Balochistan Particle Board Limited

35th Annual Report 2015

Company Information

Board of Directors	Murtaza H. Habib	*Chairman*
	Muslim R. Habib	*Chief Executive*
	S. Iqbal Ahmed	
	Tanzeel Abdul Sattar	
	Ali A. Rahim	
	Ali Niaz Akhtar	
	Mehboob Ali Lilani	
Audit Committee	Ali A. Rahim	*Chairman*
	Murtaza H. Habib	*Member*
	Mehboob Ali Lilani	*Member*
Human Resource & Remuneration Committee	Ali Niaz Akhtar	*Chairman*
	Muslim R. Habib	*Member*
	Mehboob Ali Lilani	*Member*
Company Secretary	Amir Bashir Ahmed	
Registered Office	Imperial Court, 3rd Floor Dr. Ziauddin Ahmed Road Karachi-75530 Phone : (+92-21) 35680036 Fax : (+92-21) 35684086 www : bpbl.net	
Factory	Hub Chowki Phone : (+92-0853) 363362	
Bankers	Bank AL Habib Limited Habib Bank Limited	
Auditors	Tanzeem & Company Chartered Accountants	
Share Registrar	THK Associates (Pvt.) Limited 2nd Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi-75530 Phones : (+92-21) 111-000-322 Fax : (+92-21) 35655595 E-mail : secretariat@thk.com.pk info@thk.com.pk Website : www.thk.com.pk	

VISION STATEMENT

We aim to be a leading manufacturer of Formaldeyhde and Formaldeyhde based Resin (Glue). We aspire to be known for the quality of our products and develop relationship with our stakeholders based on cooperation and ethical values.

MISSION STATEMENT

We shall strive to achieve excellence and to meet the expectations of stakeholders through efficient, ethical and time tested business practices which the management and employees represent and continuously strive for.

Code of Conduct

The founders of Balochistan Particle Board Limited were visionaries who established the company on very sound principles and envisioned its development and growth on the basis of making no compromises in any aspects of business practices.

The company takes pride in adherence to its principles and continues to serve all the stakeholders and society based on the following guidelines :

Products

- To produce Formaldeyhde and Formaldeyhde based Resin (Glue) which would ensure customer satisfaction and adherence to standards determined by the company and would exceed industry norms and averages.

Systems & Procedures

- To develop and maintain the technical and professional standards, operating procedures and stringent Quality Control measures with on-line quality assurance at every stage of manufacture.
- To maintain a smooth work-flow in all departments with an effective communication system contained within the framework of principles yet allowing the required degree of autonomy for efficient functioning.

Management & Employees

- To employ only the appropriately suited human resource through the selection and recruitment process based on the commensurate qualification and experience criteria without any non-professional considerations.
- To ensure that employees and management personnel strictly adhere to the company rules and regulations and observe the best codes of conduct and abide by laws of the country.

Financial

- To implement an effective, transparent and secure financial reporting and internal control system so as to be fully compliant.
- To place a strict Internal Audit system to study, analyze, review and report all company earning and spending and enhance reliability of all financial information.
- To regularly prepare, as per pre-determined schedules, all financial reports and present accounts to the Board of Directors for review and analysis and show trends based on company income, revenues and expenses and industry trends.

Adherence to Law

- The company shall at all times strictly adhere to all laws of the country and fulfil all statutory requirements and ensure timely, proper and full payment of all applicable taxes, rates, duties and / or any other levies as may be imposed from time to time.

Environment

- The company shall use all means to ensure a clean, safe, healthy and pollution free environment, employ such technology as may be beneficial in maintaining a healthy and hygienic working and living environment.

Notice of the Annual General Meeting

Notice is hereby given that the Thirty-fifth Annual General Meeting of Balochistan Particle Board Limited will be held on Friday, October 30, 2015 at 11:00 a.m. at Seminar Hall 1, 2nd Floor, the Institute of Bankers Pakistan, Moulvi Tamizuddin Khan Road, Karachi to transact the following business:

1. To receive and consider the audited financial statements, the Directors' report and the Auditors' report for the year ended June 30, 2015.

2. To appoint auditors for the year ending June 30, 2016 and fix their remuneration.

Special Business

3. To consider and approve letting out of the premises of the Company by passing the following resolutions with or without modification(s):

   "RESOLVED that the authorization of the members is hereby accorded to lease out the premises of the Company to third party / parties for the purposes of storage and conduct of their operations.

   FURTHER RESOLVED that the Chief Executive and any one director of the Company be and are hereby jointly authorized to negotiate the terms and execute lease agreement on behalf of the Company and to do all such acts and deeds that are necessary and / or incidental in this regard."

   Statement under Section 160(1)(b) of the Companies Ordinance, 1984 with respect to the special business of the Agenda is annexed.

By order of the Board

Amir Bashir Ahmed
Company Secretary

Karachi: September 17, 2015

Notes:

1. The Share Transfer Books of the Company will remain closed from Thursday, October 22, 2015 to Friday, October 30, 2015, both days inclusive.

2. A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as a proxy to attend and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed at least 48 hours before the time of meeting. In case of corporate entity, the Board of Directors' / Trustees' resolution / Power of Attorney with specimen signature of the nominee shall be produced in original at the time of the meeting to authenticate the identity.

3. For identification, CDC account holders should present the participant's Computerized National Identity Card (CNIC) and CDC Account Number.

