

PRIVATE & CONFIDENTIAL
AUDIT REPORT
&
FINANCIAL STATEMENTS
OF

Latif Bawany Jute Mills Ltd.
For the year ended 30th June, 2024.



RAHMAN ANIS & CO.

Chartered Accountants

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS
OF
LATIF BAWANY JUTE MILLS LTD.**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **LATIF BAWANY JUTE MILLS LTD.** which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income for the year ended 30 June 2024, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, The accompanying financial statements present fairly, in all material respects of the financial position of the Company 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), International Accounting Standards (IASs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

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) 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the 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 the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, IASs, the Companies Act 1994 and other applicable laws 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.

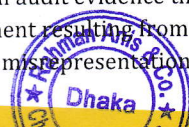
Auditor's Responsibilities for the Audit of the Financial Statements

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 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.





RAHMAN ANIS & CO.

CHARTERED ACCOUNTANTS

- 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.
- Obtain 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.

Report on Other Legal and Regulatory Requirements:

In accordance with the Companies Act 1994 and International Standards on Auditing (ISAs), 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 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 company's statement of financial position and statement of profit or loss and other comprehensive income along with the annexed notes 1 to 35 dealt with by the report are in agreement with the books of account; and
- d) The expenditures incurred and payments made were for the purposes of the company's affairs.


Mollah Hafizul Haq, FCA

Senior Partner

ICAB Enrollment No.336

Rahman Anis & Co.

Chartered Accountants

Place: Dhaka, Bangladesh.

Date: 07 October, 2025.


DIC: 2510070336AS299282




Latif Bawany Jute Mills Ltd.
Statement of Financial Position
as on 30th June, 2024.

SL.	Particulars	Notes/ Sch.	Amount (Tk.)	
			2023-2024	2022-2023
Property & Assets :				
A. Non Current Assets :				
i.	At Cost Less Accumulated Depreciation	1.00	17,149,974,682	17,165,151,706
ii.	Investment On Associate (Sonali bag project)	2.00	88,466,740	93,537,399
Total Non Current Assets : (A)			17,238,441,422	17,258,689,105
B. Current Assets :				
	Stock & Stores	3.00	38,412,298	38,412,298
	Debtors (Less : Provision)	4.00	418,815,613	418,815,613
	Due from BJMC Mills	5.00	34,205,550	33,730,190
	Advance, Deposit & Pre Payments	6.00	41,065,871	48,475,416
	Interim Revenue Support Receivable	7.00	21,200,000	21,200,000
	BJMC Current Account	8.00	832,744,796	937,182,227
	Cash & Bank Balance	9.00	15,695,344	30,922,311
Total Current Assets : (B)			1,402,139,472	1,528,738,055
Total Property & Assets : (A+B+C)			18,640,580,894	18,787,427,160
C. Capital & Liabilities :				
	Authorised Capital	10.00	25,000,000	25,000,000
D. Equity & Retained Earnings:				
	Issued, Subscribed & Paid up capital	11.00	16,500,000	16,500,000
	Govt. Equity Contribution	12.00	90,554,607	90,554,607
	Reserves	13.00	17,099,108,047	17,105,427,847
	Accumulated Profit & (Loss) Account Balance	14.00	(11,612,049,074)	(11,413,713,355)
Total Equity & Retained Earnings:			5,594,113,580	5,798,769,099
E. Long term Loans & Liabilities :				
	BJMC Current Account	15.00	-	-
	Long term Loan	16.00	11,989,487,712	11,979,582,996
	Gratuity Liabilities (Provision)	17.00	196,869,880	183,009,060
Total Shareholders Equity & Loan : (E)			12,186,357,592	12,162,592,056
F. Current Liabilities :				
	Bank Overdraft	18.00	150,928,776	150,824,426
	Liabilities for Goods	19.00	135,505	2,061,601
	Liabilities for Expenses	20.00	89,343,767	88,708,149
	Liabilities for Other Finance	21.00	379,250,194	400,147,451
	Due to BJMC Mills	22.00	108,789,275	107,570,539
	Gratuity Payable Account (Current)	23.00	131,662,205	76,753,839
Total Current Liabilities : (F)			860,109,723	826,066,005
Total Capital & Liabilities : (E+F)			18,640,580,894	18,787,427,160

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


Manager (A&F)
Latif Bawany Jute Mills Ltd.
মোহাম্মদ জহিরুল ইসলাম
ব্যবস্থাপক (হিসাব ও অর্থ)
লতিফ বাওয়ানী জুট মিলস্ লিঃ
ডেমরা, ঢাকা।

Place: Dhaka, Bangladesh.
Date: 07 October, 2025.


General Manager
Latif Bawany Jute Mills Ltd.
মোহাম্মদ বাবুল কাবল
মহাব্যবস্থাপক
লতিফ বাওয়ানী জুট মিলস্ লিঃ
ডেমরা, ঢাকা।

Mollah Hafizul Haq, FCA
Senior Partner
Rahman Anis & Co.
Chartered Accountants
ICAB Enrollment No. 336
DVC:2510070336AS299282



Latif Bawany Jute Mills Ltd.
Statement of Manufacturing, Trading & Profit/(Loss) and other Comprehensive Income
For the year ended 30th June, 2024.

Sl. #	Particulars	Notes/ Sch.	Amount (Tk.)	
			2023-2024	2022-2023
	Income :			
1	Local Sale	25.00	-	85,000
2	Foreign Sales	25.00	-	-
3	Total Sales : (1+2)		-	85,000
4	Subsidy		-	-
5	Total Income (3+4)		-	85,000
	Material Cost :			
6	Opening Work-in-Process		-	-
7	Raw Jute		-	-
8	Other Direct Materials		-	-
9	Sub-Total : (6+8)		-	-
10	Closing Work-in-Process		-	-
11	Total Materials Cost : (9-10)		-	-
	Conversion Cost :			
12	Opening Work-in-Process		-	-
13	Wages	28.00	-	-
14	Salaries	29.00	142,185,052	127,171,557
15	Power/Electricity		2,396,473	3,570,618
16	Fuel /Gas Bills		1,854,204	1,373,499
17	Repairs & Maintenance	30.00	2,177,805	2,457,495
18	Depreciation	31.00	10,478,418	10,659,016
19	Insurance		210,336	675,848
20	Other Factory Overhead	32.00	-	-
21	Sub-Total : (12+20)		159,302,288	145,908,033
22	Closing Work-in-Process		-	-
23	Total Conversion Cost : (21-22)		159,302,288	145,908,033
24	Cost of Production (11+23)		159,302,288	145,908,033
25	Opening Stock of Finished Goods		-	85,000
26	Cost of Goods Available for Sale (24+25)		159,302,288	145,993,033
	Cloth Tr. to PLP		-	-
27	Closing Stock of Finished Goods		-	-
28	Total Cost of Sales : (26-27)		159,302,288	145,993,033
29	Gross Profit/Loss : (5-28)		(159,302,288)	(145,908,033)
30	Administrative Expenses	33.00	21,435,507	27,576,706
31	Selling Expenses	34.00	-	3,763,519
32	Total Operating Expenses : (30+31)		21,435,507	31,340,225
33	Operating Profit/(Loss) (29-32)		(180,737,795)	(177,248,258)
	Financial Expenses :			
34	Interest In Cash Credit		-	-
35	Interest Long Term Loan	35.00	-	-
36	Total Interest (34+35)		-	-
37	Non Operating Income		247,912	1,059,602
38	Net Profit/(Loss) (33-36+37)		(180,489,883)	(176,188,656)
39	Balance B/F. for the last year		(11,413,713,355)	(10,985,289,186)
40	Previous year adjustment		(17,845,837)	(252,235,513)
41	Balance Transferred to Balance Sheet		(11,612,049,074)	(11,413,713,355)

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



Manager (A&F)

Latif Bawany Jute Mills Ltd.

মোহাম্মদ জাহিরুল ইসলাম
ব্যবস্থাপক (হিসাব ও অর্থ)
লতিফ বাওয়ানী জুট মিলস্ লিঃ
ডেমরা, ঢাকা।



General Manager

মোহাম্মদ মুহিউদ্দীন
Latif Bawany Jute Mills Ltd.

মহাব্যবস্থাপক
লতিফ বাওয়ানী জুট মিলস্ লিঃ
ডেমরা, ঢাকা।

Mollah Hafizul Haq, FCA

Senior Partner

Rahman Anis & Co.

Chartered Accountants

ICAB Enrollment No. 336

DVC:2510070336AS299282

Place: Dhaka, Bangladesh.


Date: 07 October, 2025.




Latif Bawany Jute Mills Ltd.
Statement of Changes in Working Capital
for the year ended 30th June, 2024.

Sl. #	Particulars	Amount (Tk.)	
		2023-2024	2022-2023
A.	Current Assets :		
	Stock & Store	38,412,298	38,412,298
	Book Debts	418,815,613	418,815,613
	Due from BJMC Mills	34,205,550	33,730,190
	Adv. Deposit & Pre Payments	41,065,871	48,475,416
	Interim Revenue Supports	21,200,000	21,200,000
	BJMC Current Account	832,744,796	937,182,227
	Cash & Bank Balance	15,695,344	30,922,311
	Total : (A)	1,402,139,472	1,528,738,055
B.	Current Liabilities :		
	Bank Overdraft	150,928,776	150,824,426
	Liabilities for Goods	135,505	2,061,601
	Liabilities for Expenses	89,343,767	88,708,149
	Liabilities for Other Finance	379,250,194	400,147,451
	Due to BJMC Mills	108,789,275	107,570,539
	Gratuity Payable Account (Current)	131,662,205	76,753,839
	Total : (B)	860,109,723	826,066,005
C.	Increase/Decrease : (A-B)	542,029,750	702,672,051

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


Manager (A&F)
Latif Bawany Jute Mills Ltd.
মোহাম্মদ জাহিরুল ইসলাম
ব্যবস্থাপক (হিসাব ও অর্থ)
লতিফ বাওয়ানী জুট মিলস্ লিঃ
ডেমরা, ঢাকা।

Place: Dhaka, Bangladesh.
Date: 07 October, 2025.



General Manager
Latif Bawany Jute Mills Ltd.
মোহাম্মদ মুহিউদ্দীন ছাদেক
মহাব্যবস্থাপক
লতিফ বাওয়ানী জুট মিলস্ লিঃ
ডেমরা, ঢাকা।




Latif Bawany Jute Mills Ltd.
Statement of Cash Flows
for the year ended 30th June, 2024.

Sl. #	Particulars	Amount (Tk.)	
		2023-2024	2022-2023
A.	Cash Flow from Operating Activities :		
	Net profit for the year	(180,489,883)	(176,188,656)
	Adjustment Previous year	(17,845,837)	(252,235,513)
	Depreciation	10,478,419	10,659,016
	Stock & Stores	-	12,179,214
	Debtors (Less : Provision)	-	32,102,000
	Due from BJMC Mills	(475,360)	(296,545)
	Advance Deposit per payment	7,409,545	17,199,058
	BJMC Current Accounts	104,437,431	136,343,740
	Liabilities for Goods	(1,926,096)	(934,810)
	Liabilities for Expenses	635,618	(19,154,688)
	Liabilities for Other Finance	(20,897,257)	65,449,449
	Due to BJMC Mill	1,218,736	(3,077,177)
	Gratuity Payable Account (Current)	54,908,366	(145,894,641)
	Net Cash used from Operating Activities (A+B+C)	(42,546,317)	(323,849,553)
B.	Cash Flow from Investing activities :		
	Fixed Assets Addition	(1,621,194)	-
	Investment	5,070,659	(4,646,335)
	Net Cash used from Investing Activities : (B)	3,449,465	-
C.	Cash Flow from Financing Activities :		(4,646,335)
	Reserve	-	-
	Long Term Loan	9,904,716	326,928,208
	Gratuity Prov.	13,860,820	(101,092,814)
	Bank Overdraft	104,350	(28,461,750)
	Net Cash used from Financing Activities : (C)	23,869,886	197,373,644
	Increase/(Decrease) in Cash and Bank Balance : (A+B+C)	(15,226,967)	(131,122,244)
	Cash & Bank Balance at the beginning of the year	30,922,311	162,044,555
	Cash & Bank Balance at the ending of the year	15,695,344	30,922,311

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


Manager (A&F)
Latif Bawany Jute Mills Ltd.
মোহাম্মদ জহিরুল ইসলাম
ব্যবস্থাপক (হিসাব ও অর্থ)
লতিফ বাওয়ানী জুট মিলস্ লিঃ
ডেমরা, ঢাকা।


General Manager
Latif Bawany Jute Mills Ltd.
মোহাম্মদ মুহিউদ্দীন ছাদেক
মহাব্যবস্থাপক
লতিফ বাওয়ানী জুট মিলস্ লিঃ
ডেমরা, ঢাকা।

Place: Dhaka, Bangladesh.
Date: 07 October, 2025.



Latif Bawany Jute Mills Ltd.
Schedule of Fixed Assets
for the year ended 30th June, 2024.

Particulars	Cost			Revaluation	Total Cost as on 30.06.2024	Depreciation on Original Cost			Total Dep. On Original Cost as on 30.06.2024
	Opening Balance as on 01.07.2023	Addition during the year	Cost as on 30.06.2024			Opening as on 01.07.2023	Charged during the year	Total Dep. On Original Cost as on 30.06.2024	
	1	2	3	4	5=(3+4)	6	7	8=(6+7)	
Land	4,190,683	-	4,190,683	16,740,867,596	16,745,058,279	-	-	-	
Land Development	3,177,912	-	3,177,912	-	3,177,912	1,906,747	317,791	2,224,538	
Building & Other Construction	39,835,453	-	39,835,453	257,815,129	297,650,582	17,160,635	2,852,138	20,012,773	
Plant Machinery & Equipment	68,774,002	1,621,194	70,395,196	118,997,680	189,392,876	34,596,575	5,762,084	40,358,660	
Furniture & Fixtures	10,324,251	-	10,324,251	1,453,748	11,777,999	5,072,232	730,870	5,803,102	
Vehicles	20,005,272	-	20,005,272	9,219,992	29,225,264	18,269,921	815,535	19,085,456	
Sundry Assets	250,974	-	250,974	-	250,974	250,974	-	250,974	
Biological Assets (Trees)	-	-	-	5,414,900	5,414,900	-	-	-	
Total	146,558,547	1,621,194	148,179,741	17,133,769,045	17,281,948,786	77,257,085	10,478,419	87,735,504	

Particulars	Depreciation on Re-valuation Cost			Total Depreciation		Written Down Value		Total Assets as on 30.06.2024
	Opening Balance as on 01.07.2023	Charged during the year	Total Der. On Revaluation Cost 30.06.2024	For the year	Cumulative	Original Cost	Revaluation	
	9	10	11=(9+10)	12=(7+10)	13=(8+11)	14=(3-8)	15=(4-11)	16=(14+15)
Land	-	-	-	-	-	4,190,683	16,740,867,596	16,745,058,279
Land Development	-	-	-	317,791	2,224,538	953,374	-	953,374
Building & Other Construction	23,840,580	3,973,430	27,814,010	6,825,568	47,826,783	19,822,680	230,001,119	249,823,799
Plant, Machinery & Equipment	11,842,140	1,973,690	13,815,830	7,735,774	54,174,490	30,036,536	105,181,850	135,218,386
Furniture & Fixtures	539,580	89,930	629,510	820,800	6,432,612	4,521,149	824,238	5,345,387
Vehicles	1,696,500	282,750	1,979,250	1,098,285	21,064,706	919,816	7,240,742	8,160,558
Sundry Assets	-	-	-	-	250,974	(0)	-	(0)
Biological Assets (Trees)	-	-	-	-	-	-	5,414,900	5,414,900
Total	37,918,800	6,319,800	44,238,600	16,798,219	131,974,104	60,444,237	17,089,530,445	17,149,974,682



Latif Bawany Jute Mills Ltd.
Notes to the Financial Statement for the year ended 30th June, 2024.

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

Latif Bawany 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 Nationalization Act No. 25th of 2018.

B. **Nature of Business & Activities :**

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 mill is maintaining a contributory Provident Fund for its every permanent employee. The mill is providing contribution to the Fund equivalent to 10% of basic salary of each permanent employee and company contribution 8.33% as November 2018.

(b) The mill also provides Gratuity benefit to its every permanent employee equivalent to two months last basic 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. The mill production process has been closed from 01/07/2020 By govt. gadget notification no. 24.00.0000.118.18.057.20.104 Dated- 30/06/2020

