



Ghazi Fabrics International Limited

Signature of Quality



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Ghazi Fabrics International Ltd.

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Annual Report 2017

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COMPANY PROFILE

Board of directors

Mrs. Azra Yasmin
Chairperson

Mohammad Arshad Chaudhry
Chief Executive/ Director

Kamran Arshad
Rizwan Arshad
Fareeha Arshad
Wajeeha Haaris
Muhammad Imran Rasheed

Audit Committee

Muhammad Imran Rasheed
Chairman/ member

Rizwan Arshad
Member

Fareeha Arshad
Member

Human Resource & Remuneration Committee

Mrs. Azra Yasmin
Chairperson/ member

Mohammad Arshad Chaudhry
Member

Wajeeha Haaris
Member

Company Secretary

Majid Rehman, ACA

Chief Financial Officer

Abid Rafi

Internal Auditor

Nasir Imran Elahi, ACA

Auditors

M/s. Qadeer & Company
Chartered Accountants
Lahore.

Share registrar

M/s. Corplink (Pvt.) Ltd.
Wings Arcade, I-K, Commercial, Model Town,
Lahore

Legal Advisor

Raja Muhammad Akram & Co.,
Corporate Legal Consultants & Advocates
33-C, Main Gulberg, Lahore

Bankers

United Bank Limited
Habib Bank Limited

Registered Office

8-C, E-III, Gulberg-III, Lahore – 54660
042-35764026-28, Fax: 042-35764032
www.ghazifabrics.com

Mills

46- K. M. Multan Road, Bhaipheru, Distt. Kasur.

VISION AND MISSION STATEMENT

VISION STATEMENT

A modern dynamic industrial unit, which is a true model of socially responsible and professionally managed successful business enterprise.

MISSION STATEMENT

Ghazi Fabric International Ltd., strives to excel in the global competitive environment as the most progressive and quality-oriented company in terms of industry benchmarks, profitability and stake holders interest. To realize our mission, we firmly believe in continuous process of balancing, modernization and replacement of our technology; commitment in developing innovative products, services and human resources; and the betterment of all those involved directly or indirectly with the company.

STATEMENT OF ETHICS AND BUSINESS PRACTICES

It is a strong belief of the management of the Company that a clear vision, a positive mission and fully spelled out code of ethics and business practices is a pre-requisite to good corporate governance.

Therefore, the Company in addition to the adherence of its mission statement shall observe the compliance of the following codes of ethics and best business practices.

I. ETHICS

Discipline

It shall be the joint and several responsibility of management and every employee of the company to maintain the discipline in the Company.

Coordination among staff

The management shall provide a conducive environment for the effective coordination among the members of the staff and management.

Conflict of interest

Management and employees of the Company are hereby committed not to engage in any activity which is against the interest of the Company. Staff members shall not conduct any personal business in the Company premises and with the use of facilities provided by the Company for official use. If any employee has a direct or indirect relationship with any organization dealing with the Company he should disclose it immediately to the Company.

Confidentiality

Management and employees of the Company are hereby committed to the confidentiality of the business information to the outsider of the Company unless it is required by a competent authority having jurisdiction to the affairs of the Company. Even if they leave the Company shall not loose the confidentiality of Company secrets.

Kick Backs/ Undue favour or unwarranted gifts

Neither employees nor member of the board of directors shall accept any personal gift, favour or kick backs from any organization dealing with the Company. In case this favour is considered to be for the purpose of the Company the same should be disclosed to the management of the Company immediately.

2. BUSINESS PRACTICES

Environment

i) Pollution free environment

The Company shall not engage in any business or production process, which does not meet the international standards of environment protection.

ii) Drugs free environment

The use of drugs shall be strictly banned in the premises of the Company and employment should not be given to any person apparently engaged in the trafficking of drugs or appears to be an addict of drugs.

Health and safety

Health and safety of all the staff and employees particularly and of the society in general is a great concern for the management of the Company and therefore the management of the Company shall take every measure to protect the health and safety of its employees.

Commitment

A bi-lateral commitment with the employees, management, shareholders, suppliers and customers shall be of prime importance in every instance. All the management and employee of the Company shall not make any commitment, the compliance of which is beyond their control and if they commit, every effort shall be made to fulfill the commitment.

Financial discipline and books of accounts

Compliance with all the approved accounting standards applicable in Pakistan and requirements of the Companies Ordinance 1984, rules and procedures shall be followed at all time. All transactions if duly authorized shall be properly and fully recorded. All the payments made shall be for the purpose of the business of the Company. Books of accounts shall reflect a true and fair position of all the assets, liabilities and funds. Company shall maintain the integrity and reputation of the Company.

Relationship with Govt. Officials, Suppliers, Customers and Agents

Only the concerned and knowledgeable members of the relevant field of the Company shall conduct dealing with Govt. officials, suppliers, customers and agents. The dealing members shall always maintain the integrity and reputation of the Company.

Training

Training of the employees shall be an important part of business practices. The management shall take steps that training of every employee is ensured from his joining to the retirement.

Child / forced labour

Policy of the Company is not to employ child labour or forced labour directly or indirectly.

Equality policy

There is absolutely no discrimination in the Company on the basis of race, caste, national origin, religion, disability, gender or political affiliation. Corporal punishment, mental or physical coercion and verbal abuse of workers is strictly forbidden.

The management of the Company shall ensure implementation of these codes, regular monitoring, review for modification/ amendment where necessary.

NOTICE OF 28th ANNUAL GENERAL MEETING.

NOTICE IS HEREBY GIVEN that the 28th Annual General Meeting of **GHAZI FABRICS INTERNATIONAL LIMITED** will be held on Friday the 27th October, 2017 at 10:30 a.m. at Qasr-e-Noor, 9-E-2, Gulberg-III, Lahore to transact the following business:-

ORDINARY BUSINESS:

1.

To confirm the minutes of 27th Annual General Meeting of the Company held on Monday the 21st November, 2016.
2.

To receive, consider and adopt the audited financial statement of the Company for the financial year ended June 30, 2017 together with the Directors' and Auditors' Reports thereon...
3.

To appoint Auditors and fix their remuneration for the year ending June 30, 2018. The present auditors M/s. Qadeer & Co., Chartered Accountants, being eligible have offered themselves for reappointment. The Audit Committee and Board of Directors have also recommended M/s. Qadeer & Co., Chartered Accountants for re-appointment.
4.

To elect seven Directors of the Company, as fixed by the Board in pursuance of Section 159(1) of the Companies Act 2017 for a term of three years commencing from 28th October, 2017. The names of retiring Directors are (1) Mr. Mohammad Arshad Chaudhry (2) Mr. Kamran Arshad (3) Mrs. Azra Yasmeen (4) Mr. Rizwan Arshad (5) Mrs. Wajeeha Haaris (6) Mr. Muhammad Imran Rasheed (7) Mr. Mohammad Salman Tariq
5.

To transact any other ordinary business with the permission of the Chair.

LAHORE:
October 05, 2017.

by order of the Board

(Majid Rehman)
Company Secretary

NOTES:-

- I.

Share Transfer Books of the Company will remain closed from 20th October, 2017 to 27th October, 2017 (both days inclusive).
- II.

A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of him/her. Proxy Forms must be deposited at the Company's Registered Office situated at 8-C, E-III, GULBERG-III, LAHORE not less than 48 hours before the time for holding the meeting.
- III.

Shareholders whose shares are deposited with CDC must bring their Original Computerized National Identity Card or Passport along with Participant's ID number and their account number at the time of attending the meeting to prove identity and in case of proxy must enclose an attested copy of CNIC. Representatives of Corporate Members should bring the usual documents required for this purpose.
- IV.

Members are requested to provide by fax or courier their latest Computerized National Identity Card Number or in case of foreigner the Passport Number (unless it has been provided earlier) to enable the Company comply with relevant laws.
- V.

Shareholders are requested to promptly notify to Share registrar of the Company of any change in their addresses.
- VI.

Any member who seeks to contest the election of Directors shall file with the Company at its registered office not later than 14 days before the above said meeting his/her intention to offer himself/herself for the election of the Directors in term of Section 159(3) of the Companies Act 2017 together with:
- >

Consent to act as Director in Form 28 duly completed as required under section 167(1) of Companies Act 2017;

- >

Declaration in respect of being complaint with the requirements of the code of corporate Governance and eligibility criteria as set out in the Companies Act, 2017 to act as Director of a listed company;
- >

Detailed profile along with office address for placement onto the Company's website within seven (07) days prior to the date of election in terms of SRO 1222 dated 10 December, 2015.

VII. Members can also avail video conference facility. In this regard, please fill the following form and submit to registered address of the company 10 days before holding of the Annual General Meeting.

If the company receives consent from member holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of meeting, the company will arrange video conference facility in the city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access the facility.

“I/WE, _____ of _____ being a member of Ghazi Fabrics International Limited, holder of _____ Ordinary Shares as per Register Folio No. _____ hereby opt for video conference facility at _____”

Signature of Member

VIII. In pursuance of the directions given by SECP vide SRO 787 (I)/ 2014 dated 8 September 2014, those shareholders who desire to receive Annual Financial Statement in future through Email instead of receiving the same by post are advised to give their formal consent along with their valid email address on a standard request from which is available at the Company's website i.e. www.ghazifabrics.com and send the said form duly filled in and signed along with copy of his /her /its CNIC / Passport to the Company's registered address.

VIX. Form of proxy is enclosed.

CHAIRPERSON'S REVIEW

As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of Ghazi Fabrics International Limited is carried out. The objective of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of goals set for the Company.

For the financial year ended June 30, 2017, the Board's overall performance and effectiveness has been assessed as satisfactory. The Board also identified areas of improvement in line with the best practices.

The Board received wide-ranging agendas and supporting papers in a timely manner for its Board meetings. The Board was fully involved in the strategic planning process and in developing the vision for the Company. All Directors, including Independent Directors, fully took part in and made contributions to the decision-making process of the Board. The Board has in place comprehensive policies for all relevant areas of the Company's operation and these policies are reviewed and updated from time to time.

The Audit Committee and Human Resources & Remuneration committee met regularly to fortify the functions of the board.

The company has an independent Internal Audit department, which leads the Internal Audit function and follows a risk based Audit methodology. Audit reports are presented to the Board for review and actions where necessary.

In the closing, on behalf of the Board, I wish to acknowledge the contribution of all our employees towards the Company. I would like to thank our shareholders, bankers, customers, suppliers and other business partners for their confidence and support.