4. Members are requested to notify any change in their addresses and their contact numbers immediately to our Share Registrar, THK Associates (Pvt.) Limited, Karachi.

5. Members who have not yet submitted an attested copy of their valid Computerized National Identity Card (CNIC) to the Company are requested to send the same at the earliest to the Company's share Registrar, THK Associates (Pvt.) Limited, Karachi. The Corporate entities are requested to provide their National Tax Number (NTN).

Statement under Section 160(1)(b) of the Companies Ordinance, 1984

The statement is annexed to the Notice of the Thirty-fifth Annual General Meeting of Balochistan Particle Board Limited at which special business as stated in Item No.3 of the Agenda of the meeting is to be transacted. The purpose of this statement is to set forth material facts concerning such special business.

ITEM NUMBER 3 OF THE AGENDA

The Company in order to continue its business activities had leased out its premises to third party and executed lease agreement on June 22, 2005 which finally expired on October 31, 2014. The Board of directors in their meeting held on September 17, 2015 recommended to lease out Company's premises to third parties to ensure regular cash inflow and in this regard, the Company seeks the approval of the shareholders as required under section 196(3)(a) of the Companies Ordinance, 1984.

The information as required vide SRO 1227/2005 of the Securities and Exchange Commission of Pakistan is hereby annexed with the Notice of the Annual General meeting.

1. Details of assets (To be leased out)

a.	Title	Balochistan Particle Board Limited
b.	Address	Survey No. 93/1, 94/1, 95/1 & 97/1, Mauza Beerot, Tehsil Hub, District Lasbella, Balochistan – Pakistan
c.	Area	Total 9.365 Acres (407,939 Square feets)
		Open Area 346,749 square feets Covered Area 61,190 square feets 407,939 square feets
d.	Cost / Book value	Freehold Land Rs. 619,719 Building Rs.9,176,291 Total 9,796,010
e.	Approximate current market price / fair value of Land and Building	Rs. 50,000,000/-

2. Proposed Manner for letting out:

Premises will be leased out by authorized representative of the Company through broker and / or by giving advertisement in the newspapers.

3. Reasons for letting out:

To generate funds and to ensure cash inflows.

Directors' Report

Dear Members – Assalam-o-Alekum

On behalf of my colleagues on the Board, I welcome you to the Thirty-fifth Annual General Meeting of the Company and present before you the annual report, alongwith the audited financial statements of the Company, for the year ended June 30, 2015.

During the year under review, the Company suffered loss of Rs. 0.15 million (2014: profit Rs.0.88 million) and (loss) / earnings per share – basic and diluted Re. (0.03) (2014: Re.0.15), as shown in the accompanying financial statements. The loss suffered was due to decrease in rental income by Rs. 2.46 million as the rent agreement expired in October 2014. Efforts are being made to rent out part of the premises to third parties for storage and the conduct of their operations and this would require members' authorization / approval as provided in the Companies Ordinance, 1984.

The manufacturing operations of Urea Formaldehyde Division continued to remain closed due to adverse conditions of the Urea formaldehyde industry and the arbitrary demand of excise duty, vend fee and permit fee raised by the Government. The Honourable High Court of Sindh on March 26, 2003 and August 20, 2004 respectively, decided the cases in favour of the Company by maintaining that methanol does not fall within the purview of the Sindh Abkari Act 1878 and as such vend fee, permit fee and excise duty on transportation of methanol cannot be levied.

The Government of Sindh filed civil petitions before the Honourable Supreme Court of Pakistan, the hearing of which was concluded on March 16, 2006 and the judgement was reserved but not pronounced. Thereafter, the above petitions were fixed for re-hearing on February 12, 2010 and after being heard were adjourned for March 8, 2010. The cases were again heard cumulatively on June 21, 22, 23 and 24, 2010 at great length and were adjourned to date in office. Lastly, the cases were fixed on April 14, 2015 but the hearing did not take place.

The Board of Directors after considering the adverse conditions of the urea formaldehyde industry have concluded that the future course of action will be decided upon finality of the pending cases and also the economic viability of the urea formaldehyde operations.

Auditors' Reservation on Going Concern

The auditors in their report to the members have expressed reservation about the Company's ability to continue as 'going concern'. In this respect the company maintains that the company's business operations comprise of letting out part of its premises to third parties for purposes of storage and the conduct of their commercial operations and continued financing arranged as loan to the company by sponsor directors through affiliated company. The management is also ensuring maintenance and upkeep of urea formaldehyde plant and machinery to recommence operations if considered economically viable. In view of the foregoing, the financial statements have been prepared on going concern basis.

Board Management Committees

Audit Committee

The Company has established an Audit Committee comprising of the following members :

		No. of meetings attended
Mr. Ali A. Rahim	Chairman	3
Mr. Murtaza H. Habib	Member	3
Mr. Mehboob Ali Lilani	Member	4

HR and Remuneration Committee

The Company has established an HR and Remuneration Committee comprising of the following members :

		No. of meetings attended
Mr. Ali Niaz Akhtar	Chairman	1
Mr. Muslim R. Habib	Member	1
Mr. Mehboob Ali Lilani	Member	1

Corporate Social Responsibility

The manufacturing operations of the company continued to remain closed on account of adverse economic conditions and hence no material activity with respect to Corporate Social Responsibility was undertaken.

Contribution to the National Exchequer

Your Company contributed an amount of Rs. 334 thousand to the Government treasury in the shape of taxes, income tax, federal excise duty and sales tax.

