



Ref; mTm/Corp/2017/ 12090

Dated; 18-02-2017

Mr. Muhammad Ghufan,
DGM Corporate Affairs,
Pakistan Stock Exchange Ltd.
KARACHI.

ISSUANCE OF NOC
FOR RELEASE OF RIGHT SHARES SUBSCRIPTION AMOUNT

Dear Sir,

We have the honour to enclose herewith our Auditors' Certificate in confirmation of receipt of full amount of subscription against Right Issue. It is accompanied by a certified copy of extracts from the minutes of Board Meeting in support of allotment against Right Issue.

Kindly issue your NOC for release of Right Shares Subscription Amount of Rs. 1,050,000,000, with the following break up:

BANKER :	(RUPEES)
Summit Bank Ltd., Liaqat Road, Faisalabad	255,992,240
Samba Bank Ltd., Liaqat Road, Faisalabad.	420,009,800
Habib Metropolitan Bank Ltd., Opp. PMC, Sargodha Road, Faisalabad.	373,997,960
TOTAL	1,050,00,000

An early response will be highly appreciated. Thanking you;

Yours faithfully,
For Masood Textile Mills Ltd.

(Mian Abdul Bari)
COMPANY SECRETARY



Encls; as above.

Company Secretary
Masood Textile Mills Limited
Universal House
P-17/1, Bilal Road
Civil Lines
FAISALABAD

18 February 2017
Our Ref: RAF-204/11041

Dear Sir

AUDITOR'S CERTIFICATE FOR FURTHER ISSUANCE OF SHARE CAPITAL AT PREMIUM OF MASOOD TEXTILE MILLS LIMITED

We have been requested to provide you a certificate regarding confirmation of receipt of subscription money of right shares in the bank account of Masood Textile Mills Limited ("the Company").

Scope of Certificate

We have undertaken the engagement in accordance with the applicable International Standard on Related Services 4400, "Engagement to Perform Agreed Upon Procedures regarding certification of receipt of subscription money of right shares from the shareholders of the Company.

Management Responsibility

It is the responsibility of the management to comply with requirements of Central Depository Company (CDC) Regulations regarding receipt of full subscription money against right shares, within 14 business days of the last date for payment of the subscription.

Auditors' Responsibility

Our responsibility is to certify the compliance of the procedures regarding subscription of right shares as defined in CDC Regulations 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 review of related bank statements and other evidences to verify the receipt of subscription money from the shareholders of the Company.

Certificate

Based on our procedures performed, we, the statutory auditors of the Company, certify that the Company has received subscription amount of Rupees 1,050,000,000 against issuance of 7 500 000 ordinary shares of Rupees 10 each issued at premium of Rupees 130

Riaz Ahmad & Company

Chartered Accountants

per share. After the said issuance of the shares, the paid-up share capital of the Company is Rupees 675,000,000; and

All requirements with regards to allotment of shares in the name of CDC have been fulfilled by the Company.

Restriction on use and distribution

The certificate is issued in relation to the verification of subscription money against right shares from the shareholders of the Company, on your specific request for onward submission to CDC and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated above.

Very truly yours

Riaz Ahmad & Co.

RIAZ AHMAD AND COMPANY
Chartered Accountants

Faisalabad



EXTRACTS FROM THE MINUTES OF THE MEETING OF BOARD OF DIRECTORS OF MASOOD TEXTILE MILLS LIMITED HELD AT ITS REGISTERED OFFICE UNIVERSAL HOUSE, 17/1 NEW CIVIL LINES, BILAL ROAD, FAISALABAD ON THURSDAY, 16TH FEBRUARY, 2017 AT 10.30 A.M.

ALLOTMENT OF RIGHT SHARES

The Company Secretary presented a detailed report as to collection against subscription of Right Shares duly supported by Bank statements and the resultant short fall as under:

	No. of Shares	Amount (Rs.)
Total Right subscription offered	7,500,000	1,050,000,000
Less: Receipt of Right subscription	(6,430,726)	(900,301,640)
Short Deposit:	<u>1,069,274</u>	<u>149,698,360</u>

The Company Secretary informed the participants that under the provisions of Section 86 (7) of the Companies Ordinance, 1984 if any portion of the shares offered remain unsubscribed, the Directors were authorized to allot such shares in such manner as they deem fit. In their last Board Meeting, the Directors had empowered the Chief Executive Officer to manage allotment of unsubscribed portion of Right Shares through negotiation. He also presented before the Board the applications of two Companies desirous of allotment against short fall.

The participating Directors considered the offer of the applicants and found it in order. Thus, they approved the Allotment of Short Deposit against under subscription to the willing companies by passing the following resolution:






“Resolved that the Board is pleased to make the following allotment against short deposit;

Applicant	No. of Shares	(Rs.)
Shanghai Challenge Textile Co. Ltd.	947,900	132,706,000
Software Creations (Pvt) Ltd.	121,374	16,992,360
Total:	1,069,274	149,698,360

Having been satisfied as to full subscription against Right Issue, the Company Secretary requested the participants for finalizing the Allotment of Ordinary shares against Right Issue. Thereupon the participating Directors approved the Allotment of Ordinary shares by passing the following resolution;

“Resolved that the consent and approval of the Directors is hereby accorded for Allotment of 7,500,000 Ordinary Shares of the face value of Rs.10 each, @ of Rs.140 per share inclusive of premium of Rs. 130 per share, against total subscription amount of Rs. 1,050,000,000.”

Hence the paid-up capital against Ordinary Shares is Reconciled as under:

<u>Description</u>	<u>No. of Shares</u>	<u>Face vlue(Rs)</u>
Ordinary Share Capital before Right	60,000,000	600,000,000
Add: 12.5% Right Issue	7,500,000	75,000,000
Ordinary Share Capital after Right.	<u>67,500,000</u>	<u>675,000,000</u>

In the last, Mr. Muhammad Shahid Naveed, Chief Financial Officer, thanked the shareholders for expressing their interest to subscribe Right Issue. He also praised NIT and National Bank of Pakistan for subscription of their share in Right Issue in the prevailing circumstances when the textile sector is in recession. It reflects the trust of NIT- being representative of minority shareholders. The participants also appreciated the performance of Corporate Department of the Company for making successful and

