

DSL/PSX/11/2020/

19 November 2020

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

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2020

Dear Sir,

This is with reference to your letter No. PSX/GEN/2288/ dated 18 November 2020 on the captioned subject.

In respect of the above please refer to page 16 of the Financial Statements of the Company for the year ended 30 June 2020, wherein para-wise explanation on the qualification and reservations of the Company's Auditors have been given.

It is stated that the Company is making all its efforts for potential investment, joint venture strategic alliance / partnership to overcome the working capital crisis, being faced by the Company. Beside the negative impact of covid-19 on economic and social activities in the country, the Company is hopeful that their efforts would be successful in the near future and the Company will be able to resume its operations to earn profits in coming financial years and to fulfill all its obligations/liabilities in normal course of the business.

In addition to the above, it may be noted that the Company is already exploring a restructuring plan including negotiating with financial institutions for arrangement of funds for meeting working capital requirements. As soon as restructuring plan is finalized in the near future, the same shall be communicated to PSX.

In light of the above, we hereby also request PSX to remove the name of the Company from the Defaulters' Segment, because the said action of PSX leads more negative impact on negotiations with strategic partners/investors and the restructuring process undertaken by the Company.

Kindly acknowledge the receipt.

Your Sincerely,
Dost Steels Limited


Saad Zahid
Director

Head Office:

4th Floor Ibrahim Trade Centre,
1-Aibak Block, Barkat Market,
New Garden Town, Lahore -
54700, Pakistan.

Regional Office:

101 Chapal Plaza,
Hasrat Mohani Road,
Karachi - 74000

Mill Site:

52 km, Multan Road,
Phoolnagar - 55260,
Pakistan.