

A COMPANY SET UP UNDER SECTION 42
OF THE COMPANIES ACT 2017.

Date: 05-December-2023

Khuram Burney
Senior Manager
Listing Department
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road
Karachi-74000

**Reply: Suspension/ Delisting of Privately Placed Term Finance Certificate of Kashf Foundation-
(Symbol: KFTFC1)**

Dear Sir,

Reference to your letter dated November 29, 2023, (Reference No.PSX/GEN-1905) ("PSX Letter"), Please find along with this reply Copy of Auditors Certificate with respect to the redemption of the rated, secured, privately placed term finance certificates issued by Kashf Foundation.

Hope that this information is sufficient for delisting of the subject TFC, in case of any query please feel free to reach out. Many thanks.

Yours Sincerely,
For and on Behalf of Kashf Foundation



Saira Soofi
Chief Legal Officer & Company Secretary



A.F. FERGUSON & CO.

October 31, 2023

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Chief Executive Officer
Kashf Foundation
Lahore

Dear Madam

CERTIFICATE WITH RESPECT TO THE REDEMPTION OF THE RATED, SECURED, PRIVATELY PLACED TERM FINANCE CERTIFICATES ISSUED BY KASHF FOUNDATION

We have been requested by the management of the Kashf Foundation (The Company / Issuer), being their Statutory Auditor, to provide them with a certificate on the annexed statement in connection with the redemption of the privately placed Term Finance Certificates (PPTFCs) (Security Symbol – KFTFC1) as stipulated in 'Procedure for Revocation of CDS Eligibility of Redeemable Securities' issued by Central Depository Company of Pakistan Limited (CDC).

Scope of certificate

In accordance with Annexure A of the 'Procedure for Revocation of CDS Eligibility of Redeemable Securities', the scope of this certificate is as follows:

1. Confirming the payment of outstanding principal amount plus profit accrued thereon to the holders of Term Finance Certificates (TFCs) as of the date of Maturity (the Redemption Date) i.e. September 30, 2023;
2. Confirming such payment after verification of books as well as the bank account of the Company;

Our certification is issued in accordance with the "Guidelines for the issue of certificates by Practicing Chartered Accountant Firms" issued by the institute of Chartered Accountants of Pakistan. This certification is not an audit, review or other assurance engagement and consequently, we will not express an opinion or an assurance conclusion. In performing the said procedures, we will comply with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code).

Management's Responsibility

It is the responsibility of the management of the Company to prepare the 'Statement of Payment of Redemption Money' (the Statement) against the redemption of privately placed Term Finance Certificates and provide us with the documents evidencing the compliance with the matters stated in the 'Scope of Certificate' paragraph above. The management's responsibilities also include causing the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularities. The management is also responsible for providing all the details and information to the auditors for the purposes of this certificate. Further, the management is responsible to ensure compliance with the requirements of all the applicable laws and regulations in connection with the redemption of secured, rated and privately placed Tern Finance Certificates. This certification does not relieve the management of its responsibilities.

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A.F. FERGUSON & CO.

It has been assumed by us that all information and representation provided to us by the management are genuine without any omission.

Auditor's Responsibility

Our responsibility is to provide a certificate in connection with the matters as stated in the 'Scope of Certificate' paragraph above in accordance with the 'Guidelines for Redemption of Certificates Issued for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures mentioned below:

- Obtained the Statement from the management of the Company giving the details of payment of outstanding principal amount of Rs. 166,666,667/- plus profit accrued thereon of Rs. 10,569,498/- (for the period June 30, 2023 to September 30, 2023) against the redemption of PPTFCs, which were outstanding on the commencement of the book closure date (i.e., September 24, 2023);
- Traced from the books of accounts that an amount of Rs. 177,236,164/- comprising of Rs. 166,666,667/- as principal and Rs. 10,569,498/- as profit amount (before deduction of applicable withholding tax) has been paid against redemption of PPTFCs; and
- Tracing the redemption amount paid in the bank statement of the Company.

Certificate

Based on the procedures mentioned above, we confirm that the total redemption amount of secured, rated and privately placed Term Finance Certificates (comprising of principal and accrued mark-up – before deduction of applicable withholding tax) amounting to Rs. 177,236,164/- as detailed in the annexed statement, has been paid by the entity.

Restriction on use and distribution

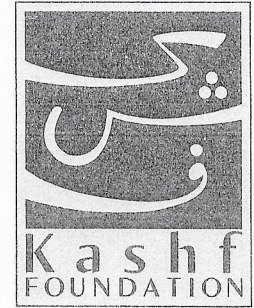
This letter is being issued in capacity of statutory auditor of the Company and on the specific request of the management of the Company for onwards submission to the CDC. Accordingly, this should not be distributed to any other third party without our prior written consent. Our certificate is solely for the purpose set forth in the first paragraph of this certificate and is restricted to the facts stated herein and the attachments.

