

# **Private & Confidential**

## **Auditors' Report and Financial Statements**

of

**M M Jute Mills Ltd.**

Banshbaria, Chattogram.

For the year ended 30<sup>th</sup> June, 2025.

## **MASUD ALTAF & CO.**

Chartered Accountants

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## **Independent Auditors' Report of M M Jute Mills Ltd.**

### **Opinion**

We have audited the Financial Statements of **M M Jute Mills Ltd.** which comprise the Statement of Financial Position as on 30<sup>th</sup> June, 2025 and related the Statement of Manufacturing, Trading and Profit (Loss) and Other Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters describe in the basis for Qualified Opinion paragraph, the accompanying financial statements of the Company gives a true and fair view of the financial position as on 30<sup>th</sup> June, 2025 and of its Statement of Manufacturing, Trading and Profit (Loss) and Other Comprehensive Income, Changes in Equity and Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted in Bangladesh.

### **Basis for Qualified Opinion**

1. Property, Plant and Equipment (PPE) amounting to Tk. 1,080,290,806.00 presented in The Statements of Financial Position. The Company does not maintain a fixed asset register, and no physical identification tags are attached to the assets. Many of the assets have remained idle for years and are not usable. These have not been presented at fair value in the financial statements. Accordingly, we were unable to verify the accuracy, existence, and valuation of PPE.
2. The Company has reported investments in the shares of several companies amounting to Tk. 1,487,678.00. No supporting documents, share certificates, or confirmations were made available to us in respect of these investments. Furthermore, some of the investee companies are no longer in operation, and the carrying value of the investments has remained unchanged for several years. Accordingly, we were unable to verify the existence, ownership, and valuation of these investments.
3. The Company has included an amount of Tk. 1,578,487.00 under "Store in Transit" within stock, store and spares, which has been carried forward since the financial year 2002–2003. No supporting documents, or other evidences were made available to substantiate the existence of these amount.
4. The Company has reported Tk.18,463,399.00 as receivable from other jute mills under Bangladesh Jute Mills Corporation (BJMC). These mills have ceased operations, and the balances have remained outstanding for several years without recovery. An amount is also receivable from Nature Bac. amounting to Tk.53,853,477.00., against which legal proceedings are ongoing. However, no provision for doubtful debts has been made in the financial statements for this or other long-outstanding receivables.



5. The Company has reported inter-mill balances amounting to Tk. 32,574,737.00 receivable from, and Tk. 19,314,166.00 payable to, other mills under the Bangladesh Jute Mills Corporation (BJMC). These balances have been carried forward for several years. Although some recent transactions are being adjusted through LPC, no supporting documentation or confirmation for the outstanding old balances was made available to us.
6. The Company has long-term loans amounting to Tk. 920,746,572.00 which have been carried forward for several years. During the audit, no supporting documentation was made available to verify these balances.
7. Under Liabilities of Other Finance, a total of Tk. 39,979,825.00 has been shown. This includes the following major items: Security Deposit: Tk. 1,526,066.00. Advance against sales proceeds Alex watt amounting to Tk. 20,722,743.00 – No supporting evidence or documentation was found regarding the parties from whom these deposits and advance were collected. Some deposit balances appear to relate to parties who are no longer expected to claim the amounts.

### **Emphasis of Matter**

We draw attention to Note - M to the financial statements, which describes that M.M Jute Mills Ltd. has remained closed since 2020, and the company has been incurring continuous losses for several years. The plant and machinery have been declared as scrap and disposed of through tender, and the company is currently under a leasing process initiated by Bangladesh Jute Mills Corporation (BJMC). These events or conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis, and management expects that the Government of Bangladesh will take necessary steps regarding the future operation or settlement of the Company's liabilities. Our opinion is not modified in respect of this matter.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants, Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the financial statements of the Company and also separate financial statement of the Company in accordance with IFRSs as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not
- detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationship and other matters that may reasonably be thought to on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the rules and regulations issued by regulatory authorities, we also report the following:

- a) **MM Jute Mills Ltd.** is a government entity under BJMC.
- b) In our opinion, certain long-outstanding balances (debtors, advances, deposits, inter-mill transactions, Long Term Loan liabilities) lack supporting documents, which should be maintained as per government accounting guidelines.
- c) All long-term loans of the mill, including principal and accrued interest, are government-guaranteed and will be settled under government supervision
- d) Except for these matters, the Company complied with applicable legal and regulatory requirements regarding government oversight and statutory reporting.

