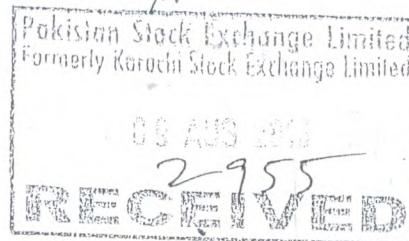


DEWAN KHALID TEXTILE MILLS LIMITED

August 8, 2016

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road
Karachi, Pakistan. Fax # (+92 21) 111 573 329



INCREASE IN PAID-UP CAPITAL

Dear Sirs,

Pursuant to a special resolution approved by the shareholders of the Company in an Extra Ordinary General Meeting held on May 19, 2016, and necessary approval thereon by the Securities and Exchange Commission of Pakistan under First Proviso to Section 86(1) of the Companies Ordinance, 1984; a sum of Rs. 30,000,000 (Rupees Thirty Million Only) has been capitalized against issuance of 3,000,000 ordinary shares at a par value of Rs. 10/- per share each. Copy of the referred approval letter issued by Securities and Exchange Commission of Pakistan is enclosed for your ready perusal and records.

In this connection, we are please to communicate the following information:

Paid-up Capital before further issue	:	6,610,759
Further Issue under First Proviso to Section 86(1) of the Companies Ordinance, 1984	:	3,000,000
Existing Paid-up Capital after Issue	:	9,610,759

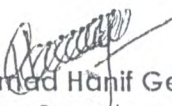
You are requested to kindly update your records accordingly. Following documents are attached herewith for your records and information.

1. A copy of Special Resolution passed by the Shareholders of the Company.
2. A copy of approval letter issued by Securities & Exchange Commission of Pakistan under Section 86(1) of the Companies Ordinance, 1984.
3. A copy of Form-3 along-with acknowledgement of its filing with the Companies Registration Office.
4. A copy of Auditor's Certificate.
5. Enclosed please find cheque No. 12229308 dated August 05, 2016 of Rs. 27,600/- (Rupees: Twenty Seven Thousand Six Hundred Only, net of 8% income tax), payment on account of Additional Listing Fee at the rate of one tenth of one percent due upon on increase in the paid-up capital of the Company under Pakistan Stock Exchange Regulations No. 5.18.1 (b).

DEWAN KHALID TEXTILE MILLS LIMITED

Kindly do let us know should you feel the need for any further information, clarification, or explanation in relation to the subject.

Yours truly,


Muhammad Hanif German
Company Secretary


Haroon Iqbal
Director

Enclosures: (As above)





EMD/233/107/2002 /CI 2332

June 23, 2016

Company Secretary,
Dewan Khalid Textile Mills Limited,
8th Floor, Block A, Finance & Trade Centre,
Shahrah-e-Faisal,
Karachi

Subject: Application under Section 86(1) of the Companies Ordinance, 1984 for permission to issue shares otherwise than right

Dear Sir,

Please refer to the subject application dated June 01, 2016 and subsequent correspondence by Dewan Khalid Textile Mills Limited (the "Company") regarding the subjected noted above.

2. In connection with this, I am directed to inform you that the competent authority on the basis of special resolution passed by the shareholders of the Company in the Extra Ordinary General Meeting (EOGM) held on May 19, 2016, information provided to the Commission and circumstances of the case has allowed the Company to issue 3,000,000 ordinary shares at par i.e. Rs. 10 per share by way of otherwise than right to Mr. Dewan Muhammad Yousuf Farooqui against conversion of his loan amounting to Rs. 30,000,000 under the first proviso to Sub-section (1) of Section 86 of the Companies Ordinance, 1984.

3. The aforesaid approval is however, subject to the following conditions:

- a) The aforesaid shares being issued by Company to Mr. Dewan Muhammad Yousuf Farooqui shall not be sold for a period of one year from the date of issuance of such shares.
- b) These shares shall be issued within 60 days of the date of this letter under intimation to this office;
- c) The Company shall inform the Commission within 07 days of the issuance of shares;
- d) The aforesaid approval for issuance of shares is being given based on the documents/ information provided, relevant laws and regulations and hence the Commission bears no responsibility whatsoever for the (express or implied) agreements between the lender and the Company.

4. It may be noted that the aforesaid is issued without prejudice to the compliance with relevant requirements of the Securities Act, 2015, if applicable.

5. Please acknowledge receipt.

Zohra Sarwar Khan
Deputy Director
Corporate Supervision Department



**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
ACKNOWLEDGEMENT OF FILING**

[See-regulation-13 (1)]

No. JR-I/0006194

Dated: 01/08/2016

30557
In the matter of **DEWAN KHALID TEXTILES MILLS LIMITED -
8TH FLOOR BLOCK A, FTC CENTRE, OFF MAIN SHAHRA E FAISAL
KARACHI,**

The Receipt of the under mentioned document(s) filed, registered and recorded pursuant to the provisions of the Companies Ordinance, 1984 (XLVII of 1984), is hereby acknowledged.

1. Form 3 dated 26-07-2016.

(Saghir Ahmed Hashmi)

Joint Registrar

4th Floor, SLIC Building No. 2, Karachi

Fee Rs. 600/-

Process ID: 2247995

FEROZE SHARIF TARIQ & CO.

FEROZE SHARIF TARIQ & CO.
Chartered Accountants
4-N/4, BLOCK 6, P.E.C.H.S,
KARACHI 75400

Voice: (+9221) 34540891
(+9221) 34542607
Facimile: (+9221) 34540891
E-mail: fstc.ca@gmail.com

July 26, 2016

The Board of Directors
Dewan Khalid Textile Mills Limited
Karachi.

Dear Sir,

AUDITORS' CERTIFICATE ON INCREASE IN PAID-UP-CAPITAL

We in the capacity of statutory auditors of M/s. Dewan Khalid Textile Mills Limited (the Company) certify that Issued, Subscribed and Paid-up Capital of the Company has been increased by Rs. 30,000,000/- divided into 3,000,000 ordinary shares of Rs. 10/- each against issue of shares to Dewan Muhammad Yousuf Farooqui under first proviso of Sub-Section (1) of Section 86 of the Companies Ordinance, 1984 by conversion of his outstanding loan. Accordingly the Issued, Subscribed and Paid-up Capital of the Company has been increased from Rs. 66,107,590/- (Rupees Sixty Six Million One Hundred Seven Thousand Five Hundred Ninety Only) divided into 6,610,759 ordinary shares of Rs. 10/- each to Rs. 96,107,590/- (Rupees Ninety Six Million One Hundred Seven Thousand Five Hundred Ninety Only) divided into 9,610,759 ordinary shares of Rs. 10/- each.

The outstanding loan has been converted into equity on the basis of special resolution passed by members in Extra Ordinary General Meeting of the Company held on May 19, 2016 and approval for the same has been granted under first proviso of Sub-Section (1) of the Section 86 of the Companies Ordinance, 1984 by Securities and Exchange Commission of Pakistan vide its letter no. EMD/233/107/2002/CI-2332 dated June 23, 2016.

Based upon our independent verification of the related documents and records; this certificate is issued without prejudice, and on your specific request, for onward submission to Central Depository Company of Pakistan Limited and Stock Exchanges in Pakistan and is not to be used for any other purpose or to be distributed to any other parties.

Thanking you

Yours truly


CHARTERED ACCOUNTANTS