

13 October 2016  
Ref: ASL/PSX/0022/2016

Mr. Muhammad Ghufraan  
Deputy General Manager - Operations  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**SUBJECT: PROGRESS REPORT ON EXPANSION AT DHABEJI – AS ON 30 SEPTEMBER 2016**

Dear Sir

As required under Clause.19 of the letter bearing No.KSE/GEN-6603 dated 13 August 2015 issued by the Pakistan Stock Exchange Limited (Formerly: Karachi Stock Exchange Limited) with respect to the clearance of Prospectus of M/s. Amreli Steels Limited ("the Company"), we are pleased to submit quarterly progress report of the expansion plan at Dhabeji.

Status of activities charted in the prospectus is given as under –

| Task  | Expected Date of Activity Completion (As per Prospectus) | Status as on 30 June 2016   |
|---|--|---|
| Acquisition of land   | Already acquired   | Completed and already reported to Pakistan Stock Exchange   |
| Contract finalization with equipment supplier   | July 2015  | Completed and already reported to Pakistan Stock Exchange   |
| Layout finalization of equipment with auxiliaries   | September 2015   | Completed and already reported to Pakistan Stock Exchange   |
| Opening of LCs for the import of machineries  | September 2015   | Completed and already reported to Pakistan Stock Exchange   |
| Basic calculations of mill operating parameters and equipment design  | December 2015  | Completed and already reported to Pakistan Stock Exchange   |
| Detail designing of equipment with general arrangement of drawing and loading for civil foundation and utility requirements | April 2016   | Completed and already reported to Pakistan Stock Exchange   |
| Manufacturing of mechanical equipment   | August 2016  | In Process - manufacturing was initially expected to be completed by end of September 2016. However, this has now been delayed to November 2016.  |
| Civil foundations and shed erection   | August 2016  | This was expected to be completed by the end of September 2016. However, due to delay in submission of drawings from our engineering consultants only 50% civil construction could be completed and the remaining 50% is now expected to be completed by January 2017. The delay in civil work has also resulted in delay in erection of the building for which the revised target date is February 2017. |

**AMRELI STEELS LIMITED**

**Registered Office**

A/18, S.I.T.E., Karachi, Pakistan.  
Tel: +92-21 32587232-9  
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Email: sales@amrelisteels.com  
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|                                       |                |  |
|---------------------------------------|----------------|--|
| Delivery of mechanical equipment      | September 2016 | This was expected by the end of September 2016. However, as a result of delay in its manufacturing the 1 <sup>st</sup> consignment will be dispatched by mid-November 2016. The final delivery has therefore, been delayed to December 2016. |
| Manufacturing of electrical equipment | August 2016    | Completion of electrical equipment manufacturing was expected by last week of September 2016 which has now been delayed to November 2016.  |
| Delivery of electrical equipment      | September 2016 | As the manufacturing has been shifted to November 2016, the delivery will start from December 2016 and full delivery of equipment will be made by January 2017.  |

As a result of certain uncontrollable delays reported above in the design and construction of imported machinery and equipment, the revised target month for hot commissioning is end of August 2017 which was earlier planned in May 2017 while submitting the prospectus on 30 September 2015. At this stage we do not see any further delays in the project and we are pretty hopeful that the revised Commercial Operation Declaration month will be September 2017 and it will be met in time.

You are requested to disseminate the information to the TRE certificate holders of the Exchange accordingly.

Yours Sincerely,



Adnan Abdul Ghaffar  
Company Secretary



Fazal Ahmed  
Chief Financial Officer

c.c.:

Mr. Amir M. Khan Afridi  
Director - Capital Issue  
The Securities and Exchange Commission of Pakistan  
National Insurance Corporation Building  
63 Jinnah Avenue, Blue Area  
Islamabad - 44000, Pakistan

Mr. Asad Ullah Gondal  
Assistant Director - Capital Issue  
Securities Market Division  
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