Dated, Dhaka.  
3<sup>rd</sup> December, 2025.



(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. 0684

**MASUD ALTAF & CO.**

Chartered Accountants

**DVC: 2512030684AS463077**

**M M Jute Mills Ltd.**  
Banshbaria, Chattogram.

**Statement of Financial Position as on 30th June, 2025**

Sl. #	Particulars	Note/ Sch.	Amount (Tk.)	
			30.06.2025	30.06.2024
<b>Property &amp; Assets :</b>				
<b>A. Non Current Assets :</b>				
	At Cost/Revaluation less accumulated depreciation	1.00	1,080,290,806	1,129,812,170
	Investment	2.00	1,487,678	1,487,678
	<b>Total Non Current Assets : (A)</b>		<b>1,081,778,484</b>	<b>1,131,299,848</b>
<b>B. Current Assets :</b>				
	Stock, Stores & Spares	3.00	1,578,487	2,843,553
	Debtors ( Less : Provisions )	4.00	72,720,283	72,720,283
	Due from BJMC Mills	5.00	32,574,737	32,669,986
	Advance, Deposit & Pre-payment	6.00	1,188,461	1,157,247
	Interim Revenue support receivable	7.00	4,300,219	4,300,219
	BJMC H/O Lease Account	8.00	15,249,171	15,249,171
	Cash & Cash Equivelent	9.00	14,937,132	18,913,974
	<b>Total Current Assets : (B)</b>		<b>142,548,490</b>	<b>147,854,433</b>
	<b>Total Property &amp; Assets : (A+B)</b>		<b>1,224,326,974</b>	<b>1,279,154,281</b>
<b>Capital &amp; Liabilities :</b>				
<b>C. Authorized Capital</b>				
		10.00	<b>25,000,000</b>	<b>25,000,000</b>
<b>D. Equity &amp; Retained Earnings</b>				
	Issued, Subscribed & Paid-up Capital	11.00	7,000,000	7,000,000
	Govt. Equity Contribution	12.00	77,083,000	77,083,000
	Reserves	13.00	1,094,086,501	1,109,586,570
	Profit & Loss Account (Retained Earning)	14.00	(1,329,689,548)	(1,273,358,613)
	<b>Total Equity &amp; Retained Earnings</b>		<b>(151,520,047)</b>	<b>(79,689,043)</b>
<b>E. Non-Current Liabilities</b>				
	BJMC Current Account	15.00	339,702,983	328,451,063
	Long Term Loan	16.00	920,746,572	920,746,572
	Gratuity Liabilities ( Provision )	17.00	26,304,180	21,925,800
	<b>Total Non-Current Liabilities :</b>		<b>1,286,753,735</b>	<b>1,271,123,435</b>
<b>F. Current Liabilities :</b>				
	Liabilities for Goods	18.00	782,651	821,884
	Liabilities for Expenses	19.00	15,218,264	14,386,983
	Liabilities for other Finance	20.00	39,979,825	40,825,277
	Due to BJMC Mills	21.00	19,314,166	19,320,493
	Gratuity Payable Account (Current )	22.00	13,798,380	12,365,252
	<b>Total Current Liabilities :</b>		<b>89,093,286</b>	<b>87,719,889</b>
	<b>Total Capital &amp; Liabilities : (D+E+F)</b>		<b>1,224,326,974</b>	<b>1,279,154,281</b>

This is Statement of Financial Position referred to in our separate report of even date.

Dated, Dhaka.

3rd December, 2025

জিয়াউদ্দীন মাহমুদ সেলিম  
উপ-বাবস্থাপক (হিসাব ও অর্থ)  
এম এম জুট মিলস লিমিটেড  
বান্দারবাড়ীয়া, সীতাকুণ্ড, চট্টগ্রাম

মোহাম্মদ এনায়েত উল্লাহ  
Chartered Accountants  
Dhaka

(Md. Altaf Hossain Masud, FCA)  
Principal, Enrolment No. : 0684  
MASUD ALTAF & CO.  
Chartered Accountants  
DVC: 2512030684AS463077



**M M Jute Mills Ltd.**

Banshbaria, Chattogram.

