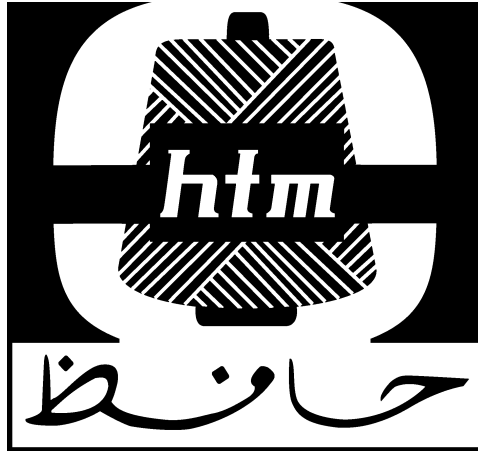


**3RD
QUARTER
FINANCIAL
STATEMENTS
31ST MARCH, 2017**



HAFIZ LIMITED

COMPANY INFORMATON

CEO	:	Fakhruddin Usmani
Directors	:	Quamruddin Usmani
:	:	Muhammad Farooq Usmani
:	:	Mahmood Wali Muhammad
:	:	Muhammad Atiq
:	:	Ali Muhammad Usmani
:	:	Muhammad Shehzad Fakir
Board of Audit Committee		
Chairman	:	Quamruddin Usmani
Members	:	Muhammad Farooq Usmani
	:	Mahmood Wali Muhammad
Chief Financial Officer	:	Muhammad Shahid Siddiqui
Company Secretary	:	S. Shafiq Hasan
Bankers	:	Habib Metropolitan Bank Ltd.
	:	HBL Bank Limited
	:	United Bank Limitd
	:	NIB Bank Limited
	:	National Bank of Pakistan
Auditors	:	MOOCHHALA GANGAT & CO. Chartered Accountants, Karachi.
Registered Office	:	M/S. F.D REGISTRAR SERVICES (SMC-PVT) LTD. 1705, 17th Floor, Saima Trade Tower-A, I. I. Chundrigar Road, Karachi.
Registered Office	:	97, Alliance Building, 2 nd Floor, Moolji Street, Mereweather Tower, Karachi – 74000.
Mill at	:	D-9, S.I.T.E., Karachi.
Website	:	www.hafiztm.com

DIRECTOR'S REVIEW

The Directors of your company are pleased to present their 3rd Quarter Year un-audited Accounts for the period ended March 31, 2017.

In past years world economy is better after recession. In past few year oil prices high which causes inflation in world economy due to such factors the purchasing power is reduce so people could not buy product and other factors also effect like currency rates and unemployment. In last few years unemployment increase in USA and Europe cause of increase unemployment. People does not have power buy product and fall market sharply due to unemployment.

In this era every country want to reach globalize market but in Pakistan there are many problems like political instability, weak policies, lack of education, and energy crisis etc. Most of companies have no knowledge of globalized market. They just focus on domestic level but few companies do have international trade and reach ever domestic product in globalized market. If peoples are educated then solve many problems. In Pakistan need political stability and policies are made restrict which does not change and energy crisis remove from country for increase growth of business.

After analyzing globalization is importance for countries and make good relationship among countries. Globalization is necessary for developing country like Pakistan but must have stable politics and policies.

The Board also expresses its appreciation for valuable services, loyalty and laudable efforts continuously rendered by the executives, staff members of the company.

FOR AND ON BEHALF OF THE BOARD



Fakhruddin Usmani
CEO

Karachi:
27th April, 2017.