Dated: September 27, 2017

Mrs. Azra Yasmin
Chairperson

چیر پرسن رپو

غازی فیرکس انٹرنیشنل لمیٹڈ کے بورڈ آف ڈائریکٹرز کی کارکردگی کا سالانہ جائزہ کوڈ آف کارپوریٹ گورننس کے تحت کیا جاتا ہے۔ اس جائزے کا مقصد اس امر کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور افادیت کو ادارے کے مختص کردہ مقاصد کے تناظر میں پرکھا جاسکے۔

مالی سال برائے 30 جون، 2017 کے لئے بورڈ کی مجموعی کارکردگی اور افادیت اطمینان بخش قرار پائی ہے۔ بورڈ نے خود تشخیصی کے ذریعہ بہترین معلومات کے مطابق ان چیزوں کی نشاندہی کی جہاں بہتری کی گنجائش ہے۔

بورڈ کو اپنی میٹنگز میں جامع ایجنڈا اور مطلوبہ مواد موصول ہوئے۔ بورڈ حکمت عملی کی پلاننگ کے عمل اور ادارے کے نظریہ کے حصول میں مکمل طور پر شامل رہا۔ تمام ڈائریکٹرز بشمول انڈیپنڈنٹ ڈائریکٹرز نے فیصلہ سازی کے عمل میں بھی حصہ لیا۔ بورڈ نے ادارے کے تمام شعبہ جات میں جامع طریقہ کار پیش کیے ہیں جن کا وقتاً فوقتاً جائزہ لیا جاتا ہے اور ان کو بہتر بنایا جاتا ہے۔

آڈٹ کمیٹی اور ہیومن ریسورسز اینڈ ریوژنیشن کمیٹی بورڈ کے امور کی موثر انجام دہی کیلئے باقاعدگی سے میٹنگ کرتی رہی ہے۔

کمپنی کا اپنا خود مختار انٹرنل آڈٹ ڈیپارٹمنٹ ہے جو اندرونی آڈٹ کے امور انجام دیتا ہے اور رسک پر مبنی آڈٹ کے طریقہ کار کی پیروی کرتا ہے۔ آڈٹ رپورٹیں بورڈ کو جائزے اور حسب ضرورت کارروائی کیلئے بھیجی جاتی ہیں۔

آخر میں بورڈ کی جانب سے اپنے تمام ملازمین کی خدمات کا اعتراف کیا جاتا ہے اور اپنے حصص داران، صارفین، سپلائرز، بینکرز اور دیگر کاروباری ساتھیوں کا، جنہوں نے ہم پر اعتماد اور تعاون کیا۔

مسز عذرا یاسمین

چیر پرسن

27 ستمبر 2017ء

DIRECTORS' REPORT

The directors of your Company hereby present the annual report of the Company along-with the audited financial statements for the year ended June 30,2017.

In compliance with the Code of Corporate Governance, these financial statements have been endorsed by the Chief Executive Officer and Chief Financial Officer of the Company, recommended for approval by the Audit Committee of the Board and approved by the Board of Directors for presentation.

The financial results for the year under review along-with comparative figures are presented herewith to have cursory look at the company's operating performance;

	2017	2016
	R u p e e s	(000)
Sales	4,255,717	4,819,932
Gross profit	80,776	172,679
Operating profit/(loss)	(153,405)	(85,857)
Financial charges	(140,140)	(149,438)
(Loss)/ profit after tax	(334,189)	(269,416)
(Loss)/ earning per share (EPS) Rs.	(10.24)	(8.25)

The company has not declared dividend due to incurrence of losses.

Financial and operational performance:

As the above figure show, company has posted after tax loss of Rs. 334.189 million as compared to a loss of Rs. 269.416 million last year.This impact is mainly attributable to the textile sector being under pressure due to reduction in exports of textile products and local market prices that could not provide reasonable margins.

The power prices remained at their highest after the cut-off of locally extracted system gas by the authorities and the introduction of high priced imported Re-liquefied Natural Gas (RLNG) in its place.Moreover,increase in minimum wages and the imposition of Gas Infrastructure Development Cess (GIDC) contributed significantly towards the Company's loss.Moreover huge amounts out of working capital remained stuck in terms of sales tax refunds.

The Textile sector had to face deprivation with intensified power outages and gas shortages bearing further load due to higher rates which affected the performance of sector as a whole and compelled the units to run under capacity which further increased their cost of production.

Market review

Besides awarded with the GSP+ scheme by the European Union, export sales of Pakistani products hasn't boosted due to stagnant global economy, weak demand and unsold cotton stocks worldwide especially in China.Increasing shortages in power and gas supply particularly in the Punjab region along-with upsurge in overhead costs due to high fuel and power costs are adversely affecting production activities,pushing up input costs,and eroding margins.

Future prospects

In the current scenario, the revival of domestic textile industry is largely dependent on continuous availability of power and gas in the country at lower prices.

We will continue to explore and tap emerging and new market opportunities in the sector.Pakistan is the fourth largest producer and third largest consumer of cotton, in addition to being one of the largest exporters of cotton yarn in the world. Cotton sector along-with textile and apparel industry,account for 11 percent of the country GDP and 60 percent of the country's export value, while employing 35 percent of the industrial work force. Textile has been an important sector for the local economy and future prospects of country are linked with the progress of textile chain, hence, it will remain in focus for all stakeholders.

The cost and availability of energy remains the biggest challenge for the company.Keeping in view the energy shortage and gas outages the Company had successfully installed 9.5 MW HFO based power house during the preceding year.Increase in cost of production is damaging the competitiveness of product both in the local and international market.The company is trying its best to meet these challenges through improvement in product development,marketing efforts and working on energy efficiency measures.As a result the company has changed its production model of the operations of spinning units whereby the production of coarse counts of cotton yarn has been replaced with the production of fine counts of yarn.This change is expected to contribute positively towards the financial results of the company in upcoming financial years.

Related parties

The transactions between the related parties were carried out at arm's length prices determined in accordance with the comparable uncontrolled prices method.The Company has fully complied with the best practices on transfer pricing as contained in the listing regulations of the stock exchange in Pakistan.

Safety,Health and Environment (SHE)

Your Company takes all possible measures to ensure that all our employees as well as communities within which we operate remain safe at all time. Environmental protection is a top priority on company's SHE agenda.The company ensures that its production processes are eco friendly and efficient.We constantly try and improve energy efficiencies both at production facilities and in our offices.

Your Company has also obtained BCI Certification (Better Cotton Initiative) besides holding OEKO-TEX Certificate (Eco-Friendly Cotton).

Human Capital

Ghazi Fabrics International Limited possesses deepest care about its people.This approach has roots in our culture and enables our sustainable progress.We believe that the success of any business depends on the quality of human capital and therefore development of people is our priority.We have invested fair number of hours in training and wish to enhance this in future. In order to develop future leadership in different functions we have instituted management training scheme and expect that the young talent will take the organization to greater heights. For ensuring reward based on performance and to develop high caliber people for future succession, a system of performance management is practiced in the Company.The Company also believes in providing good health, safety,work-life balance and market commensurate compensation package including employment benefit plan.

Compliance with Code of Corporate governance

The management is fully aware of the company's obligation for compliance with the Listing Regulations of the Pakistan Stock Exchange and steps are being taken for its effective implementation within the allowed time frame work. The various statements,as required by the Code,are given below:

1. Financial statements prepared by the management represent fairly and accurately Company's state of affairsresults of its operations,cash flows and changes in equity.
2. Proper books of accounts have been maintained.
3. Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards as applicable in Pakistan have been followed in the preparation of financial statements.
5. System of internal control being sound in design, has been effectively implemented and being monitored continuously.On-going review will continue in future for further improvements in controls.
6. The Company has sound potential to continue as going concern.
7. Financial highlights for the last six years are annexed.
8. There has been no material departure from best practices of corporate governance.
9. Transactions undertaken with related parties during the financial year have been ratified by the Audit Committee and approved by the Board.
10. During the year under review, four meetings of the Boards and six meeting of the Audit Committee whereas one meeting of Human Resource and Remuneration Committee were held and following were in attendance:

Sr. #	Attendance in Meetings	Board	Audit Committee	HR & Remuneration Committee
1.	Mrs. Azra Yasmin	4	0	1
2.	Mohammad Arshad Chaudhry	4	0	1
3.	Kamran Arshad	4	0	0
4.	Rizwan Arshad	4	6	0
5.	Fareeha Arshad	4	6	0
6.	Wajeeha Haaris	4	0	1
7.	Muhammad Imran Rasheed	4	6	0

11. To the best of our knowledge, directors, chief executive, CFO and Company Secretary, Company's auditors, their spouses and minor children have not undertaken any trading of company's shares except as mentioned in pattern of shareholding.

Auditors

The present auditors of the Company M/s. Qadeer & Company, Chartered Accountants have completed the annual audit for the year ended June 30, 2017 and have issued an unqualified audit report. The auditors will retire on conclusion of the Annual General Meeting of the Company, and being eligible; have offered themselves for reappointment for the year ending June 30, 2018. The Audit Committee has recommended their reappointment.

Board's Performance Evaluation

The Board has evaluated the individual performance of Directors as per established mechanism.

CEO's Performance Evaluation

During the year, the Human Resource and Remuneration Committee of the Board evaluated the performance of the CEO.

Combined pattern of CDC and physical shareholdings

Combined pattern of CDC and physical shareholding is annexed to the directors' report.

Acknowledgement

The Directors of your Company would like to place on record their deep appreciation for support of customers, bankers, regulators and shareholders and hope that this cooperation and support will also continue in future.

The Directors of your Company would also like to express their appreciation for the services, loyalty and efforts being continuously rendered by the executives, staff members and workers of the Company and hope that they will continue to do so in future as well.

For and on behalf of the Board

(Mohammad Arshad Chaudhry)

Chief Executive

Lahore

September 27, 2017

نمبر	اجلاسوں میں شرکت	بورڈ	آڈٹ کمیٹی	ہیومن ریسورس اور معاوضے کی کمیٹی
۱	مسز عذرا یاسمین	04	0	01
۲	محمد ارشد چوہدری	04	0	01
۳	کامران ارشد	04	0	0
۴	رضوان ارشد	04	06	0
۵	فریہہ ارشد	04	06	0
۶	وجیہہ حارث	04	0	01
۷	محمد عمران رشید	04	06	0

۱۱۔ ڈائریکٹرز، چیف فائینشل آفیسر، کمپنی سیکرٹری، ان کے شریک حیات اور چھوٹے بچوں کی جانب سے شیئرز کی تجارت نہیں کی گئی سوائے اسکے جو شیئر ہولڈنگ کے نمونے میں بنائی گئی ہے۔

آڈیٹرز:

موجودہ آڈیٹرز میسرز قدیر اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس نے 30 جون 2017 کا سالانہ آڈٹ مکمل کر لیا اور انکو الیفانٹ آڈٹ رپورٹ جاری کی ہے۔ آڈیٹر کمپنی کے

سالانہ عام اجلاس کے اختتام پر ریٹائرڈ ہو جائیں گے اور انہوں نے اہل ہونے کی بنا پر 30 جون 2018 کو ختم ہونے والے سال کے لئے دوبارہ تقرری کے لئے خود کو پیش کیا ہے۔ آڈٹ کمپنی نے ان کی تعیناتی کی سفارش کی ہے۔

بورڈ کی کارکردگی کی جانچ پڑتال:

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کی انفرادی کارکردگی کی جانچ پڑتال کو سرانجام دیا ہے۔

چیف ایگزیکٹو آفیسر کی کارکردگی کی جانچ پڑتال:

ہیومن ریسورس اور معاوضے کی کمیٹی نے چیف ایگزیکٹو آفیسر کی کارکردگی کی جانچ پڑتال کی ہے۔

شیئر ہولڈنگ کا نمونہ:

30 جون 2017ء کو کمپنی کے شیئر ہولڈنگ کے نمونے کو سالانہ رپورٹ میں شامل کیا گیا ہے۔