**Statement of Manufacturing, Trading and other Comprehensive Income for the year ended 30th June, 205.**

Sl. #	Particulars	Sch. No	Amount (Tk.)	
			2024-2025	2023-2024
<b>Income :</b>				
1	Foreign sales		-	-
2	Local Sales		-	-
3	Local Sales (Process goods)		-	-
4	Local Sale (Others Scrap Machinery)	23.00	-	45,416,305
5	<b>Total sales : (1+2+3+4)</b>		-	<b>45,416,305</b>
6	Subsidy		-	-
7	<b>Total Income : (5+6)</b>		-	<b>45,416,305</b>
<b>Material cost :</b>				
8	Opening Work-in-process		-	-
9	Raw Jute Consumed	24.00	-	-
10	Charge on Raw Jute		-	-
11	Other direct materials Consumed	25.00	-	-
12	<b>Sub-Total (8 to 11)</b>		-	-
13	Closing Work-in-Process		-	-
14	<b>Total Material cost ? (12-13)</b>		-	-
<b>Conversion cost :</b>				
15	Opening Work-in-Process		-	-
16	Wages	26.00	-	-
17	Salaries	27.00	17,120,933	17,581,488
18	Power/Electricity	28.00	303,312	643,103
19	Repairs & Maintenance	29.00	258,196	137,755
20	Insurance	30.00	134,814	85,986
21	Depreciation	31.00	512,357	5,270,272
22	Other Overhead	32.00	123,686	82,808
23	<b>Sub-Total : (15 to 22)</b>		<b>18,453,298</b>	<b>23,801,412</b>
24	Closing Work-in-Process		-	-
25	<b>Total Conversion Cost (23-24) :</b>		<b>18,453,298</b>	<b>23,801,412</b>
26	<b>Cost of Production (14+25)</b>		<b>18,453,298</b>	<b>23,801,412</b>
27	Opening stock of Finished Goods		-	-
28	<b>Cost of Goods Available for sale (26+27)</b>		<b>18,453,298</b>	<b>23,801,412</b>
29	Closing stock of Finished Goods		-	-
30	<b>Total Cost of Sales (28-29)</b>		<b>18,453,298</b>	<b>23,801,412</b>
31	<b>Gross Profit/(Loss) (7-30)</b>		<b>(18,453,298)</b>	<b>21,614,893</b>
32	Administrative expenses	33.00	1,160,710	4,013,434
33	Selling expenses	34.00	-	4,180
34	<b>Total Operating expenses (32 to 33)</b>		<b>1,160,710</b>	<b>4,017,614</b>
35	<b>Operating Profit/(Loss) (31-34)</b>		<b>(19,614,008)</b>	<b>17,597,279</b>
<b>Financial expenses :</b>				
36	Interest (Cash Credit)	35.00	-	-
37	Interest (Long term Loan)	36.00	-	-
38	<b>Total Interest (36+37)</b>		-	-
39	<b>Total Profit/(Loss) (35-38)</b>		<b>(19,614,008)</b>	<b>17,597,279</b>
40	Non-Operating Income		1,160,080	978,115
41	<b>Total Profit/(Loss) before Tax (39-40)</b>		<b>(18,453,928)</b>	<b>18,575,394</b>
42	AIT Deduction		-	-
43	<b>Net Profit/(Loss) after Tax</b>		<b>(18,453,928)</b>	<b>18,575,394</b>

This is the Statement of Manufacturing, Trading and other Comprehensive Income referred to in our separate report of even date.

