



**DAR ES SALAAM TEXTILE MILLS
LIMITED**

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GULBERG-III,
LAHORE - 54662, PAKISTAN

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DTM/SAC/198-2019
October 23, 2019

Hafiz Maqsood Munshi
Manager
Companies and Securities Compliance-RAD
Pakistan Stock Exchange Limited
Stock Exchange Building
Karachi

INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019

Dear Sir,

This is with reference to your letter No.GEN-5074 dated October 08, 2019 on the captioned subject.

As per the knowledge of the Exchange and the various updates provided by the Company, we would like to apprise you that the Board has already authorized the management of the Company to explore various options.

In accordance with the approval of shareholders, the Company could not implement its alternate business plan as envisaged owing to delay in sale of land and building and settlement with lenders and creditors. The management is making all its efforts and also is currently in the process of evaluation of the various options such as manufacturing/ trading yarn and / or cloth within the main line of business. The management is also exploring option for potential investments, joint venture, strategic alliance / partnership etc arrangement to overcome the crisis being faced by the Company. Owing to the economic conditions of the Country, the management is also exploring business opportunities outside the principal line of business for which the Company may be required to seek shareholders' approval, if required.

The Company is hopeful that our efforts would be successful in near future and the Company shall resume its operations and will earn profits in coming financial year and it will be able to mitigate its losses and fulfill all its obligations.

In view of the above, we are hopeful that roadmap for revival of the Company would be finalised on or before March 31, 2019; therefore, you are requested to allow us some reasonable time in the best interest of all the stakeholders.

Yours truly,

For on behalf of Dar es Salaam Textile Limited


Shahid Amin
Company Secretary

Copy to:

The Director (CSD)-SECP
Additional Director (AD-SMD)-SECP
Acting Chief Regulatory Officer-PSX