

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2016  
(UN-AUDITED)**

	Rupees			Total
	Share Capital Rupees	Capital Reserves Rupees	Un-appropriat-ed Profit Rupees	
Balance as at July 01.2015	104,578,900	-	107,931,356	212,510,256
Net Profit for the period			12,525,577	12,525,577
Balance as at .30 Sep.,2015	<b>104,578,900</b>	<b>-</b>	<b>120,456,933</b>	<b>225,035,833</b>
Balance as at July 01.2016	104,578,900	50,000,000	99,352,635	253,931,535
Net Profit for the period	-	-	16,035,856	16,035,856
Balance as at .30 Sep.,2016	<b>104,578,900</b>	<b>50,000,000</b>	<b>115,388,491</b>	<b>269,967,391</b>

1. These Accounts are un-audited and are being presented as required under the Companies Ordinance 1984

2. The accounting policies adopted for the preparation of the First Quarter Accouns are the same as those applied in the preparation of the preceding annual published accounts for the year ended June 30. 2016 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 2016 Rupees	Sep. 30 2015 Rupees
<b>4 Basic Earning per Share</b>		
Net Profit for the period	16,035,856	12,525,577
Number of Ordinary Shares	10,457,890	10,457,890
Earning per Share (Rs.)	1.53	1.20

Lahore:  
October 31, 2016

Chief Executive Officer

Director

**BOOK POST  
PRINTED MATTER  
UNDER POSTAL CERTIFICATE**

If undelivered please return to:  
**ARUJ INDUSTRIES LTD.**  
2-KM Off Raiwind-Manga Road, Raiwind, Lahore  
Tel: (92 - 42) 38102800, 35393125-6  
Fax: (92 - 42) 35393127  
E-mail: info@aruj.com  
Website: www.aruj.com

**QUARTERLY ACCOUNTS  
FOR THE FIRST QUARTER  
ENDED SEPTEMBER 30, 2016  
(UN-AUDITED)**

**ARUJ INDUSTRIES LTD.**
**COMPANY INFORMATION**
**BOARD OF DIRECTORS**

Mr. Maqsood Ahmad Butt (FCA)	: Chairman
Mr. Faisal Khan	: Chief Executive Officer/ Director
Dr. Mrs. Naseem Maqsood	: Director
Mr. Ali Maqsood Butt	: Director
Mrs. Durray Zara Butt	: Director
Ms. Naheed Muneer	: Director
Dr. Aruj Butt	: Director

**Chief Financial Officer**

Mrs. Durray Zara Butt

**COMPANY SECRETARY**

Muhammad Sajjad Hussain

**LEGAL ADVISOR**

Mian Waheed Akhter, Advocate High Court

**AUDITORS**

M/s Qadeer & Co. Chartered Accountants

**AUDIT COMMITTEE**

Dr. Mrs. Naseem Maqsood Butt	Chairperson
Mrs. Naheed Munir	Membre
Dr. Aruj Butt	Member

**HR & REMUNERATION COMMITTEE**

Mrs. Durray Zara Butt	Chairperson
Mr. Ali Maqsood Butt	Membre
Mrs. Naheed Munir	Member

**REGISTERED OFFICE**

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

**SHARE REGISTRAR**

**M/s. Corplink (Pvt) Ltd.**

Wings Arcad, 1-K, Commercial, Model Town, Lahore.  
Tel: (92 - 42) 5839182 Fax: (92 - 42) 5869037

**WORKS**

2-KM Off Raiwind Manga Road, Raiwind, Lahore

**BANKERS**

Standard Chartered Bank (Pakistan) Ltd.  
JS Bank Limited  
Habib Bank Limited  
Faysal Bank Ltd.  
Bank Al-Habib Ltd.