اعتراف:

آپ کی کمپنی کے ڈائریکٹرز نے گاہکوں، بینکاروں، ریگولیٹرز اور حصص یافتگان کی حمایت پر انکی تعریف کی ہے اور امید کرتے ہیں کہ مستقبل میں بھی یہ تعاون جاری

رہے گا۔

آپ کی کمپنی کے ڈائریکٹرز نے کمپنی کے ایگزیکٹو، عملے کے ارکان اور کارکنوں کی طرف سے پیش کی گئی خدمات، وفاداری اور مسلسل کوششوں کی تعریف کی ہے اور امید کرتے ہیں کہ مستقبل میں بھی ایسا تعاون جاری رہے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے

لاہور

27 ستمبر 2017ء

محمد ارشد چوہدری

چیف ایگزیکٹو

ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2017ء کو ختم ہونے والے مالی سال متعلقہ کمپنی کی سالانہ رپورٹ مع آڈٹ شدہ اکاؤنٹس پیش کرتے ہیں۔ کارپوریٹ گورننس کے کوڈ کی تعمیل کے لئے سالانہ رپورٹ کی توثیق چیف ایگزیکٹو آفیسر اور چیف فنانسشل آفیسر کی طرف سے کی گئی ہے جو کہ آڈٹ کمیٹی کی طرف سے منظوری کی سفارش کے بعد بورڈ آف ڈائریکٹرز کی طرف سے منظور کی گئی ہے۔ ہم 30 جون 2017ء کو ختم ہونے والے سال کے لئے نظر ثانی شدہ نتائج کا مختصر جائزہ پیش کرتے ہیں۔

	سال 2017	سال 2016
فروخت	روپے (000)	روپے (000)
خام منافع	4,255,717	4,819,932
آپریشنل منافع / نقصان	80,776	172,679
سود	(153,405)	(85,857)
بعد از ٹیکس منافع / نقصان	(140,140)	(149,386)
فی شیئر آمدنی	(334,189)	(269,364)
	(10.24)	(8.25)

کمپنی نے نقصانات کی وجہ سے ڈیویڈنڈ کا اعلان نہیں کیا۔

مالی اور آپریشنل کارکردگی:

مندرجہ بالا اعداد و شمار کے مطابق کمپنی کا گزشتہ سال 269.364 ملین کے بعد از ٹیکس نقصان کے مقابلے میں اس سال بعد از

ٹیکس 334.189 ملین کا نقصان ہوا ہے۔

یہ اثر بنیادی طور پر ٹیکسٹائل کی مصنوعات کی برآمدات میں کمی اور مقامی مارکیٹوں میں قیمتوں کی کمی سے منسوب ہے جو مناسب مارجن فراہم نہیں کر رہا۔

حکام بالا کی طرف سے مقامی طور پر نکلنے والی گیس کی منقطع فراہمی کیے جانے اور اسکی جگہ اضافی قیمت پر درآمد شدہ مائع قدرتی گیس (آرائیل این جی) متعارف کروانے کی وجہ سے بجلی کی قیمتوں میں اضافہ ہوا۔ مزید یہ ہے کہ کم از کم اجرت میں اضافہ، اور گیس انفراسٹرکچر ڈیولپمنٹ سیس کے نفاذ نے کمپنی کے نقصان میں نمایاں اضافہ کیا۔ اس کے علاوہ کاروبار کرنے والا سرمایہ سیلز ٹیکس ری فینڈ کی مد میں پھنس چکا ہے۔

ٹیکسٹائل کے شعبے کو شدید بجلی کی بندش اور گیس میں کمی کے ساتھ ساتھ اضافی قیمتوں کا بھی سامنا کرنا پڑا۔ جس نے مجموعی طور پر شعبے کی کارکردگی کو متاثر کیا اور مجبور کیا کہ یونٹ کو کم پیداواری صلاحیت پر چلایا جائے جو پیداواری لاگت میں اضافے کا سبب بنا۔

مارکیٹ کا جائزہ:

یورپی یونین کی طرف سے جی ایس پی + سکیم کے نوازے جانے کے باوجود، پاکستانی مصنوعات کی برآمدات، جمود کا شکار عالمی معیشت، طلب میں کمی اور غیر فروخت شدہ کاٹن شاک کی وجہ سے پوری دنیا خاص طور پر چین میں فروغ نہیں پاسکیں۔ پنجاب کے علاقے میں بجلی اور گیس کی فراہمی میں قلت کے ساتھ ساتھ، ایندھن اور بجلی کی قیمت نے اخراجات میں اضافہ کیا ہے جو پیداواری سرگرمیوں کو متاثر کرنے کے علاوہ مارجن میں بھی کمی کا سبب بنی ہے۔

مستقبل کے امکانات: موجودہ منظر نامے میں، گھریلو ٹیکسٹائل کی صنعت کی بحالی ملک میں سستی بجلی اور گیس کی مسلسل فراہمی پر منحصر ہے۔

ہم اس شعبے میں بڑھتی ہوئی اور نئی مارکیٹ کے مواقع تلاش کرتے رہیں گے۔ پاکستان دنیا میں کاٹن یارن کے سب سے بڑے برآمد کنندہ میں سے ایک ہونے کے علاوہ کپاس کا چوتھا سب سے بڑا پروڈیوسر اور تیسرا سب سے بڑا کزیو مر ہے۔

کپاس کے شعبے کے ساتھ ساتھ ٹیکسٹائل اور ملبوسات کی صنعت ملک کے جی ڈی پی کا % 11 اور ملک کی برآمدات کا % 60 ہونے کے علاوہ % 35 لوگوں کو روزگار مہیا کرتی ہے۔ مقامی معیشت کا اہم شعبہ ہونے کی وجہ سے ملک کا مستقبل ٹیکسٹائل سے جڑا ہے۔ جس کی بدولت یہ شعبہ تمام سٹیک ہولڈرز کے لئے توجہ کا مرکز رہے گا۔ توانائی کی دستیابی اور قیمت کمپنی کے لئے بڑا چیلنج بنی ہوئی ہے۔ توانائی کے بحران اور گیس کی بندش کو مد نظر رکھتے ہوئے کمپنی نے پچھلے سال 9.5MW کا HFO بجلی گھر کامیابی سے نصب کیا ہے۔ پیداواری لاگت میں اضافہ عالمی اور مقامی منڈیوں میں مقامی مصنوعات کی تقابلی سکت کو نقصان پہنچا رہی ہے۔ کمپنی مصنوعات کی ترقی، مارکیٹنگ میں بہتری اور توانائی کی بچت کے اقدامات پر کام کر کے ان چیلنجوں کا سامنا کرنے کے لئے بہترین کوشش کر رہی ہے۔ اسکے نتیجے کے طور پر کمپنی نے سپینگ (کتنائی) یونٹ کے پیداواری طرز عمل کو تبدیل کر دیا ہے جہاں کاٹن کے موٹے دھاگے کی پیداوار کو اعلیٰ قسم کے دھاگے سے تبدیل کیا گیا ہے۔ توقع کی جاتی ہے کہ یہ تبدیلی آئندہ مالی سالوں میں کمپنی کے مالیاتی نتائج پر مثبت طور پر اثر انداز ہوگی۔

متعلقہ فریق:

متعلقہ فریقین کے درمیان لین دین آرمر لینتھ پر کیا گیا ہے۔ جن کا تعین Compareable Uncontrolled Price Method سے کیا گیا ہے۔ کمپنی مکمل طور پر اور بہترین طریقوں سے ٹرانسفر پرائسنگ کے طریقوں پر عمل پیرا ہے۔ جو کہ پاکستان شاک ایکسچینج کے لسٹنگ کے ضابطے میں موجود ہیں۔ صحت، تحفظ اور ماحول:

آپ کی کمپنی اپنے تمام ملازمین کے ساتھ ساتھ گرد و نواح کے رہنے والے لوگوں کی حفاظت کے لئے ہر ممکن اقدامات کرتی ہے۔ ماحولیاتی تحفظ کمپنی کی اولین ترجیح ہے۔ کمپنی اس بات کو یقینی بناتی ہے کہ اس کا پیداواری عمل ماحول دوست رہے۔ ہم اپنے دفاتر اور پیداواری تنصیبات میں توانائی کی استعداد کار کو بہتر بنانے کے لیے مسلسل کوشش کر رہے ہیں۔

آپ کی کمپنی کو OEKO-TEX سرٹیفکیٹ (ماحول دوست کپاس) کے علاوہ سرٹیفکیٹ BCI بھی حاصل ہے۔

انسانی سرمایہ:

غازی فیبر کس انٹرنیشنل لمیٹڈ کے لئے اسکے لوگ بہت اہم ہیں۔ یہ نقطہ نظر ہماری ثقافت میں جڑیں رکھتا ہے اور ہمیں پائیدار ترقی کے قابل بناتا ہے۔ ہمارا اعتقاد ہے کہ کسی بھی کاروبار کی کامیابی افرادی قوت کے معیار پر منحصر ہے اور اس وجہ سے لوگوں کی ترقی ہماری ترجیح ہے۔ ہم تربیت کے لئے موزوں وقت پرسرمایہ کاری کرتے ہیں اور مستقبل میں اضافہ کریں گے۔ مستقبل کی قیادت تیار کرنے کے لئے ہم نے مختلف شعبوں میں مینجمنٹ ٹریننگ سکیم کا آغاز کیا ہے اور توقع ہے کہ ذہین نوجوان کمپنی کو نئی بلندیوں پر لے جائے گی۔

کارکردگی کی بنیاد پر انعام کو یقینی بنانے کے لئے اور مستقبل کی کامیابی کے لئے اعلیٰ صلاحیت لوگوں کو ترقی دینے کے لئے کمپنی نے کارکردگی جانچنے کا طریقہ کار وضع کیا گیا۔ کمپنی اچھی صحت، تحفظ، زندگی کے توازن اور مارکیٹ کے مطابق معاوضہ کے ساتھ ساتھ ملازمت کی منصوبہ بندی پر یقین رکھتی ہے۔

کارپوریٹ گورننس کے ضوابط کی تعمیل:

کمپنی کی انتظامیہ پاکستان شاک ایکسچینج کی جانب سے جاری کردہ کارپوریٹ گورننس کے ضوابط پر عمل درآمد کے حوالے سے اپنی ذمہ داریوں سے پوری طرح آگاہ ہے اور مقررہ وقت میں اسکے نفاذ کے لئے مناسب اقدامات کے لئے کوشاں ہے۔

۱۔ انتظامیہ کی جانب سے تیار کیے جانے والے مالیاتی گوشواروں میں اسکے معمولات، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو عمدہ طریقے سے پیش کیا گیا ہے۔ ۲۔ کمپنی نے اپنے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔

۳۔ مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ کی پالیسیوں کا مستقل انداز میں نفاذ کیا گیا ہے اور اکاؤنٹنگ کے تخمینوں کا دارومدار معقول اور محتاط فیصلے پر مبنی ہے۔

۴۔ مالیاتی گوشواروں کی تیاری میں بین الاقوامی اکاؤنٹنگ کے معیار کا نفاذ کیا گیا ہے جو پاکستان میں بھی رائج ہیں۔

