

Final

Private & Confidential

Auditors' Report Financial Statements

of

Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

For the year ended 30th June, 2024.

MASUD ALTAF & CO.

Chartered Accountants

Dom-Inno Apartment, B-1

23/16, Khilji Road, Block-B

Shyamoli, Mohammadpur, Dhaka-1207.

Telephone no. 88-02-48117178

Mobile no. 01711-536193

E-mail : macaudit.2002@gmail.com

Independent Auditors' Report of Aleem Jute Mills Ltd.

Opinion

We have audited the Financial Statements of **Aleem Jute Mills Ltd.** which comprise the Statement of Financial Position as on 30th June, 2024 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, the accompanying financial statements of the Company gives a true and fair view of the financial position as on 30th June, 2024 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 explained in note B and other applicable laws and regulations.

Basis for Qualified Opinion

1. Stores & Spares amounting to **Tk. 17,300,073.00** coming from last year without any adjustments. (See Accounts Notes 3.01).
2. Sundry Debtors (including Subsidy Receivable, Duty Draw Back, BJC, Insurance Claim) amounting to **Tk. 4,706,344.00** is being carried forward from previous years without any realization/adjustments. (See Accounts Notes 4.01).
3. Due from BJMC Mills amounting to **Tk. 1,735,427.00** from 04 (four) party coming from last year without any adjustment. (See Accounts Notes 5.00).
4. Advance against Expenses amounting to **Tk. 323,101.00** from 10 (ten) no. of employees out of which **Tk. 233,101.00** from 06 (six) employees coming from last year without any adjustment. (See Accounts Notes 6.01.(c)).
5. Advance against Audit Claim amounting to **Tk. 2,152,152.00** from 04 (four) no. of employees coming from last year without any adjustment. (See Accounts Notes 6.01(d)).
6. Prepayments amounting to **Tk. 63,109.00** coming from last year without any adjustment. (See Accounts Notes 6.00).
7. Liabilities for Expenses amounting to **Tk. 35,369,556.00** in which Provision for Land Taxes amounting to **Tk. 31,266,932.00** which is being duly provision by the company but has not been deposited to government treasury (See Accounts Notes 18.00).



MASUD ALTAF & CO.

Chartered Accountants

Dom-Inno Apartment, B-1
23/16, Khilji Road, Block-B
Shaymoli, Mohammadpur, Dhaka-1207.
Tel : 88-02-48117178, 01711-536193
E-mail : macaudit.2002@gmail.com

8. Liabilities for Others Finance (including PF) amounting to **Tk. 11,246,799.00** (in which VAT deducted at source by amounting **Tk. 3,315,607.00** & Tax deducted at source by amounting **Tk. 320,993.00**). VAT & TAX duly deducted by the company from various suppliers but has not been to deposited to government treasury within stipulated time which is a non-compliance of **VAT & SD Act, 2012 & Income Tax Act 2023** (See Accounts Notes 19.00).

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.



MASUD ALTAF & CO.

Chartered Accountants

Dom-Inno Apartment, B-1
23/16, Khilji Road, Block-B
Shaymoli, Mohammadpur, Dhaka-1207.
Tel : 88-02-48117178, 01711-536193
E-mail : macaudit.2002@gmail.com

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.



MASUD ALTAF & CO.
Chartered Accountants

Dom-Inno Apartment, B-1
23/16, Khilji Road, Block-B
Shaymoli, Mohammadpur, Dhaka-1207.
Tel : 88-02-48117178, 01711-536193
E-mail : macaudit.2002@gmail.com

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) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books.
- c) The Statement of Financial Position, Manufacturing, Trading and Profit (Loss) and Other Comprehensive Income, Changes in Equity & Cash Flow for the year then ended dealt with by the report are in agreement with the books of account and returns, and
- d) The expenditures incurred were for the purpose of the company's business for the year.

Dated, Dhaka.
12th March, 2025.



(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. 0684

MASUD ALTAF & CO.