The Directors of Aruj Industries Limited have the pleasure to present the un-audited accounts of the 1st Quarter ended 30th September, 2016. The results in brief are as follows:

	3 Months ended Jul, 16 to Sep, 16 Rupees In Million	3 Months ended Jul, 15 to Sep, 15 Rupees In Million
Net Sale	379.700	305.663
Net Profit before Taxation	23.582	18.978
Earnings per Share	1.53	1.20

Your company has been able to increase our net sales by 24.22% over the same period last year, which can be attributed to our garment manufacturing business. Similarly, we have been able to push for an increase in the Profit (after taxation) by 28.02%

The garment manufacturing side has been very fruitful, and continues to fuel growth of the company. We are under the process of adding additional building at the mill site so that we can increase our stitching capacity. This shall be online by the second half of the current financial year.

We have also installed new machinery for our processing side. This will help us to target the garment manufacturing consumers of processed fabric, and shall help increase our sales both locally and internationally.

Although the Government has done wonders in curbing the electricity crisis, we are still at risk as far as other fuels are concerned. The rate of LPG makes it prohibitive to be used as an alternative to natural gas that was once widely available. Also, the price of coal is increasing in the international market. As you are all aware, it is always very difficult to pass these increased costs on to the customer. However, your Company has and will continue to run as efficiently as possible to minimize fuel costs in the 2nd quarter and beyond.

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:  
October 31, 2016

**FAISAL KHAN**  
Chief Executive Officer

	(UN-AUDITED) SEP., 30, 2016 Rupees	(AUDITED) June 30, 2016 Rupees
<b>CAPITAL AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorised Capital 12,500,000 ordinary shares of Rs. 10/- each	<u>125,000,000</u>	<u>125,000,000</u>
Issued, Subscribed & Paid up Capital:	<u>104,578,900</u>	<u>104,578,900</u>
Capital Reserves	<u>50,000,000</u>	<u>50,000,000</u>
Un-appropriated Profit	<u>115,388,491</u>	<u>99,352,635</u>
	<u>269,967,391</u>	<u>253,931,535</u>
<b>NON-CURRENT LIABILITIES</b>		
Liabilities against assets subject to finance lease	<u>22,019,407</u>	<u>11,912,002</u>
Long-term Loan	<u>48,993,418</u>	<u>48,993,418</u>
Deferred liabilities	<u>25,690,167</u>	<u>25,690,167</u>
	<u>96,702,992</u>	<u>86,595,587</u>
<b>CURRENT LIABILITIES:</b>		
Short Term Finance	<u>161,362,744</u>	<u>159,941,704</u>
Current maturity of Long Term Loan	<u>17,284,217</u>	<u>13,810,712</u>
Trade and other payable	<u>251,616,096</u>	<u>249,624,703</u>
Accrued Markup of short term loans-secured	<u>1,232,341</u>	<u>1,370,550</u>
Provision for Taxation	<u>22,646,990</u>	<u>15,100,706</u>
	<u>454,142,389</u>	<u>439,848,375</u>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	<u>820,812,772</u>	<u>780,375,497</u>
<b>PROPERTY PLAND AND EQUIPMENT</b>		
<b>Operating Fixed Assets - Tangible</b>		
At Written down value	<u>237,519,711</u>	<u>216,244,509</u>
<b>CAPITAL WORK IN PROGRESS - P &amp; M</b>	<u>4,550,739</u>	<u>3,984,889</u>
<b>LONG TERM SECURITY DEPOSITS</b>	<u>3,398,171</u>	<u>1,622,921</u>
<b>CURRENT ASSETS:</b>		
Stores and spares	<u>2,781,250</u>	<u>1,828,591</u>
Stock in trade	<u>203,464,292</u>	<u>242,066,848</u>
Trade Debts	<u>152,574,596</u>	<u>116,822,710</u>
Loan & Advances	<u>86,957,724</u>	<u>79,367,270</u>
Trade deposits & Short Term pre-payments	<u>1,695,903</u>	<u>874,782</u>
Tax refunds due from the Government	<u>100,059,800</u>	<u>99,211,616</u>
Cash and bank balances	<u>27,810,586</u>	<u>18,351,361</u>
	<u>575,344,151</u>	<u>558,523,178</u>
<b>TOTAL ASSETS</b>	<u>820,812,772</u>	<u>780,375,497</u>