Auditors

The auditors Messrs. Tanzeem & Company, Chartered Accountants, retire and being eligible have offered themselves for re-appointment.

The Audit Committee has recommended Messrs. Tanzeem & Company, Chartered Accountants for re-appointment as statutory auditors of the Company for the ensuing year.

Statements on Corporate and Financial Reporting Framework

1. The financial statements prepared by the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

2. Proper books of account of the Company have been maintained.

3. Appropriate accounting policies have been consistently applied in preparation of the financial statements, changes if any, have been adequately disclosed and accounting estimates are based on reasonable and prudent judgement.

4. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and departure therefrom, if any, has been adequately disclosed.

5. The system of internal control is sound in design and has been effectively implemented and monitored.

6. The statement in respect of Company's ability to continue as a going concern has been explained in Note No. 19 of the Notes to the financial statements.

7. There has been no material departure from the best practices of the corporate governance, as detailed in the listing regulations.

8. Key operating and financial data for six financial years, 2010 to 2015, in summarized form is given on page 13.

9. In view of the accumulated losses, the company has not declared any dividend or bonus shares.

10. During the year four board meetings were held and the attendance of each Director was as follows :

Name of Directors	No. of meetings attended
Mr. Murtaza H. Habib	3
Mr. Muslim R. Habib	4
Mr. S. Iqbal Ahmed	4
Mr. Tanzeel Abdul Sattar	3
Mr. Ali A. Rahim	3
Mr. Ali Niaz Akhtar	4
Mr. Mehboob Ali Lilani	4

11. The pattern of shareholding and additional information regarding pattern of shareholding is given on page 31 & 32.

12. The Directors, CEO, CFO, Company Secretary and their spouses and minor children did not carry out any trade in the shares of the Company.

On behalf of the Board of Directors

Murtaza H. Habib
Chairman

Karachi: September 17, 2015

Statement of Compliance with the Best Practices of the Code of Corporate Governance for the Year Ended June 30, 2015

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in the listing regulations of Karachi and Lahore Stock Exchanges 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 principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director	Mr. Mehboob Ali Lilani
Executive Director	Mr. Muslim R. Habib
Non-Executive Directors	Mr. Murtaza H. Habib Mr. S. Iqbal Ahmed Mr. Tanzeel Abdul Sattar Mr. Ali A. Rahim Mr. Ali Niaz Akhtar

2. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.

3. All the directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, DFI or NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy occurred in the Board during the current year.

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. Particulars of significant policies have been maintained and amended / updated as and when required.

7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and terms and conditions of employment of the CEO has been taken by the board / shareholders. The CEO is working on honorary basis.

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 notices 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.

9. During the year, one Director has acquired the formal Directors Training Certificate as required under the CCG.

10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit and terms and conditions of their employment.

11. The directors' report for the year has been prepared in compliance with the requirements of the CCG 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 of three members who are non-executive directors including the chairman of the committee.

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 and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.

17. The Board has formed an HR and Remuneration Committee. It comprises of three members, of whom two are non-executive directors including the Chairman of the committee. The terms of reference of the Committee have been formed and advised to the Committee for compliance.

18. The Board has set up an effective internal audit function.

19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan (ICAP), 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 regard.

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 Karachi and Lahore Stock Exchanges.

22. Material / price sensitive information has been disseminated amongst all market participants at once through Stock Exchanges.

23. All related party transactions have been placed before the audit committee and Board of Directors on a quarterly basis and have been approved by the Board of Directors to comply with the requirements of listing regulations of the Karachi and Lahore Stock Exchanges.

24. We confirm that all other material principles contained in the CCG have been complied with.

Murtaza H. Habib
Chairman

Karachi: September 17, 2015

Review Report to the Members on the Statement of Compliance with the Best Practices of the Code of Corporate Governance

We have reviewed the Statement of Compliance with the best practices of the Code of Corporate Governance (the Code) for the year ended June 30, 2015 prepared by the Board of Directors of Balochistan Particle Board Limited (the Company), to comply with the Listing Regulations of the respective Stock Exchanges 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 he provisions of the Code and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

As 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's statement on internal control covers all risks and control and to form an opinion on the effectiveness of such controls, the company's corporate governance procedures and risks.

Further, Listing Regulations of respective Stock Exchanges, where the Company is listed, require the Company to place before the Board of Directors for their consideration and approval, related party transaction distinguishing between transaction carried out on terms equivalent to those that prevails at arm's length transactions and transactions which are not executed at arm's length price, recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transaction before the audit committee. We have not carried out any procedures to determine whether the related party transactions are 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 of Corporate Governance as applicable to the Company for the year ended June 30, 2015.

Tanzeem & Company
Chartered Accountants
Audit Engagement Partner Tanzeem Zaidi

Karachi: September 17, 2015

Six years' review at a glance

	2015	2014	2013	2012	2011	2010
			(Rupees in thousands)			
Operating results						
Rental / storage and other income	1,802	4,041	3,521	3,248	3,203	2,560
Factory, administrative and finance cost	1,632	2,166	1,290	1,753	1,221	1,345
Profit before taxation	170	1,875	2,231	1,495	1,982	1,215
(Loss) / Profit after taxation	(152)	875	1,925	1,215	1,632	934
Shareholders' equity						
Paid up capital	30,000	30,000	30,000	30,000	30,000	30,000
Accumulated loss	(36,698)	(36,546)	(37,421)	(39,346)	(40,561)	(42,193)
Shareholders' equity	(6,698)	(6,546)	(7,421)	(9,346)	(10,561)	(12,193)
Financial position						
Fixed assets	2,644	2,863	3,105	3,374	3,672	4,006
Long - term deposits	125	125	125	125	113	113
Current assets	9,229	9,492	8,144	5,915	6,414	9,448
Total assets	11,998	12,480	11,374	9,414	10,199	13,567
Non-current liabilities	18,000	18,000	18,000	18,000	20,000	25,000
Current liabilities	696	1,026	795	760	760	760
Total liabilities	18,696	19,026	18,795	18,760	20,760	25,760

