



Crescent Jute Products Limited

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Lahore - 54792, Pakistan. Tel : + 92 42 37186438-9

CJPL/ACS/PSX/ 105
September 26, 2019

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

Subject: Compliance Deadline in respect of Order Issued by SECP for initiating Winding-Up Proceedings against the Company.

Dear Sir,

Reference to your letter no PSX/Gen-4698 dated September 23, 2019 on above mentioned subject.

We wish to inform you the company has filed writ petition no 225428/2018 before the Lahore High Court Lahore and status quo to be maintained ordered passed by the LHC. Copy of Writ Petition and LHC order has already been sent to you vide our letter no CJPL/ACS/PSX/384 dated April 02, 2019 for your information and record please.

There is no movement in the subject matter since the last communication with you. Copy of our last quarter director report is attached which will make more clear about our future plan.

Thanks and regards

For Crescent Jute Products Limited

Chief Financial Officer

Encl: as Above

27/9/19



**CRESCENT JUTE
PRODUCTS LTD.**

DIRECTORS REPORT TO THE SHAREHOLDERS

Accounts for the nine months ended March 31, 2019 show a loss of Rupees 38.69 million, as compared to loss of Rupees 39.47 million in the corresponding periods in 2018. This loss is primary attributed to the exchange loss due to the significant depreciation in rupee against the US dollar and its impact on our liabilities with financial institutions, borrowing cost, professional fee paid to lawyers on account of our ongoing cases with financial institutions and the cost of minimum staff required for the managing the corporate affairs and safe guarding remaining assets of company.

The management is in the process of implementing the closure plan approved by the BOD and Shareholders. There were two parts of this plan i.e. Disposal of Assets and Future Business plan. As far as the Disposal of Assets is concerned, significant progress has been made in this regard i.e. Majority of payments against disposal of fixed assets have been realized. However, the cheques amounting to 66.67 million relating to last installment of land disposal, due on Dec, 2017, were dishonored by the buyer's bank. We have already served legal notice for non-payment and also filed civil suit for cancellation of agreement against the buyer which is pending adjudication.

With regards to the Future Business Plan it was contingent upon settlement of liabilities with financial institutions and any surplus realized thereof. In this regard the progress has been very slow as we are still under litigation with the concerned financial institutions. This inordinate delay in settlement of liabilities has not only resulted in non- implementation of the business plan but has also resulted in additional operational costs without any business activity. Although, our Legal advisors are fairly optimistic on a favorable outcomes in all pending cases the timelines for the same are very difficult to predict. In view the same, the implementation of any future business plan will be explored on realization of any surplus of funds, after full and final settlement all outstanding liabilities with the financial institutions.

The below table will clear more situation about the closure plan approved by the BOD and shareholders in their meetings.

Book value of assets sold so far Rs. in million	24.902
Sale proceed received Rs. in million	432.605
Gain on sale of assets Rs. in million	154.222
Utilization of disposal proceed	Funds utilized for the repayment of mark up bearing borrowing 71 M and 120 M deposit with deputy registrar Lahore high court Lahore against BOP loan, balance used for the repayment of director loan and to meet administrative and other expenses.
Book value of remaining assets to be sold	All assets has been sold, as regards land entry in the books of account will be made on the receipt of final payment.

In the meanwhile, we remain focused on cost controls and every possible effort is being made to curtail and keep the expenses to a minimum level.

For and on behalf of the Board

(Humayun Mazhar)
Chief Executive Officer

Khurram Mazhar Karim
Director

Lahore: April 25, 2019