Lahore:  
October 31, 2016

Chief Executive Officer Director

	Jul-16 To Sep-16 Rupees	Jul-15 To Sep-15 Rupees
<b>Sales - net</b>	<u>379,700,125</u>	<u>305,663,598</u>
<b>Less: Cost of sales</b>	<u>(331,750,769)</u>	<u>(268,873,603)</u>
<b>Gross Profit</b>	<u>47,949,356</u>	<u>36,789,995</u>
<b>Less: Operating expenses:</b>		
Administrative and General	<u>(9,431,203)</u>	<u>(6,968,825)</u>
Selling and Distribution	<u>(8,984,174)</u>	<u>(4,921,546)</u>
	<u>(18,415,377)</u>	<u>(11,890,371)</u>
<b>Operating profit / (loss)</b>	<u>29,533,979</u>	<u>24,899,624</u>
<b>Finance Cost</b>	<u>(4,710,672)</u>	<u>(5,017,645)</u>
	<u>24,823,307</u>	<u>19,881,979</u>
<b>Add: Other income</b>	<u>-</u>	<u>95,019</u>
	<u>24,823,307</u>	<u>19,976,998</u>
<b>Workers' profit participation fund</b>	<u>(1,241,165)</u>	<u>(998,850)</u>
<b>Profit / (loss) before taxation</b>	<u>23,582,142</u>	<u>18,978,148</u>
<b>Provision for taxation</b>	<u>(7,546,285)</u>	<u>(6,452,570)</u>
<b>Profit / (loss) after taxation</b>	<u>16,035,856</u>	<u>12,525,578</u>
<b>Earnings per share - basic</b>	<u>1.53</u>	<u>1.20</u>

Lahore:  
October 31, 2016

Chief Executive Officer Director

	Sept. 30, 2016 Rupees	Sept. 30, 2015 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	23,582,142	18,978,147
<b>Adjustments for:</b>		
Depreciation	5,786,513	5,583,036
Financial Charges	4,710,672	5,017,645
W.P.P.F	1,241,165	998,850
Profit on Sale Vehicle	-	-
	<u>11,738,350</u>	<u>11,599,531</u>
<b>Cash Flow Before Working Capital Changes</b>		
<b>Working Capital Changes</b>	35,320,492	30,577,678
(Increase) / Decrease in current assets	(952,659)	(3,237,191)
Stores, spare parts and loose tools and Stock in trade	38,602,556	(14,918,879)
Trade debts	(35,751,886)	(17,296,716)
Loan and advances	(7,590,454)	(24,750,138)
Trade deposits and short prepayments	(821,121)	(89,385)
Other Receivables	(848,184)	(11,431,803)
Increase/ (decrease) in current liabilities	750,228	31,804,110
Trade and other payables	(6,611,520)	(39,920,007)
	<u>28,708,972</u>	<u>(9,342,324)</u>
<b>Cash Generated from Operations</b>	<u>(4,848,881)</u>	<u>(5,157,928)</u>
Financial Cost Paid		
<b>Net Cash inflow / (outflow) from operating activities</b>	<u>23,860,091</u>	<u>(14,500,252)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Security Deposits	(1,775,250)	-
Fixed capital expenditure	(9,631,472)	-
<b>Net Cash inflow / (outflow) from Investing activities</b>	<u>(11,406,722)</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Long Term loans Paid	-	(6,856,153)
Payment of liabilities against assets subject to finance lease	(4,415,184)	(3,263,744)
<b>Net Cash inflow / (outflow) from Financing activities</b>	<u>(4,415,184)</u>	<u>(10,119,897)</u>
<b>Net (Increase) / Decrease in cash and cash equivalents</b>	<u>8,038,185</u>	<u>(24,620,149)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		
	<u>(141,590,343)</u>	<u>(126,694,476)</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF FIRST QUARTER</b>		
<b>A</b>	<u>(133,552,158)</u>	<u>(151,314,625)</u>
<b>A CASH AND CASH EQUIVALENTS</b>		
Short term finance	(161,362,744)	(161,402,050)
Cash and Bank balances	27,810,586	10,087,425
	<u>(133,552,158)</u>	<u>(151,314,625)</u>

Lahore:  
October 31, 2016

Chief Executive Officer Director