ڈائریکٹرز کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز سرمایہ غیر آڈٹ شدہ اکاؤنٹس برائے مدت اختتام 31 مارچ 2017ء کو پیش کرنے میں مسرت محسوس کر رہے ہیں۔

پچھلے سالوں میں دنیا میں کساد بازاری کے باوجود معیشت بہتر تھی۔ گزشتہ چند سالوں سے تیل کی قیمت زیادہ تھیں جس کی وجہ سے معیشت میں افراط زر میں اضافہ ہوا اور ان عوامل کے وجہ سے قوت خرید میں کمی واقع ہوئی اور لوگ پروڈکٹ کو نہ خرید سکے اور دیگر عوامل جیسے کرنسی کی شرح اور بیروزگاری بھی ان پر اثر انداز ہوئے۔ گزشتہ چند سالوں میں امریکا اور یورپ میں بیروزگاری میں اضافہ ہوا ہے۔ لوگوں میں مصنوعات کی قوت خرید نہیں تھی اور بیروزگاری کی وجہ سے تیزی سے مارکیٹ گر گئی۔

اس دور میں ہر ملک دنیا کی مارکیٹ تک رسائی چاہتا ہے لیکن پاکستان کو کئی مشکلات مثلاً سیاسی عدم استحکام، کمزور پالیسیاں، تعلیم کی کمی اور توانائی کا بحران وغیرہ جیسے مسائل کا سامنا ہے۔ بہت سی کمپنیاں دنیا میں مارکیٹ کا علم نہیں رکھتیں۔ ان کی توجہ صرف مقامی سطح پر مرکوز ہے لیکن چند کمپنیاں بین الاقوامی تجارت میں مصروف ہیں اور مقامی مصنوعات کو دنیا کی مارکیٹ میں متعارف کرا رہی ہیں۔ اگر افراد تعلیم یافتہ ہوں تو بہت سے مسائل حل کر سکتے ہیں۔ پاکستان میں سیاسی استحکام کی ضرورت ہے اور پالیسیاں محدود بنیاد پر بنائی جا رہی ہیں، جو کہ تبدیلی نہیں لاسکتیں اور اس لئے تجارت میں اضافہ کرنے کے لئے توانائی بحران کو ملک سے دور کرنا ہوگا۔

دنیاوی تجزیہ کے بعد ملکوں کے لئے یہ ضروری ہے کہ وہ دیگر ملکوں کے ساتھ اچھے تعلقات قائم کریں۔ پاکستان جیسے ترقی پذیر ملک کو دنیا کے ساتھ روابط بڑھانا بہت ضروری ہے لیکن اس کے لئے سیاست اور پالیسیوں میں استحکام بہت ضروری ہے۔

بورڈ، کمپنی کے ایگزیکٹوز، اسٹاف ممبران کی تسلسل کے ساتھ کی جانے والی قیمتی خدمات، وفاداری اور قابل ستائش کاوشوں کی حوصلہ افزائی کرتا ہے۔

بورڈ کی جانب سے



فخر الدین

چیف ایگزیکٹو افسر

27 اپریل 2017

HAFIZ LIMITED

BALANCE SHEET (UN-AUDITED)

AS AT MARCH 31, 2017

Assets	Note	(Un-audited)	(Un-audited)
		31-Mar-17	30-Jun-16
------(Rupees)-----			
Non-current assets			
Property, plant and equipment		4,325,041	4,906,027
Investment property		425,863,436	425,863,836
Long term investments- quoted		1	1
		430,188,478	430,769,864
Current assets			
Trade debts		359,232	330,400
Deposits and income tax		3,251,326	3,314,700
Cash and bank balances		4,815,881	3,009,238
		8,426,439	6,654,338
Net assets in Bangladesh		1	1
Total assets		438,614,918	437,424,203

Capital and Liabilities	Note	(Un-audited)	(Un-audited)
		31-Mar-17	30-Jun-16
------(Rupees)-----			
SHARE CAPITAL AND RESERVES			
Capital and Reserves			
Authorized: 2,000,000 (2016: 2,000,000) ordinary shares of Rs.10/- each		20,000,000	20,000,000
Issued, subscribed and paid-up		12,000,000	12,000,000
Reserves		415,357,466	414,744,990
		427,357,466	426,744,990
Non Current Liabilities			
Deferred liabilities		311,374	285,355
		311,374	285,355
Current Liabilities			
Trade and other payable		8,926,538	7,723,253
Provision for taxation		2,019,540	2,670,205
		10,946,078	10,393,458
Contingencies and commitments		-	-
Total equity and liabilities		438,614,918	437,423,803

