



H U S E I N

S U G A R

Ref: HSM/NOC/PSX/22

Dated: January 31, 2022

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

REQUEST FOR ISSUANCE OF NON OBJECTION CERTIFICATE (NOC) FOR RELEASE OF PREFERENCE RIGHT SHARES SUBSCRIPTION AMOUNT

Dear Sir,

In accordance with the Pakistan Stock Exchange Limited procedure for issue of Preference Right Shares, we are pleased to inform you that Husein Sugar Mills Limited (the Company) has received full subscription against Issue of 14,445,000 Preference Right Shares offered by the Company have been fully subscribed. In this regard Auditors' Certificate confirming subscription of entire preference right shares amounting to PKR 144,445,000 is enclosed herewith.

You are requested to kindly issue No Objection Certificate ("NOC") in favour of National Bank of Pakistan for release of preference right shares subscription amount.

Thanking you.

Sincerely yours,
For Husein Sugar Mills Limited

.....
KHALID MAHMOOD
COMPANY SECRETARY

HB/22-55

Date: January 29, 2022

Mr. Khalid Mahmood,
Company Secretary,
Husein Sugar Mills Limited,
28-C, Block-E-1, Gulberg-III,
Lahore.

Dear Sir,

AUDITOR'S CERTIFICATE ON RECEIPT OF SUBSCRIPTION MONEY FROM SPONSORING DIRECTORS / SUBSTANTIAL SHAREHOLDERS AND GENERAL PUBLIC AGAINST PROPOSED PREFERENCE RIGHT ISSUE OF SHARES

We have been requested by the management of **Husein Sugar Mills Limited (the 'Company')** to provide a certificate on receipt of subscription money from the sponsoring directors / substantial shareholders of the Company and general public against proposed preference right issue of shares.

Scope of Certificate

This certificate is to be issued to certify the receipt of subscription money received from sponsoring directors / substantial shareholders of the Company and general public and is being issued by us for onward submission to Pakistan Stock Exchange (PSX).

Management Responsibility

The management of the Company is responsible for making compliance with requirements of relevant laws and regulations; receiving money from shareholders; maintaining proper books of accounts and seeking appropriate approvals from competent authorities.

Practicing Auditor's Responsibility

Our responsibility is to certify that the full amount of subscription money has been received 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 procedures as mentioned below:

- a) Obtained and checked certified true copy of the resolution of Board of Directors of the Company approving issue of 14,445,000 preference right shares of Rs. 10 each offered to the shareholders of the Company in proportion to the number of shares held by each shareholders as on July 16, 2021 i.e. preference right issue at a price of Rs. 10 having face value of Rs. 10 in accordance with Section 83 of the Companies Act, 2017;
- b) Obtained and checked copy of letter issued under Section 83 of the Companies Act, 2017 for last date of payment / renunciation;
- c) Reviewed the approval letter from PSX for issuance of right shares;
- d) Obtained and reviewed the undertakings for issuance of preference right shares made by the sponsoring directors / substantial shareholder(s);
- e) Checked that sponsoring directors of the Company, who have undertaken to PSX under Form I to subscribe their portion of shares, have subscribed their portion of preference right shares through adjustment of loan and making payment to the Company amounting to Rs. 116,063820;

- f) Obtained copy of bank statements provided by the Bankers to the preference right issue to trace the receipt of subscription money amounting to Rs. **28,386,180/-** in the National Bank of Pakistan through account no. **4174196504**; and
- g) Obtained management's representation that all requirements concerning allotment of shares in the name of CDC have been fulfilled.

Certificate

Based on the procedures mentioned above, we certify that an amount of Rs. 144,450,000 has been received in relation to the proposed issue of right shares, as approved in the Board of Directors' meeting held on July 16, 2021.

Sr. No.	Name	Shares held before issuance of rights	Preference Right shares entitlements	Preference Right shares subscribed	Amount of Subscription Money Received (PKR)	Date of Receipts
1	Mr. Ahmed Ali Tariq	12,017,284	4,506,481	*7,502,547	75,025,470	Note - I & II
2	Mr. Mustafa Ali Tariq	11,210,229	4,203,835	4,303,835	43,038,350	Note - II
3	Mrs. Nusrat Shamim	7,000	2,624	2,624	26,240	17-12-21
4	Mrs. Maryam Habib	434,484	162,931	162,931	1,629,310	16-12-21
5	Mr. Taufiq Ahmad Khan	5,511	2,066	2,066	20,660	17-12-21
6	Mr. Muhammad Imran Khan	749	280	280	2,800	17-12-21
7	Mr. Saif Hasan	535	200	200	2,000	17-12-21
8	General public	14,844,208	5,566,583	2,470,517	24,705,170	December 23, 2021 to January 21, 2022
Total		38,520,000	14,445,000	14,445,000	144,450,000	

(Note - I In exercise of the Powers under section 83 of the Companies Act 2017, out of the total 14,445,000 preference right shares offered to the entitled members, 2,896,066 shares which remained unsubscribed be offered and allotted to Mian Ahmed Ali Tariq, Chairman / Director of the company who had expressed his willingness to take up these shares with unanimous consent of all other members of the Board).

(Note - II These sponsoring directors / substantial shareholders has subscribed their portion of preference right shares through adjustment of loan and making payment to the Company).

Restriction on use and distribution

This certificate is issued in the capacity of statutory auditors of the Company on request of the management for onward submission to PSX and shall not be distributed or submitted to any other party without our prior consent. This certificate is not to be presented as a testimony in any court of law.

Yours truly,

Kreston Hyder Bhimji & Co.

KRESTON HYDER BHIMJI & CO.
 CHARTERED ACCOUNTANTS