Dated, Dhaka.  
3rd December 2025

জিয়াউদ্দীন মাহমুদ সেলিম  
উপ-স্বাক্ষরকারী (হিসাব ও অর্থ)  
এম এম জুট মিলস লিমিটেড  
বংশবারীয়া, সীতাকুণ্ড, চট্টগ্রাম।

মোহাম্মদ এনারোল উল্লাহ  
উপ-স্বাক্ষরকারী (প্রশাসন) ও  
প্রকল্প প্রধান  
এম এম জুট মিলস লিমিটেড  
বংশবারীয়া, সীতাকুণ্ড, চট্টগ্রাম।

(Md. Altaf Hossain Masud, FCA)  
Principal, Enrolment No. : 0684  
MASUD ALTAF & CO.  
Chartered Accountants  
DVC: 2512030684AS463077



**M M Jute Mills Ltd.**  
Banshbaria, Chattogram.

**Statement of Manufacturing, Trading and other Comprehensive Income  
for the year ended 30th June, 2025.**

Sl. #	Particulars	Sch. No	Amount Tk. (In Lac.)				Per ton	
			Yarn	CBC	Total	Last year 30.06.2024	Yarn	CBC
	<b>Income :</b>							
1	Foreign sales		-	-	-	-	-	-
2	Local Sales		-	-	-	-	-	-
3	Local Sales (Process goods)		-	-	-	-	-	-
4	Local Sale (Others Scrap Machinery)	23.00	-	-	-	454.16	-	-
5	<b>Total sales : (1+2+3+4)</b>		-	-	-	<b>454.16</b>	-	-
6	Subsidy		-	-	-	-	-	-
7	<b>Total Income : (5+6)</b>	23.00	-	-	-	<b>454.16</b>	-	-
	<b>Material cost :</b>							
8	Opening Work-in-process		-	-	-	-	-	-
9	Raw Jute Consumed	24.00	-	-	-	-	-	-
10	Charge on Raw Jute		-	-	-	-	-	-
11	Other direct materials Consumed	25.00	-	-	-	-	-	-
12	<b>Sub-Total (8 to 11)</b>		-	-	-	-	-	-
13	Closing Work-in-Process		-	-	-	-	-	-
14	<b>Total Material cost : (12-13)</b>		-	-	-	-	-	-
	<b>Conversion cost :</b>							
15	Opening Work-in-Process		-	-	-	-	-	-
16	Wages	26.00	-	-	-	-	-	-
17	Salaries	27.00	-	-	171.21	175.82	-	-
18	Power/Electricity	28.00	-	-	3.03	6.43	-	-
19	Repairs & Maintenance	29.00	-	-	2.58	1.38	-	-
20	Insurance	30.00	-	-	1.35	0.86	-	-
21	Depreciation	31.00	-	-	5.12	52.70	-	-
22	Other Overhead	32.00	-	-	1.24	0.82	-	-
23	<b>Sub-Total : (15 to 22)</b>		-	-	<b>184.53</b>	<b>238.01</b>	-	-
24	Closing Work-in-Process		-	-	-	-	-	-
25	<b>Total Conversion Cost (23-24) :</b>		-	-	<b>184.53</b>	<b>238.01</b>	-	-
26	<b>Cost of Production (14+25)</b>		-	-	<b>184.53</b>	<b>238.01</b>	-	-
27	Opening stock of Finished Goods		-	-	-	-	-	-
28	<b>Cost of Goods Available for sale (26+27)</b>		-	-	<b>184.53</b>	<b>238.01</b>	-	-
29	Closing stock of Finished Goods		-	-	-	-	-	-
30	<b>Total Cost of Sales (28-29)</b>		-	-	<b>184.53</b>	<b>238.01</b>	-	-
31	<b>Gross Profit/(Loss) (7-30)</b>		-	-	<b>(184.53)</b>	<b>216.15</b>	-	-
32	Administrative expenses	33.00	-	-	11.61	40.14	-	-
33	Selling expenses	34.00	-	-	-	0.04	-	-
34	<b>Total Operating expenses (32 to 33)</b>		-	-	<b>11.61</b>	<b>40.18</b>	-	-
35	<b>Operating Profit/(Loss) (31-34)</b>		-	-	<b>(196.14)</b>	<b>175.97</b>	-	-
	<b>Financial expenses :</b>							
36	Interest (Cash Credit)	35.00	-	-	-	-	-	-
37	Interest (Long term Loan)	36.00	-	-	-	-	-	-
38	<b>Total Interest (36+37)</b>		-	-	-	-	-	-
39	<b>Total Profit/(Loss) (35-38)</b>		-	-	<b>(196.14)</b>	<b>175.97</b>	-	-
40	Non-Operating Income		-	-	11.60	9.78	-	-
41	<b>Total Profit/(Loss) before Tax (39-40)</b>		-	-	<b>(184.54)</b>	<b>185.75</b>	-	-
42	AIT Deduction		-	-	-	-	-	-
43	<b>Net Profit/(Loss) after Tax</b>		-	-	<b>(184.54)</b>	<b>185.75</b>	-	-

This is the Statement of Manufacturing, Trading and other Comprehensive Income referred to in our separate report of even date.