Karachi:
27th April, 2017


Fakhruddin Usmani
CEO


Quamruddin Usmani
Director

**PROFIT AND LOSS ACCOUNT
(UN-AUDITED)**

FOR THE NINE MONTHS ENDED MARCH 31, 2017

	For the 3rd Quarter Ended		For the Nine Months Ended	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
	----- <i>(Rupees)</i> -----		----- <i>(Rupees)</i> -----	
Rental income	3,812,391	2,862,886	9,335,328	9,028,591
Administrative expenditure	1,603,783	1,323,867	4,426,423	3,913,006
Financial charges	5,755	17,512	10,996	44,060
	1,609,538	1,341,379	4,437,419	3,957,066
Profit before taxation	2,202,853	1,521,507	4,897,909	5,071,525
Taxation	(814,809)	(1,063,640)	(1,435,433)	(1,128,898)
Profit after taxation	1,388,044	457,867	3,462,476	3,942,627
Earnings per share	1.16	0.38	2.89	3.29

Karachi:
27th April, 2017



Fakhruddin Usmani

CEO



Quamruddin Usmani

Director

CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2017.

	31-Mar-17	31-Mar-16
CASH FLOW FROM OPERATING ACTIVITIES	<i>Note</i> -----(Rupees)-----	
Profit before taxation	4,897,909	5,071,525
Depreciation	580,986	517,937
Provision for gratuity	26,019	32,039
Financial charges	10,996	44,060
	618,001	594,036
Operating profit before working capital changes	5,515,910	5,665,561
Movement in Working Capital		
(Increase)/decrease in Current Assets		
Trade debts	(28,832)	3,589,785
	(28,832)	3,589,785
Increase / (decrease) in Current Liabilities		
Trade and other payable	1,307,485	(1,027,553)
Cash generated from operations	6,794,563	8,227,793
Payments for:		
Taxes	(2,022,724)	(2,163,107)
Financial charges	(10,996)	(44,060)
Net cash inflow from operating activities	4,760,843	(2,207,167)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	-	(1,054,918)
Net cash (outflow) from investing activities	-	(1,054,918)
CASH FLOW FROM FINANCING ACTIVITIES		
Loan from directors	(1,050,000)	(1,810,000)
Dividend paid	(1,904,200)	(1,394,746)
Net cash (outflow) from financing activities	(2,954,200)	(3,204,746)
Net increase in cash and bank balances	1,806,643	1,760,962
Cash and bank balances at beginning of the year	3,009,238	3,013,058
Cash and bank balances at end of the year	4,815,881	4,774,020



Fakhruddin Usmani

CEO



Quamruddin Usmani

Director

HAFIZ LIMITED

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017

	Reserves					Total equity
	Share Capital	Unappropriated (loss)	Interest Free Loan from Directors	Revaluation reserve for investment property	Total Reserves	
Balance as at July 01, 2015	12,000,000	(45,157,474)	65,000,805	371,752,394	391,595,725	403,595,725
Net profit after tax for NINE month ended (July, 2015 to March, 2016).	-	3,942,627	-	-	3,942,627	3,942,627
Interest Free loan payments			(3,500,000)		(3,500,000)	(3,500,000)
Final dividend for the year ended June 30, 2015 @ Rs.1.50 per share i.e. 15%.	-	(1,800,000)	-		(1,800,000)	(1,800,000)
Balance as at March 31, 2016.	12,000,000	(43,014,847)	61,500,805	371,752,394	390,238,352	402,238,352
Balance as at July 01, 2016.	12,000,000	(18,508,209)	61,500,805	371,752,394	414,744,990	426,744,990
Net profit after tax for NINE month ended (July, 2016 to March, 2017).		3,462,476			3,462,476	3,462,476
Interest Free loan payments			(1,050,000)		(1,050,000)	(1,050,000)
Final dividend for the year ended June 30, 2016 @ Rs.1.50 per share i.e. 15%.	-	(1,800,000)	-		(1,800,000)	(1,800,000)
Balance as at March 31, 2017.	12,000,000	(16,845,733)	60,450,805	371,752,394	415,357,466	427,357,466

