

INSTRUCTIONS FOR BIDDING

INITIAL PUBLIC OFFERING OF ORDINARY SHARES OF MUGHAL IRON AND STEEL INDUSTRIES LIMITED (“THE COMPANY”) THROUGH BOOK BUILDING PROCESS WITHIN A PRICE BAND OF PKR 20/- PER SHARE TO PKR 34/- PER SHARE

The Issue comprises of 27,350,000 Ordinary Shares (25.00% of the total post-IPO Paid-up Capital of the Company with face value of PKR 10/- each). Book Building portion of the Issue comprises of 20,512,500 Ordinary Shares (75.0% of the total Issue) at a Price Band of PKR 20/- per share to PKR 34/- per share (including a premium of PKR 10/- per share on Lower Limit and a premium of PKR 24/- per share on Upper Limit of the Price Band)

Instructions for filling the Bidding Form

1. The bidding period shall remain open on 9:00 AM to 5:00 P.M. on February 16, 2015.
2. Fill in all the particulars of the form accurately in **BLOCK LETTERS**.
3. Kindly provide a copy of CNIC or Passport (in case of HNWI) or NTN Certificate / Certificate of Incorporation (in case of Institutional Investor) along with the bidding form.
4. Applicants are requested to provide accurate contact details. Please provide accurate landline number(s), mobile number(s), fax number(s) and email address(es).
5. Submit complete Bidding Form along with the margin money via Demand Drafts, Pay Orders or Online Transfer (Please note that online transfers are allowed for Faysal Bank Limited account holders only).
6. Bidders are requested to provide two copies of the bidding instrument at the time of bid submission.

Please Note:

7. For deposit of margin money only Pay Orders, Demand Drafts or Online Transfers shall be accepted on the day of bidding (Please note that online transfers are allowed for Faysal Bank Limited account holders only).
8. Receiving will only be provided on duplicate bidding form. Please ensure that a duly filled duplicate bidding form is submitted also at the time of placement of bid.
9. The bidder is required to duly fill Additional Payment Form for depositing additional funds for enhancement of deposit amount.
10. Investors can revise and withdraw their bids online. Please visit www.bkb.kse.com.pk to access online portal. User name and password will be emailed to you on the email address provided in the form. Please ensure that you provide the correct email address. Online access will be available for bid revisions from 9:00am to 7:00pm and for bid withdrawal from 9:00am to 5:00pm on the day of bidding. The bidder can also revise the order category between 5:00pm to 7:00pm on the day of the bidding. Please note that during 5:00pm to 7:00pm bid withdrawal will not be allowed.
11. All payment to be made in favor of A/C “IPO MUGHAL IRON AND STEEL INDUSTRIES LIMITED – BB” at any of the following bidding centers:

Karachi – AKD	Islamabad – AKD
Contact Person: Mr. Syed Furqan Ahmed Direct No: +92-21-35360533 PABX No: +92-21-111-253-111/Ext:621 Fax No: +92-21-35374291 Email: sfurqan.ahmed@akdsecurities.net Website: www.akdsecurities.net Postal Address: AKD Securities Limited 6th Floor, Continental Trade Centre Block 8, Clifton, Karachi	Contact Person: Mr. Khalid Hussain Direct No: +92-51-2894325 PABX No: +92-51-2894321 Fax No: +92-51-2894323 Email: malik.khalid@akdtrade.com Website: www.akdsecurities.net Postal Address: AKD Trade 303,3 rd Floor, ISE Towers, Jinnah Avenue Blue Area, Islamabad.
Lahore – AKD	
Contact Person: Mr. Ehsan Ahmad Qureshi Direct No: +92-42-36280742-4 PABX No: +92-42-111-253-111 Fax No: +92-42-36280745 Email: ehsan.ahmad@akdtrade.com Website: www.akdsecurities.net Postal Address: AKD Trade Room No. 512/513, 5 th Floor, Lahore Stock Exchange Building, Lahore.	

12. **CASH SHOULD NOT BE SUBMITTED WITH BIDDING FORM AT THE BID COLLECTION CENTER.**
13. THE BID SHOULD BE SUBMITTED ON THE PRESCRIBED BIDDING FORM IN PERSON OR THROUGH FAX AT THE NUMBERS MENTIONED IN NOTE 11 ABOVE.
14. The bidders are requested to fill in both the original and duplicate copy of bidding forms completely. Upon submission, they will receive back the duly signed and stamped duplicate form of their bids which will be proof of their bid submission. In case of facsimile, a copy of form with receiving will be faxed back to the bidder. The bidder will not be provided with any receiving if a duly filled duplicate form is not submitted along with the bid.
15. Bids can be placed at "Limit Price" or "Step Bid".

a) Payment for Limit Price:

If investors are placing their bids through "Limit Price" then they shall deposit the margin money based on the number of shares they are bidding for at their stated bid price.

b) Payment for Step Bid:

If investors are placing their bids through "Step Bid" which is a series of limit bid at increasing prices then they shall deposit the Margin Money / Bid Amount based on the total number of share they are bidding for at their stated bid price. The aggregate amount of step bid shall not be less than PKR 1,000,000/- and the amount of any step shall not be less than PKR 250,000/-.

Under this bidding strategy, bidders place a number of limit bids at different increasing price levels. The bidders may, for instance, make a bid for 2.0 million shares at PKR 20 per share, 1.5 million shares at PKR 21 per share and 1.0 million shares at PKR 22 per share, then in essence the investor has placed one Step Bid comprising of three limit bids at increasing prices. The bid amount will be PKR 93.5 million. In case of HNWI, the bid amount will be 100% i.e. PKR 93.5 million whereas in case of Institutional Investor the amount shall be 25% of the total bid amount i.e. PKR 23.375 million.

16. Bid / margin money shall be deposited through Demand Draft/Pay Order/ Online Transfer (Please note that Online Transfer will only be allowed for Faysal Bank Customers). The applicant, if HNWI, shall submit amount of 100% of the application money as bid/margin money whereas Institutional Investors shall submit not less than 25% of the application money.

Book Runner shall not accept or ENTER any new bids after 5:00 p.m. on the bidding day, including those received in the bid collection centers. After 5:00pm no bid shall be entered in the system or withdrawn even if the bid applications have been received from investor. Online revision however will be allowed to the bidder till 7:00 p.m. on the bidding day.

17. The bidder can view the color of the book i.e., Bid price and number of shares against each bid price online anytime during the bidding period at the following websites: www.kse.com.pk, www.akdsecurities.net
18. Successful bidders shall be intimated, within **Two (2) working days** of the closing of the bidding period, the strike price and the number of shares provisionally allotted to each of them.
19. The successful institutional bidders shall, within **Seven (7) working days** of the closing of the bidding period, deposit the balance amount, if required, as consideration against allotment of shares.
20. Where a successful bidder defaults in payment of shares allotted to him, the margin money deposited by such bidder shall be forfeited to the Book Runner.
21. Final allotment of shares out of the Book Building Issue shall be made after receipt of full subscription money from the successful bidders; however, shares to such bidders shall be transferred at the time of transfer of shares out of the public offer to successful applicants.
22. Unsuccessful bid shall be refunded within **Three (3) working days** of the close of the bidding period through courier at the address submitted on the Bidding Form.
23. The bidder shall provide a valid email address in the bid form so that the relevant ID. Password and form no. can be emailed to them upon placement of the bid.