

MISIL/FY-Q2/2017

February 27, 2017

The General ManagerPakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

By Courier & PUCAR

FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2016.

Dear Sir,

We are pleased to inform you that the Board of Directors of Mughal Iron & Steel Industries Limited in their meeting held on February 27, 2017 at 11:30 am at 31-A Shadman 1, Lahore, have considered and approved the unaudited condensed interim financial information of the Company for the quarter and six months period ended December 31, 2016 and recommended the following:

- | | |
|---------------------------------------------|-----|
| (i) CASH DIVIDEND | Nil |
| (ii) BONUS SHARES | Nil |
| (iii) RIGHT SHARES | Nil |
| (iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION | |
| (v) ANY OTHER PRICE-SENSITIVE INFORMATION | |

1) The unaudited interim financial results of the Company for the above period are attached herewith as "**ANNEXURE-A**". Further, the soft copy of the half yearly accounts for the period ended December 31, 2016 has been uploaded on our website (www.mughalsteel.com).

2) Board of Directors has resolved:

- a. To increase the current power generation capacity of its existing 9.3 MW gas captive power plant by adding six (6) additional engines of 3.1 MW each. As a result, the total gross installed power generation capacity of the captive power plant will be enhanced to 27.9 MW. The said enhancement is expected to play a fundamental role in meeting increased demand of billet to support the existing re-rolling activities.

Th.

MUGHAL IRON & STEEL INDUSTRIES LIMITED

Registered office: 31-A, Shadman-1, Lahore. Office Phone: 042-35960841-3 Fax: 042-35960846
Web: www.mughalsteel.com, E-mail: accounts@mughalsteel.com. NTN # 3533975-6, STR # 03-06-7326-012-82

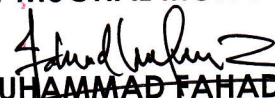
- b. To conduct BMR of its existing bar re-rolling mill. The BMR will involve addition of new re-rolling stands, finishing lines and other improvements to the existing mill in order to enable it to adhere to higher and faster re-rolling process with state of art PLC control system. This will result in improved efficiency of the re-rolling process.
- c. The total cost of the above projects would be approximately one billion, however, the commencement and completion of these projects will be subject to the finalization of the decision of Board of Directors relating to source of finance to be used for financing of above projects, which in case of debt financing will further depend upon approval of financing arrangements from bank(s) / financial institutions and in case of equity financing upon decision of the Board of Directors.
- 3) Board of Directors has approved the revised remuneration packages and meeting fee structure of non-executive / independent directors. Copy of notice to be sent to members under section 218 of the Companies Ordinance, 1984 is being annexed as "**ANNEXURE-B**" in compliance with rule 5.6.4(b) of PSX Rule Book.

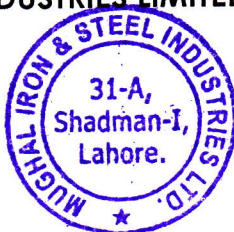
A disclosure form as required under SRO 143(1)/2012 dated December 05, 2012 read with Sections 96 and 131 of Securities Act, 2015 in relation to above inside information is attached herewith as "**ANNEXURE-C**".

We will be sending you required copies of printed accounts for distribution amongst the TRE Certificate Holders of the Exchange in due course of time.

Yours Sincerely,

for **MUGHAL IRON & STEEL INDUSTRIES LIMITED**


MUHAMMAD FAHAD HAFEEZ
(Company Secretary)



CC: Director (Enforcement)
Securities & Exchange Commission of Pakistan
Islamabad.

"ANNEXURE - A"

MUGHAL IRON & STEEL INDUSTRIES LIMITED CONDENSED INTERIM PROFIT & LOSS ACCOUNT

FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2016 (UN-AUDITED)

(Figures in thousands)

	Quarter ended		Six months period ended	
	October - December 2016	2015	July - December 2016	2015
Sales	4,970.407	5,836.829	8,683.993	9,868.462
Cost of sales	(4,547.370)	(5,161.259)	(7,813.226)	(8,816.035)
Gross profit	423.037	675.570	870.767	1,052.426
Distribution cost	(38.586)	(25.561)	(58.486)	(45,667)
Administrative expenses	(58.915)	(59.678)	(109.593)	(106.224)
Other charges	(19.504)	(24.068)	(38.667)	(37.575)
Other income	12.321	20.283	15.765	28.528
Finance cost	(28.705)	(198.588)	(119.624)	(262.854)
	(133.390)	(287.611)	(310.606)	(423.801)
Profit before taxation	289.647	387.958	560.161	628.626
Taxation				
- Prior	(29.010)	-	(29.010)	-
- Current	(13.716)	(116.919)	(47.023)	(132.730)
- Deferred	(29.806)	(13.913)	(9.902)	(13.913)
	(72.532)	(130.832)	(85.935)	(146.642)
Profit after taxation	217.115	257.126	474.226	481.983
Earnings per share - basic & diluted (Rs.)	1.73	2.04	3.77	3.83