Auditors' Report to the Members

We have audited the annexed balance sheet of Balochistan Particle Board Limited as at June 30, 2015 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) The Company has suffered losses in the past which resulted in net capital deficiency of Rs.6.7 million as at June 30, 2015. The manufacturing activities have been suspended since 1997 and the board of directors has not yet envisaged any plan to recommence manufacturing operations due to pending legal cases (Refer Note 11).

   Presently, the Company is indebted to its affiliated company of Rs.18.0 million which is far in excess of book value of its total assets and together with the uncertainty related to the outcome of the appeals filed by the Sindh Government before the Honourable Supreme Court of Pakistan, raises significant doubt on the Company's ability to continue as a going concern and therefore, may not be able to discharge its liabilities in the ordinary course of business.

b) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984.

c) 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 ;

d) except for the effects of the matters described in (a) above, if any, 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, 2015 and of the loss, comprehensive loss, its cash flows and changes in equity for the year then ended; and

e) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Without qualifying our report, we draw attention to note No. 11 to the financial statements which describes material uncertainty related to the outcome of lawsuits contingency as fully disclosed in the note.

Tanzeem & Company
Chartered Accountants
Audit Engagement Partner Tanzeem Zaidi

Karachi: September 17, 2015

Balance Sheet as at June 30, 2015

	Note	2015	2014
		(Rupees in thousands)	
Assets			
Non-Current Assets			
Property, plant and equipment	4	2,644	2,863
Long-term Deposits		125	125
Current Assets			
Stores and spare parts	5	2,501	2,501
Short-term prepayments		10	–
Other receivables	6	1,076	1,076
Cash and bank balances	7	5,642	5,915
		9,229	9,492
Total Assets		11,998	12,480
Equity and Liabilities			
Share Capital			
Authorised capital			
10,000,000 ordinary shares of Rs. 5 each		50,000	50,000
Issued, subscribed and paid-up capital	8	30,000	30,000
Accumulated loss		(36,698)	(36,546)
		(6,698)	(6,546)
Non-Current Liabilities			
Long-term financing	9	18,000	18,000
Current Liabilities			
Trade and other payables	10	395	813
Taxation - net		301	213
		696	1,026
Contingencies	11		
Total Equity and Liabilities		11,998	12,480

The annexed notes 1 to 23 form an integral part of these financial statements.

Muslim R. Habib
Chief Executive

Ali Niaz Akhtar
Director

Profit and Loss Account
for the year ended June 30, 2015

	Note	2015	2014
		(Rupees in thousands)	
Revenue			
Rental income		1,289	3,748
Storage income		105	–
Profit on treasury call account		408	293
		1,802	4,041
Factory and administrative expenses			
Salaries and allowances		94	84
Rates and taxes		76	76
Communication, printing and stationery		186	270
Repairs and maintenance		–	223
Provision for obsolescence and slow moving stores and spare parts		–	520
Directors' fee		11	11
Depreciation		219	242
Legal and professional charges		560	256
Insurance		12	13
Auditors' remuneration	12	106	101
Fees, subscription & other expenses		227	238
		(1,491)	(2,034)
Profit before finance cost and tax		311	2,007
Finance cost	13	141	132
Profit before taxation		170	1,875
Provision for taxation	14	322	1,000
(Loss) / Profit after taxation		(152)	875
(Loss) / Earnings per share - Basic and diluted (Re.)	15	(0.03)	0.15

The annexed notes 1 to 23 form an integral part of these financial statements.

Muslim R. Habib
Chief Executive

Ali Niaz Akhtar
Director

Statement of Comprehensive Income
for the year ended June 30, 2015

	2015	2014
	(Rupees in thousands)	
(Loss) / Profit after taxation	(152)	875
Other comprehensive income	–	–
Total comprehensive (loss) / income for the year	(152)	875

The annexed notes 1 to 23 form an integral part of these financial statements.

Muslim R. Habib
Chief Executive

Ali Niaz Akhtar
Director

Statement of Changes in Equity
for the year ended June 30, 2015

	Share Capital	Accumulated (Loss)	Total
	(Rupees in thousands)		
Balance as on July 1, 2013	30,000	(37,421)	(7,421)
Total comprehensive income for the year ended June 30, 2014	–	875	875
Balance as on June 30, 2014	30,000	(36,546)	(6,546)
Total comprehensive loss for the year ended June 30, 2015	–	(152)	(152)
Balance as on June 30, 2015	30,000	(36,698)	(6,698)

The annexed notes 1 to 23 form an integral part of these financial statements.