۵۔ اندرونی کنٹرول کے سسٹم کا ڈیزائن عمدہ ہے اور اس کا نفاذ اور نگرانی موثر ہے۔

۶۔ کمپنی کی کاروبار رواں دواں رکھنے کی صلاحیت شکوک و شبہات سے بالاتر ہے۔

۷۔ سالانہ رپورٹ میں کی آپریٹنگ اور مالیاتی ڈیٹا بابت پچھلے 6 سال کو شامل کیا گیا ہے۔

۸۔ کارپوریٹ گورننس سے کسی قسم کا قابل ذکر انحراف نہیں کیا گیا۔

۹۔ مالی سال کے دوران متعلقہ فریقوں کے معاملات آڈٹ کمیٹی کی طرف سے توثیق کے بعد بورڈ کی طرف سے منظوری دی گئی ہے۔

۱۰۔ سال کے دوران بورڈ آف ڈائریکٹرز کے ۱4 اجلاس آڈٹ کمیٹی کے ۱6 اجلاس اور ہیومن ریسورس اور معاوضے کی کمیٹی کا ایک اجلاس منعقد ہوا ہے انکی حاضری کی تفصیل درج ذیل ہے:

PATTERN OF SHAREHOLDING

As At June 30, 2017

NUMBER OF SHAREHOLDERS	H O L D I N G S FROM	TO	TOTAL SHARES HELD
572	1	100	51,319
3,404	101	500	1,561,418
390	501	1,000	366,664
300	1,001	5,000	767,347
45	5,001	10,000	345,352
20	10,001	15,000	263,100
9	15,001	20,000	171,500
7	20,001	25,000	159,000
5	25,001	30,000	142,600
2	30,001	35,000	68,000
1	35,001	40,000	35,500
3	40,001	45,000	127,400
2	55,001	60,000	116,000
1	60,001	65,000	61,500
1	65,001	70,000	70,000
1	120,001	125,000	124,500
1	145,001	150,000	150,000
1	260,001	265,000	262,000
1	285,001	290,000	288,700
1	645,001	650,000	650,000
1	875,001	880,000	877,200
2	3,220,001	3,225,000	6,447,000
1	3,225,001	3,230,000	3,229,500
1	16,295,001	16,300,000	16,300,000
4,772			32,635,600

Categories of shareholders	Share held	Percentage
Directors, Chief Executive Officers, and their spouse and minor children	16,567,000	50.7636%
Associated Companies, undertakings and related parties. (Parent Company)	0	0.0000%
NIT and ICP	12,000	0.0368%
Banks Development Financial Institutions, Non Banking Financial Institutions.	26,600	0.0815%
Insurance Companies	124,500	0.3815%
Modarabas and Mutual Funds	1,100	0.0034%
Share holders holding 10% or more	16,300,000	49.9455%
General Public		
a. Local	9,299,204	28.4940%
b. Foreign	6,453,500	19.7744%
Joint Stock Companies	151,696	0.4648%

CATEGORIES OF SHAREHOLDING

	No. of Shares	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):	-	-
Mutual Funds (Name Wise Detail)	-	-
Directors and their Spouse and Minor Children (Name Wise Detail):		
1 MR. MOHAMMAD ARSHAD CHAUDHRY	16,300,000	49.9455
2 MRS. AZRA YASMIN	1,000	0.0031
3 MR. MUHAMMAD KAMRAN ARSHAD	1,000	0.0031
4 MISS. FAREEHA ARSHAD	1,000	0.0031
5 MISS. WAJEEHA ARSHAD	500	0.0015
6 MR. RIZWAN ARSHAD	263,000	0.8059
7 MR. MUHAMMAD IMRAN RASHEED	500	0.0015
Executives:	3,000	0.0092
Public Sector Companies & Corporations:	-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:	152,200	0.4664

Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)

1	MR. MOHAMMAD ARSHAD CHAUDHRY	16,300,000	49.9455
2	MR. ABDUL KHALIQ BALOCH	3,229,500	9.8956
3	MR. IBRAHIM HUSSAIN IBRAHIM ALHOSANI	3,225,000	9.8818
4	MR. AHMED YUSUF ALI	3,222,000	9.8727

All trades in the shares of the listed company, carried out by its Directors,

Executives and theirspouses and minor children shall also be disclosed:

NAME	SALE	PURCHASE
MR. MUHAMMAD KAMRAN ARSHAD (CDC)	277,000	-

SIX YEARS FINANCIAL STATISTICAL SUMMARY

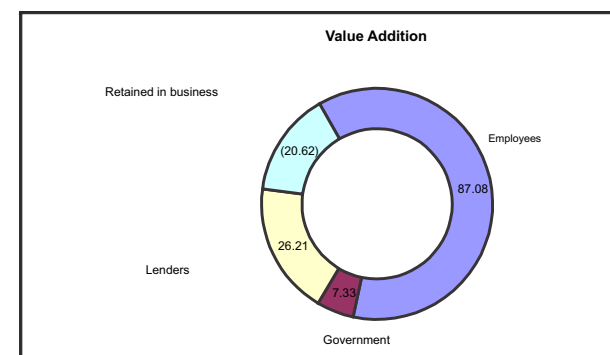
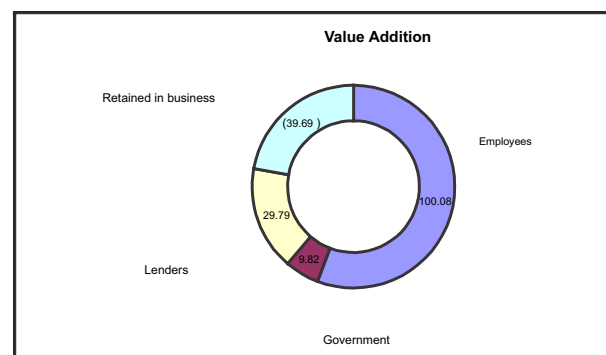
Measure of performance	2017	2016	2015	2014	2013	2012
Rupees in "000"						
Sales - net	4,255,717	4,819,932	5,114,903	5,338,764	5,381,510	4,847,590
Cost of sales	4,174,942	4,647,253	4,815,950	4,822,883	4,862,690	4,555,985
Gross profit	80,775	172,679	298,953	515,881	518,820	291,605
Operating profit/(Loss)	(153,405)	(85,857)	27,871	224,865	195,875	12,672
(Loss) / profit after tax	(334,189)	(269,416)	(182,990)	55,681	55,681	(161,460)
In % age terms						
Cost of sales	98.10	96.42	94.16	90.34	90.36	93.98
Operating profit/(Loss)	(3.60)	(1.78)	0.54	4.21	3.64	0.26
(Loss)/ profit after tax	(7.85)	(5.59)	(3.58)	1.04	1.03	(3.33)
Financial position						
Property, plant and equipment-net	1,556,532	1,605,032	1,535,324	1,456,991	1,348,336	1,313,227
Capital work in progress	1,134	34,210	129,013	113,381	17,726	-
Fixed assets	1,557,666	1,639,243	1,664,337	1,570,372	1,366,062	1,313,227
Current assets						
Stores, spares and loose tools	114,772	93,385	89,718	78,944	84,351	82,590
Stocks in trade	749,188	626,434	804,905	1,069,597	1,037,516	771,887
Other current assets	471,290	432,965	545,622	534,726	443,851	362,498
Cash and cash equivalent	6,748	4,156	25,007	4,452	1,617	15,060
	1,341,998	1,156,940	1,465,251	1,687,719	1,567,335	1,232,035
Current liabilities						
Short term borrowings	1,203,403	940,649	1,020,173	1,050,660	975,906	765,263
Current portion of long term loans	175,000	143,462	224,126	123,796	136,219	141,495
Other current liabilities	377,625	485,531	419,470	404,324	345,900	375,418
	1,756,028	1,569,642	1,663,769	1,578,780	1,458,025	1,282,176
Net working capital	(414,030)	(412,702)	(198,518)	108,939	109,310	(50,141)
	206,250	350,000	387,308	528,666	359,141	182,280

FINANCIAL HIGHLIGHTS

Financial Highlights		2017	2016	2015	2014	2013	2012
Rupees							
A. Profitability Ratios:							
Earning before interest, taxation and depreciation	Rs.	(5,942,434)	65,980,209	181,026,024	343,877,527	326,619,458	139,622,791
Earning before interest and taxation	Rs.	(153,404,945)	(85,857,366)	27,870,518	224,864,633	218,353,387	12,672,352
Profit / (Loss) before taxation and depreciation	Rs.	(146,082,104)	(83,405,422)	(27,849,953)	150,249,391	187,658,605	13,932,622
Gross profit ratio	%	1.90	3.58	5.84	9.66	9.91	6.02
Operating profit / (loss) margin to sales (net)	%	(3.60)	(1.78)	0.54	4.21	4.06	0.26
Net profit / (loss) margin to sales (net)	%	(7.85)	(5.59)	3.58	0.18	1.27	(3.33)
EBITD margin to sales (net)	%	(0.14)	1.37	3.54	6.44	6.07	2.88
B. Liquidity Ratios :							
Current ratio		0.76	0.74	0.88	1.07	1.07	0.9:1
Quick / Acid-test ratio		0.27	0.34	0.34	0.34	0.31	0.29:1
Cash to current liabilities	%	0.38	0.26	1.50	0.28	0.11	1.17
Cash flow from operations to sales	%	(6.42)	4.67	4.70	1.05	(4.13)	2.67
Working capital (Net current assets)	Rs.	(414,030,560)	(412,649,253)	(198,517,658)	108,939,322	109,310,127	(50,140,333)
Working capital turnover	Times	(0.10)	(11.68)	(25.77)	49.01	49.23	(96.68)
C. Activity / Turnover Ratios							5.98
Debtors turnover ratio	Times	33.25	24.73	19.59	15.36	18.36	19.51
No. of days in receivables / Average collection period	Days	10.98	14.76	18.25	23.77	19.88	18.70
Inventory turnover ratio	Times	5.57	6.49	6.35	4.58	5.36	1.30
No. of days in inventory	Days	65.50	56.21	62.05	79.73	68.11	70.39
Creditors turnover ratio	Times	9.62	7.79	20.67	26	29	21
No. of days in creditors / Average payment period	Days	38	47	18.25	14.06	12.77	17.78
Property, plant and equipment turnover	Days	133.50	118.91	109.50	90.06	77.92	100.35
Total assets turnover	Days	249.81	225.36	223.93	206.70	174.34	200.56
D. Investment Ratios							
Basic earnings / (loss) per share	Rs.	(10.24)	(8.25)	(5.61)	0.29	2.09	(4.95)
Cash dividend per share	Rs.	-	-	-	-	-	-
E. Capital Structure Ratios							
Total liabilities to total assets	%	70.10	70.50	104.94	99.41	100.11	87.24
Interest coverage	Times	(1.09)	(0.57)	0.13	1.16	1.57	0.10

STATEMENT OF VALUE ADDITION

Statement of Value addition	2017	2016
Sales	4,255,717,924	4,819,931,739
Less: Manufacturing / administration and general expenses	(3,799,299,691)	4,259,791,132
	456,418,233	560,140,607
Other income	14,045,444	9,898,078
Total value added	470,463,677	570,038,685
Distribution		
Employees :		
Salaries and wages	470,861,989	496,377,779
Government :		
Corporate tax	40,643,930	34,120,958
Development surcharge	5,544,122	7,680,697
	46,188,052	41,801,655
Lenders :		
Markup on loans	140,139,670	149,385,631
Retained in business:		
Depreciation	147,462,511	151,837,575
Profit / (Loss)	(334,188,545)	(269,363,955)
	(186,726,034)	(117,526,380)
	470,463,677	570,038,685
	Percentage	
Employees	100.08	87.08
Government	9.82	7.33
Lenders	29.79	26.21
Retained in business	(39.69)	(20.62)



STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED AT JUNE 30, 2017

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED AT JUNE 30, 2017

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No.5.19 of listing regulations of Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance whereby a listed Company is managed in compliance with the best practices of Corporate Governance.

