

D.M. Industries Limited

(Formerly D.M. Textile Mills Limited)

October 17, 2020

Hafiz Maqsood Munshi

Manager

Companies and Securities Compliance –RAD
Stock Exchange Building, Stock Exchange Road
Karachi.

Subject:- Independent Auditors Report for the Year Ended June 30,2020

Pls discuss

Dear Sir,

Please refer to your letter No. PSX/ Gen-1949, dated October 06, 2020 regarding adverse auditors report.

There has been great change in the business activities due to COVID-19 pandemic. The ground realities now do not favour to undertake the proposed new line of business. The Board of Directors have therefore unanimously decided that the Company may primarily focus on the textile industry business which is likely to show improvement and will be beneficial for the Company and its members. Existing resources are proposed to be used for the new proposed principal line of business and current line of business will also continue simultaneously till it is comparatively feasible. Further, the Board of Directors are of the opinion that new proposed line of business will offer greater opportunities. Therefore the Board has also recommended that Company may re-adopt its earlier name "D. M. Textile Mills Ltd" which will commensurate the new proposed principal line of business.

Following Special Resolutions will be placed before the Members for their approval in the Annual General Meeting being held on October 27, 2020.

1. RESOLUTION No. 1

Resolved that the principal line of business of the company shall be to erect, maintain, alter, extend and purchase plant and machinery for the purpose of ginning, preparing, combing, spinning, weaving, manufacturing, bleaching, dyeing, mercerizing, printing, or otherwise working any of the fabrics and materials; and to carry on the business of sizers, spinners, weavers; ginner, pressers, doublers and balers of cotton, jute, hems, silk, artificial silk,

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synthetic fibre, wool and any fibrous material used in textile and manufacturing thereof or ancillary thereto and the business of weaving or otherwise manufacturing, bleaching, printing, dyeing, finishing, calendaring, processing, whether textile, frebled, netted or looped and of importing, exporting, buying, selling and dealing in cotton, yarn, fabrics, wool and other raw materials and transact mercantile business that may be necessary or expedient and to purchase and sell raw materials and manufactured articles.

2. RESOLUTION No.2

Resolved that new proposed name of the Company will be "D.M. Textile Mills Limited" so as to reflect its principal line of business.

The sponsors of the Company are striving very hard to start a new line of business and plans to move at a faster pace after receiving approval of the shareholders in the AGM. In light of these facts we request that the Company may be given additional time of four months to revitalize the Company. **The sponsors feel that placement of the Company on "Defaulter Segment" at this stage will not be appropriate as it will destabilize the process of revival of the Company.** We need PSX support in this regard and assure that the Company will be on the revival path in shortest possible time.

Thanking you.

Yours Sincerely,
For D.M. Industries Ltd



CHIEF EXECUTIVE