

Cable : "SUHAIL JUTE" Rawalpindi
Fax : 92-51-5146538
E-mail : suhailjutemill@hotmail.com



H.O. Rawalpindi Phone : (051) 5146534-6
Nowshera Phone : (0923) 644274-5
Fax : (0923) 644332

Suhail Jute Mills Limited

(Manufacturers of Hessian Cloth, Twine & Bags)

Ref. No. 002/PSX/332

Dated _____

April 05 2022

Mr. Hafiz Maqsood Munshi
Senior Manager, Companies and Securities Compliance-RAD
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road,
KARACHI-74000

Dear Sir,

PROGRESS REPORT FOR THE QUARTER ENDED 31 MARCH 2022

We are pleased to provide you with a progress report in respect of Suhail Jute Mills Ltd., for the quarter ended 31 March 2022

As we have stated in our previous communications, the restart of commercial operations hinges entirely upon our ability to raise adequate financing for working capital and the discharge of outstanding obligations to creditors, principal among which is the settlement of obligations to institutions who have secured Decrees from the Courts.

The principal sponsors have substantially increased their financial stake in the Company by injecting funds to keep the Company afloat during the entire time it has remained non-operational and are obviously most interested in being able to restart operations so as to recoup their investment.

The Company has surplus assets that have become available for disposal, as a consequence of the Merger of (Colony) Sarhad Textile Mills Ltd, with and into, Suhail Jute Mills Limited. The Company owns a fully functional Jute Manufacturing facility,

Head Office:- 14-B.Civil Lines, P.O. Box No. 341, Rawlapindi (Pakistan).
Mills :- Kabul River Railway Station, Mardan Road, Nowshera, N.W.F.P

which has been maintained in a running order. The existing unit will be capable of generating revenue, once working capital becomes available, enabling commercial production to be recommenced.

Since the finalization of the merger, we have made strenuous efforts to sell such surplus assets so as to raise the required amount of funding. However, we have not been able to secure suitable terms for the same, particularly the front-loading of the consideration for the sale of surplus assets. It is to be appreciated that much of the period in question has been negatively impacted by the depressed economic conditions because of the effect of the Covid19 pandemic. Moreover, because part of the available assets includes Land, we have also faced issues relating to the end use of the Land, which has further shrunk the pool of potential buyers.


The quarter ended 31 March 2022, under report, was characterized by political uncertainty, included elections in Khyber Pakhtunkhwa, which negatively impacted our efforts. During the previous quarter ended, the Company had explored the viability of entering into joint ventures with potential buyers. We have been encouraged by the favorable feedback from potentially interested parties and remain actively engaged with them. The Company is also in the process of renewing shareholders' approval for the disposal of assets and securing a mandate to enter into joint ventures for this purpose. An extraordinary General Meeting of the Company's members has been called for the 18 of April 2022.

We shall continue to keep you apprised of any developments in this regard

We trust the above is in order.

Yours truly,

For, SUHAIL JUTE MILLS LIMITED



SUHAIL FAROOQ SHAIKH
CHIEF EXECUTIVE