The Company has applied the principle contained in the Code in the following manner:

- The Company encourages representation of independent non-executive directors and directors representing minority interest on its board of directors.As at June 30,2017 board includes:

Category	Names
Independent Director	○ Mohammad Imran Rasheed
Executive Directors	○ Mohammad Arshad Chaudhry ○ Kamran Arshad
Non-Executive Directors	○ Mrs.Azra Yasmin ○ Rizwan Arshad ○ Fareeha Arshad ○ Wajeeha Haaris

The independent director meet the criteria of independence under clause 5.19.1.(b) of the Code of Corporate Governance.

- The directors have confirmed that none of them is serving as a director on more than seven listed companies,including this company.
- All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, development financial institution or non-banking financial institution or,being a broker of a stock exchange,has been declared as a defaulter by that stock exchange.
- There has been no casual vacancy in the Board during the year 2017.
- The Company has prepared a “Code of Conduct” and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company.A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of the employment of CEO, other Executive and Non- Executive Directors,have been taken by the board/shareholders.
- The meetings of the board were presided over by the chairman and,in his absence,by a director elected by the board for this purpose and the board met at least once in every quarter.Written notice of the board meetings along with agenda and working papers were circulated at least seven days before the meetings.The minutes of the meetings were appropriately recorded and circulated.
- The Directors are aware of their duties and responsibilities under the relevant laws and regulations and they are regularly appraised with amendments in corporate and other laws, if any. One of our directors Mr. Rizwan Arshad has attended training session under board development series. Majority of the directors are exempted under exemption criteria specified in clause 5.19.7 of PSX rules.
- The Board approved the appointment, remuneration and terms and conditions of employment of the CFO, Company Secretary and Head of Internal Audit. During the year Mr. Majid Rehman has been appointed as Company Secretary after resignation of Mr.Nauman Iqbal.
- The Directors' report for this year has been prepared in compliance with the requirement of Code of Corporate Governance and fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an audit committee. It comprises three members, all of them are non-executive directors, including the chairman of the committee who is an independent director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company as required by the Code of Corporate Governance. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has formed a Human Resource & Remuneration Committee. It comprises of 3 members, of whom two are non-executive directors and a chairperson of the committee is a non-executive director.
18. The Board has setup an effective internal audit function who are considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regards.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. The company has complied with the requirements relating to maintenance of registrar of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the Code of Corporate Governance have been complied with.

For and on behalf of the Board

Lahore

September 27, 2017

(Mohammad Arshad Chaudhry)

Chief Executive



QADEER & COMPANY
CHARTERED ACCOUNTANTS

REVIEW REPORT TO THE MEMBERS On The Statement of Compliance with the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **GHAZI FABRICS INTERNATIONAL LIMITED** (the Company) for the year ended June 30, 2017 to comply with the requirements of of Rule 5.19 of the Rule Book of the Pakistan Stock Exchange where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the statement of compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of approval of the related party transactions by the Board of Directors upon the recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2017.

Lahore

September 27, 2017

QADEER AND COMPANY
CHARTERED ACCOUNTANTS
NAWAZ KHAN FCA

Financial Statements

For the year ended June 30, 2017



QADEER & COMPANY
CHARTERED ACCOUNTANTS

AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of GHAZI FABRICS INTERNATIONAL LIMITED ('the Company') as at June 30, 2017 and the related Profit and Loss Account, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:-

- (a) In our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
- (b) In our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit and Loss Account, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof, conform with the approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2017 and of the Loss, total comprehensive Loss, its cash flows and changes in equity for the year then ended; and
- (d) In our opinion, no Zakat was deductible at source under the Zakat & Ushr Ordinance, 1980 (XVIII of 1980),

Lahore
September 27, 2017

QADEER AND COMPANY
CHARTERED ACCOUNTANTS
NAWAZ KHAN FCA

BALANCE SHEET
AS AT JUNE 30, 2017

EQUITY AND LIABILITIES	Note	2017	2016
		Rupees	
Share Capital and Reserves			
Authorized capital			
40,000,000 (2016 : 40,000,000) ordinary shares of Rs. 10 each		400,000,000	400,000,000
Issued, subscribed and paid up capital	5	326,356,000	326,356,000
Directors' loan	6	1,640,727,835	1,255,727,835
Accumulated loss		(1,096,299,621)	(753,437,747)
		870,784,214	828,646,088
Non Current Liabilities			
Long term financing	7	206,250,028	350,000,030
Deferred liabilities	8	79,612,981	60,906,493
		285,863,009	410,906,523
Current Liabilities			
Trade and other payables	9	322,321,293	439,316,968
Accrued interest / mark up	10	23,650,661	10,985,629
Short term borrowings	11	1,203,402,811	940,648,513
Current portion of long term financing	7	175,000,000	143,461,540
Provision for taxation	12	31,653,468	35,228,181
		1,756,028,233	1,569,640,831
Contingencies and Commitments			
	13	-	-
		2,912,675,456	2,809,193,442
Assets			
Non Current Assets			
Property, plant and equipment	14	1,556,531,939	1,605,032,489
Capital work in progress	15	1,134,100	34,210,062
		1,557,666,039	1,639,242,551
Long term deposits		13,011,744	13,011,744
		1,570,677,783	1,652,254,295
Current Assets			
Stores, spares and loose tools	16	114,772,146	93,384,579
Stock in trade	17	749,187,822	626,433,802
Trade debts	18	127,992,786	128,667,713
Loans and advances	19	107,861,083	120,413,204
Tax refunds/ rebate due from the Government	20	235,436,160	183,884,120
Cash and bank balances	21	6,747,675	4,155,728
		1,341,997,673	1,156,939,147
		2,912,675,456	2,809,193,442

The annexed notes from 1 to 39 form an integral part of these financial statements.

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		Rupees	
Sales - Net	22	4,255,716,774	4,819,931,739
Cost of goods sold	23	4,174,942,364	4,647,252,589
Gross Profit		80,774,410	172,679,150
Operating expenses:			
- Selling and distribution	24	124,770,144	150,120,384
- Administrative and general	25	115,039,475	116,360,826
- Other operating charges	26	8,415,180	1,953,384
		248,224,799	268,434,594
		(167,450,390)	(95,755,444)
Other operating income	27	14,045,444	9,898,078
(Loss) from operation		(153,404,945)	(85,857,366)
Finance cost	28	140,139,670	149,438,062
(Loss) before taxation		(293,544,615)	(235,295,428)
Taxation	29	40,643,930	34,120,958
(Loss) for the year		(334,188,545)	(269,416,386)
(Loss) / Earnings per share - Basic and diluted	30	(10.24)	(8.25)

The annexed notes from 1 to 39 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2017

		2017	2016
	Note	Rupees	
(Loss) for the year		(334,188,545)	(269,416,386)
Other comprehensive income/ (Loss)			
Remeasurements of defined benefit obligation	8.02	(9,679,493)	(2,763,405)
Impact of deferred tax		1,006,164	247,601
		(8,673,329)	(2,515,804)
Total comprehensive income/ (Loss) for the year		(342,861,874)	(271,932,190)

The annexed notes from 1 to 39 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2017

	2017	2016
	Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(293,544,615)	(235,295,428)
Adjustments for:		
- Depreciation	147,462,511	151,837,575
- (Gain) / loss on disposal of property, plant and equipment	6,525,968	(497,473)
- Provision for gratuity	25,848,837	23,519,139
- Finance cost	140,139,670	149,438,062
	319,976,986	324,297,303
Operating profit before working capital changes	26,432,371	89,001,875
(Increase) / decrease in current assets:		
- Stores, spares and loose tools	(21,387,567)	(3,666,622)
- Stock in trade	(122,754,020)	178,470,843
- Trade debts	674,927	132,394,749
- Loans and advances	4,674,931	36,048,552
- Tax refunds/ rebate due from the Government	(38,976,143)	(55,786,282)
Increase / (decrease) in current liabilities:		
- Trade and other payables	(116,995,675)	47,117,768
	(294,763,548)	334,579,008
Cash generated from operations	(268,331,176)	423,580,883
Income tax paid / deducted	(37,473,787)	(30,715,165)
Gratuity paid	(27,259,240)	(18,021,886)
Finance cost paid	(127,474,638)	(149,952,573)
Net cash generated from / (used in) operating activities	(460,538,842)	224,891,259
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(112,541,735)	(221,553,803)
Capital work in progress	33,075,962	94,802,972
Proceeds from disposal of property, plant and equipment	7,053,806	505,000
Net cash used in investing activities	(72,411,967)	(126,245,831)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (repayment) of long term loans - net	(112,211,542)	(117,971,711)
Loan from directors and others - net	385,000,000	78,000,000
Short term borrowings	262,754,298	(79,524,538)
Net cash generated from financing activities	535,542,756	(119,496,249)
Net increase / (decrease) in cash and cash equivalents	2,591,947	(20,850,822)
Cash and cash equivalents at the beginning of the year	4,155,728	25,006,550
Cash and cash equivalents at the end of the year	21 6,747,675	4,155,728

The annexed notes from 1 to 39 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2017

	Issued, Subscribed and Paid up Capital	Directors' loan	Accumulated Loss	Total
	Rupees			
Balance as at July 01, 2015	326,356,000	1,177,727,835	(481,505,557)	1,022,578,278
Transaction with owner-loan from directors	-	78,000,000	-	78,000,000
Total comprehensive income for the year 2016	-	-	(271,932,190)	(271,932,190)
Balance as at June 30, 2016	326,356,000	1,255,727,835	(753,437,747)	828,646,088
Transaction with owner-loan from directors	-	385,000,000	-	385,000,000
Total comprehensive income for the year 2017	-	-	(342,861,874)	(342,861,874)
Balance as at June 30, 2017	326,356,000	1,640,727,835	(1,096,299,621)	870,784,214

The annexed notes from I to 39 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

I REPORTING ENTITY

Ghazi Fabrics International Limited ("the Company") was incorporated in Pakistan on April 30, 1989 as a Private Limited Company and converted into Public Limited Company on January 07, 1990. Its shares are quoted on Pakistan Stock Exchange. The main activities of the Company are textile manufacturing, production of cotton and P.C. yarn and grey cloth that are marketed both within and outside Pakistan. The registered office of the Company is situated at 8-C, E-III, Gulberg III, Lahore.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The Companies Act, 2017 has been promulgated with effect from May 31, 2017. However, the Securities and Exchange Commission of Pakistan (SECP) through its Circular # 17 of 2017 dated July 20, 2017, has directed that the companies whose financial year ends on or before June 30, 2017 shall prepare there financial statements in according with the provisions of the repealed Companies Ordinance, 1984. Further, these financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions of and directives of the repealed Companies Ordinance, 1984 shall prevail.