Dated, Dhaka.  
3rd December, 2025.



(Md. Altaf Hossain Masud, FCA)  
Principal, Enrolment No. : 0684  
MASUD ALTAF & CO.  
Chartered Accountants  
DVC: 2512030684AS463077

## M M Jute Mills Ltd.

Banshbaria, Chattogram.

### Statement of Changes in Equity for the year ended 30th June, 2025.

Particulars	Share Capital	Equity Contribution	Capital Reserve	Profit & Loss A/C	Total (Tk.)
Balance as on 01.07.2024	7,000,000	77,083,000	1,172,171,844	(1,273,358,613)	(17,103,769)
Depreciation on Re-valuation Assets	-	-	(96,084,397)	-	(96,084,397)
Excess of sales value over the cost of overhead charge	-	-	22,475,024	-	22,475,024
Asset Disposal and transfer to Profit & Loss Account	-	-	(4,475,970)	-	-
Prior year Adjustment	-	-	-	(42,352,977)	(42,352,977)
Profit & Loss A/C	-	-	-	(18,453,928)	(18,453,928)
Transfer from Reserve	-	-	-	4,475,970	-
<b>Balance as on 30.06.2025</b>	<b>7,000,000</b>	<b>77,083,000</b>	<b>1,094,086,501</b>	<b>(1,329,689,548)</b>	<b>(151,520,047)</b>

### Statement of Changes in Equity for the year ended 30th June, 2024.

Particulars	Share Capital	Equity Contribution	Capital Reserve	Profit & Loss A/C	Total (Tk.)
Balance as on 01.07.2023	7,000,000	77,083,000	1,172,171,844	(1,211,035,420)	45,219,424
Depreciation on Re-valuation Assets	-	-	(85,060,298)	-	(85,060,298)
Excess of Sales value over the cost of overhead Charges	-	-	22,475,024	-	22,475,024
Prior year Adjustment	-	-	-	(80,898,587)	(80,898,587)
Profit & Loss A/C	-	-	-	18,575,394	18,575,394
<b>Balance as on 30.06.2024</b>	<b>7,000,000</b>	<b>77,083,000</b>	<b>1,109,586,570</b>	<b>(1,273,358,613)</b>	<b>(79,689,043)</b>

This is the Statement of Changes in Equity referred to in our separate report of even date.

Dated, Dhaka.  
3rd December, 2025.



  
(Md. Altaf Hossain Masud, FCA)  
Principal, Enrolment No. : 0684  
**MASUD ALTAF & CO.**  
Chartered Accountants  
DVC: 2512030684AS463077

## M M Jute Mills Ltd.

Banshbaria, Chattogram.

### Statement of Cash Flow for the year ended 30th June, 2025.

Sl. #	Particulars	Amount (Tk.)	
		2024-2025	2023-2024
<b>A. <u>Cash Flow from Operating Activities :</u></b>			
	Net Profit/(Loss) for the year	(18,453,928)	18,575,394
	Depreciation	512,357	5,270,272
	Prior year Adjustment	(4,368,069)	(80,898,587)
	<b>Total</b>	<b>(22,309,640)</b>	<b>(57,052,921)</b>
<b><u>Increase/ (Decrease) in Current Assets :</u></b>			
	Stock of Stores & Spares	1,265,066	6,361,520
	Due from BJMC Mills	95,249	86,055
	Advance, Deposits, & Prepayment	(31,214)	(93,696)
	<b>Total</b>	<b>1,329,101</b>	<b>6,353,879</b>
<b><u>Increase/ (Decrease) in Current Liabilities :</u></b>			
	Due to BJMC Mills	(6,327)	-
	Liabilities for Expenses	831,281	1,175,995
	Liabilities for Goods	(39,233)	-
	BJMC Current Account	11,251,920	46,270,278
	Gratuity Liabilities (Provision)	4,378,380	(2,604,160)
	Gratuity Payable Account (Current)	1,433,128	5,546,820
	<b>Total</b>	<b>17,849,149</b>	<b>50,388,933</b>
	<b>Total Net Cash used by Operating Activities :</b>	<b>(3,131,390)</b>	<b>(310,109)</b>
<b>B. <u>Cash Flow from Investing Activities :</u></b>			
	Addition of Non-Current Assets	-	-
	<b>Total Net Cash used by Investing Activities :</b>	<b>-</b>	<b>-</b>
<b>C. <u>Cash Flow from Financing Activities :</u></b>			
	Liabilities for Other Finance	(845,452)	619,598
	<b>Total Net Cash Provided by Financing Activities :</b>	<b>(845,452)</b>	<b>619,598</b>
	<b>Net Cash Inflow /Outflow : (A+B+C)</b>	<b>(3,976,842)</b>	<b>309,489</b>
	Cash & Bank Balance at the beginning of the year	18,913,974	18,604,485
	<b>Cash &amp; Bank Balance at the ending of the year</b>	<b>14,937,132</b>	<b>18,913,974</b>

This is the Statement of Cash Flows referred to in our separate report of even date.

Dated, Dhaka.  
3rd December, 2025.



(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. : 0684

**MASUD ALTAF & CO.**

Chartered Accountants

**DVC: 2512030684AS463077**

## M M Jute Mills Ltd.

Banshbaria, Chattogram.

### Notes to the Financial Statements for the year ended 30th June, 2025.

**A. Legal form of the Enterprise :**

M M Jute Mills Ltd. was incorporated in then the East Pakistan under the Company Act 1913 subsequently amended in 1994. The mill was placed under the control and management of Bangladesh Jute Mills Corporation (BJMC) under P.O. 27 of 1972. is subsequently and placed Bangladesh industrial enterprise (Nationalisation Act.25 year of 2018)

**B. Nature of Business :**

The principal activities of the company is manufacturing, local sale and export of jute yarn and C.B.C.

**C. Significant Accounting Policies :**

The Mill follows an integrated accounting system. These accounts have been prepared on a going concern basis under historical cost conversion based on the generally accepted accounting principles consistently applied.

**D. Basis of Presentation :**

Financial Statement presentation follows the formats recommended in the International Financial Reporting Standards.

**E. Cash and Cash Equivalents :**

Cash in hand and cash at bank have been considered as cash and cash equivalents for the preparation of these financial statements, which were held and are available for use by the factory without any restriction. There was no significant risk of changes in value of these current assets.

**F. Fixed Assets :**

The Fixed Assets are shown at cost & Revaluation less accumulated depreciation. First time Revaluation was made in the year 1992-93 and second time Revaluation was made in the year 2016-2017 and increased value transferred to Capital Reserve Account as per BJMC Guide Line.

**G. Depreciation :**

Fixed Assets were depreciated at straight line method @ 2.5% to 25% according the type of assets.

**H. Foreign Currency Transaction:**

Revenue transactions of foreign currency are converted in Bangladeshi taka at the exchange rate prevailing on the date of transaction.

**I. Service Benefits :**

(a) The mills is maintaining a contributory Provident Fund for its every permanent employee. The mills is providing contribution to the Fund 10% of basic Salary of each permanent employee and for company's 8.33% of Basic Salary from November 2017.

(b) The mills also provides Gratuity benefit to its every permanent employee equivalent to two months last basic wages/salary for each completed year of service.

**J. Taxation :**

The mills is incurring loss since long. This year the factory also incurred loss. On the other hand source tax deducted on export proceeds have adjusted against company tax.

**K. Liabilities for Expenses :**

Provision for certain expenses and known liabilities were made in the accounts during the year under audit.

**L. Reporting period :**

The financial statements of the factory cover the period of 1st July, 2024 to 30th June, 2025 consistently.

**M. Present Condition :**

M.M Jute Mills Ltd. has remained non-operational since 2020. No production activities have been carried out since closure. The Company is currently leasing the mill premises through tender procedures initiated by Bangladesh Jute Mills Corporation (BJMC). All plant and machinery have been declared as scrap. Disposal of these assets is being conducted through public tender.

