



**DAR ES SALAAM TEXTILE MILLS  
LIMITED**

20 Floor, Sky Tower- East Wing  
Dolmen City, HC-3, Block 4,  
Abdul Sattar Edhi Avenue,  
Clifton, Karachi.  
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**October 17 2024**

Mr. Hafiz Maqsood Munshi  
Senior Manager, Unit Head  
Listed Companies Compliance  
Regulatory Affairs Division  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

**Request for Removal of Dar-es-Salaam Textiles Mills Limited (DSML) from Defaulters' Segment Following Successful Amalgamation**

Dear Sir,

This is with reference to our previous correspondence dated October 14, 2024, regarding the subject mentioned above.

Enclosed, please find the auditors' certificate, which duly confirms that the issues resulting in Dar-es-Salaam Textiles Mills Limited (DSML) being placed in the defaulter segment have been fully resolved.

In light of this, we kindly request that you proceed with the removal of DSML from the Defaulters' Segment and initiate the unblocking of the shares held by the sponsors, directors, and senior management, which are currently frozen under Regulation 5.11.3 of the PSX Regulations.

We would appreciate your prompt attention and swift action on this matter.

Yours sincerely

  
Shayan Mufti  
Company Secretary



October 17, 2024

Ref: AA/FVJ/0373/23-24

The Board of Directors

**Dar Es Salaam Textile Mills Limited**

20<sup>th</sup> floor, Sky Tower – East Wing,  
Dolmen City, HC-3, Block 4,  
Abdul Sattar Edhi Avenue, Clifton,  
Karachi.

Dear Sir,

**Certificate for compliances with respect to violations as per Regulation 5.11.1(b) and Regulation 5.11.1(i) of the PSX Rule Book**

Pakistan Stock Exchange Limited (“PSX”) vide notice PSX/N-122 dated February 6, 2019 placed Dar Es Salaam Textile Mills Limited (“the Company”) in the defaulters’ segment based on the violations as stipulated in Regulation 5.11.1(b) and Regulation 5.11.1(i) of the PSX Rule Book (“the Rules”). Thus, PSX has issued notice to the Company raising the following issues:

- a) The Company has suspended commercial production / business operations in principal line of business for continuous period of one year.
- b) The statutory auditor of the Company has issued a qualified opinion on the going concern assumption or has issued a disclaimer or an adverse opinion in the audit report.

The previous auditor of the Company vide their audit report dated September 08, 2023 on the financial statements of the Company for the year ended 30 June 2023 has addressed the above stated issues and have issued an adverse opinion.

However, TPL Life Insurance Limited pursuant to the scheme of arrangement dated November 29, 2023 duly approved and sanctioned by the Honorable High Court of Sindh under order dated June 10, 2024 has merged with the Company. TPL Life Insurance Limited is a public unlisted company incorporated on March 19, 2008 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is registered as a life insurance company by the Securities and Exchange Commission of Pakistan (SECP) under the Insurance Ordinance, 2000. The Company obtained license to carry on life and related lines of insurance business on March 2, 2009. TPL Life Insurance Limited entered into reverse merger with the Company, resulting in the full integration of the entire business operations, assets, liabilities, and obligations of TPL Life Insurance Limited into the Company as of the effective date i.e. June 10, 2024. This merger was executed through the transfer, merger, and vesting of TPL Life Insurance Limited into the Company in exchange for shares allotted and issued to TPL Life Insurance Limited’s shareholders based on the swap ratio as per the Scheme of Arrangement.

Following the merger, the Company’s principal line of business, Memorandum of Association, and financial year have been revised to align with those of TPL Life Insurance Limited. Consequently, TPL Life Insurance Limited stands dissolved without winding up and all future activities will be conducted under the Company name. The financial year-end for the company has also been changed from June 30 to December 31.

The Company is in the process of changing its name from Dar es Salaam Textile Mills Limited to TPL Life Insurance Limited as per the scheme of arrangement.

**Scope of certificate**

With regard to the restoration of trading in the shares of the Company which has been placed in the defaulters’ segment, we have been requested by the management of the Company to certify that the violations as mentioned in point (a) and (b) above have been appropriately complied with.



## Management Responsibility

It is the management responsibility to provide evidence regarding information contained in this certificate.

## Practicing Member/ Auditor's Responsibility

Our responsibility is to certify that the issues stated in point (a) and point (b) above have been appropriately addressed in accordance with the 'Guidelines for Issue of Certificates for Special Purposes' by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

- i. Reviewing the approved scheme of arrangement and updated Memorandum of Association of the Company for verification of change in the principal line of business of the Company;
- ii. Reviewing the latest available reviewed condensed interim financial statements of the Company for the six months period ended 30 June 2024 to verify that the business operations of the Company have been restored as per the new principal line of business;
- iii. Reviewing the latest available reviewed condensed interim financial statements of the Company for the six months period ended 30 June 2024 to certify that the current auditor has not modified its review report in respect of going concern assumption.

## Certificate

Based on the procedures as mentioned above, we certify that the infirmities raised in the PSX notice issued as stated in point (a) and (b) above have been rectified. However, the process of changing the Company's name to TPL Life Insurance Limited is currently undergoing administrative formalities. As a result, the certified true copy of the revised Memorandum of Association is not yet available. We have verified the change in principal line of business of the Company from Article 12.1 of the scheme of arrangement which has been duly approved & sanctioned by the Honorable High Court of Sindh. The management has also provided legal opinion from M/s Mohsin Tayebaly & Co. in this respect that since the scheme of arrangement was sanctioned by the High Court of Sindh on June 10, 2024, the name of the company has legally changed from Dar Es Salaam Textile Mills Limited to TPL Life Insurance Limited, and the principal line of business has also been altered to cover insurance business. While, various administrative formalities for both the change of name and alteration of its principal line of business would still need to be completed in this respect, from a legal perspective, the above changes have already taken effect by way of operation of law.

## Restriction on use and distribution

This certificate is prepared to meet the requirements of PSX. As a result, the certificate shall not be relied upon for any other purpose. The purpose of this certificate is intended solely for the information and use by the management of the Company and PSX and should not be distributed to parties other than the Company or PSX.

Yours truly



Chartered Accountants  
Karachi.