

**AUDITORS' REPORT**  
&  
**THE FINANCIAL STATEMENTS**  
OF  
**Khalishpur Jute Mills Ltd.**  
For the Year Ended 30th June 2023

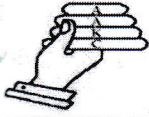
**AUDITORS':**

**AKHTER ABBAS KHAN & Co.**  
**Chartered Accountants**

Nirman Samad Trade Centre (5th Floor)  
63/1 Pioneer Road, Kakrail, Dhaka-1000

Hotel Ornate (5th Floor)  
30 Bijoy Nagar, Dhaka-1000

Contact Number: 01972448363  
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## Independent Auditor's Report

To the Board of Directors'  
of

**Khalishpur Jute Mills Ltd.**

### Report on the Audit of the Financial Statements

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

#### Opinion:

We have audited the financial statements of **Khalishpur Jute Mills Ltd.** which comprise the statement of financial position as of 30 June 2023, and Statement of Manufacturing and Profit or Loss and Other Comprehensive Income, a statement of changes in equity, a statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the financial statements, give a true and fair view of the state of the financial statement of **Khalishpur Jute Mills Ltd.** as at June 30, 2023 and of the results of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 1994 and other applicable laws and regulations.

#### Emphasis the Matter

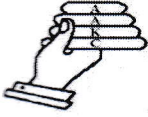
We draw attention to:

1. The company incurred a series of net losses in the consecutive Three years. Details are given in the tabulated form:

Financial Year	Net profit/(Loss) after tax (BDT.)	Profit & Loss Account Balance (Retained Earnings) (BDT.)
2020-2021	(251,924,634)	(6,953,204,791)
2021-2022	(146,185,878)	(6,873,430,228)
2022-2023	(119,190,805)	(7,139,992,016)

As of 30 June 2023, the Company's current liabilities stood at Tk. 147,693,795 and non-current liabilities stood Tk. 7,193,845,273 which companies' total assets of Tk. 14,864,204,294 by Tk. 7,522,665,226. We also draw attention to the production difficulties, inability to pay creditors on due dates, the Inability of key management, closing of Company operation and negative operating cash flows indicated by the financial statements of the company. As per **ISA-570 Para 19 & 22**, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and that the financial statements do not adequately disclose this matter. However, as per P.O.-27 of 1972 Khalishpur Jute Mills Ltd. is a nationalized company and always backed and financially assisted by Government & subsequently Industrial Nationalization Act No. 25 of 2018. **Company Operation is closed through government circular Ref: 24.00.0000.118.18.057.20.104 dated-30 June 2020.** Our opinion is not modified in this issue.





2. IAS 12 requires an entity to recognize a deferred tax liability or (subject to specified conditions) a deferred tax asset for all temporary differences, with some exceptions. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes, but the Company did not reflect any deferred tax which is non-compliance of IAS 12. Our opinion is not modified in this issue.
3. There are no any fixed assets register and physical verification was not carried from inception with tagging of the same. Therefore, we cannot comment on any damage, obsolete items, scrap, over/under statement and its impact in annual financial statements. Our opinion is not modified in this issue.
4. Attention is drawn to Note no. 3.00 in the financial statements related to Inventories (Stock, Stores & Spares) balance accounted of BDT 32,440,878 as at 30 June 2023. The balance is confirmed by the management through financial statements and statement of inventory. But we could not physically verify the existence of the Inventory as at 30 June 2023 of the company, since audit was post-dated. Our opinion is not modified in this issue.
5. Attention is drawn to note no. 04.00 of the financial statements regarding Debtor as on June 30, 2023 BDT 31,401,907. The company provided the party break-up but did not provide the details address and information to confirm the figures through balance confirmation. We were also unable to satisfy ourselves by alternative means regarding Debtor held on 30 June 2023. Our opinion is not modified in this issue.

**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 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) and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

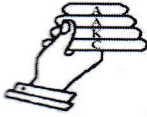
**Other Matter:**

1. The financial statements of the entity for the year ended 30 June 2022, were audited by Masud Altaf & Co. who expressed an unmodified opinion on those financial statements.

**Other Information:**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon.

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 and Those Charged with Governance for the Financial Statements:**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, 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 concerned 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.

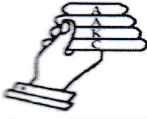
**Auditor's Responsibilities for the Audit of the Financial Statements:**

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.
- 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.

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.

**Report on Other Legal and Regulatory Requirements:**

In accordance with the Companies Act 1994, 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) we did not get Schedule -X and Form-XII from the company;
- c) 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
- d) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.
- e) The expenditure incurred was for the purpose of the Company's business.

Place: Dhaka, Bangladesh

Date: 26 FEB 2024

**Signed for & on behalf of**  
Akhter Abbas Khan & Co.  
**Chartered Accountants**

**Biplob Saha ACA**

Partner

**Enrollment Number-ICAB: 1992**

**DVC: 2402261092A5957152**







**Khalishpur Jute Mills Ltd.**


Statement of Financial Position  
As on 30th June, 2023

Particulars	Notes	Amount (Tk.)	
		30.06.2023	30.06.2022
<b>Assets :</b>			
<b>Non-Current Assets:</b>			
Property, Plant & Equipment	1.00	14,163,777,196	14,292,653,069
Investment	2.00	1,223,025	1,223,025
<b>Total Non Current Assets : (A)</b>		<b>14,165,000,221</b>	<b>14,293,876,094</b>
<b>Current Assets :</b>			
Inventories (Stock,Stores & Spares)	3.00	32,440,878	32,496,278
Debtors	4.00	31,401,907	31,401,907
Due from BJMC Mills	5.00	103,912,902	103,912,902
Advance, Deposit & Pre-Payment	6.00	7,933,950	14,697,456
Interim Revenue Support Receivable	7.00	23,164,884	23,164,884
BJMC Current Account	8.00	466,018,127	541,352,179
Cash & Cash Equivalents	9.00	34,331,425	74,315,332
<b>Total Current Assets : (B)</b>		<b>699,204,073</b>	<b>821,340,938</b>
<b>Total Assets (A+B)</b>		<b>14,864,204,294</b>	<b>15,115,217,032</b>
<b>Equity &amp; Liabilities :</b>			
Authorized Capital	10.00	50,000,000	50,000,000
<b>Shareholders Equity:</b>			
Issued, Subscribed & Paid-up Capital	11.00	23,540,000	23,540,000
Govt. Equity Contribution	12.00	733,847,149	733,847,149
Reserve and Surplus	14.00	13,905,270,092	14,029,401,505
Accumulated profit & Loss (Retained Earnings)	13.00	(7,139,992,016)	(6,873,430,228)
<b>Total Shareholders Equity : (C)</b>		<b>7,522,665,226</b>	<b>7,913,358,427</b>
<b>Non-Current Liabilities:</b>			
Long term Loan	15.00	7,110,925,674	6,709,462,788
Gratuity Liabilities (Long-Term Portion)	16.00	82,919,599	102,650,127
<b>Total Non-Current Liabilities : (D)</b>		<b>7,193,845,273</b>	<b>6,812,112,915</b>
<b>Current Liabilities :</b>			
Bank Overdraft	17.00	76,825,604	294,354,017
Liabilities for Goods	18.00	3,242,212	3,528,301
Liabilities for Expenses	19.00	18,144,436	40,639,318
Liabilities for other Finance	20.00	13,453,108	12,758,669
Due to BJMC Mills	21.00	8,536,604	20,086,639
Gratuity Liabilities (Current Portion)	22.00	27491831	18,378,746
<b>Total Current Liabilities : (E)</b>		<b>147,693,795</b>	<b>389,745,690</b>
<b>Total Equity &amp; Liabilities : (C+D+E)</b>		<b>14,864,204,294</b>	<b>15,115,217,032</b>

The annexed notes form an integral parts of these financial statements.

  
 Manager (Accounts & Finance)  
 শহীদুল ইসলাম  
 সিনিয়র ব্যবস্থাপক (হিসাব ও অর্থ)  
 As per the report of same date  
 Place: Dhaka, Bangladesh  
 Date: 26 FEB 2024

  
 Deputy General Manager  
 মোঃ খালিুর রহমান  
 প্রকল্প প্রধান  
 খালিশপুর জুট মিলস লিঃ  
 শহর খালিশপুর, খুলনা।  
 Signed for and on behalf of  
 Akhter Abbas Khan & Co.  
 Chartered Accountants

  
 Biplob Saha ACA  
 Partner  
 Enrollment Number-ICAB: 1992  
 DVC: 2402261992A5957152





**Khalishpur Jute Mills Ltd.**

Statement of Manufacturing, Trading and Comprehensive Income  
For the year ended 30th June, 2023.

SL #	Particulars	Notes	Hessian	Sacking	Amount (Tk.)	
					2022-2023	2021-2022
<b>Income :</b>						
1	Foreign sales.		-	-	-	-
2	Local sales.	23.00	-	-	-	689,194
3	Local sales(Process goods)		-	-	-	-
4	<b>Total Sales : (1+2)</b>		-	-	-	<b>689,194</b>
5	Subsidy		-	-	-	-
6	<b>Total Income (3+4)</b>		-	-	-	<b>689,194</b>
<b>Material Cost :</b>						
7	Opening work-in-process		-	-	-	-
8	Raw Jute Consumed		-	-	-	-
9	Changes on Raw Jute		-	-	-	-
10	Other Direct Materials Consumed		-	-	-	-
11	<b>Sub Total (6 to 9)</b>		-	-	-	-
12	Closing Work in Process		-	-	-	-
13	<b>Total Material Cost (10 -11) :</b>		-	-	-	-
<b>Conversion Cost :</b>						
14	Opening work-in-process		-	-	-	-
15	Wages.	24.00	-	-	85,541,520	84,107,220
16	Salaries.		-	-	-	-
17	Power/ Electricity.	25.00	-	-	3,285,938	3,259,826
18	Fuel		-	-	-	-
19	Repairs & Maintainance	26.00	-	-	206,518	296,000
20	Depreciation.	27.00	-	-	4,744,460	4,744,460
21	Insurance.	28.00	-	-	97,029	101,129
22	Other Factory Overhead.	29.00	-	-	2,064,060	-
23	<b>Sub Total (14 to 22):</b>		-	-	<b>95,939,525</b>	<b>92,508,635</b>
24	Closing Work-in-process.		-	-	-	-
25	<b>Total Conversion Cost (23-24) :</b>		-	-	<b>95,939,525</b>	<b>92,508,635</b>
26	<b>Cost of Production (13+25):</b>		-	-	<b>95,939,525</b>	<b>92,508,635</b>
27	Opening Stock of Finished Good.		-	-	-	810,000
28	<b>Cost of Goods Available for Sales(26+27)</b>		-	-	<b>95,939,525</b>	<b>93,318,635</b>
29	Closing Stock of Finished Goods.		-	-	-	-
30	<b>Total Cost of Sales (28-29):</b>		-	-	<b>95,939,525</b>	<b>93,318,635</b>
31	<b>Gross Profit /(Loss) (6-30)</b>		-	-	<b>(95,939,525)</b>	<b>(92,629,441)</b>
32	Administrative expenses	30.00	-	-	13,390,927	16,443,636
33	Selling expenses	31.00	-	-	238,531	251,000
34	Tax Paid at source	32.00	-	-	-	30,631
35	<b>Total Operating expenses (32 to 34)</b>		-	-	<b>13,629,458</b>	<b>16,725,267</b>
36	<b>Operating Profit/(Loss) (31-35):</b>		-	-	<b>(109,568,983)</b>	<b>(109,354,708)</b>
<b>Financial Expenses :</b>						
37	Interest (Cash Credit)	33.00	-	-	6,820,142	26,471,252
38	Interest on L.T Loan	34.00	-	-	2,801,680	10,359,918
39	<b>Total Interest (37+38)</b>		-	-	<b>9,621,822</b>	<b>36,831,170</b>
40	<b>Total Profit/(Loss) (36-39)</b>		-	-	<b>(119,190,805)</b>	<b>(146,185,878)</b>
41	Non-Operating Income		-	-	-	-
42	<b>Total Profit/(Loss) Before Tax (40+41)</b>		-	-	<b>(119,190,805)</b>	<b>(146,185,878)</b>
43	Income Tax		-	-	-	-
44	<b>Net Profit/(Loss) After Tax (42-43) :</b>		-	-	<b>(119,190,805)</b>	<b>(146,185,878)</b>

The annexed notes form an integral parts of these financial statements.

**Manager (Accounts & Finance)**  
**শহীদুল ইসলাম**  
**সহকারী ব্যবস্থাপক (হিঃ ও অর্থ)**  
 As per the attached report of same date  
 Place: Dhaka, Bangladesh  
 Date: **26 FEB 2024**

**Deputy General Manager**  
**মোঃ খালিুর রহমান**  
**প্রকল্প প্রধান**  
**খালিশপুর জুট মিলস লিঃ**  
**শহর খালিশপুর, খুলনা।**  
 Signed for and on behalf of  
**Akhter Abbas Khan & Co.**  
 Chartered Accountants

**Biplob Saha ACA**  
 Partner  
 Enrollment Number-ICAB: 1992  
 DVC: **2402261992 AS957152**






## Khalishpur Jute Mills Ltd.


Statement of Manufacturing, Trading and Comprehensive Income (Lakh Taka)  
For the year ended 30th June, 2023


Sl. #	Particulars	Notes	Amount (Tk. In Lakh)			Tk. In Lakh 2021-2022
			Hessian	Sacking	Total	
<b>Income :</b>						
1	Foreign sales.		-	-	-	-
2	Local sales.		-	-	-	6.89
2(1)	Local sales(Process goods)	23.00	-	-	-	-
3	Total Sales : (1+2)		-	-	-	6.89
4	Subsidy		-	-	-	-
5	Total Income (3+4)		-	-	-	6.89
<b>Material Cost :</b>						
6	Opening work-in-process		-	-	-	-
7	Raw Jute Consumed		-	-	-	-
8	Change 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):		-	-	-	-
<b>Conversion Cost :</b>						
13	Opening work-in-process		-	-	-	-
14	Wages.		-	-	-	-
15	Salaries.	24.00	-	-	855.42	841.07
16	Power/ Electricity.	25.00	-	-	32.86	32.60
17	Fuel		-	-	-	-
18	Repairs & Maintenance	26.00	-	-	2.07	2.96
19	Depreciation.	27.00	-	-	47.44	47.44
20	Insurance.	28.00	-	-	0.97	1.01
21	Others Overhead.	29.00	-	-	20.64	-
22	Sub Total (13 to 21):		-	-	959.40	925.09
23	Closing Work-in-process.		-	-	-	-
24	Total Conversion Cost (22-23) :		-	-	959.40	925.09
25	Cost of Production (12+24):		-	-	959.40	925.09
26	Opening Stock of Finished Good.		-	-	-	8.10
27	Cost of Goods Available for Sales(25+26)		-	-	959.40	933.19
28	Closing Stock of Finished Goods.		-	-	-	-
29	Total Cost of Sales (27-28):		-	-	959.40	933.19
30	Gross Profit /(Loss) (5-29)		-	-	(959.40)	(926.29)
31	Administrative expenses	30.00	-	-	133.91	164.44
32	Selling expenses	31.00	-	-	2.39	2.51
33	Tax Paid at source	32.00	-	-	-	0.31
34	Total Operating expenses (31 to 33)		-	-	136.29	167.25
35	Operating Profit /(Loss) (30-34):		-	-	(1,095.69)	(1,093.55)
<b>Financial Expenses :</b>						
36	Interest (Cash Credit)	33.00	-	-	68.20	264.71
37	Interest on L.T Loan	34.00	-	-	28.02	103.60
38	Total Interest (36+37)		-	-	96.22	368.31
39	Total Profit/(Loss) (35-38)		-	-	(1,191.91)	(1,461.86)
40	Non-Operating Income		-	-	-	-
41	Total Profit/(Loss) Before Tax (39+40)		-	-	(1,191.91)	(1,461.86)
42	Income Tax		-	-	-	-
43	Net Profit/(Loss) After Tax (41-42) :		-	-	(1,191.91)	(1,461.86)

The annexed notes form an integral parts of these financial statements.

  
Manager (Accounts & Finance)  
মহম্মদ হোসেন (মিঃ এ.এ.এফ.)  
কালিশপুর জুট মিলস লিমিটেড  
কালিশপুর, খুলনা।  
Date: কালিশপুর, খুলনা।

26 FEB 2024

  
Deputy General Manager  
মোঃ খালিদুর রহমান  
প্রকল্প প্রধান  
খালিশপুর জুট মিলস লিমিটেড  
কালিশপুর, খুলনা।  
Signed for and on behalf of  
Akhter Abbas Khan & Co.  
Chartered Accountants

  
Biplob Saha ACA  
Partner  
Enrollment Number-ICAB: 1992  
DVC: 2402261992A5957152






## Khalishpur Jute Mills Ltd.

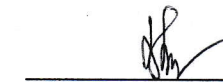
Statement of Changes in Equity  
For year ended 30th June, 2023

Particulars	2022-2023				
	Share Capital	Govt. Equity Contribution	Reserve and Surplus	Accumulated profit & Loss (Retained Earnings)	Total
Opening Balance	23,540,000	733,847,149	14,029,401,505	(6,873,430,228)	7,913,358,427
Less: Depreciation on Revaluation of Fixed Assets	-	-	124,131,413	-	124,131,413
Less: Profit & Loss for the year	-	-	-	(119,190,805)	(119,190,805)
Add: Prior year Adjustment for the year	-	-	-	(147,370,983)	(147,370,983)
Balance as on 01.07.2023	23,540,000	733,847,149	13,905,270,092	(7,139,992,016)	7,522,665,226

Particulars	2021-2022				
	Share Capital	Govt. Equity Contribution	Reserve and Surplus	Accumulated profit & Loss (Retained Earnings)	Total
Opening Balance	23,540,000	733,847,149	14,153,532,918	(6,953,204,791)	7,957,715,276
Less: Depreciation on Revaluation of Fixed Assets	-	-	(124,131,413)	-	(124,131,413)
Less: Profit & Loss for the year	-	-	-	(146,185,878)	(146,185,878)
Add: Prior year Adjustment for the year	-	-	-	225,960,441	225,960,441
Balance as on 01.07.2022	23,540,000	733,847,149	14,029,401,505	(6,873,430,228)	7,913,358,427

The annexed notes form an integral parts of these financial statements.

  
Manager (Accounts & Finance)  
শহীদুল ইসলাম  
মহানগরী ব্যবস্থাপক (ডি: ও অর্থ)  
খালিশপুর জুট মিলস লিঃ  
স্বাক্ষরিত: ২৬ ফেব্রুয়ারি ২০২৪ same date

  
Deputy General Manager  
মোঃ খালিবুর রহমান  
প্রকল্প প্রধান  
খালিশপুর জুট মিলস লিঃ  
শহর খালিশপুর, খুলনা।

Place: Dhaka, Bangladesh

Date: 26 FEB 2024




## Khalishpur Jute Mills Ltd.


Statement of Cash Flows

For the year ended 30th June, 2023

Sl. #	Particulars	Amount (Tk.)	
		2022-2023	2021-2022
<b>A.</b>	<b>Cash Flow From Operating Activities :</b>		
	Net Profit/ (Loss)	(119,190,805)	(146,185,878)
	Depreciation	4,744,460	4,744,460
	Add : Prior year Adjustment	(147,370,983)	225,960,441
	<b>Total</b>	<b>(261,817,328)</b>	<b>84,519,024</b>
	<b>(Increase)/(Decrease) in Current Assets</b>		
	Inventories (Stock,Stores & Spares)	55,400	1,336,424
	Debtors	-	53,586,121
	Advance, Deposit & Pre-Payments	6,763,506	(4,970,417)
	BPMC Current Account	75,334,052	(139,409,681)
	<b>Total</b>	<b>82,152,958</b>	<b>(89,457,553)</b>
	<b>(Increase)/(Decrease) in Current Liabilities</b>		
	Due to BMC Mills	(11,550,035)	-
	Liabilities for Goods	(286,089)	(53,715,165)
	Liabilities for Expenses	(22,494,882)	11,085,292
	Gratuity Liabilities (Long-Term Portion)	(19,730,528)	4,302,440
	Gratuity Liabilities (Current Portion)	9,113,085	(14,947,989)
	<b>Total</b>	<b>(44,948,449)</b>	<b>(53,275,422)</b>
	<b>Total Net Cash Used in Operating Activities</b>	<b>(224,612,819)</b>	<b>(58,213,951)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities :</b>	-	-
<b>C.</b>	<b>Cash Flow from Financing Activities :</b>		
	Liabilities for other Finance	694,439	(510,878)
	Bank Overdraft	(217,528,413)	780,252
	Long Term Loan	401,462,886	96,097,908
	<b>Total Net Cash Generated from Financing Activities</b>	<b>184,628,912</b>	<b>96,367,283</b>
	<b>Net Cash Inflow / (Outflow) (A+B+C)</b>	<b>(39,983,907)</b>	<b>38,153,331</b>
	Opening Cash & Bank Balances	74,315,332	36,162,000
	<b>Cash &amp; Cash Equivalents</b>	<b>34,331,425</b>	<b>74,315,332</b>

The annexed notes form an integral parts of these financial statements.

  
Manager (Accounts & Finance)  
শহীদুল ইসলাম  
মহাসচিব ব্যবস্থাপনা (হিসাব রক্ষণ)  
খালিশপুর জুট মিলস্ লিঃ  
খালিশপুর, খুলনা।  
As per our annexed report of same date

  
Deputy General Manager  
মোঃ খালিলুর রহমান  
প্রকল্প প্রধান  
খালিশপুর জুট মিলস্ লিঃ  
শহর খালিশপুর, খুলনা।

Place: Dhaka, Bangladesh

Date: 26 FEB 2024



## Khalishpur Jute Mills Ltd.

### Notes to the Financial Statements

For the year ended 30th June, 2023

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

Khalishpur 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 Bangladesh Industrial Enterprises(Nationalization) Order. 25/2018 ( Old P.O. 27 of 1972).

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

The principal activities of the company is manufacturing, local sale and export of jute yarn, Hessian, Sacking C.B.C and Geo-Jute.

**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 mills 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 Revaluation was made in the year(1992-1993) 2nd 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 equivalent to 8.33% of basic salary and 10% own contribution of basic salary of each permanent employee.

(b) The mills 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 mills is incurring loss since long. This year the mills 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, 2022 to 30th June, 2023 consistently.