2.2 New standards, amendments to approve accounting standards and new interpretations

2.2.1 Standard and amendments to approve the accounting standards which become effective during the year ended June 30, 2017

There were standard and amendments to approve the accounting standards which become effective during the year ended June 30, 2017 but are considered not to be relevant or have any significant effect on the company's operations and are, therefore, not disclosed in these financial statements.

2.3 Amendments to approved accounting standards that are effective for the company's accounting periods beginning after July 1, 2017:

There are certain standards and amendments to the approved accounting standards which will be effective for the company for annual periods beginning on or after July 1, 2017 but are considered not to be relevant or are expected to have any significant effect on the company's operations and are, therefore, not disclosed in these financial statements.

2.4 Basis of measurement

These accounts have been prepared under the historical cost convention except for certain financial instruments at fair value. In these financial statements, except for the amounts reflected in the cash flow statement, all transactions have been accounted for on accrual basis.

2.5 Judgment, estimates and assumptions

The preparation of financial statements in conformity with IASs as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources, actual results may differ from the estimates. The estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made and in any future periods affected.

Significant management estimates in these financial statements relate to the useful life of property, plant and equipment, provisions for doubtful receivables, slow moving inventory and taxation. However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in the financial statements.

Judgment made by management in the application of approved standards as applicable in Pakistan that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent year are as follows;

2.5.1 Depreciation method, rates and useful lives of property, plant and equipment

The management of the Company reassesses useful lives, depreciation method and rates for each item of property, plant and equipment annually by considering expected pattern of economic benefits that the Company expects to derive from that item.

2.5.2 Recoverable amount of assets/ cash generating units

The management of the Company reviews carrying amounts of its assets and cash generating units for possible impairment and makes formal estimates of recoverable amount if there is any such indication.

2.5.3 Fair value of financial instruments having no active market

Fair value of financial instruments having no active market is determined using discounted cash flow analysis after incorporating all factors that market participants would consider in setting a price and using inputs that reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

2.5.4 Taxation

The Company takes into account income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by tax department at the assessment stage and where the Company considers that its view of items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

2.5.5 Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

2.6 Functional currency

Items included in the financial statements are prepared using the currency of the primary economic environment in which the company operates i.e. Pak Rupees which is the Company's functional currency.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

3.1 Ordinary share capital

Ordinary share capital is recognized as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as deduction from equity.

3.2 Employee benefits

Defined benefit plan

The Company operates an unfunded gratuity scheme covering its permanent employees. Employees are eligible for benefits under this scheme after the completion of a prescribed qualifying period of service. The latest actuarial valuation was carried out as at June 30, 2017. Charge for the current year is based on estimates provided by the actuary as at June 30, 2017.

All actuarial gains and losses (i.e. remeasurements) are recognised in 'other comprehensive income' as they occur.

The following significant assumptions were used in the latest actuarial valuation:

	2017	2016
Discount rate	7.75%	7.25%
Expected rate of salary increase in future years	5.75%	5.25%
Average expected remaining working life time of employees	9 years	9 years
Actuarial valuation method	Projected unit credit method	

3.3 Borrowings

These are recognized initially at fair value less attributable transaction cost. Subsequent to initial recognition, these are stated at amortized cost with any difference between cost and redemption value being recognized in the profit and loss over the period of the borrowings on an effective interest basis.

3.4 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed periodically and adjusted to reflect the current best estimates.

3.5 Taxation

Current

The charge for taxation for the year is based on minimum tax at the current rates of taxation after taking into account tax rebates and credits available, if any.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets, as required by IAS - 12 (Income Taxes), are recognized to the extent of potential available taxable profit against which temporary differences, unused tax losses and tax credits can be utilized.

3.6 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

3.7 Trade and other receivables

Trade debts originated by the Company are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An estimated provision for doubtful debt is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

3.8 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation less impairment loss (if any) except freehold land that is stated at cost. Cost of property, plant and equipment consists of historical cost and other directly attributable costs incurred to bring the assets to their working condition.

Depreciation on property, plant and equipment has been provided by using the reducing balance method at the rates specified in Note 14. Full month depreciation is charged in the month of addition while no depreciation is charged in the month of disposal.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain or loss on disposal of property, plant and equipment, if any, is shown in the profit and loss account.

3.10 Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and includes the expenditures on material, labour and appropriate overheads directly relating to the construction, erection or installation of an item of property, plant and equipment. These costs are transferred to property, plant and equipment as and when related items become available for intended use.

3.11 Impairment

Carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and impairment loss is recognized in the profit and loss account.

3.12 Stores, spares and loose tools

Usable stores and spares are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus incidental charges paid thereon.

Provision for obsolete and slow moving stores and spares is based on management's estimate.

3.13 Stock in trade

These are valued at lower of cost or net realizable value except waste which is valued at net realizable value determined at average selling price.

3.13 Stock in trade

These are valued at lower of cost or net realizable value except waste which is valued at net realizable value determined at average selling price.

Cost is determined as follows:

Raw materials - At weighted average cost.

Work in process - At annual average material cost plus appropriate manufacturing costs.

Finished goods - At average manufacturing cost.

Wastes - At net realizable value.

Net realizable value signifies the estimated selling price at which goods in stock could be currently sold less any further costs that would be incurred to complete the sale.

Costs in relation to work in process and finished goods represent annual average costs which consist of prime costs and appropriate manufacturing overheads.

Items in transit are stated at cost comprising invoice value and other incidental charges paid thereon.

3.14 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash with banks in current accounts.

3.15 Financial instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. It ceases to recognize financial assets when it loses control of contractual rights and in case of financial liability when the liability is extinguished. Any gain or loss on subsequent remeasurement / derecognition is charged to income.

A financial asset and financial liability is offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.16 Foreign currency translation

Assets and liabilities in foreign currency are stated in Pak Rupees at the rates of exchange ruling on the balance sheet date or rate of exchange fixed under contractual agreements. Transactions in foreign currency are translated into Pak Rupees (functional and presentation) at the exchange rate prevailing on the date of transaction. All exchange differences are included in the profit and loss account.

3.17 Related party transactions

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party or between two or more segments of the Company are at arm's length prices using the comparable uncontrolled price method except in circumstances where it is in the interest of the Company not to do so.

3.18 Revenue recognition

- Local sales are recorded on dispatch of goods to customers.
- Export sales are recorded at the time of receipt of bill of lading.

3.19 Borrowing costs

Borrowing costs relating to the acquisition, construction or production of a qualifying asset are recognised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which these are incurred.

3.20 Dividends

Dividend is recognized as a liability in the period in which it is declared.

3.21 Earning per share (EPS)

Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit and loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

4 CHANGE IN ACCOUNTING POLICY

4.01 All the accounting policies are applied consistently during the year

5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	2017	2016		2017	2016
	No. of shares			Rupees	
			Ordinary shares of Rs. 10 each fully paid in cash		
	32,635,600	32,635,600		326,356,000	326,356,000

NOTE	2017	2016
	Rupees	

6 Directors' loan

Loan from directors	6.01	1,640,727,835	1,255,727,835
6.01 These loans are accounted for under Technical Release - 32 "Accounting Director's Loan" issued by the Institute of Chartered Accountants of Pakistan effective for the financial statements for the period beginning on or after January 01, 2016 with earlier application permitted.			
6.02 This loan has been provided by the chief executive and other directors of the Company for the repayment of long term loans and capital expenditure of the Company.The loan is unsecured and interest free.The terms of repayment have yet not been finalized due to the subordination loan agreement of Rs. 900 million (2016 : Rs. 900 million) with Habib Bank Limited and Rs. 1,500 million (2016 : Rs. 900 million) with United Bank Limited.			

7 LONG TERM FINANCING

Loan from banking companies - Secured

Habib Bank Limited:			
- Term finance - IV	7.01	-	18,461,570
		-	18,461,570
United Bank Limited:			
- NIDF - VIII	7.02	281,250,028	375,000,000
- NIDF - IX	7.03	100,000,000	100,000,000
		381,250,028	475,000,000
		381,250,028	493,461,570
		(175,000,000)	(143,461,540)
		206,250,028	350,000,030
Less: Current portion			
7.01 Term finance - IV			
Opening balance		18,461,570	43,076,954
Payments made during the year		(18,461,570)	(24,615,384)
		-	18,461,570

Term finance - IV was obtained for reprofiling of balance sheet. Loan was payable in thirteen quarterly installments with a grace period of one year from first draw down of loan with first installment commenced from December 31, 2013. It carried mark up at three months KIBOR plus 2.50% per annum payable on quarterly basis.

Loan from HBL are secured against first pari passu equitable mortgage of property plant and equipment of the Company valuing Rs. 932 million (2016 : Rs. 932 million) and personal guarantee of chief executive and a director of the Company.

7.02 NIDF - VIII

Opening balance	375,000,000	500,000,000
Payments made during the year	(93,749,972)	(125,000,000)
	281,250,028	375,000,000

This loan has been obtained to finance import of machinery. It is repayable in sixteen equal quarterly installments with a grace period of eighteen months from first draw down of loan with first installment due in September 2015. It carries mark up at six months KIBOR plus 1.25% per annum payable on quarterly basis.

7.03 Term Finance (NIDF)

Opening balance	100,000,000	100,000,000
Finance obtained during the year	-	-
	100,000,000	100,000,000

This loan has been obtained for reprofiling of balance sheet of the company. It is repayable in sixteen equal quarterly installments with a grace period of eighteen months from first draw down of loan with first installment due in December 2017. It carries mark up at six months KIBOR plus 1.25% per annum payable on quarterly basis.

Loan from UBL are secured against first pari passu equitable mortgage of property plant and equipment of the Company valuing Rs. 1,471 million (2016: Rs. 1,471 million) and personal guarantee of chief executive and one director of the Company.

8 DEFERRED LIABILITIES

		2017	2016
		Rupees	
Deferred tax - net	8.01	22,754,394	12,316,996
Staff retirement benefits	8.02	56,858,587	48,589,497
		79,612,981	60,906,493

8.01 Deferred tax - net

Credit / (debit) balance arising in respect of:			
- Accelerated tax depreciation		81,771,982	67,972,243
- Recognized losses		(53,107,251)	(49,439,265)
- Staff retirement benefits		(5,910,337)	(6,215,981)
		22,754,394	12,316,996

Deferred income tax asset on minimum tax amounting to Rs. 73,289,270 has not been recognized due to uncertainty of available deferred tax adjustments.

