



FARAN SUGAR MILLS LTD.

Date: January 21, 2025

Ref: CR-2220/01-25

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

**Request for issuance of No Objection Certificate (NOC) for release of rights shares
subscription money of Faran Sugar Mills Limited**

Sir,

In compliance with your letter no. PSX/C-517-1180 dated August 28, 2024, we hereby confirm that 14504034 right shares offered by Faran Sugar Mills Limited have been fully subscribed. In this regard, auditor's certificate confirming receipt of full subscription money amounting to PKR 507,641,190 (Rupees Five Hundred Seven Million Six Hundred Forty-One Thousand One Hundred Ninety only) against the issue of rights shares is attached herewith.

In light of the above, you are requested to kindly issue "**No Objection Certificate (NOC)**" in favour of Bankers to the Issue and Central Depository Company of Pakistan Limited for release of right shares subscription amount.

Thanking you,
Yours Sincerely,

Muhammad Ayub
Company Secretary

Enclosed: As above



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January 21, 2025

The Chief Executive Officer,
Faran Sugar Mills Limited,
43-1-E, P.E.C.H.S., Block-6
Off Razi Road,
Shahra-e-Faisal
Karachi.

**AUDITORS' CERTIFICATE ON RECEIPT OF SUBSCRIPTION AMOUNT AGAINST RIGHT SHARES
OFFERED BY FARAN SUGAR MILLS LIMITED TO ITS SHAREHOLDERS / MEMBERS**

Dear Sir,

We have been requested by the management of Faran Sugar Mills Limited (FSM) to certify subscription amount received against subscription of right shares offered by FSM to its shareholder, as required by the Pakistan Stock Exchange Limited (PSX) and Central Depository Company of Pakistan (CDC).

MANAGEMENT RESPONSIBILITY

Management is responsible for ensuring the receipt of subscription amount in accordance with the applicable regulatory requirements and the agreement.

Management is also responsible to ensure that the right issue of share capital is made in accordance with the requirements of Companies Act 2017, relevant rules and regulations issued there under CDC Regulations as well as requirements of PSX including those mentioned in the referred letter of PSX and that all requirements in this respect are fulfilled.

AUDITORS RESPONSIBILITY

Our responsibility is to certify the receipt of full amount of subscription amount against the right shares to be issued based on the procedures mentioned below, and report as per the guidelines for the issue of certificates for special purpose by practicing Chartered Accountant Firms issued by the Institute of Chartered Accountants of Pakistan.

Our verification was limited to the procedures as mentioned below:

1. Obtained and checked certified true copy of Board of Directors resolution dated August 26, 2024, 2024 approving the issue of 14,504,034 ordinary shares of Rs. 10/- each of Faran Sugar Mills Limited as right shares at a price of Rs. 35/- each (including premium of Rs. 25/-). The proportion to the number of shares held by each shareholder is 58 right shares for every 100 ordinary shares held.
2. Examined and verified receipt of subscription amount of Rs. 507,641,190 by January 20, 2025 deposited in the designated bank account of Meezan Bank Limited (IBAN A/c. PK02MEZN0099510110758685).
3. Obtained and checked detail of receipt of subscription money through online payment option of CDC.
4. Obtained management representation that all requirements related to allotment of shares in the name of CDC have been fulfilled.

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CERTIFICATE

Based on the procedures mentioned above, we certify that subscription amount, as tabulated below, has been received by FSM against subscription of 14,504,034 right shares from shareholders in the designated bank account:

Details	Right Shares	Amount Rupees
Right shares entitlement to FSM's Directors and substantial shareholders	5,986,351	209,522,285
General Public	3,267,740	114,370,900
Unsubscribed portion subscribed as BOD Resolution dated January 13, 2025 including 933 fractional shares		
	5,249,943	183,748,005
Total	14,504,034	507,641,190

Revised paid up capital after right issue is as follows:

	No. of shares	Par value	Total Capital
Paid up capital before right issue	25,006,955	10	250,069,550
Right Share issue	14,504,034	10	145,040,340
Paid up capital after right issue	39,510,989	10	395,109,890

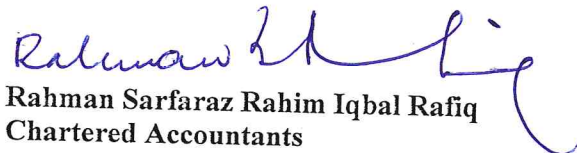
All the requirements with regards to the allotment of shares in the name of CDC have been fulfilled by the issuer.

Further in respect of above, we have been informed that there has been no condition imposed by concerned regulatory bodies including but not limited to the securities and exchange commission of Pakistan applicable at this stage that were required to be complied with by the FSML.

RESTRICTION OF USE AND DISTRIBUTION

The Certificate is being issued by us as statutory auditors of the Company, on the specific request of the management of the Company for onwards submission to the PSX and CDC for the purpose of issuance of Right Shares and is not to be used and/or distributed to any other party for any other purpose. This certificate is restricted to the facts stated above.

Yours truly,


Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants