

NISSAN



F-3, Hub Chowki Road,
S.I.T.E., Karachi-75730
PO.Box No-3235
Tel: 021-32556901-10
UAN: 111-190-190
Fax: 021-32556911-12

GHANDHARA NISSAN LIMITED

July 6, 2018

Mr. Muhammad Ghufan
Deputy General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

Subject: Right Shares Subscription Status

In compliance with your letter dated April 25, 2018 under clause 8 of Annexure – II "Procedure to be complied with for Issue of Right Shares", we are pleased to inform that the full amount of subscription has been received by the Company in the right shares subscription account maintained with Summit Bank Limited.

In this connection, we enclose herewith certificate issued by our External Auditors, confirming the receipt of complete amount of PKR 1,200,000,000/- by Summit Bank Limited.

In view of the above, you are requested to please issue us No Objection Certificate in the name of Summit Bank Limited for transfer of right shares subscription amount to the Company.

You may inform the TRE Certificate Holders accordingly.

Yours sincerely,
For Ghandhara Nissan Limited

M. Sheharyar Aslam
Company Secretary

2/G-15/2018-19

July 4, 2018

The Company Secretary
Gandhara Nissan Limited
F-3, Hub Chowki Road, S.I.T.E,
Karachi

Dear Sir

AUDITOR CERTIFICATE ON RECEIPT OF FULL AMOUNT OF SUBSCRIPTION MONEY IN CASH AGAINST ISSUE OF RIGHT SHARES

We have been requested to provide you with a certificate to confirm the receipt of full amount of subscription money for subscribing right shares of Gandhara Nissan Limited (the Company) as required by Pakistan Stock Exchange Limited (PSX) vide its letter PSX/C-868-2053 ('the Letter'), dated April 25, 2018.

Scope of Certificate

The requirement of clause 8 of Annexure-II 'Procedure to be complied with for issue of right shares' of the Letter is produced below;

"In case of under subscription, the Company shall arrange payment of un-subscribed right shares within 14 days from the last date of payment and shall confirm the same to the Exchange. The Company will also furnish Auditors' Certificate confirming receipt of full amount of Right Issue in cash enabling the Exchange to issue NOC in the name of the banker to the issue of the company for release of subscription amount received by them."

We as statutory auditors of the Company are required to issue a certificate to confirm the receipt of full amount of subscription money in cash for subscribing right shares of the company under clause 8 of Annexure-II "Procedure to be complied with for issue of right shares" of the Letter.

Management responsibility

It is the management's responsibility to fulfill all requirements of Companies Act 2017 and ensure compliance with the requirement of PSX as required under the Letter. The management's responsibility also includes maintenance of accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of fraud and irregularities. This certificate does not relieve the management of its responsibilities.

Auditors' responsibility

Our responsibility is to certify the compliance with the requirement of PSX as required under clause 8 of Annexure-II 'Procedure to be complied with for issue of right shares' of the Letter in accordance with the 'Guidelines for issue of Certificate 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:

- Review resolution of the Board of Directors to check the approval of issuance of right shares to existing shareholders of the Company;
- Traced subscription money of Rs.1,068,266,500 received from shareholders against subscription of 10,682,665 ordinary shares through right issue having face value of Rs.10 each of the Company at exercise price of Rs.100 per share in bank statement of Summit Bank Limited subscription account number 1-2-16-20620-714-121818;
- Reviewed resolution of Board of Directors to confirm that 1,317,335 unsubscribed right shares having face value of Rs.10 each of the company at exercise price of Rs.100 per share have been allocated to one of the sponsor and an investor; and
- Traced amount of Rs.131,733,500 received from following sponsor / investor against allocation of 1,317,335 unsubscribed right shares having face value of Rs.10 each of the Company at exercise price of Rs.100 per share in bank statement of Summit Bank Limited account number 1-2-16-20620-714-121818.

Name of Sponsor / Investor	No. of Shares	Amount in Rupees
Bibojee Services (Private) Limited	817,335	81,733,500
Arif Habib Limited	500,000	50,000,000
	1,317,335	131,733,500

Certificate

Based on our procedures mentioned under Auditors' responsibility paragraph, we certify that subscription money of Rs.1,200,000,000 for subscribing 12,000,000 right shares having face value of Rs.10 each of the Company at exercise price of Rs.100 per share has been fully received in cash by the Company.

The details of right shares and money received there-against are as follows:

Subscribed by	Shares (Numbers)	Amount (Rupees)
the Directors & Sponsors of the Company	6,810,851	681,085,100
the general public	3,871,814	387,181,400
unsubscribed shares allotted as detailed above	1,317,335	131,733,500

Restriction on use and distribution

This certificate is being issued in capacity of statutory auditors of the Company on specific request of the management for onward submission with PSX as required under clause 8 of Annexure-II 'Procedure to be complied with for issue of right shares' of the Letter and is not to be used or distributed for any other purpose. This certificate is restricted to the fact stated herein.

Yours truly

ShineWing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS