

Final ✓

PRIVATE AND CONFIDENTIAL

**AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS  
OF  
JATIO JUTE MILLS LIMITED  
RAIPUR, SIRAJGANJ.**

**FOR THE YEAR ENDED 30 JUNE 2024**

**SUBMITTED BY**



**ATA KHAN & CO.**

Chartered Accountants

67, Motijheel C/A., (1ST FLOOR)

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**ATA KHAN & CO.**

Chartered Accountants

A PARTNERSHIP FIRM

.....since 1959

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**INDEPENDENT AUDITORS' REPORT  
TO  
THE MANAGEMENT OF JATIO JUTE MILLS LIMITED**

**Report on the Audit of the Financial Statements:**

**Qualified Opinion:**

We have audited the financial statements of **JATIO JUTE MILLS LIMITED** which comprise the Balance Sheet as at 30 June 2024, Manufacturing, Trading and Profit & Loss Account and Cash Flow statement 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 effect described in the basis for qualified opinion section of our report the accompanying financial statements present fairly, in all material respects, of the balance sheet of **JATIO JUTE MILLS LIMITED** as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable rules and regulation.

**Basis for Qualified Opinion:**

1. The Company faced net loss since long, during the reporting period the company incurred net loss of taka 98,576,486 and on 30 June 2024 companies total liabilities exceeded its total assets by Taka 786,918,004. This fact indicates that there is a material uncertainty exists that may cast significant doubt on the company's ability to continue a going concern.
2. Due to non-maintaining fixed asset register we could not perform physical verification of fixed assets.
3. The organization has not made revaluation of Property Plant and Equipment with sufficient regularity to ensure that the carrying amount does not differ materially from that which have determined to using fair value at the end of the reporting period in accordance with IAS-16.
4. Depreciation on revaluation adjusted with revaluation reserve without charging in statement of profit or loss and other comprehensive income as per BJMC guideline.
5. During the reporting period stock & stores (for mill used) amounting Taka 11,692,930 were sold for Taka 8,800,000. Accounting entry has not been recorded in accordance with accounting standards.
6. We were unable to confirm "BJMC Current account" amounting Tk. 554,982,518 of Jatio Jute Mills due to limitation of sufficient appropriate documents.
7. Provision for income tax has not been kept in accordance with Income Tax Act 2023.
8. Subsidy receivable has been carry forwarded since long without any changes and evaluating its recoverability in accordance with IAS-36. No provision has been made for such doubtful receivable.



9. Out of **Due from BJMC Mills Limited** some balance carry forwarded since long without any changes and evaluating its recoverability in accordance with IAS-36. No provision has also been made in these respects.
10. Out of **Due to BJMC Mills Limited** some balance carry forwarded since long without any changes and evaluating its recoverability in accordance with IAS-36. No provision has also been made in these respects.
11. Out of **Advance, Deposit & Prepayments, Debtors, Long Term Loan, Liabilities for other Finance & Interim Revenue Support Received** some balance carry forwarded since long without any changes and evaluating its recoverability in accordance with IAS-36. No provision has also been made in these respect. Details are as under:

Sl. No.	Particulars	Amount
<b>Advance, Deposit &amp; prepayments</b>		
1.	Advance against comp Income Tax (80-81)	4,851,323
2.	Advance against Comp Income Tax (82-83)	2,443,537
3.	Advance against Payment to supplier (National Iron & Steel)	510,705
4.	Jb. Moklesur Rahman	10,211
5.	Jb. Dr. Arif Bin Islam	50,000
6.	Deposit (Mongla port authority)	110,000
7.	Deposit (West Gas Company)	695,421
8.	Deposit (Telegram & Telephone)	2,300
9.	Deposit (Custom Authority)	2,000
10.	Deposit (Bangladesh Oxygen Limited)	29,000
11.	Deposit (Bangladesh Railway)	25,411
<b>Debtors</b>		
12.	Sundry Debtors	23,499,439
<b>Long Term Liabilities</b>		
13.	Long Term Liabilities	4,082,378,554
<b>Interim Revenue Support Received</b>		
14.	Interim Revenue Support Receivable	14,789,019
<b>Liabilities for Expenses</b>		
15.	Provision for Managing Agent Commission	60,194

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditors' 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) together with ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.

**Other Matter:**

The financial statements of the company for the year ended **30 June 2023** were audited by us and expressed a modified opinion.

**Going Concern**

We are required to report if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of the financial statements. We have disclosed about the matter in the basis for qualified opinion section of our report.

### **Other Information**

Management is responsible for other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for that other information. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover this other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read this other information and, in doing so, consider whether this other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance.

### **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 in accordance with International Financial Reporting Standards and other applicable rules and regulations 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.

### **Auditors' 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 taken together, 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 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, Supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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 relationships and other matters that may reasonably be thought to bear 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:**

We also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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; and
- (c) the company's financial statements dealt with by the report are in agreement with the books of account.
- (d) The expenditure incurred was for the purpose of the company's business.

Dated: Dhaka,

10<sup>th</sup> February, 2025

*Maqbul Ahmed*

Maqbul Ahmed, FCA  
Enrollment Number: 587  
Partner

**ATA KHAN & CO.**  
Chartered Accountants

DVC No: 2502100587 AS503118



## JATIO JUTE MILLS LIMITED

Raipur, Sirajgonj.

FINANCIAL POSITION AS ON JUNE 30, 2024

PARTICULARS	Notes	AMOUNT IN TAKA	
		30 June 2024	30 June 2023
<b>Non Current Assets:</b>		<b>2,860,289,575</b>	<b>2,895,487,114</b>
Property, Plant & Equipment	1.00	2,860,289,575	2,895,487,114
Investment	2.00	-	-
<b>Current Assets:</b>		<b>642,486,988</b>	<b>741,009,480</b>
Stock & stores	3.00	-	11,692,930
Debtors (Less: Provision)	4.00	23,499,439	23,499,439
Due from BJMC Mills	5.00	13,031,533	27,373,094
Advance, Deposit & Prepayment (Less: Prov.)	6.00	23,189,330	26,382,844
Interim Revenue Support received	7.00	14,789,019	14,789,019
BJMC Current Accounts	8.00	554,982,518	622,553,518
Cash & Bank Balance	9.00	12,995,149	14,718,636
<b>Total Assets</b>		<b>3,502,776,563</b>	<b>3,636,496,595</b>
<b>Capital &amp; Liabilities:</b>			
Authorised Capital	10.00	<b>50,000,000</b>	<b>50,000,000</b>
<b>Equity &amp; Retained Earnings:</b>		<b>(786,918,003)</b>	<b>(639,296,721)</b>
Issued subscribed & paid up Capital	11.00	21,500,000	21,500,000
Govt. Equity contribution	12.00	39,977,982	39,977,982
Accumulated Profit & Loss (Retained Earnings)	13.00	(3,614,979,475)	(3,494,501,964)
Reserves	14.00	2,766,583,490	2,793,727,261
<b>Non Current Liabilities:</b>		<b>4,201,853,764</b>	<b>4,181,947,574</b>
Long Term Loan	15.00	4,082,378,554	4,082,378,554
Gratuity Liabilities (Prov.)	16.00	119,475,210	99,569,020
<b>Current Liabilities:</b>		<b>87,840,803</b>	<b>93,845,742</b>
Bank Overdraft	17.00	6,990,602	6,987,602
Liabilities For expenses	18.00	18,951,350	14,344,318
Liabilities for other Finance	19.00	12,114,114	13,718,746
Due to BJMC Mills	20.00	35,246,349	44,674,833
Gratuity Payable (Curr.)	21.00	14,538,388	14,120,243
<b>TOTAL LIABILITES (D+E+F)</b>		<b>3,502,776,563</b>	<b>3,636,496,595</b>

The annexed notes form an integral part of these financial statements

**PROJECT HEAD**  
মিলন চন্দ্র বর্মণ  
সহকারী (ডি: ও অর্ড)  
জাতীয় জুট মিলস লিঃ

**মোঃ সাজ্জাদ হোসেন**  
**GENERAL MANAGER**  
জাতীয় জুট মিলস লিঃ

Signed in terms of our annexed report of even date

*Maqbul Ahmed*

Maqbul Ahmed, FCA  
ICAB Enrolment No. 0587

Partner  
ATA KHAN & CO.

Chartered Accountants

Date: Dhaka,

10<sup>th</sup> February, 2025



DVC: 2502100587A5503118

**JATIO JUTE MILLS LIMITED**  
**MANUFACTURING, TRADING AND PROFIT & LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30th JUNE 2024**