8.02 Staff retirement benefits

The amounts recognized in the balance sheet are as follows

Present value of defined benefit obligation including payable	56,858,587	48,589,497
---	------------	------------

Balance sheet liability

Opening balance	48,589,497	40,328,839
Amount recognized during the year	25,848,837	23,519,139
Remeasurements	9,679,493	2,763,405
	84,117,827	66,611,383
Benefits paid during the year	(27,259,240)	(18,021,886)
Closing balance	56,858,587	48,589,497
Charge for the defined benefit plan		
Service cost	23,353,217	20,622,875
Interest cost	2,495,620	2,896,264
	25,848,837	23,519,139

8.03 DEFINED BENEFIT PLAN

(a) General description

The scheme provides for terminal benefits for all its permanent employees who attain the minimum qualifying period at varying percentages of last drawn basic salary. The percentage depends on the number of service years with the Company. Annual charge is based on acturial valuation carried on as at June 30, 2017 using Project Unit Credit Method.

(b) Comparison for five years

	2017	2016	2015	2014	2013
			(Rupees - 000)		
PVODBO	56,859	47,514	38,179	40,190	45,659
Experience Adjustment	9,679	2,763	(9,349)	(12,836)	9,540

	NOTE	2017	2016
		Rupees	
9 TRADE AND OTHER PAYABLES			
Creditors for:			
- Goods supplied		243,772,112	344,975,753
- Services		16,628,745	16,409,230
Accrued liabilities		45,688,458	60,076,627
Advances from customers		9,641,868	11,180,095
Security deposits		166,000	166,000
Unclaimed dividend		5,032,096	5,033,316
Tax deducted at source		1,392,014	1,475,947
		<u>322,321,293</u>	<u>439,316,968</u>
10 ACCRUED INTEREST/ MARKUP			
Long term financing		7,036,876	10,623,036
Short term borrowings		16,613,785	362,593
		<u>23,650,661</u>	<u>10,985,629</u>
11 SHORT TERM BORROWINGS - From banking companies - Secured			
Habib Bank Limited	11.1	502,997,143	467,702,727
United Bank Limited	11.2	700,405,668	472,945,786
		<u>1,203,402,811</u>	<u>940,648,513</u>
11.1	These represent utilized portion of short term finance facilities of Rs. 1,165 million (2016 : Rs. 1,415 million) available from Habib Bank Limited under mark up arrangement. These facilities carry mark up of one month KIBOR plus 1.5% per annum and shall expire by January 31, 2018. These short term borrowings along with long term financing are secured by first pari passu equitable mortgage charge on property, plant and equipment of the Company valuing Rs. 932 million (2016 : Rs. 932 million), pledge of cotton and polyester bales, lien on import documents / export contracts and personal guarantee of the chief executive and director of the Company.		
11.2	These represent utilized portion of short term finance facilities of Rs. 1,170 million (2016 : Rs. 1,370 million) available from United Bank Limited under mark up arrangement. These facilities carry mark up at 1 month KIBOR plus 1.25% - 1.30% per annum and shall expire by December 31, 2017. These borrowings along with long term financing are secured by first pari passu charge on present and future fixed assets of the Company premises valuing Rs. 1,471 million (2016 : Rs. 1,471 million), pledge of cotton and polyester bales, lien on import documents / export contracts and personal guarantee of the chief executive and director of the Company.		
12 PROVISION FOR TAXATION-Net			
Opening balance		35,228,181	15,770,915
Provision for the year		31,653,468	35,228,181
Payments / adjustments against advance tax		<u>(35,228,181)</u>	<u>(15,770,915)</u>
		<u>31,653,468</u>	<u>35,228,181</u>

Income tax return up to and including tax year 2016 has been filed to the tax authorities under the provision of Income Tax Ordinance, 2001.

13 CONTINGENCIES AND COMMITMENTS

Contingencies

- 13.1** The Company has provided bank guarantee in favour of Sui Northern Gas Pipeline Limited amounting to Rs. 53.865 million (2016 : Rs. 53.865 million) on account of security deposits against the consumption of natural gas.
- 13.2** The company has challenged the recovery of Gas Infrastructure Development Cess-GIDC and filed petition in Lahore High Court challenging the vires and legality of the levy and demand of GIDC including the retrospective effect. The Court granted stay against charging of GIDC. Since, the issue is being faced by the industry at large, therefore management is of the view that there is no need to maintain any provision against the liability. The management is confident that decision of the case will be in its favor. Further, it is difficult to determine the best monetary estimate as the date of applicability of the said Act is in litigation.
- 13.3** Export bills discounted Rs. 182.334 million (2016 : Rs. 458.466 million)
- 13.4** Post dated cheques issued in the favour of Collector of Custom against import Rs. 17.391 million (2016 : Rs. 17.391 million)

Commitments

Commitments in respect of irrevocable letters of credit for the import of raw material and spare parts of machinery as at the balance sheet date amount to Rs. 113.114 million (2016 : Rs. 6.5 million).

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14.1 The depreciation charged for the year has been allocated as under:

Cost of sales	140,089,385
Administrative expenses	7,373,126
	<u>147,462,511</u>
	Rupees

Rupees

20 Tax refunds/ rebate due from the Government

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	NOTE	2017	2016
		Rupees	
21 CASH AND BANK BALANCES			
Cash in hand		523,244	1,877,016
Cash with banks in current accounts		6,224,431	2,278,712
		<u>6,747,675</u>	<u>4,155,728</u>
22 SALES - NET			
Local:			
- Yarn		1,123,565,227	870,533,039
- Fabric		847,653,314	722,400,558
		1,971,218,541	1,592,933,597
Export:			
- Yarn		738,973,304	1,397,363,950
- Fabric		1,421,028,414	1,758,378,412
		2,160,001,718	3,155,742,362
Waste		100,497,665	71,255,780
Rebate on export		23,998,850	-
		<u>4,255,716,774</u>	<u>4,819,931,739</u>
23 COST OF GOODS SOLD			
Raw materials consumed	23.01	2,784,925,607	3,206,231,697
Processing charges		8,656,137	34,305,314
Salaries, wages and other benefits	23.02	391,743,961	420,642,045
Fuel and power		414,513,623	521,895,533
Packing materials consumed		47,118,114	81,371,115
Sizing materials consumed		37,651,908	43,127,053
Stores and spares consumed		120,394,789	96,723,712
Repair and maintenance		14,606,659	40,607,270
Insurance		6,769,351	6,717,575
Depreciation	14.1	140,089,385	143,821,904
Other manufacturing expenses		-	2,701,510
		<u>3,966,469,535</u>	<u>4,598,144,728</u>
Opening work in process		70,423,471	68,118,895
Closing work in process		(66,181,293)	(70,423,471)
		<u>4,242,178</u>	<u>(2,304,576)</u>
Cost of goods manufactured		3,970,711,713	4,595,840,152
Opening finished goods		399,925,652	451,338,089
Closing finished goods		(195,695,001)	(399,925,652)
		<u>204,230,651</u>	<u>51,412,437</u>
		<u>4,174,942,364</u>	<u>4,647,252,589</u>
23.01 Raw material consumed			
Opening stock		156,084,679	285,447,661
Purchases		3,101,162,592	3,054,475,928
Cotton cess		2,604,565	6,449,044
Cotton handling charges		12,385,300	15,943,743
		<u>3,272,237,136</u>	<u>3,362,316,376</u>
Closing stock		(487,311,529)	(156,084,679)
		<u>2,784,925,607</u>	<u>3,206,231,697</u>
23.02	Salaries, wages and benefits include Rs. 15.52 million (2016 : Rs. 14.12 million) on account of staff retirement benefits.		

	NOTE	2017	2016
		Rupees	
24 SELLING AND DISTRIBUTION			
Salaries, wages and benefits	24.01	3,347,969	3,576,963
Export development surcharge		5,544,122	7,680,697
Commission to selling agents		30,557,773	38,551,840
Carriage and freight		73,632,138	80,564,138
Export expenses		11,688,142	19,692,957
Others		-	53,789
		<u>124,770,144</u>	<u>150,120,384</u>

24.01 Salaries, wages and benefits include Rs.0.78 million (2016 : Rs. 0.75 million) on account of staff retirement benefits.

25 ADMINISTRATIVE AND GENERAL			
Salaries, wages and other benefits	25.1	75,770,059	72,158,771
Traveling and conveyance		2,628,518	1,865,023
Repairs and maintenance		5,099,117	7,791,040
Rent, rates and taxes		625,646	1,570,579
Printing and stationery		2,500,061	3,085,114
Insurance		4,530,074	2,819,415
Fees and subscription		1,615,088	1,169,835
Telephone and Postage		2,439,867	3,207,635
Vehicle running and maintenance		7,686,877	10,216,040
Utilities		1,625,113	1,448,942
Books and periodicals		216,862	131,111
Entertainment		2,763,110	2,707,779
Miscellaneous expenses		165,957	173,871
Depreciation	14.1	7,373,126	8,015,671
		<u>115,039,474</u>	<u>116,360,826</u>
25.1	Salaries, wages and benefits include Rs. 9.57 million (2016 : Rs. 8.65 million) on account of staff retirement benefits.		

26 OTHER OPERATING CHARGES			
Auditors' remuneration			
- Statutory audit		1,000,000	1,000,000
- Half yearly review		95,000	95,000
- Certification charges		100,000	100,000
- Out of pocket		25,000	25,000
		<u>1,220,000</u>	<u>1,220,000</u>
Legal and professional charges		669,212	733,384
Loss on disposal of property, plant and equipment		6,525,968	-
		<u>8,415,180</u>	<u>1,953,384</u>

27 OTHER OPERATING INCOME			
Scrap sales		7,244,692	9,400,605
Gain on disposal of property, plant and equipment		-	497,473
Exchange gain		6,800,752	-
2001.		<u>14,045,444</u>	<u>9,898,078</u>

29 TAXATION			
Taxation:			
-	Current year	31,653,468	35,228,181
-	Prior year	(2,453,101)	14,944,252
-	Deferred	<u>11,443,563</u>	<u>(16,051,475)</u>
		<u>40,643,930</u>	<u>34,120,958</u>

30 EARNING PER SHARE - Basic			
(Loss) after taxation for the year	Rupees	(334,188,545)	(269,416,386)
Outstanding weighted average ordinary shares	No. of shares	32,635,600	32,635,600
Earnings / (Loss) per share - Basic and diluted	Rupees	(10.24)	(8.25)

Directors	6,300,000	6,300,000
Number of persons	2	2
Executives	19,332,000	19,332,000
Number of persons	18	18

31.2 No meeting fee has been paid to any director of the Company.

32 TRANSACTIONS WITH RELATED PARTIES

	2017	2016
	Rupees	
	2017	2016
	Rupees	
Directors		
Loan obtained from directors	405,000,000	78,000,000
Payment made during the year	20,000,000	-

44

Spinning

Weaving				
No. of looms installed			192	192
No. of looms worked			192	192
No. of shifts			3	3
Actual production converted to 40 picks				
based on three shifts per day	Sq. meters		58,179,133	66,059,235

34 FINANCIAL INSTRUMENTS BY CATEGORY

Long term deposits	13,011,744	13,011,744
Trade debts	127,992,786	128,667,713
Loans and advances	55,000	607,000
Cash and bank balances	6,747,675	4,155,728
	147,807,205	146,442,186

Long term financing	1,846,977,863	1,605,727,865
Trade and other payables	311,287,411	426,660,926
Accrued interest/mark-up	23,650,661	10,933,198
Short term borrowings	1,203,402,811	940,648,513
	3,385,318,746	2,983,970,501

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

35 FINANCIAL INSTRUMENTS**Financial risk factors**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors.

(a) Market risk**(i) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The company is exposed to currency risk on the import of raw material and stores and spares and export of goods mainly denominated in US dollars and on foreign currency debtors and loans. The company's exposure to foreign currency risk for US dollars is as follows:

	2017	2016
	Rupees	
Foreign trade debts	84,278,088	99,428,000
Foreign currency short term borrowings		
- Habib Bank Limited	(299,259,338)	(297,889,895)
- United Bank Limited	(406,328,500)	(394,613,974)
Gross balance sheet exposure	(621,309,750)	(593,075,869)
Outstanding letter of credit	(27,501,843)	(3,515,542)
Net exposure	(648,811,593)	(596,591,411)

The following significant exchange rates have been applied at the reporting dates:

USD to PKR	104.60	104.29
------------	--------	--------

The Company manages its currency risk by close monitoring of currency markets. However, the Company does not hedge its currency risk exposure.