Karachi:
27th April, 2017



Fakhruddin Usmani
CEO



Quamruddin Usmani
Director

**NOTES ANNEXED TO THE FINANCIAL INFORMATION
(UN-AUDITED)**

FOR THE NINE MONTHS ENDED MARCH 31, 2017

1 Status and Nature of Business

- 1.1 Hafiz Limited (Formerly Hafiz Textile Mills Limited) (the Company) is a public limited Company incorporated in 1951 under the Companies Ordinance, 1984. The shares of the Company are listed on the Karachi Stock Exchange. The registered office of the Company is situated at 97, Alliance Building, 2nd Floor, Moolji Street, Mereweather Tower, Karachi.
- 1.2 In the year ended 30 June 2013, the company has changed the name and nature of its business. Previously the principal activity of the company was to deal in spinning of textile fibers and now the principal activity of the company is to earn rentals on land and building.

2 Basis of Preparation

3 Significant Accounting Policies

- 3.1 The accounting policies adopted for the preparation of these Financial information are consistent with those applied in the preparation of the annual published Financial Statements of the Company for the year ended June 30, 2016.
- 3.2 The Company operates an unfunded gratuity scheme and full provision is made for liability for gratuity payable to employees.
- 3.3 Gratuity dues are arrived at by multiplying the salary of each employee with the numbers of years in service. Considering the financial condition of the company and basis adopted which is for more realistic and actual, the company has not carried out actuarial valuation as required by IAS-19.

4 Contingencies and Commitments

4.1 Contingencies

- 4.1.1 The company has a contingent liability of 1.12 million in respect of War Risk Insurance Dues for the year 1971 imposed by Federation of Pakistan through its Secretary, Commerce. The company has filed an Appeal with High Court of Sindh and the case is still in progress. As a matter of prudence the company has provided a liability of 0.4 million.
- 4.1.2 During the year 1992, the company was served by a Notice form High Court of Sindh in respect of termination of various employees. The notice says that company should pay 0.41 million as a compensation to them. The management is hopeful that the the case will be in their favour.

4.2 Commitments

There is not commitment outstanding for the period ended March 31, 2017 (June 30, 2016: Nil).

5 General

- 5.1 These Financial Statements were authorized for issue by the Board of Directors of the Company on 27th April, 2017.
- 5.2 Figures have been rounded off to the nearest rupee.

Karachi:
27th April, 2017.

**SHAREHOLDERS ATTENTION REQUIRED REGARDING
SUBMISSION OF COMPUTERIZED NATIONAL IDENTITY CARD
(CNIC) / NATIONAL TAX NUMBER (NTN) TO REGISTRAR
OR COMPANY REGISTERED OFFICE**

SECP vide SRO No. 831(1)/2012 dated July 05, 2012 directed the companies to issue dividend warrant crossed as "A/c Payee only" which should also bear the Computerized National Identity Card (CNIC) of the registered member. However, availability of valid CNIC of all members is also necessary for filing, with SECP, of the list of members along with Annual Return of the Company. Members, who have not yet submitted attested photocopy of their valid CNIC along with folio number are requested to send the same, at the earliest, directly to the Company's Share Registrar. In case of non-availability of valid copy of CNIC of any member, in the Company's records, the Company may withhold the Dividend Payment, which will be released only upon providing the copy.

Further pursuant to the directive of the Securities & Exchange Commission of Pakistan Circular No.EMD/D-II/Misc/2009-1342 dated April 4, 2013 , CNIC numbers of shareholders are mandatorily required to be mentioned on dividend warrants. Shareholders are, therefore, requested to submit a copy of their CNIC (if not already provided) to the Company's Share Registrar, M/s.F.D. Registrar Services (SMC-Pvt.) Ltd. 1705, 17th floor, Saima Trade Tower-A, I.I. Chundrigar road, Karachi-74000.

BOOK POST

UNDER POSTAL CERTIFICATE

If undelivered please return to:

HAFIZ LIMITED

97, Alliance Building, Mooji Street, M.W. Tower, Karachi-74000