



Mughal Iron & Steel Industries Limited  
A PKR 2 million Commercial Paper Issue Rated A+

## Abridged Term Sheet

### Rated, Unsecured, Privately Placed Short Term Commercial Paper

<b>Issuer</b>	Mughal Iron & Steel Industries Limited (" <b>Mughal</b> ", " <b>Issuer</b> " or the " <b>Company</b> ")															
<b>Issue</b>	Rated, Unsecured, Privately Placed, Short Term Commercial Paper (" <b>Issue</b> ")															
<b>Entity Rating</b>	<p>Long term '<b>A+</b>' and Short Term '<b>A1</b>' by PACRA (Oct 2022):</p> <table border="1"> <thead> <tr> <th>Year</th> <th>LT Rating</th> <th>ST Rating</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>A+</td> <td>A1</td> </tr> <tr> <td>2020</td> <td>A</td> <td>A2</td> </tr> <tr> <td>2019</td> <td>A-</td> <td>A2</td> </tr> <tr> <td>2018*</td> <td>A-</td> <td>A2</td> </tr> </tbody> </table> <p>*Initial</p>	Year	LT Rating	ST Rating	2021	A+	A1	2020	A	A2	2019	A-	A2	2018*	A-	A2
Year	LT Rating	ST Rating														
2021	A+	A1														
2020	A	A2														
2019	A-	A2														
2018*	A-	A2														
<b>Instrument Rating</b>	Long term ' <b>A+</b> ' and Short Term ' <b>A1</b> ' by PACRA (Dec 2022) by PACRA															
<b>Issue Amount</b>	Up to PKR 2,000 million inclusive of a green shoe option of PKR 500 million															
<b>Tenor</b>	Up to 9 months from the date of Drawdown															
<b>Purpose</b>	To meet working capital requirements															
<b>Denomination</b>	PKR 1,000,000/- each or in multiples thereof															
<b>Form &amp; Delivery</b>	The Issue will be issued in the form of scripless book entry securities under Central Depository System pursuant to the provisions of section 66 of the Companies Act 2017.															
<b>Drawdown</b>	Bullet															
<b>Redemption</b>	Issue will be redeemed in bullet at the expiry of Tenor															
<b>Issue Date</b>	Date of Drawdown															
<b>Profit Payment</b>	Profit will be paid at maturity.															
<b>Profit Rate</b>	<p>Base Rate + 150 bps p.a. Base Rate is defined as the 6-Month Karachi Interbank Offered Rate ("<b>KIBOR</b>") which will be set 1 (one) Business Day prior to the Issue Date.</p> <p>Base Rate resetting provision is being offered whereby the Base Rate will be reset 2 (two) Business Days after the announcement of upcoming Monetary Policy ("<b>MPS</b>") by State Bank of Pakistan with resetting arrangement based on two (2) MPS. It being further clarified, that if there is any monetary policy statement issued by the SBP during the tenor, the Base Rate shall be reset accordingly if the revision in the policy rate is upwards. This shall be applicable for only the first two monetary policy statements issued by the SBP after the Issue date. The revised Base Rate shall only be applicable from 2 business days after the policy statement date till the remainder of the tenor. If there is any downward movement in the policy rate or it remains constant in the MPS, the Base Rate will not be revised.</p> <p>The "<b>KIBOR</b>" rates used for reference will be taken from Reuters page "<b>KIBR</b>", as published at 11.30 a.m. Pakistan Standard Time. The daily average of the 6 (six) months Offer Rate will be used. In the event that this rate is not published on Reuters on the Base Rate Setting Date or if less than 8 (eight) banks provide their rates for the <b>KIBOR</b> fixing, the Financial Markets Association ("<b>FMA</b>") or other relevant market body will be contacted for the relevant fixing rate</p>															
<b>Participation Fee</b>	<p>Participation Fee is also offered tiered to following participation levels:</p> <table border="1"> <thead> <tr> <th>Participation</th> <th>Fee Allocation</th> </tr> </thead> <tbody> <tr> <td>Up to PKR 200 million</td> <td>0.2%</td> </tr> <tr> <td>Between PKR 201million &amp; PKR 400 million</td> <td>0.3%</td> </tr> <tr> <td>Above PKR 401 million</td> <td>0.4%</td> </tr> </tbody> </table>	Participation	Fee Allocation	Up to PKR 200 million	0.2%	Between PKR 201million & PKR 400 million	0.3%	Above PKR 401 million	0.4%							
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<b>Agent Bank</b>	Pak Oman Investment Company Limited															
<b>Legal Counsel</b>	Mohsin Tayebali & Co															



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<b>CDC Eligibility</b>	<i>The instrument will be CDC eligible</i>
<b>Government Taxes/ Levies &amp; Stamp Duty</b>	<i>Mughal shall be liable to pay all applicable taxes, surcharges, levies, duties (including stamp duty) and charges connected with the Issue</i>
<b>Regulatory Compliance</b>	<i>All applicable Regulations issued by Securities &amp; Exchange Commission of Pakistan</i>

**For and on behalf of Mandated Lead Advisor and Arranger**

Farooq Masroor  
Head of Corporate Advisory  
Value Team Pvt. Limited

*Mughal Iron & Steel Industries Limited*  
**For and on behalf of ~~Mughal Iron & Steel Industries Limited~~**

AUTHORIZED SIGNATORIES

Khorrām Jāvād

CEO



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