Chartered Accountants

DVC: 2503120684AS118049



Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

Statement of Financial Position as on 30th June, 2024.

| SL # | Particulars | Note / Sch. | Amount (Tk.) | |
|---|--|-------------|----------------------|----------------------|
| | | | 30.06.2024 | 30.06.2023 |
| Property & Assets : | | | | |
| A. Non Current Assets : | | | | |
| | At Cost / Revaluation less accumulated dep. | 1.00 | 2,857,403,170 | 2,862,464,084 |
| | Investment | 2.00 | - | - |
| | Total Non Current Assets : | | 2,857,403,170 | 2,862,464,084 |
| B. Current Assets : | | | | |
| | Stock, Stores & Spares | 3.00 | 17,300,073 | 17,300,073 |
| | Debtors (Less Provision) | 4.00 | 4,706,344 | 4,706,344 |
| | Due from BJMC Mills | 5.00 | 1,735,427 | 1,557,713 |
| | Advance, Deposits & Pre-payments | 6.00 | 2,579,740 | 3,155,794 |
| | Interim Revenue Support Receivable | 7.00 | 6,196,151 | 6,196,151 |
| | Cash & Bank Balance | 8.00 | 5,842,387 | 6,611,537 |
| | Total Current Assets | | 38,360,122 | 39,527,612 |
| | Total Property & Assets : (A+B) | | 2,895,763,292 | 2,901,991,696 |
| Capital & Liabilities : | | | | |
| | Authorized Capital | 9.00 | 50,000,000 | 50,000,000 |
| C. Shareholders Equity & Loans : | | | | |
| | Issued, Subscribed & Paid-up Capital | 10.00 | 6,500,000 | 6,500,000 |
| | Govt. Equity Contribution | 11.00 | 26,418,920 | 26,418,920 |
| | Reserves | 12.00 | 2,794,556,431 | 2,799,026,107 |
| | Profit & Loss Account Balance (Retained Earning) | 13.00 | (3,444,510,954) | (3,402,701,716) |
| | Total Shareholders Equity | | (617,035,603) | (570,756,689) |
| Non Current Liabilities | | | | |
| | BJMC Current Account | 14.00 | 76,292,295 | 63,724,190 |
| | Long Term Loan | 15.00 | 3,263,979,476 | 3,198,059,792 |
| | Gratuity Liabilities (Provision) | 16.00 | 37,590,860 | 15,052,760 |
| | Total Non Current Liabilities | | 3,377,862,631 | 3,276,836,742 |
| E. Current Liabilities : | | | | |
| | Bank Overdraft | 17.00 | 46,760,404 | 46,760,404 |
| | Liabilities for Expenses | 18.00 | 35,369,556 | 31,621,339 |
| | Liabilities for other Finance | 19.00 | 11,246,799 | 11,046,317 |
| | Due to BJMC Mills | 20.00 | 25,541,609 | 25,541,609 |
| | Gratuity Payable Account(Current) | 21.00 | 16,017,895 | 80,941,974 |
| | Total Current Liabilities : | | 134,936,263 | 195,911,643 |
| | Total Capital & Liabilities : (C+D+E) | | 2,895,763,292 | 2,901,991,696 |


 চন্দ্রনাথ বৈরাগী (শাওন মাহমুদ)
 ব্যবস্থাপক (হিঃ ও অর্থ) উপমহাব্যবস্থাপক (হিঃ ও অর্থ)
 আলীম জুট মিলস্ লিঃ প্রকল্প প্রধান
 আলীম জুট মিলস্ লিঃ

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

Dated, Dhaka.
12th March, 2025.

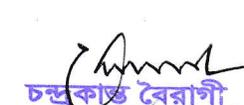


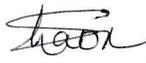
(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. : 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2503120684AS118049

Aleem Jute Mills Ltd.
Atra Industrial Area, Khulna.

**Statement of Manufacturing, Trading and Profit (Loss) & Other Comprehensive Income
for the year ended 30th June, 2024.**

| Sl. # | Particulars | Note | Amount (Tk.) | | | |
|-------|---|-------|--------------|---------|---------------------|---------------------|
| | | | Hessian | Sacking | 2023-2024 | 2022-2023 |
| | Income : | | | | | |
| 1 | Local Sales | - | - | - | - | - |
| 2 | Foreign Sales | - | - | - | - | - |
| 3 | Total Sales : (1+2) | - | - | - | - | - |
| 4 | Subsidy | - | - | - | - | - |
| 5 | Total Income : (3+4) | - | - | - | - | - |
| | Material Cost : | | | | | |
| 6 | Opening Work-in-Process | - | - | - | - | - |
| 7 | Raw Jute Consumption | - | - | - | - | - |
| 8 | Charges on Raw Jute | - | - | - | - | - |
| 9 | Other Direct Materials Consumed | - | - | - | - | - |
| 10 | Sub-Total : (6 to 9) | - | - | - | - | - |
| 11 | Closing Work-in-Process | - | - | - | - | - |
| 12 | Total Material Cost : (10-11) | - | - | - | - | - |
| | Conversion Cost : | | | | | |
| 13 | Salaries | 22.00 | - | - | 28,747,437 | 27,574,731 |
| 14 | Power/Electricity | 23.00 | - | - | 1,178,985 | 1,022,299 |
| 15 | Repairs & maintenance | 24.00 | - | - | 847,379 | 404,724 |
| 16 | Depreciation | 25.00 | - | - | 660,000 | 660,000 |
| 17 | Sub-Total : (13 to 17) | | - | - | 31,433,801 | 29,661,754 |
| 18 | Closing Work-in-Process | - | - | - | - | - |
| 19 | Total Conversion Cost : (17-18) | | - | - | 31,433,801 | 29,661,754 |
| 20 | Cost of Production : (12+19) | | - | - | 31,433,801 | 29,661,754 |
| 21 | Opening stock of Finished Goods | - | - | - | - | - |
| 22 | Cost of Goods available for Sale : (20+21) | | - | - | 31,433,801 | 29,661,754 |
| 23 | Closing stock of Finished Goods | - | - | - | - | - |
| 24 | Total cost of Sales : (22-23) | | - | - | 31,433,801 | 29,661,754 |
| 25 | Administrative expenses | 26.00 | - | - | 1,365,260 | 2,278,581 |
| 26 | Selling expenses | - | - | - | - | - |
| 27 | Total operating expenses : (24 to 26) | | - | - | 32,799,061 | 31,940,335 |
| 28 | Operating Profit/(Loss) : (5-27) | | - | - | (32,799,061) | (31,940,335) |
| | Financial Expenses : | | | | | |
| 29 | Interest on Cash Credit | - | - | - | - | 1,000,000 |
| 30 | Interest on Long term Loan | - | - | - | - | 1,500,000 |
| 31 | Total Interest : (29+30) | | - | - | - | 2,500,000 |
| 32 | Total Profit/(Loss) : (28-31) | | - | - | (32,799,061) | (34,440,335) |
| 33 | Non-Operating Income | - | - | - | 12,404,278 | - |
| 34 | Net Profit/(Loss) : (32+33) | | - | - | (20,394,783) | (34,440,335) |


চন্দ্রকান্ত বৈরাগী
ব্যবস্থাপক (হিঃ ও অর্থ)
আলীম জুট মিলস্ লিঃ
আটাইল, খুলনা


(শাওন মাহমুদ)
উপমহাব্যবস্থাপক (হিঃ ও অর্থ)
প্রকল্প প্রধান
আলীম জুট মিলস্ লিঃ
আটাইল, খুলনা

This is the Statement of Manufacturing, Trading and Profit (Loss) & Other Comprehensive Income referred to in our separate report of even date.

Dated, Dhaka.
12th March, 2025.




(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. : 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2503120684AS118049

Aleem Jute Mills Ltd.
Atra Industrial Area, Khulna.