SL NO	PARTICULARS	Notes	Amount in Taka	
			30 June 2024	30 June 2023
	<b>INCOME:</b>			
1	Foreign Sales		-	-
2	Local Sales		-	-
3	Other Sales	23.00	-	16,489,374
4	<b>TOTAL SALES (1+2+3)</b>		-	<b>16,489,374</b>
5	Subsidy		-	-
6	<b>TOTAL INCOME (4+5)</b>		-	<b>16,489,374</b>
	<b>MATREJAL COST</b>			
7	Opening work in process		-	-
8	Raw Jute Consumption		-	-
9	Charges On Raw Jute		-	-
10	Other direct Materials consumed		-	-
11	<b>SUB-TOTAL (7+..10)</b>		-	-
12	Closing work in process		-	-
13	<b>TOTAL MATERIAL COST (11-12)</b>		-	-
	<b>CONVERSION COST</b>			
14	Opening work in process		-	-
15	Wages		-	-
16	Salaries	24.00	89,214,285.00	94,817,937
17	Power/Electricity		373,794.42	841,639
18	Fuel		-	-
19	Repairs & Maintanance	25.00	151,438.35	491,264
20	Depreciation		8,053,768.00	8,053,768
21	Insurance		-	963,360
22	Other Factory Overhead		-	-
23	<b>SUB-TOTAL (14+22)</b>		<b>97,793,286</b>	<b>105,167,968</b>
24	Closing work in process		-	-
25	<b>TOTAL CONVERSION COST (23-24)</b>		<b>97,793,286</b>	<b>105,167,968</b>
26	<b>COST OF PRODUCTION (13+25)</b>		<b>97,793,286</b>	<b>105,167,968</b>
27	Opening Stock of Finished Goods		-	-
28	<b>COST OF GOODS AVAILABLE FOR SALE (26+27)</b>		<b>97,793,286</b>	<b>105,167,968</b>
29	Closing stock of Finished Goods		-	-
30	<b>Total Cost of Sales (28-29)</b>		<b>97,793,286</b>	<b>105,167,968</b>
31	Administrative Expenses	26.00	1,245,462	2,656,301
32	Selling Expenses		-	-
33	<b>TOTAL OPERATING EXPENSES (30+31+32)</b>		<b>99,038,748</b>	<b>107,824,269</b>
34	<b>OPERATING PROFIT/(LOSS) (6-33)</b>		<b>(99,038,748)</b>	<b>(91,334,895)</b>
	<b>FINANCIAL EXPENSES</b>			
35	Interest Cash Credit		-	-
36	Interest (Long Term Loan)		-	-
37	<b>TOTAL Interest Expense (35+36)</b>		-	-
38	<b>Total Cost/Expenditure (33+37)</b>		<b>99,038,748</b>	<b>107,824,269</b>
39	<b>Total Profit/(Loss)(34-37)</b>		<b>(99,038,748)</b>	<b>(91,334,895)</b>
40	Non Operating Income	28.00	462,262	2,187,121
41	<b>Net Profit before tax provision(39+40)</b>		<b>(98,576,486)</b>	<b>(89,147,774)</b>
42	provision for taxation 15%		-	-
43	<b>Net Profit After tax provision (41-42)</b>		<b>(98,576,486)</b>	<b>(89,147,774)</b>
44	Prior Years Adjustments	27.00	(21,901,026)	(168,979,136)
	<b>Total</b>		<b>(120,477,511)</b>	<b>(258,126,910)</b>
	Previous Year Loss Brought Forward		(3,494,501,964)	(3,236,375,054)
	<b>Balance Being Loss Carried Forward to B/S</b>		<b>(3,614,979,475)</b>	<b>(3,494,501,964)</b>

The annexed notes form an integral part of these financial statements

**PROJECT HEAD**  
মিলান চন্দ্র বর্মণ  
ব্যবস্থাপক (হিঃ ও অর্থ)  
জাতীয় স্ট্রট মিলস্ লিঃ

Dated Dhaka,

10<sup>th</sup> February, 2025



মোঃ মাজ্জাদ হোসেন  
**GENERAL MANAGER**

Signed in terms of our annexed report on even date

Maqbul Ahmed, FCA  
ICAB Enrollment No. 0587

Partner  
ATA KHAN & CO.  
Chartered Accountants

DVC: 2502100587 AS 503118

## JATIO JUTE MILLS LIMITED

RAIPUR, SIRAJGONJ.

