DESCON

April 29, 2019

The General Manager
Pakistan Stock Exchange Ltd.
Stock Exchange Building
Stock Exchange Road,
Karachi-74000

SUBJECT: Redemption Preference Shares

Dear Sir,

We enclosed herewith attested copies of Auditor's Certificate confirming redemption of 110,000,000 Preference Shares issued by the Company.

Please acknowledge the receipt and oblige

Thanking you.

Sincerely,
For Descon Oxychem Limited

(ABDUL SOHAIL)
COMPANY SECRETARY

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April 26, 2019

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The Chief Executive Officer
Descon Oxychem Limited
Lahore

Dear Sir

AUDITOR'S CERTIFICATE IN CONNECTION WITH PAYMENT OF OUTSTANDING PRINCIPAL AMOUNT OF PREFERENCE SHARES AND DIVIDEND THEREON TO THE HOLDERS OF PREFERENCE SHARES

We have been requested by the management of Descon Oxychem Limited (the Company) to provide the Company with a certificate in connection with the payment of outstanding principal amount of preference shares and dividend thereon to the holders of preference shares as referred to in the 'procedures for revocation of CDS eligibility of redeemable securities' issued by Central Depository Company of Pakistan Limited (CDC) (here-in-after referred to as 'the Prescribed Procedures').

Scope of Certificate

The scope of the certificate is to confirm payment of outstanding principal amount of preference shares and dividend thereon to the holders of preference shares by the Company as of the date of final book closure after verification from the books of account and the bank account of the Company.

Management Responsibility

It is the responsibility of the management of the company to provide us with the documents evidencing the compliance with the matters stated in the 'scope of certificate' section above.

Auditor's responsibility

Our responsibility is to provide certificate in connection with the matters as stated in the 'scope of certificate' section in accordance with 'Guidelines for Issuance 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 the copy of the register of holders of preference shares as of the date of final book closure;

b) Checked the mathematical accuracy of the dividend calculation on the outstanding principal amount of preference shares;

c) Checked the minutes of meeting of Board of Directors and shareholders for declaration/approval of dividend; and

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d) Obtained details of the payment of outstanding principal amount of preference shares and dividend thereon made by the Company to the holders of preference shares as of the date of final book closure. Traced the payment details from the supporting documents i.e. copies of the Company's general ledger and bank statements.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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DESCON OXYCHEM LIMITED SECRETARY DESCON

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Certificate

Based on the procedures mentioned above, we confirm the status of redemption of outstanding principal amount of preference shares and payment of dividend thereon to the holders of preference shares by the Company as of the date of final book closure, furnished in the annexed declaration prepared by the Company's management, initialed by us for identification purposes, is as follows:

(Rupees)

Redemption of principal amount of preference shares				
Sr No.	Date of payment	Amount paid through crossed cheques	Amount enchased by shareholders	Amount uncleared as at March 31, 2019
1	23-Nov-18	312,043,890	310,860,860	1,183,030
2	26-Nov-18	787,956,110	787,956,110	-
		1,100,000,000	**1,098,816,970**	**1,183,030**

(Rupees)

Payment of dividend on preference shares				
Sr No.	Declaration date	Dividend declared	Amount paid to shareholders gross of income tax and zakat	Unclaimed dividend as at March 31, 2019
1	27-Oct-17	132,000,000	131,995,721	4,279
2	18-Apr-18	132,000,000	131,992,555	7,445
3	23-Oct-18	132,000,000	131,991,472	8,528
4	13-Feb-19	52,438,100	52,434,715	3,385
		448,438,100	**448,414,463**	**23,637**

Restriction on use and distribution

This certificate is issued by us as the statutory auditors of the Company on the specific request of the management of the Company and is not to be used for any other purpose or to be distributed to any person other than CDC, Pakistan Stock Exchange and Securities & Exchange Commission of Pakistan. This certificate is restricted to the facts stated herein.

Yours truly

A.F. Ferguson & Co.

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DESCON OXYCHEM LIMITED
SECRETARY
DESCON

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Repayment of preference shares and dividend thereon

Redemption of principal amount of preference shares and payment of dividend thereon are tabulated below:

a) Principal amount

(Rupees)

Sr No.	Date of payment	Amount paid through crossed cheques	Amount enchased by shareholders	Amount uncleared as at March 31, 2019
1	23-Nov-18	312,043,890	310,860,860	1,183,030
2	26-Nov-18	787,956,110	787,956,110	-
		1,100,000,000	1,098,816,970	1,183,030

b) Dividend

(Rupees)

Sr No.	Declaration date	Dividend declared	Amount paid to shareholders gross of income tax and zakat	Unclaimed dividend as at March 31, 2019
1	27-Oct-17	132,000,000	131,995,721	4,279
2	18-Apr-18	132,000,000	131,992,555	7,445
3	23-Oct-18	132,000,000	131,991,472	8,528
4	13-Feb-19	52,438,100	52,434,715	3,385
		448,438,100	448,414,463	23,637

For & on behalf of
Descon Oxychem Limited

Company Secretary

DESCON OXYCHEM LIMITED SECRETARY DESCON

DESCON OXYCHEM LIMITED SECRETARY DESCON

A.F. Ferguson & Co. Chartered Accountants, Lahore. (A member firm of PwC network)

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