**Statement of Manufacturing, Trading and Profit (Loss) & Other Comprehensive Income
for the year ended 30th June, 2024.**

| Sl. # | Particulars | Notes | Amount (Tk. in Lac.) | | | |
|-------|---|-------|----------------------|---------|-----------------|-----------------|
| | | | Hessian | Sacking | 2023-2024 | 2022-2023 |
| | Income: | | | | | |
| 1 | Local Sales | - | - | - | - | - |
| 2 | Foreign Sales | - | - | - | - | - |
| 3 | Total Sales : (1+2) | - | - | - | - | - |
| 4 | Subsidy | - | - | - | - | - |
| 5 | Total Income : (3+4) | - | - | - | - | - |
| | Material Cost : | | | | | |
| 6 | Opening Work-in-Process | - | - | - | - | - |
| 7 | Raw Jute consumption | - | - | - | - | - |
| 8 | Charges on Raw Jute | - | - | - | - | - |
| 9 | Other direct materials consumed | - | - | - | - | - |
| 10 | Sub-Total : (6 to 9) | - | - | - | - | - |
| 11 | Closing Work-in-Process | - | - | - | - | - |
| 12 | Total Material Cost : (10-11) | - | - | - | - | - |
| | Conversion Cost : | | | | | |
| 13 | Salaries | 22.00 | - | - | 287.47 | 275.76 |
| 14 | Power/Electricity | 23.00 | - | - | 11.79 | 10.22 |
| 15 | Repairs & maintenance | 24.00 | - | - | 8.47 | 4.04 |
| 16 | Depreciation | 25.00 | - | - | 6.60 | 6.06 |
| 17 | Sub-Total : (13 to 16) | | | | 314.34 | 296.62 |
| 18 | Closing Work-in-Process | - | - | - | - | - |
| 19 | Total Conversion Cost : (17-18) | | | | 314.34 | 296.62 |
| 20 | Cost of production : | | | | 314.34 | 296.62 |
| 21 | Opening Stock of Finished Goods | - | - | - | - | - |
| 22 | Cost of Goods available for Sale : (20+21) | | | | 314.34 | 296.62 |
| 23 | Closing Stock of Finished Goods | - | - | - | - | - |
| 24 | Total cost of Sales : (22-23) | | | | 314.34 | 296.62 |
| 25 | Administrative expenses | 26.00 | - | - | 13.65 | 22.78 |
| 26 | Selling expenses | - | - | - | - | - |
| 27 | Total operating expenses : (24+25+26) | | | | 327.99 | 319.40 |
| 28 | Operating Profit/(Loss) : (5- 27) | | | | (327.99) | (319.40) |
| | Financial Expenses : | | | | | |
| 29 | Interest on Cash Credit | - | - | - | - | 10.00 |
| 30 | Interest on Long term Loan | - | - | - | - | 15.00 |
| 31 | Total Interest : (29+30) | | | | | 25.00 |
| 32 | Total Profit/(Loss) : (28-31) | | | | (327.99) | (344.40) |
| 33 | Non-Operating Income | - | - | - | 124.04 | - |
| 34 | Net Profit/(Loss) : (32+33) | | | | (203.95) | (344.40) |

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

Dated, Dhaka.
12th March, 2025.



(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. : 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2503120684AS118049

Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

Statement of Cash Flow for the year ended 30th June, 2024.

