Shakarganj Limited
Management House, Toba Tek Singh Road, Jhang - 35200, Pakistan
Tel: (047) 763 1001 - 05 Fax: (047) 763 1011 URL: http://www.shakarganj.com.pk

06 April 2016

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

Subject: **RELEASE OF RIGHT SHARES SUBSCRIPTION AMOUNT**

Dear Sir,

Please refer our letter dated 05 April 2016.

In this regard, we are pleased to submit that the Company has received full subscription amount against right issue as per the following detail:

Total Issue Size	40,476,204 Shares	Rs. 404,762,040
Amount Subscribed	36,582,330 Shares	Rs. 365,823,300
Unsubscribed Amount allotted by the directors	3,893,874 Shares	Rs. 38,938,740

Auditors' certificate confirming receipt of full amount of right shares and board resolution have already been provided.

You are requested to please issue NOC in the name of MCB Bank Limited, bankers to the Right Issue to release to the Company, the subscription amounts received by them against issue of right shares.

A early response will be highly appreciated.

Thanking you,

Yours faithfully

Asif Ali
Company Secretary

Principal Office:
10th Floor, BOP Tower
Main Boulevard, Gulberg III
Lahore - 54600, Pakistan
Tel: (042) 3578 3801 - 05
Fax: (042) 3578 3811

Karachi Office:
12th Floor, Sidco Avenue Center
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KPMG Taseer Hadi & Co.
Chart. red Accountants
2nd F oor,
Servis House
2-Main Gulberg Jail Road,
Lahore Pakistan

Telephone + 92 (42) 3579 0901-6
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Internet www.kpmg.com.pk

The Board of Directors
Shakarganj Limited,
10th Floor, BOP Tower,
10-B Block E 2, Gulberg III,
Lahore.

Our ref LA-IA-103-16

Contact Bilal Ali

05 April 2016

Dear Sir

Subscription of Right Issue

As requested, we have checked from bank statement of MCB Bank Limited account no. 0403390661008836 maintained for subscription of ordinary right issue of Shakarganj Limited (the Company) the balance of that bank account as of 1 April, 2016 is Rs. 404,762,080/- received against subscription of ordinary right shares of Rs. 10 each to be issued at Rs. 10 per ordinary share. The breakup of balance at bank is as below:

	Rupees
Amount to be subscribed as per right entitlement letters	404,762,040
Excess amount received (to be refunded)	40
Amount received as per bank statement	**404,762,080**

We have not audited or reviewed the books and records from which the above information have been extracted and accordingly express no assurance thereon. Had we performed additional procedures or had we performed an audit or a review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

This letter is being issued by us being the statutory auditors at the specific request of the Company for onward submission to Pakistan Stock Exchange and Central Depository Company of Pakistan Limited and may not be used for any other purpose without prior written consent.

Yours faithfully

KPMG Taseer Hadi & Co.

Shakarganj Limited
Management House, Toba Tek Singh Road, Jhang - 35200, Pakistan
Tel: (047) 763 1001 - 05 Fax: (047) 763 1011 URL: http://www.shakarganj.com.pk

CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SHAKARGANJ LIMITED HELD ON 24TH MARCH 2016

"**RESOLVED THAT** in exercise of the powers under Section 86 (7) of the Companies Ordinance, the allotment and issue of =3,893,878= unsubscribed right shares in relation to Right Issue of the Company @ 58.2192% in the following manner be and is hereby approved, subject to receipt of subscription.

Name	No. of shares	Amount in Rupees
Crescent Cotton Mills Limited	1,668,463	16,684,630
Mr. Nihal Cassim	974,843	9,748,430
Mrs. Samar Kashif	568	5,680
Mr. Altaf Muhammad Saleem	625,000	6,250,000
Mr. Ahsan Muhammad Saleem	625,000	6,250,000
Total	**3,893,874**	**38,938,740**

"**RESOLVED FURTHER THAT** if payment is not received in respect of any of the above mentioned allocation then the Chief Executive Officer of the Company be and is hereby authorized to dispose of the same in the manner as deem appropriate."

"**RESOLVED FURTHER THAT** Chief Executive Officer or Company Secretary be and are hereby singly or jointly authorized to do all such acts, deeds and things as may be necessary or incidental to carry out the purposes aforesaid."

"**RESOLVED FURTHER THAT** Company Secretary be and is hereby authorized to execute all the documents required in this regard and he is further authorized to affix the Common Seal of the Company upon any or all of such documents."

"**RESOLVED FURTHER THAT** a copy of the resolution duly certified by the Company Secretary be provided to Banker to the Issue i.e. MCB Bank Limited and to other concerned."

Company Secretary