



Date: 22 March 2021

Ref: FMC/MISIL/2021-(09)

Chief Executive Officer
Mughal Iron & Steel Industries Limited
31-A, Shadman 1,
Lahore

**CERTIFICATE ON RECEIPT OF SUBSCRIPTION MONEY FROM DIRECTORS /
SUBSTANTIAL SHAREHOLDERS IN RESPECT OF RIGHT ISSUE**

Dear Sir

We have been requested to provide you with a certificate on subscription of right shares by the Company's Directors / Substantial shareholders in respect of right shares offered to them.

Scope of Certificate

This certificate is issued in accordance with the requirement of condition 5 of Annexure I of Pakistan Stock Exchange's letter referenced PSX / C-1150-307 to certify that Directors and substantial shareholders of the company have subscribed right shares offered to them 3 days before commencement of trading of unpaid right.

Management Responsibility

It is the management's responsibility to ensure compliance with the legal requirements in respect of issue of right shares. The management's responsibilities include causing the maintenance of adequate accounting records and internal controls, compliance with laws and regulations and prevention and detection of frauds and irregularities. This certification does not relieve the management of its responsibilities.

Auditor's Responsibility

Our responsibility is to certify that directors / substantial shareholders of the company have subscribed right shares offered to them before commencement of trading of unpaid right in accordance with the 'Guidelines for issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the following procedures:

1. Obtaining board's resolution approving the right issue and ascertaining the ratio of right entitlements;
2. Obtaining schedule of existing shares held by the directors / substantial shareholders and re-computing their respective right entitlement based on the ratio as mentioned in point 1 above.



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3. Checked the amount to be received from the respective directors / substantial shareholders to right entitlement register.
4. Checked the amount received from respective directors / substantial shareholders to bank statements of the bank designated for issue of right shares.

Certificate

Based on the procedures mentioned above, we certify that 24,939,491 right shares amounting to Rs. 1,695,885,388/- have been subscribed by the directors and substantial shareholders on 22 March 2021 i.e 3 days before commencement of trading of unpaid right in compliance with condition imposed by PSX.

Restriction on Use and Distribution

This certificate is being issued in accordance with requirements of condition 5 of the annexure I of the Pakistan Stock Exchange's letter referenced PSX / C- 1150-307 and on the specific request of the management of the company and is not to be used for any other purpose. This certificate may be submitted to Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange Limited only. Accordingly, this should not be distributed to any other party without prior written consent from us. This certificate is restricted to the facts stated herein.

Yours faithfully

Fazal Mahmood & Company

Fazal Mahmood & Company
Chartered Accountants