| Sl. # | Particulars | Amount (Tk.) | |
|-----------|--|----------------------------|-----------------------------|
| | | 2023-2024 | 2022-2023 |
| A. | <u>Cash Flow from Operating Activities :</u> | | |
| | Net Profit (Loss) for the year | (20,394,783) | (34,440,335) |
| | Previous year adjustment | (21,414,454) | 13,858,313 |
| | Depreciation | 591,238 | 660,000 |
| | Stock, Stores & Spares | - | 1,319,158 |
| | Advance, Deposits & Pre-payments | 576,054 | (84,714) |
| | Due from BJMC Accounts | (177,714) | (1,119,358) |
| | BJMC Current Accounts | 12,568,105 | (104,490,357) |
| | Due to BJMC Mill | (0.0000) | (5,439,877) |
| | Liabilities for Goods | - | (3,566,176) |
| | Liability for Expenses | 3,748,217 | (19,618,656) |
| | Gratuity Liabilities(Provision) | 22,538,100 | (33,594,271) |
| | Net Cash used from Operating Activities : (A) | <u>(1,965,237)</u> | <u>(186,516,273)</u> |
| B. | <u>Cash flow from Investing Activities :</u> | | |
| | Fixed Assets Addition / Adjustment | - | - |
| | Long term Loan | 65,919,684 | 198,390,203 |
| | Net cash flow from Investing Activities : (B) | <u>65,919,684</u> | <u>198,390,203</u> |
| C. | <u>Cash Flow from Financing Activities :</u> | | |
| | Liabilities For Other Finance | 200,482 | (17,175,991) |
| | Bank Overdraft | - | (179,000) |
| | Gratuity Payable Account(current) | (64,924,079) | (45,421,302) |
| | Net Cash used from Financing Activities : (C) | <u>(64,723,597)</u> | <u>(62,776,293)</u> |
| | Net Increase/Decrease in Cash at Bank Balance : (A+B+C) | (769,151) | (50,902,363) |
| | Opening Cash & Bank Balance | 6,611,537 | 57,513,901 |
| | Closing Cash & Bank Balance | <u>5,842,387</u> | <u>6,611,537</u> |

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

Dated, Dhaka.
12th March, 2025.




(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. : 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2503120684AS118049

Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

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

| Particulars | Issued, Subscribed & Paid-Up Capital | Govt. Equity Contribution | Reserves & Surplus | Accumulated Profit & Loss (Retained Earning) | Total |
|---|---|------------------------------|-----------------------|---|---------------|
| Opening Balance as on 01 July, 2023 | 6,500,000 | 26,418,920 | 2,799,026,107 | (3,402,701,716) | (570,756,689) |
| Less : Depreciation on Revaluation of Fixed Assets | - | - | (4,469,676) | - | (4,469,676) |
| Less : Profit & Loss for the year | - | - | - | (20,394,783) | (20,394,783) |
| Add : Prior year Adjustments for the year | - | - | - | (21,414,454) | (21,414,454) |
| Closing Balance as on 30th June, 2024. | 6,500,000 | 26,418,920 | 2,794,556,431 | (3,444,510,953) | (617,035,603) |

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

| Particulars | Issued, Subscribed & Paid-Up Capital | Govt. Equity Contribution | Reserves & Surplus | Accumulated Profit & Loss (Retained Earning) | Total |
|---|---|------------------------------|-----------------------|---|---------------|
| Opening Balance as on 01 July, 2022 | 6,500,000 | 26,418,920 | 2,803,495,783 | (3,382,119,694) | (545,704,991) |
| Less : Depreciation on Revaluation of Fixed Assets | - | - | (4,469,676) | - | (4,469,676) |
| Less : Profit & Loss for the year | - | - | - | (34,440,335) | (34,440,335) |
| Add : Prior year Adjustments for the year | - | - | - | 13,858,313 | 13,858,313 |
| Closing Balance as on 30th June, 2023 | 6,500,000 | 26,418,920 | 2,799,026,107 | (3,402,701,716) | (570,756,689) |

Dated, Dhaka.
12th March, 2025.



(Signature)
(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2503120684AS118049

Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

Notes to the Financial Statement for the year ended 30th June, 2024.

A. Legal form of the Enterprise :

Aleem Jute Mills Ltd. 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 & subsequently the industrial nationalised Act No. 25 of 2018.

B. Nature of Business :

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

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. 1st time revaluation was made in the year 1992-93 and 2nd 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 factory is maintaining a contributory Provident Fund for its every permanent employee. The factory is providing contribution to the Fund equivalent to 8.33% from date of Nov'17 of basic wages/salary of each permanent employee and each member of provident fund contributes 10% of basic salary.

(b) The factory 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 factory 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, 2023 to 30th June, 2024 consistently.

M. Present Situation :

The company closed thier Production from 1st July, 2020 by Government Order.