At June 30, 2017, if the Pakistan Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, post-tax loss / profit for the year have been higher / lower by Rs. 32,116,174 (2016 : 29,829,571) mainly as a result of foreign exchange losses / gains on translation of foreign debts, foreign currency borrowings.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no significant interest-bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

At the reporting date, the interest rate profile of the company's significant interest bearing financial instruments was as follows:

(iii) Financial liabilities

	2017	2016	2017	2016
	Percentage		Rupees	
Long term financing				
- Fixed rate	0.00	0.00	-	-
- Variable rate	7.25 to 7.35	7.90 to 8.90	381,250,028	493,461,570
Short term borrowings	6.22 to 6.29	4.08 to 7.90	1,203,402,811	940,648,513
			1,584,652,839	1,434,110,083
			(1,584,652,839)	(1,434,110,083)

Total yield / mark up rate risk sensitivity gap

(iv) Fair value sensitivity analysis for fixed rate instruments:

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit and loss account.

(v) Cash flow sensitivity analysis for variable rate instruments:

A change of 1% in interest rates at the reporting date would have decreased / increased loss for the year by the amount shown below. This analysis assumes that all other variables, in particular foreign currency rates, remains constants. This analysis is prepared assuming the amount of liabilities outstanding at balance sheet date were outstanding for the whole year.

As at June 30, 2017

	Effect on Profit and Loss 1% rate Increase	Decrease
Cash flow sensitivity - variable rate financial liabilities	15,846,528	(15,846,528)

As at June 30, 2016

	14,341,101	(14,341,101)
Cash flow sensitivity - variable rate financial liabilities		

(vi) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity securities price risk as there is no investment in listed securities.

(b) Credit risk

Credit risk represents the risk of financial loss being caused if counter parties fail to discharge an obligation.

Credit risk arises from deposits with banks, trade debts, loans and advances, deposits and other receivables. The company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. Where considered necessary, advance payments are obtained from certain parties. The maximum exposure to credit risk is equal to the carrying amount of financial assets. Out of the total financial assets of Rs. 147,807,205 (2016 : Rs. 146,442,186), the financial assets exposed to credit risk amount to Rs. 141,059,530 (2016 : Rs. 142,286,458).

	2017	2016
	Rupees	
Local debts	43,714,698	29,239,713
Foreign debts	84,278,088	99,428,000
	127,992,786	128,667,713

The majority of foreign debtors of the company are situated in Asia, America, and Europe.

The maximum exposure to credit risk for loans and receivables at the reporting date by type of goods are:

Yarn	47,368,453	47,618,235
Fabric	80,433,411	80,857,550
Others	190,922	191,928
	127,992,786	128,667,713

The aging of loans and receivables at the reporting date was:

Past due 0-6 months	127,877,592	128,551,912
Past due 6-12 months	115,194	115,801
	127,992,786	128,667,713

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets which have not impaired are as under:

Long term deposits	13,011,744	13,011,744
Trade debts	127,992,786	128,667,713
Loans and advances	55,000	607,000
Sales tax refundable	56,683,931	55,637,611
Cash and bank balances	6,747,675	4,155,728
	204,491,136	202,079,797

The credit quality of receivables can be assessed with reference to their historical performance with no or some defaults in recent history, however, no losses. The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

Bank	Rating Agency	Short Term Borrowings	Long Term Loans
United Bank Limited	JCR-VIS	A-I+	AAA
Habib Bank Limited	JCR-VIS	A-I+	AAA

(c) Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to growing nature of the businesses the Company maintains flexibility in funding by maintaining committed credit lines available.

The table shows analyses how management monitors net liquidity based on details of the remaining contractual maturities of financial assets and liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2017 (Rupees)				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years
Non-Derivative Financial Liabilities					
Long term financing (from banking companies)	381,250,028	421,343,892	115,698,337	84,492,179	221,153,376
Trade and other payables	322,321,293	322,321,293	322,321,293	-	-
Short term borrowings	1,203,402,811	1,220,016,596	610,008,298	610,008,298	-
	1,906,974,132	1,963,681,781	1,048,027,928	694,500,477	221,153,376
	2016 (Rupees)				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	Two to five years
Non-Derivative Financial Liabilities					
Long term financing (from banking companies)	493,461,570	700,634,582	145,242,980	117,756,930	437,634,672
Trade and other payables	439,316,968	439,316,968	439,316,968	-	-
Short term borrowings	940,648,513	941,011,106	1,074,792,050	-	-
	1,873,427,051	2,080,962,656	1,659,351,999	117,756,930	437,634,672

The contractual cash flows relating to the above financial liabilities have been determined on the basis of markup rates effective as at 30 June, 2017. The rates of mark-up have been disclosed in note 07 and 11 to these financial statements.

36 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. There were no changes to Company's approach to capital management during the year. The Company is not subject to any externally imposed Capital requirements.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

The preparation of financial statements in conformity with IASs as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources, actual results may differ from the estimates. The estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made and in any future periods affected.

37 INFORMATION ABOUT REPORTING SEGMENT

37.1 The following table presents revenue and profit information regarding the Company's operating segments for the year ended June 30, 2017 and 2016 respectively.

	Spinning	Weaving	Inter - segment Transactions	Consolidated
2017 (Rupees)				
Sales	2,772,245,161	2,304,950,980	(821,479,367)	4,255,716,774
Cost of Sales:	(3,858,533,579)	(1,137,888,152)	821,479,367	(4,174,942,364)
Gross profit	(1,086,288,418)	1,167,062,828	-	80,774,410
Selling and distribution costs	(43,270,343)	(81,499,801)	-	(124,770,144)
Administrative and general expenses	(68,128,312)	(46,911,163)	-	(115,039,475)
Loss before taxation and un allocated expenses	(1,197,687,073)	1,038,651,863	-	(159,035,209)
Un-allocated expenses:				
Other operating expenses				(8,415,180)
Other operating income				14,045,444
Finance cost				(140,139,670)
Loss before taxation				(293,544,615)
Taxation				(40,643,930)
Net Loss for the year				(334,188,545)

PROXY FORM
(28th ANNUAL GENERAL MEETING)

I/We _____ son/daughter/wife
of _____ of _____ being member (s)
of GHAZI FABRICS INTERNATIONAL LIMITED, holder of _____
ordinary shares of the Company, under Folio No. / Participant's ID/CDC sub account No. _____
hereby appoint _____ of _____ failing him/her _____
of _____ who is/are member(s) of GHAZI FABRICS INTERNATIONAL LIMITED
under Folio No. / Participant's ID/CDC sub-account No. _____ respectively, as my/our proxy
in my/our absence to attend and vote for me/us and on my/our behalf at the 28th Annual General
Meeting of the Company to be held on October 27, 2017 and/or any adjournment thereof.

As witness my/our hand this _____ day of October, 2017

Signed in the presence of.

Witness _____

Name _____

Occupation _____

Address _____

Signature of
shareholder (s) on
revenue stamp
worth Rupees 5/-

The signature should agree with the
specimen registered with the Company.

IMPORTANT:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, at 8-C, E-III Gulberg III, Lahore not less than 48 hours before the time of holding the meeting.
2. No person shall act as Proxy unless he/she is a member of the Company, except that a Corporation/Company may appoint a person who is not a member.

	2016 (Rupees)			
Sales	4,829,064,555	1,249,661,358	(1,258,794,174)	4,819,931,739
Cost of Sales:	(3,858,533,579)	(2,047,513,184)	1,258,794,174	(4,647,252,589)
Gross profit	970,530,976	(797,851,826)	-	172,679,150
Selling and distribution costs	(52,061,818)	(98,058,566)	-	(150,120,384)
Administrative and general expenses	(68,910,838)	(47,449,988)	-	(116,360,826)
Loss before taxation and un allocated expenses	849,558,320	(943,360,380)	-	(93,802,060)
Un-allocated expenses:				
Other operating expenses			(1,953,384)	
Other operating income			9,898,078	
Finance cost			(149,438,062)	
Loss before taxation			(235,295,428)	
Taxation			(34,120,958)	
Net Loss for the year			(269,416,386)	

- 37.2 All non current assets of the Company as at 30 June 2017 are located in Pakistan
- 37.3 None of the customers of the Company accounts for more than 10% of gross sales of the Company for the year.

38 AUTHORIZATION OF FINANCIAL STATEMENTS

These accounts have been authorized for issue by the Board of Directors of the Company on September 27, 2017.

39 GENERAL

- 39.1 Figures have been rounded off to the nearest of rupees;
- 39.2 Corresponding figures have been rearranged / reclassified, wherever necessary, to facilitate comparison.

میں / ہم

ساکن

تجذیبیت رکن غازی فیہرس انٹرنیشنل لمیٹڈ اور حامل عام حصص بمطابق شیئر رجسٹر فولیو نمبر (بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ)

ہولڈر اکاؤنٹ نمبر _____ پارٹیشن آئی ڈی نمبر _____

بذریعہ ہذا

محترم / محترمہ _____ ساکن _____

جو کمپنی کا ممبر ہے بمطابق شیئر رجسٹر فولیو نمبر _____ یا (اسکی غیر موجودگی) میں محترم / محترمہ _____

ساکن _____ جو کمپنی کا ممبر ہے بمطابق شیئر رجسٹر فولیو نمبر _____ کو مورخہ 27 اکتوبر 2017ء (بروز جمعہ) کو منعقد

ہونے والے کمپنی کے 28 ویں سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے، تقریر اور شرکت کرنے کے لئے اپنا / ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں / کرتے ہیں۔

بطور گواہ میرے دستخط _____ آج بروز _____ بتاریخ _____ 2017ء

نام _____

پیشہ _____

پتہ _____

نوٹ:

پانچ روپے کارسیدی

نکٹ چسپاں کریں

۱۔ پراکسیاں تب تک موخر ہو سکیں گی جب کمپنی کے رجسٹرڈ دفتر میں دستخط شدہ، اجلاس سے کم از کم 48 گھنٹے قبل پہنچ جائیں۔

۲۔ کوئی بھی شخص اس وقت تک پراکسی کے طور پر کام نہیں کر سکتا جب تک وہ کمپنی کا ممبر نہ ہو۔ ماسوائے کمپنی کے جو کسی دوسرے

دوسرے شخص کو پراکسی مقرر کر سکتی ہے۔

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