 Khurram Javed
 Chief Executive Officer/Director




 Muhammad Mubeen Tariq Mughal
 Director

* Details of contact officer deputed for transmitting information to Exchange are given below:

Name of officer: Tahir Maqsood
 Contact No: 03004490714, 042-35960841(133)
 Email: fahadhafiez@mughalsteel.com

Certified & True Copy

"ANNEXURE - B"

February 27, 2017

*Dear Valued Shareholder(s),***ABSTRACT U/S 218(2) OF THE COMPANIES ORDINANCE, 1984**

The members are notified that the Board of Directors in their meeting held on February 27, 2017 has approved remuneration and meeting fee structure for Non-Executive Directors and Independent Director by passing the following resolutions:

Remuneration of Non-Executive Directors

"RESOLVED that the Board hereby approves and authorizes the payment of gross remuneration to non-executive directors, the details of which are mentioned below. The approved remuneration package has been designed to retain non-executive directors, having appropriate skills with view of encouraging value generation within the Company and shall be inclusive of meeting attendance fee and fee for extra services.

Name	Designation	Present Remuneration
Mirza Javed Iqbal	Non-Executive Director / Chairman	Rs. 415,000/- per month inclusive of meeting fee and fee for performing extra services associated with holding office of Chairman, along with reimbursement of expenses for business purpose, if any.
Fazeel Bin Tariq Mughal	Non-Executive Director	Rs. 300,000/- per month inclusive of meeting fee along with reimbursement of expenses for business purpose, if any.
Muhammad Mateen Jamshed	Non-Executive Director	Rs. 150,000/- per month inclusive of meeting fee along with reimbursement of expenses for business purpose, if any."

Mirza Javed Iqbal, Fazeel Bin Tariq Mughal and Muhammad Mateen Jamshed, being interested did not participate in the resolution.

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Meeting Fee of Directors

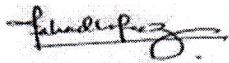
“RESOLVED that gross meeting fee at the rate of Rs.50,000 per meeting shall only be paid to following non-executive / independent directors for attending Board and other Committee meetings:

- Syed Salman Ali Shah (Independent / Non-executive Director)
- Fahad Javed (Non-executive Director)
- Muhammad Waleed Bin Tariq Mughal (Non-executive Director)”

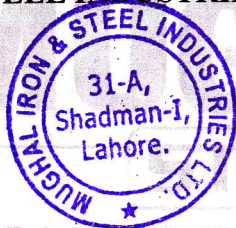
Syed Salman Ali Shah, Fahad Javed and Muhammad Waleed Bin Tariq being interested did not participate in the resolution to the extent of matters that related to their fee.

Yours truly,

for **MUGHAL IRON & STEEL INDUSTRIES LIMITED**



Muhammad Fahad Hafeez
(Company Secretary)



A TRADITION OF QUALITY
MUGHAL
STEEL
GROUP OF INDUSTRIES

7h.

"ANNEXURE - C"

**DISCLOSURE FORM
IN TERMS OF SECTIONS 96 AND 131 OF THE SECURITIES ACT, 2015**

Name of Company:	Mughal Iron & Steel Industries Limited
Date of Report:	February 27, 2017
Contact information:	Muhammad Fahad Hafeez Company secretary 31-A Shadman 1, Lahore Contact No. 042-3960841(133) Fax No. 042-3960846 Email: fahadhafeez@mughalsteel.com

Please mark the appropriate box below:

Disclosure of inside information by listed company

Public disclosure of inside information, which directly concerns the listed securities:

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- 2) Board of Directors in their meeting held on February 27, 2017 has resolved:
 - a. To increase the current power generation capacity of its existing 9.3 MW gas captive power plant by adding six (6) additional engines of 3.1 MW each. As a result, the total gross installed power generation capacity of the captive power plant will be enhanced to 27.9 MW. The said enhancement is expected to play a fundamental role in meeting increased demand of billet to support the existing re-rolling activities.
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A TRADITION OF QUALITY
MUGHAL
SIGNATURES

In case of company pursuant to the requirements of the securities Exchange Ordinance 1969 (XVII), the Company has duly caused this form / statement to be signed / on its behalf by the undersigned hereunto duly authorized.

Yours Sincerely,

For **MUGHAL IRON & STEEL INDUSTRIES LIMITED**


MUHAMMAD FAHAD HAFEEZ
(Company Secretary)



Dated: February 27, 2017