Muslim R. Habib
Chief Executive

Ali Niaz Akhtar
Director

Cash Flow Statement
for the year ended June 30, 2015

	Note	2015	2014
		(Rupees in thousands)	
Cash flows from operating activities			
Cash (used in) / generated from operations	16	(278)	2,541
Profit received on treasury call account		408	293
Finance cost paid		(169)	(132)
Income tax paid		(234)	(592)
Net cash (used in) / generated from operating activities		(273)	2,110
Cash flows from financing activities		–	–
Net (decrease) / increase in cash and cash equivalents		(273)	2,110
Cash and cash equivalents at the beginning of the year		5,915	3,805
Cash and cash equivalents at the end of the year	7	5,642	5,915

The annexed notes 1 to 23 form an integral part of these financial statements.

Muslim R. Habib
Chief Executive

Ali Niaz Akhtar
Director

Notes to the Financial Statements for the year ended June 30, 2015

1. The Company and its operations

Balochistan Particle Board Limited is a public limited Company incorporated in Pakistan, with shares quoted on the Karachi and Lahore Stock Exchanges. The manufacturing operations of Urea Formaldehyde continued to remain closed on account of adverse conditions. Company's present business operations comprise of letting out part of its premises to third parties for purposes of storage and to conduct their commercial operations. The registered office of the Company is situated at Imperial Court, 3rd Floor, Dr. Ziauddin Ahmed Road, Karachi.

2. Basis of Preparation

2.1 Statement of compliance

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 (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Functional Currency

These financial statements are presented in Pak rupee being company's functional currency.

2.3 Basis of measurement

These financial statements have been prepared under historical cost convention.

2.4 Significant accounting judgements and estimates

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In the process of applying the accounting policies, management has made the following estimates and judgements which are significant to the financial statements:

a) Determining the residual values and useful lives of property, plant and equipment (Note 3.1);
b) Provision for obsolescence and slow moving stores and spare parts (Note 3.2)
c) Recognition of taxation (Note 3.6) ; and
d) Impairment of financial assets (Note 3.7)

2.5 Amendments to standards that became effective

The following standards, amendments, improvements and interpretations are effective for the year ended June 30, 2015. These standards, amendments, improvements and interpretations are either not relevant to the Company's operation or are not expected to have siginficant impact on the Company's financial statements.

IFRS 2	Share-based Payment - (Amendments)
IFRS 3	Business Combinations - (Amendments)
IFRS 8	Operating Segments - (Amendments)
IFRS 13	Fair Value Measurement
IAS16	Property, Plant and Equipment - (Amendments)
IAS 19	Employee Benefits - (Amendments)
IAS 24	Related Party Disclosures – (Amendments)
IAS 27	Separate Financial Statements – (Amendments)
IAS 32	Financial Instruments : Presentation – (Amendments)
IAS 36	Impairment of Assets – (Amendments)
IAS 38	Intangible Assets – (Amendments)
IAS 39	Financial Instruments: Recognition and Measurement – (Amendments)
IAS 40	Investment Property – (Amendments)
IFRIC 21	Levies – (Amendments)

2.6 Standards, interpretations and revisions / amendments to published approved accounting standards that are not yet effective.

The following standards, interpretations and revisions / amendments are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the revisions / amedments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements.

		Effective date (accounting periods beginning on or after)
IFRS 10	Consolidated Financial Statements	January 1, 2015
IFRS 10	Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities (Amendment)	January 1, 2015
IFRS 10	Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities: Applying the Consolidation Exception (Amendment)	January 1, 2016
IFRS 10	Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	January 1, 2016
IFRS 11	Joint Arrangements	January 1, 2015
IFRS 11	Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)	January 1, 2016
IFRS 12	Disclosure of Interests in Other Entities	January 1, 2015
IFRS 13	Fair Value Measurement	January 1, 2015
IAS 1	Presentation of Financial Statements - Disclosure Initiative (Amendment) Intangible Assets (Amendments)	January 1, 2016
IAS 16	Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)	January 1, 2016
IAS 39	Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)	January 1, 2016

2.7 Standards issued by IASB but not yet notified by SECP

Further, the following new standards have been issued by IASB which are not yet notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

IFRS 1	First-time Adoption of International Financial Reporting Standards.
IFRS 9	Financial Instruments: Classification and Measurement
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers

3 Summary of Significant accounting policies:

3.1 Property, plant and equipment

These are stated at cost less accumulated depreciation and impairement, if any except for freehold land which is stated at cost.

Depreciation is charged to profit and loss account applying the reducing balance method. Depreciation on additions is charged from the month in which the asset is put to use and on disposals upto the month the asset is in use. Assets residual values and useful lives are reviewed and adjusted, if appropriate at each balance sheet date.

Maintenance and normal repairs are charged to profit and loss account as and when incurred. Gain or loss on disposal of assets is included in profit and loss account.

3.2 Stores and spare parts

These are valued at moving average cost. Provision if any, is made for obsolescence and slow moving items.

3.3 Loans and advances

Assets for trade and other amounts receivable are carried at cost which is the fair value of the consideration to be received in future.

3.4 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at their nominal value. For the purposes of the cash flow statement, cash and cash equivalents comprise of cash in hand, with banks on current, treasury call and deposit accounts net of short term borrowings under mark-up arrangements, if any.

3.5 Borrowings and their cost

Borrowings are recorded when proceeds received.

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of that asset.

3.6 Taxation

Provision for current taxation is computed in accordance with the provisions of Income Tax laws. The charge for current year is recorded after adjustment, if any, to the provision for tax made in prior year including those arising from assessment and amendments in assessments during the year in such years.

The company accounts for deferred taxation on all temporary differences using liability method. Deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available and the credits can be utilized. Provision for deferred taxation is nil as at balance sheet date.

3.7 Impairment

The carrying amounts of the company's assets are reviewed at each year end to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated and impairment losses are recognized in the profit and loss account.

3.8 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. Rental / storage income and profit on treasury call account are recorded on accrual basis.

3.9 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized at the time when the Company looses control of the contractual rights that comprises the financial assets. All financial liabilities are derecognized at the time when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gains or losses on derecognising of financial assets and financial liabilities are taken to profit and loss account currently.

3.10 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realize the asset or settle the liability simultaneously.

3.11 Provision

Provision is recognized when the company has a present, legal or constructive obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amounts can be made. Provision is reviewed periodically and adjusted to reflect the current best estimate.

3.12 Trade and other payables

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

4. Property, plant and equipment

4.1 The following is a statement of property, plant and equipment for 2015 :

	Cost as at July 1, 2014	Additions/ (deletions)	Cost as at June 30, 2015	Accumulated depreciation as at July 1, 2014	Depreciation charge for the year	Accumulated depreciation as at June 30, 2015	Written down value as at June 30, 2015	Annual rate of Depreciation %
	(Rupees in thousands)							
Freehold land	620	–	620	–	–	–	620	–
Buildings on freehold land	9,176	–	9,176	8,708	47	8,755	421	10
Roads	461	–	461	341	6	347	114	5
Plant and machinery	10,849	–	10,849	9,311	154	9,465	1,384	10
Furniture, fittings and office equipment	1,746	–	1,746	1,629	12	1,641	105	10
	22,852	–	22,852	19,989	219	20,208	2,644	

4.2 Reconciliation of carrying values for 2015:

	Written down value as at July 1, 2014	Additions/ (deletions)	Depreciation charge for the year	Written down value as at June 30, 2015
	(Rupees in thousands)			
Freehold land	620	–	–	620
Buildings on freehold land	468	–	47	421
Roads	120	–	6	114
Plant and machinery	1,538	–	154	1,384
Furniture, fittings and office equipment	117	–	12	105
	2,863	–	219	2,644

4.3 The following is a statement of property, plant and equipment for 2014 :

	Cost as at July 1, 2013	Additions/ (deletions)	Cost as at June 30, 2014	Accumulated depreciation as at July 1, 2013	Depreciation charge for the year	Accumulated depreciation as at June 30, 2014	Written down value as at June 30, 2014	Annual rate of Depreciation %
	(Rupees in thousands)							
Freehold land	620	–	620	–	–	–	620	–
Buildings on freehold land	9,176	–	9,176	8,656	52	8,708	468	10
Roads	461	–	461	335	6	341	120	5
Plant and machinery	10,849	–	10,849	9,140	171	9,311	1,538	10
Furniture, fittings and office equipment	1,746	–	1,746	1,616	13	1,629	117	10
	22,852	–	22,852	19,747	242	19,989	2,863	

4.4 Reconciliation of carrying values for 2014:

	Written down value as at July 1, 2013	Additions/ (deletions)	Depreciation charge for the year	Written down value as at June 30, 2014
	(Rupees in thousands)			
Freehold land	620	–	–	620
Buildings on freehold land	520	–	52	468
Roads	126	–	6	120
Plant and machinery	1,709	–	171	1,538
Furniture, fittings and office equipment	130	–	13	117
	3,105	–	242	2,863

4.5 The plant and machinery having carrying value of Rs. 1.384 million (2014: Rs. 1.538 million) is idle for the last 17 years.

4.6 Land and building have also been mortgaged with bank against guarantee of Rs.6.3 million issued by the bank on behalf of the Company to Government of Sindh.

	2015	2014
	(Rupees in thousands)	
5. Stores and spare parts		
Stores	1,855	1,855
Spare parts	1,732	1,732
	3,587	3,587
Less: Provision for obsolescence and slow moving items	1,086	1,086
	2,501	2,501
6. Other receivables		
Excise duty refundable - Note : 11	1,076	1,076
7. Cash and bank balances		
Balance with banks on:		
Treasury call account with related party - Note 7.1	4,471	4,710
Current account	2	36
Guarantee margin deposit account - Note: 7.2	1,169	1,169
	5,642	5,915

7.1 Profit rates on treasury call account with related party ranged between 6% to 9% (2014: 8% to 9%) per annum.

7.2 Represents margin held by bank against guarantees of Rs. 6.3 million (2014: Rs. 6.3 million) Refer Note No. 11.

			2015	2014
			(Rupees in thousands)	

8. Issued, subscribed and paid-up capital

Ordinary shares of Rs. 5 each

2015	2014			
Number of Shares				
4,000,000	4,000,000	Shares fully paid in cash	20,000	20,000
2,000,000	2,000,000	Shares issued as fully paid bonus shares	10,000	10,000
6,000,000	6,000,000		30,000	30,000

Issued, subscribed and paid-up capital of the Company includes 147,797 Ordinary shares of Rs. 5 each (2014: 147,797) held by Habib Sugar Mills Limited an associated Company at the end of the year.

	2015	2014
	(Rupees in thousands)	

9. Long-term financing - Unsecured

From affiliated company - unsecured	18,000	18,000

This represents financing from Karachi Mercantile Company (Pvt.) Limited arranged by sponsor directors as loan in order to meet financial obligations and the maintenance and upkeep of plant and machinery on which moratorium on the mark-up has been agreed in accordance with the terms of financing.