We have initialed the annexed statement for identification purposes only.

Yours truly

**A. F. Ferguson & Co.
Chartered Accountants
Lahore**

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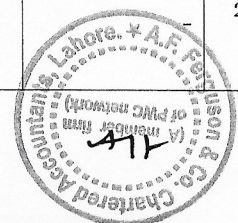


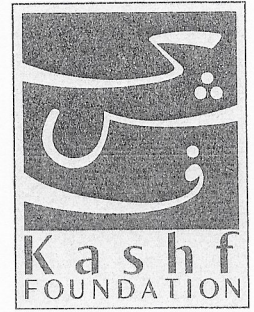
A COMPANY SET UP UNDER SECTION 42

STATEMENT OF PAYMENT OF REDEMPTION MONEY AGAINST THE REDEMPTION OF PRIVATELY PLACED TERM FINANCE CERTIFICATES ISSUED BY KASHF FOUNDATION

1. The secured, rated and Privately Placed Term Finance Certificates issued by Kashf Foundation were redeemed on September 30, 2023 comprising of 2,000 certificates each having face value of Rs. 100,000,000 resulting in aggregate redemption amount of Rs. 2,000,000,000. Kashf Foundation (the Company) has paid the aggregate amount (outstanding principal amount plus markup thereon) of Rs. 176,933,612 on September 30, 2023 in connection with the redemption of the secured, rated and Privately Placed Term Finance Certificates.
2. The holders of term finance certificates to whom payments were made are as follows:

Particulars	Number of certificates	Outstanding Principal	Markup	Total Gross Amount (PKR)	Tax on Markup	Total amount paid (PKR)
THE BANK OF PUNJAB	300	25,000,000	1,585,425	26,585,425	-	26,585,425
AQEEL KARIM DHEDHI SECURITIES (PRIVATE) LIMITED - STAFF PROVIDENT FUND	5	416,667	26,424	443,090	(3,964)	439,127
PAK OMAN INVESTMENT COMPANY LIMITED	50	4,166,667	264,237	4,430,904	(26,424)*	4,404,480
JUBILEE LIFE INSURANCE COMPANY LIMITED	25	2,083,333	132,119	2,215,452	(13,212)*	2,202,240
ADAMJEE INSURANCE COMPANY LIMITED EMPLOYEES' PROVIDENT FUND	20	1,666,667	105,695	1,772,362	-	1,772,362
NATIONAL BANK OF PAKISTAN	400	33,333,333	2,113,900	35,447,233	-	35,447,233
HABIB BANK LIMITED	300	25,000,000	1,585,425	26,585,425	-	26,585,425
ASKARI BANK LIMITED	300	25,000,000	1,585,425	26,585,425	-	26,585,425



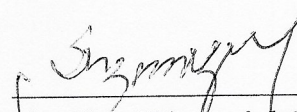


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Particulars	Number of certificates	Outstanding Principal	Markup	Total Gross Amount (PKR)	Tax on Markup	Total amount paid (PKR)
PAIR INVESTMENT COMPANY LIMITED	150	12,500,000	792,712	13,292,712	(118,907)	13,173,805
PAK LIBYA HOLDING COMPANY (PRIVATE) LIMITED	170	14,166,667	898,407	15,065,074	(134,761)	14,930,313
SONERI BANK LIMITED	25	2,083,333	132,119	2,215,452	-	2,215,452
PAKISTAN MOBILE COMMUNICATIONS LIMITED PROVIDENT FUND	40	3,333,333	211,390	3,544,723	-	3,544,723
CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED EMPLOYEES' GRATUITY FUND	5	416,667	26,424	443,090	-	443,090
AKD SECURITIES LIMITED	10	833,333	52,847	886,181	(5,285)*	880,896
BANK ALFALAH LIMITED	200	16,666,667	1,056,950	17,723,616	-	17,723,616
Total	2,000	166,666,667	10,569,498	177,236,164	(302,552)	176,933,612

* Tax deducted on payment of outstanding markup was done at the rate @10% instead of 15% under section 151 of the Income tax ordinance, 2001 with differential amounting to Rs. 22,460 which has been deposited to the concerned Taxation authority.

For and on behalf of Kashf Foundation


The Chief Financial Officer

Kashf Foundation
F-6, Shahr-e-Nazim, Lahore-Pakistan.

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