



Ghazi Fabrics International Limited

8-C, E-III, Gulberg-III, Lahore - 54660, Pakistan



GFIL/26th AGM/ 223
October 13, 2015

The General Manager,
Karachi Stock Exchange Ltd.,
Stock Exchange Building,
Off: I. I. Chundrigar Road,
KARACHI-74000.

CORRIGENDUM TO ANNUAL REPORTS FOR THE YEAR ENDED 30-06-2015

Dear Sir,

This is with reference to our submission of printed Annual Report of the Company for the year ended 30-06-2015. In this regard, we are enclosing herewith Compliance Statement because Page No. 17 of Annual Report was inadvertently wrongly printed.

Thanking you.

Yours truly,

For and on behalf of
GHAZI FABRICS INTERNATIONAL LTD.


Nauman Iqbal, FCA
Company Secretary

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED AT JUNE 30, 2015

This statement is being presented to comply with the Code of Corporate Governance of listing regulations of Stock Exchanges in Pakistan for the purpose of establishing a framework whereby a listed Company is managed in compliance with the best practices of good Corporate Governance.

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

1. The Company encourages representation of independent non-executive directors and directors representing minority interest on its board of directors. At present 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 i(b) of the Code of Corporate Governance.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. 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 member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. There has been no casual vacancy in the Board during the year 2015. However, Mr. Muhammad Imran Rasheed has come on Board as Independent Director after elected on 25th Annual General Meeting. Moreover Mr. Mohammad Arshad Chaudhry has been appointed as Chief Executive after resignation of Mr. Kamran Arshad and Mrs. Azra Yasmin elected as Chairperson of Board of Directors.
5. 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.
6. 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.
7. 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.
8. 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 meeting along with agenda and working papers were circulated at least seven days before the meeting. The minutes of the meeting were appropriately recorded and circulated.
9. 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 of 14 years of education and 15 years of experience on the board of listed company.
10. The Board has approved the appointment, remuneration and terms and conditions of employment of the CFO, Company Secretary and Head of Internal Audit.

11. 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 Company 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 the approval of interim and final results of the Company and 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 is a non-executive director.
18. The Board has setup an effective internal audit function which is 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(s)
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. 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

October 02, 2015

(Mohammad Arshad Chaudhry)

Chief Executive



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8-C, E-III, Gulberg-III, Lahore - 54660, Pakistan



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The General Manager
Lahore Stock Exchange Ltd
Stock Exchange Building,
19-Khayaban-e-Aiwan-e-Iqbal,
L A H O R E.

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