	2015	2014
	(Rupees in thousands)	

10. Trade and other payables

Advance rent - related party	–	400
Accrued expenses	75	93
Unclaimed dividend	320	320
	395	813

11. Contingencies

The cases before the Honourable High Court of Sindh against the arbitrary demand of Rs. 57.4 million for vend fee & permit fee and Rs. 14.1 million for excise duty on transportation of methanol from Karachi to Hub along with interest at rates applicable on Khas Deposit Certificates raised by the Government of Sindh were decided in favour of the Company on March 26, 2003 and August 20, 2004 respectively, by maintaining that methanol does not fall within the purview of the Sindh Abkari Act 1878 and as such vend fee, permit fee and excise duty cannot be levied.

The Government of Sindh has however, filed an appeal before the Honourable Supreme Court of Pakistan which is pending final judgement / decision albeit having been heard at length on numerous dates. Lastly, the petitions were fixed for hearing on April 14, 2015, however, the cases were not taken up and were adjourned to date in office.

Further, based on the legal advice, the Company expects favourable outcome and accordingly no provision has been made in the financial statements against the arbitrary demand raised by the government of Sindh.

Excise Duty amounting to Rs.1.08 (2014: Rs.1.08) million had been paid under protest and shown as refundable under current assets.

Guarantees given by the bank in this respect as on June 30, 2015 to the Director General Excise and Taxation (Excise), Government of Sindh, Karachi amounted to Rs.6.3 (June 2014: Rs. 6.3) million are secured against equitable mortgage of land and buildings of the Company.

	2015	2014
	(Rupees in thousands)	
12. Auditors' remuneration		
Annual audit fee	79	75
Half yearly review fee	21	21
Out of pocket expenses	6	5
	106	101
13. Finance Cost		
Guarantee commission	114	114
Federal Excise duty on guarantee commission	23	14
Bank charges	4	4
	141	132
14. Provision for Taxation		
Income tax - current	322	1,000

		2015	2014
		(Rupees in thousands)	
14.1	**Reconciliation of tax charge for the year**		
	Accounting profit	170	1,875
	Corporate tax rate	33%	34%
	Tax on accounting profit at applicable rate	56	638
	Tax effect of lower tax rate	(34)	–
	Tax effect of expenses that are not deductible for tax purposes	300	362
	Provision for taxation	322	1,000
15.	**(Loss) / Earnings per share**		
	(Loss) / Profit after taxation	(152)	875
	Number of ordinary shares of Rs. 5 each	6,000,000	6,000,000
	(Loss) / Earnings per share - Basic and diluted	Re. (0.03)	Re. 0.15
16.	**Cash (used in) / generated from operations**		
	Profit before taxation	170	1,875
	Adjustment for non - cash charges and other items		
	Depreciation	219	242
	Profit on treasury call account	(408)	(293)
	Finance cost	141	132
	Provision for obsolescence and slow moving stores and spare parts	–	520
	Working capital changes - Note 16.1	(400)	65
		(448)	666
		(278)	2,541
16.1	**Working capital changes**		
	(Increase) / Decrease in current assets		
	Stores and spare parts	–	37
	Short-term prepayments	–	10
		–	47
	(Decrease) / Increase in current liabilities		
	Trade and other payables	(400)	18
		(400)	65

17. Remuneration of Chief Executive, Directors and Executives

	2015		2014	
	Directors	Total	Directors	Total
	(Rupees in thousands)			
Meeting fee - 7 directors	11	11	11	11

18. Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks i.e. credit risk, liquidity risk and market risk including interest rate risk, currency risk and other price risk. The Company's overall risk management programmes focuses on the under predictability of financial markets and seek to minimize potential adverse effects on the Company's financial programme.

18.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company believes that it is not exposed to major concentration of credit risk.

18.1.1 The maximum exposure of financial assets as at the balance sheet date are as follows;

	2015	2014
	(Rupees in thousands)	
Long-term deposits	125	125
Short-term prepayments	10	–
Bank balances	5,642	5,915
	5,777	6,040

18.1.2 Quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or the historical information about counter party default rates. Presently the Company has long-term deposits which are duly monitored and bank balances the quality of which is stated hereunder :

	Carrying Values	
	2015	2014
	(Rupees in thousands)	
18.1.3. Bank balances		
A1+	4,471	4,746
A1+	1,171	1,169
	5,642	5,915

18.2 Liquidity risk

Liquidity risk reflects Company's inability in raising funds to meet commitments. However, in view of the rental / storage income from property and income from bank deposits, there is no significant exposure with respect to liquidity.

18.3 Market risk

Market risk refers to fluctuation in value of financial instruments as a result of changes in market prices. The Company is not exposed to any significant market risk.

18.4 Foreign currency risk

The Company is presently not exposed to any foreign exchange risk.

18.5 Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. Profit rate on treasury call account is duly monitored for changes in rates and accordingly acted upon. The Company has no significant long-term interest bearing financial assets and liabilities whose fair value or future cash flows will fluctuate because of changes in market interest rates.

18.6 Fair value of financial instruments

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

18.7 Capital risk management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain a strong base to support the sustained development of its business. The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions.

19 Going concern

These financial statements have been prepared on going concern basis as the Company's business operations comprise of letting out part of its premises to third parties for purposes of storage and the conduct of their commercial operations and keeping in view the continued financing arranged as loan to the Company by sponsor directors through affiliated Company. The Company is ensuring maintenance and upkeep of urea formaldehyde plant and machinery to recommence operations if considered economically viable.

20. Capacity and production

	2015		2014	
	Quantity	Working days	Quantity	Working days
Urea formaldehyde division				
a) Formaldehyde:				
Capacity	3,000 Tons	300	3,000 Tons	300
Actual production	Nil	–	Nil	–
b) Urea formaldehyde:				
Capacity	4,000 Tons	300	4,000 Tons	300
Actual production	Nil	–	Nil	–

The manufacturing operations continued to remain closed on account of adverse economic conditions of the urea formaldehyde industry and pending cases in respect of arbitrary demand of excise duty, vend fee and permit fee raised by the Government of Sindh.

21. Number of Employees

The total average number of employees during the year and as at June 30, 2015 and 2014 was one only.

22. Transactions with related parties

Transactions with related parties other than directors' fee as disclosed in Note No. 17 are given below:

22.1 Following are related parties and transaction with them:

Parties	Nature of Transaction	Relationship	Revenue		Expense	
			Year ended June 30, 2015	Year ended June 30, 2014	Year ended June 30, 2015	Year ended June 30, 2014
			(Rupees in thousands)		(Rupees in thousands)	
Habib Motorcycles Co. (Pvt) Ltd.	Rental income	Affiliated company	1,289	3,748	–	–
Bank AL Habib Limited	Profit on treasury call account	Affiliated company	408	293	–	–
Bank AL Habib Limited	Bank charges	Affiliated company	–	–	3	2
Habib Insurance Co. Limited	Insurance premium	Affiliated company	–	–	12	13
			1,697	4,041	15	15

22.2 Following balances are outstanding at end of year:

Parties	Nature	Relationship	Amount Payable		Amount Receivables	
			As at June 30, 2015	As at June 30, 2014	As at June 30, 2015	As at June 30, 2014
			(Rupees in thousands)		(Rupees in thousands)	
Karachi Mercantile Co. (Pvt) Ltd.	Long-term loan	Affiliated company	18,000	18,000	–	–
Habib Motorcycles Co. (Pvt.) Ltd.	Advance rent	Affiliated company	–	400	–	–
			18,000	18,400	–	–

Transaction withrelated parties are carried out at arm's length.

23 General

23.1 Figures have been rounded off to the nearest thousand rupees.

23.2 These financial statements were authorised for issue on September 17, 2015 by the Board of Directors of the Company.

Muslim R. Habib
Chief Executive

Ali Niaz Akhtar
Director

Pattern of Shareholding as at June 30, 2015

Number of Shareholders	Size of Shareholding From		To	Total Number of Shares held
394	1	…	100	17,025
428	101	…	500	123,477
188	501	…	1,000	139,518
177	1,001	…	5,000	463,381
31	5,001	…	10,000	248,005
9	10,001	…	15,000	117,109
3	15,001	…	20,000	57,698
5	20,001	…	25,000	110,262
2	25,001	…	30,000	51,900
3	30,001	…	35,000	99,476
1	35,001	…	40,000	35,500
4	40,001	…	45,000	177,166
2	45,001	…	50,000	99,500
2	55,001	…	60,000	115,120
1	60,001	…	65,000	64,647
1	65,001	…	70,000	65,500
1	85,001	…	90,000	87,161
4	90,001	…	95,000	367,265
1	95,001	…	100,000	100,000
1	100,001	…	105,000	104,400
2	105,001	…	110,000	217,859
1	110,001	…	115,000	110,597
3	185,001	…	190,000	560,527
1	195,001	…	200,000	200,000
1	220,001	…	225,000	220,664
1	230,001	…	235,000	232,064
1	285,001	…	290,000	287,089
1	345,001	…	350,000	346,840
1	455,001	…	460,000	456,991
1	720,001	…	725,000	723,259
1,271				6,000,000

Shareholders' Category	Number of Shareholders	Number of Shares held	Percentage
Individuals	1,250	4,037,108	67.28
Insurance Companies	2	25,250	0.42
Joint Stock Companies	13	596,755	9.95
Financial Institutions	3	883,779	14.73
Charitable Trusts	2	436,064	7.27
Society	1	21,044	0.35
	1,271	6,000,000	100.00

Pattern of Shareholding as at June 30, 2015

Additional Information

Shareholders' Categories		Number of Shareholders	Number of Shares held
Associated companies, undertakings and related parties			
Habib Sugar Mills Ltd.		1	147,797
Karachi Mercantile Co. (Pvt.) Ltd.		1	346,840
NIT & ICP			
National Bank of Pakistan Trustee Department (NIT)		1	723,259
Investment Corporation of Pakistan		1	56,120
Directors, CEO and their spouses and minor children			
Murtaza H. Habib	Chairman	1	94,164
Muslim R. Habib	Chief Execuitve	1	1,000
S. Iqbal Ahmed	NIT Nominee Director	–	–
Tanzeel Abdul Sattar	" "	–	–
Ali A. Rahim	Director	1	9,000
Ali Niaz Akhtar	"	1	1,000
Mehboob Ali Lilani	"	1	1,000
Executives		–	–
Public Sector Companies and Corporations		11	102,118
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds		4	130,750
Individuals		1,244	3,929,844
Charitable Trusts		2	436,064
Society		1	21,044
Shareholders holding 5% or more voting rights			
- National Bank of Pakistan Trustee Department (NIT) 723,259 shares			
- Karachi Mercantile Co. (Pvt.) Ltd. 346,840 shares			
- Mr. Salman Hussain D. Habib 456,991 shares			
		1,271	6,000,000