Cash Flow Statement (under Indirect Method) For the Year ended 30 June 2024

	Particulars	Amount In Taka	
		30 June 2024	30 June 2023
<b>A</b>	<b>Cash Flow from operating Activities:</b>		
	Net Profit/(Loss) for the Year	(98,576,486)	(89,147,774)
	Depreciation for the Year (on Cost)	8,053,768.00	8,053,768
	Depreciation for the Year (on Revaluation)	-	-
	Prior Year Adjustments	(21,901,026)	(168,979,136)
		<b>(112,423,743)</b>	<b>(250,073,142)</b>
	<b>Changes in Working capital</b>	<b>110,697,256</b>	<b>108,595,965</b>
	(Increase)/Decrease In inventory	11,692,930	5,627,018
	(Increase)/Decrease In Trade Debtors & Receivable	-	-
	(Increase)/Decrease of Advance/Deposits & Pre-Payments	3,193,514	(17,144,454)
	(Increase)/Decrease Of Gratuity ( Current).	418,145	(2,962,981)
	(Increase)/Decrease Of Gratuity Liabilities( Provision).	19,906,190	14,914,374
	(Increase)/Decrease of Dues to BJMC Mills	(9,428,484)	17,335,876
	(Increase)/Decrease of Dues from BJMC Mills	14,341,562	(6,453,325)
	(Increase)/Decrease in BJMC Current Account	67,571,000	94,424,537
	(Increase)/Decrease Liabilities for Goods	-	-
	Liabilities for Other Finance	(1,604,632)	(2,382,070)
	Increase/(Decrease) Liabilities for Expences.	4607032	5,236,990
	<b>Net Cash Used/Provided In Operating Activates</b>	<b>(1,726,488)</b>	<b>(141,477,177)</b>
<b>B</b>	<b>Cash Flow Form Investment Activities:</b>		
	Purchase of Fixed Asset	-	-
	Investment	-	30,000,000
	Working Progress	-	-
	Increase /(Decrease) in Fixed Assets (CWP)	-	-
	<b>Net Cash Used in Investment Activities</b>	<b>-</b>	<b>30,000,000</b>
<b>C</b>	<b>Cash Flow from Financing Activates:</b>		
	Increase/Decrease In Long Term Loan	-	202,158,882
	Increase/Decrease In Others Finance	-	-
	Increase/Decrease Bank Overdraft	3000	(87,096,576)
	<b>Net Cash used/Provided In Financing Activities:</b>	<b>3,000</b>	<b>115,062,306</b>
<b>D</b>	<b>Net Cash Flow (A+B+C) Changes In cash</b>	<b>(1,723,488)</b>	<b>3,585,129</b>
	<b>Add: Opening Cash &amp; Bank Balance</b>	<b>14,718,636</b>	<b>11,133,507</b>
	<b>Closing Cash &amp; Bank Balance</b>	<b>12,995,149</b>	<b>14,718,636</b>



**JATIO JUTE MILLS LIMITED**

RAIPUR, SIRAJGONJ.

**SCHEDULE OF FIXED ASSETS**

**1.00 NON CURRENT ASSETS LESS ACCUMULATED DEPRECIATION** 2,860,289,575

**A. TOTAL ASSETS**

SL. NO	PARTICULARS	ORIGINAL COST	REVALUATION COST (report)	TOTAL COST
1	Land	1,000,845	2,349,539,963	2,350,540,808
2	Land Development	8,855,610	-	8,855,610
3	Building & other construction	47,229,729	86,629,437	133,859,166
4	Plant, Machinery & Equipment	102,779,328	456,245,973	559,025,301
5	Furniture & Fixtures	424,894	-	424,894
6	Vehicles	1,091,521	-	1,091,521
7	Sundry assets	1,966,798	-	1,966,798
8	Biological assets (Trees)	-	50,908,250	50,908,250
<b>TOTAL</b>		<b>163,348,725</b>	<b>2,943,323,623</b>	<b>3,106,672,348</b>

**B. DEPRECIATION ON ORIGINAL COST**

SL. NO	PARTICULARS	OPENING DEPRECIATION	FOR THE YEAR DEPRCAITON	TOTAL DEPRECIATION ON ORIGINAL COST
1	Land	-	-	-
2	Land Development	2,656,686	442,781	3,099,467
3	Building & other construction	14,168,916	2,361,486	16,530,402
4	Plant, Machinery & Equipment	30,636,582	5,106,097	35,742,679
5	Furniture & Fixtures	91,968	15,328	107,296
6	Vehicles	321,828	53,638	375,466
7	Sundry assets	446,628	74,438	521,066
<b>TOTAL</b>		<b>40,268,840</b>	<b>8,053,768</b>	<b>56,376,376</b>

**C. DEPRECIATION ON REVELUATION COST**

SL. NO	PARTICULARS	OPENING DEPRECIATION	FOR THE YEAR DEPRCAITON	TOTAL DEPRECIATON
1	Land Development	-	-	-
2	Building & other construction	25,988,832	4,331,472	30,320,304
3	Plant, Machinery & Equipment	136,873,794	22,812,299	159,686,093
4	Furniture & Fixtures	-	-	-
5	Vehicles	-	-	-
6	Sundry assets	-	-	-
7	Biological assets (Trees)	-	-	-
<b>TOTAL</b>		<b>162,862,626</b>	<b>27,143,771</b>	<b>190,006,397</b>

**D. TOTAL DEPRECIATION (COST & REVELUATION)**

SL. NO	PARTICULARS	ORIGINAL COST	REVALUATION	TOTAL DEPRECIATON
1	Land Development	3,099,467	-	3,099,467
2	Building & other construction	16,530,402	30,320,304	46,850,706
3	Plant, Machinery & Equipment	35,742,679	159,686,093	195,428,772
4	Furniture & Fixtures	107,296	-	107,296
5	Vehicles	375,466	-	375,466
6	Sundry assets	521,066	-	521,066
7	Biological assets (Trees)	-	-	-
<b>TOTAL</b>		<b>56,376,376</b>	<b>190,006,397</b>	<b>246,382,773</b>

