Your Security - Our Policy

Crescent Star Insurance Limited
Estd. 1957

January 29, 2018

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

Dear Sir

SUBSCRIPTION OF RIGHT SHARES

In continuation of our letter dated January 23, 2018, we enclose herewith Certificate issued by Grant Thornton Anjum Rahman, Chartered Accountants, being the auditors of the Company confirming receipt of full amount of Right Issue. You are, therefore, requested to issue NOC for release of subscription amount received by the Bankers to the issue namely MCB Bank Limited.

Thanking you,

Yours sincerely,
For Crescent Star Insurance Limited

Malik Mehdi Muhammad
Chief Financial Officer / Company Secretary

Head Office: 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi - 74000, Pakistan
UAN : +92-21-111-274-000 **PABX:** +92-21-32415471-3 **Fax :** +92-21-32415474 **E-mail :** info@cstarinsurance.com

Grant Thornton

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BAS/C377/18/0126/2

January 26, 2018

Mr. Naim Anwar
Chief Executive/Principal Officer
Crescent Star Insurance Limited
2nd floor, Nadir House, I.I Chundrigar Road
Karachi.

GRANT THORNTON ANJUM RAHMAN
1st & 3rd Floor,
Modern Motors House
Beaumont Road,
Karachi 75530

T +92 021 3567 2951-56
F +92 021 3568 8834
www.gtpak.com

Dear Sir

PRACTICING MEMBERS' CERTIFICATE TO THE MANAGEMENT AS REQUIRED UNDER PAKISTAN STOCK EXCHANGE LETTER NO. PSX/ C-10-A3292 DATED MAY 2, 2017 AND UNDER PROCEDURES FOR INPUT OF PAID-UP CAPITAL ISSUED BY THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

We have been requested by the management of Crescent Star Insurance Limited (The Company) to provide a certificate as required by Pakistan Stock Exchange (PSX) vide its Letter No. PSX/ C-10-A3292 dated May 2, 2017 and as required under the 'Procedures for Input of Paid-up Capital' (The Procedures) issued by the Central Depository Company of Pakistan Limited (CDC), on the attached statement of compliance with the above cited requirements prepared by the management of the Company.

Scope of certificate

The Company is required to furnish to PSX the statutory auditor's certificate confirming receipt in cash of the full amount under the right issue.

Further, the Procedures require that the Company shall fulfill all the requirements as regard to the allotment of shares in the name of CDC and to provide the documents to CDC required under the Procedures along with the certificate issued by us being the statutory auditor of the Company.

Management responsibility

It is the management responsibility to fulfill all the requirements of Companies Act, 2017, Companies (Issue of Capital) Rules, 1996, Central Depository Company of Pakistan Limited (CDCPL) Regulations and its Procedures for the issue of shares through right issue.

Auditor's responsibility

Our responsibility is to certify receipt of subscription amount, revised paid-up share capital and to certify that the requirements with regards to allotment of shares in the name of CDC under CDCPL Regulations and its Procedures have been fulfilled by the Issuer.

We will conduct our verification in accordance with 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Those guidelines require us to review the information prepared by the management and to certify in accordance with the applicable laws.

Our verification procedures include obtaining such evidence and explanations about the information as required by Pakistan Stock Exchange and by the Procedures issued by CDC. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for this certificate. Our verification was limited to the procedures as mentioned below:

- Review of certified true copy of the resolution of the Board of Directors of the Company for the offer of right shares to the Company's existing shareholders.

- Review of the corporate action notice issued by the Company for the issue of share to its existing shareholders through right issue as required under the Procedures.

- Review of the bank account statement of the Company's Subscription Account 0956585261010964 maintained with MCB Bank Limited to verify that the subscription money amounting to Rs. 104,350 has been collected and credited by the Company by/before the last date of payment of subscription money i.e. January 11, 2018.

- Review of the bank account statements to verify collections amounting to Rs. 135,440,000 and Rs. 82,653,460 in the account No. 0424008240345026 maintained with Faysal Bank Limited and account No. 060501348268 maintained with United Bank Limited, respectively, from Weavers Pakistan (Private) Limited and Rs. 17,550,000 and Rs. 14,369,270 in the account No. 0424008240345026 maintained with Faysal Bank Limited and account No. 060501348268 maintained with United Bank Limited, respectively, from Elahi Noor Enterprises (Private) Limited for working capital requirement and to further expand the operational and investing activities during the financial years ended December 31, 2016 and December 31, 2017.

- Review of the resolution passed by the Board of Directors of the Company to convert an amount aggregating to Rs. 250,012,730 representing amount received from Weavers Pakistan (Private) Limited and Elahi Noor Enterprises (Private) Limited for working capital requirement and to further expand the operational and investing activities during the financial years ended December 31, 2016 and December 31, 2017 against subscription money for rights shares opted by them.

Certificate

Based on the procedures mentioned above, we certify that:

a) The Company has received the full subscription amount under the right issue in cash through the following banks:

	Bank account	Rupees
Subscription money received in designated bank:		
- By general public	Subscription Account 0956585261010964 (MCB Bank Limited)	104,350
Subscription money adjusted against advance from following companies received prior to right issue:		
- Weavers Pakistan (Private) Limited	Account No. 0424008240345026 (Faysal Bank Limited)	135,440,000
	Account No. 060501348268 (United Bank Limited)	82,653,460
- Elahi Noor Enterprises (Private) Limited	Account No. 0424008240345026 (Faysal Bank Limited)	17,550,000
	Account No. 060501348268 (United Bank Limited)	14,369,270
Total subscription amount		**250,117,080**

b) The Company has utilized the amount received in the Company's Operational Accounts for its working capital requirements and to further expand the operational and investing activities during the financial years ended December 31, 2016 and December 31, 2017.

c) The revised paid-up capital of the Company would be Rs. 1,076,950,410 after the receipt of subscription money amounting to Rs. 250,117,080 against the issue of 25,011,708 ordinary shares of Rs. 10 each.

d) The requirements as prescribed in the CDCPL Regulations and its Procedures with regard to allotment of shares in the name of CDC have been fulfilled.

Further, we also confirm that we are the statutory auditor of the Company.

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Restriction on use and distribution

This certificate is issued on the specific request of the Company in relation to the letter issued by PSX and as required under the Procedures and is not to be used or distributed for other purposes and to parties other than Pakistan Stock Exchange and Central Depository Company of Pakistan Limited.

This certificate is restricted to the facts stated herein and the attachments.

Your sincerely

Grant Thornton Anjum Rahman

Grant Thornton Anjum Rahman
Chartered Accountants
Karachi

EXTRACT OF RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS DATED JANUARY 22, 2018

We hereby certify that the following Resolution of the **Crescent Star Insurance Limited** was passed by the Board of Directors by circulation dated January 22, 2018.

"RESOLVED THAT,

The Board of Directors has decided to allocate the unsubscribed portion of Rs. 149,965,900 as follows:

	Amount (Rs)
Weavers Pakistan (Private) Limited	136,420,890
Elahi Noor Enterprises (Private) Limited	13,545,010
	149,965,900

Malik Mehdi Muhammad
Chief Financial Officer/ Company Secretary