177,633,597

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



SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

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.

Business Units

Head office and Plant

Branch Office

2 GOING CONCERN ASSUMPTION

During the half year period ended December 31, 2023 (interim period), the Company has incurred a gross loss of Rs. 45,998 million (December 31, 2022: Rs. 0.037 million). It has also incurred a net loss of Rs. 84,384 million (December 31, 2022: Rs. 46,672 million). In addition, as at the period end, its accumulated losses stand at Rs. 124,004 million (June 30, 2023: Rs. 39,620 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.

The Company's continued viability relies on achieving acceptable profitability levels and maintaining adequate working capital, supported by sustained backing from Sponsors and principal lenders. Management expresses confidence that the Company will persist as a going concern and attain favorable profitability and liquidity in the future. This confidence is substantiated by the consistent provision of financing for working capital needs by the Company's directors, successful negotiation and utilization of Rs. 78.00 million short-term borrowing from Meehan Bank Limited in the previous period, effective discharge of outstanding liabilities related to staff retirement benefits and other financial obligations in prior periods, and the anticipated reduction in financial costs through repayment of long-term loans and markups on short-term borrowings, expected to contribute to profitability in subsequent periods.

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, 2023. 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, 2023 and 2022 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, 2023 and 2022.

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 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 2023.

5.1 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

a) New standards, amendments and interpretation to published approved accounting and reporting standards which became effective during the period ended December 31, 2023.

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on July 01, 2023. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

b) New standards and amendments to published approved accounting and reporting standards that are not yet effective.

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2024 and have not been early adopted by the Company. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL
STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****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, 2023.

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, 2023.

	<u>Un-audited</u>	<u>Audited</u>
	<u>December 31,</u>	<u>June 30,</u>
	<u>2023</u>	<u>2023</u>
	<u>Rupees</u>	<u>Rupees</u>
7 DIRECTORS' LOAN		
Loan from directors - unsecured	97,058,538	94,308,538
8 LONG TERM LOAN		
Banking Companies:		
Bank Alfalfa Limited	6,006,540	6,006,540
Less: Current portion of long term loan	(6,006,540)	(6,006,540)
	-	-
9 DEFERRED LIABILITIES		
Deferred tax liability	19,879,381	15,330,527
Staff retirement benefits - gratuity	27,435,835	27,435,835
	47,315,216	42,766,362
10 TRADE AND OTHER PAYABLES		
Trade creditors	181,311,187	132,099,370
Contract liabilities	43,934,848	22,720,973
Accrued expenses	13,171,443	7,252,431
Workers welfare fund	4,524,546	4,524,546
Withholding tax payable	10,509,830	9,861,264
Other payables	20,485,792	17,726,998
	273,937,646	194,185,582
11 SHORT TERM BORROWING		
From banking companies - secured		
Habib Bank Limited	94,242,833	94,242,833
The Bank of Punjab	147,653,000	150,000,000
Bank Alfalah Limited	350,875,731	350,875,731
Meezan Bank Limited	76,200,977	78,000,000
Bank overdrafts	7,197,055	8,199,421
	676,169,596	681,317,985
12 CONTINGENCIES AND COMMITMENTS		
Contingencies		
There is no material change in the status of the contingencies reported in the annual financial statements for the year ended June 30, 2023.		
Commitments		
There were no major commitments as at the reporting date (June 30, 2023: nil).		

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL
STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<u>Un-audited</u>	<u>Audited</u>
	<u>December 31,</u>	<u>June 30,</u>
	<u>2023</u>	<u>2023</u>
	<u>Rupees</u>	<u>Rupees</u>
13 PROPERTY PLANT AND EQUIPMENT		
Opening balance (WDV)	410,604,548	432,092,734
Add: Additions during the period / year	-	14,734,440
Less: Depreciation charged for the period / year	16,593,340	36,222,625
	<u>394,011,208</u>	<u>410,604,548</u>
14 LOANS AND ADVANCES		
Loans and advances - considered good	170,398,099	138,529,993
Rebate and DLTL receivable	2,200,000	2,200,000
Advance income tax - net	20,910,162	19,206,419
	<u>193,508,261</u>	<u>159,936,412</u>
15 TAX REFUNDS DUE FROM THE GOVERNMENT		
Sales tax refundable	43,952,041	48,761,540
16 CASH AND BANK BALANCES		
Cash in hand	5,094,781	5,308,646
Cash at bank	1,484,563	3,578,737
	<u>6,579,344</u>	<u>8,887,383</u>
	<u>Un-audited</u>	<u>Un-audited</u>
	<u>December 31,</u>	<u>December 31,</u>
	<u>2023</u>	<u>2022</u>
	<u>Rupees</u>	<u>Rupees</u>
17 TRANSACTION WITH RELATED PARTIES		
Receipt of Directors' loan - net	2,750,000	1,140,000
18 ENTITY-WIDE INFORMATION		
<ul style="list-style-type: none">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 29, 2024 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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