

Final

Private & Confidential

Auditors' Report Financial Statements

of

Jessore Jute Industries Ltd.

Rajghat, Jessore.

For the year ended 30th June, 2025.

MASUD ALTAF & CO.

Chartered Accountants

Dom-Inno Apartment, B-1

23/16, Khilji Road, Block-B

Shyamoli, Mohammadpur, Dhaka-1207.

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Independent Auditors' Report of Jessore Jute Industries Ltd.

Qualified Opinion

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

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph of our report, the accompanying financial statements of the Entity are given a true and fair view of the financial position as on 30th June, 2025 and of its Statement of Manufacturing, Trading and Profit (Loss) and Other Comprehensive Income, Changes in Equity and Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note B and other applicable laws and regulations.

Basis for Qualified Opinion

1. Inventories (Stock, Lying with BJMC Show Room) balance accounted of **BDT. 160,881.00** as at 30th June, 2025. The balance is confirmed by the management through financial statements and statement of inventory. we could not be able to gather sufficient and appropriate audit evidence which was necessary to perform the required audit procedures including physical counting of the inventories.
2. Fixed Assets amounting **Tk 1,839,178,641.00** is shown in the Financial Statements as at 30th June 2025. It appeared that Jessore Jute Industries Ltd. does not maintain Fixed Assets Register and as a result we could not be able to gather sufficient and appropriate audit evidence. We are also recommending that rest of the assets should be tagged properly.
3. Sundry Debtors amounting to **Tk. 14,628,335.00** is being carried forward from previous years without any realization/adjustments. Therefore, it seems that recovery is uncertain. (See Accounts Notes 5.03).
4. Due from BJMC Mills amounting to **Tk. 23,815,256.00** from 14 (fourteen) parties & Due to BJMC Mills amounting to **Tk. 18,039,562.00** 22 (Twenty-two) parties coming from last year without any adjustment During Audit. During performing audit, some reconciled letter was provided but which were not up-to-date. In this regard, we are emphasizing to take necessary steps from BJMC. (See Accounts Notes 6.00).
5. Advance against Store Supply amounting to **Tk. 805,337.00** from 12 (Twelve) parties & Advance against Company Income Tax amounting to **Tk. 2,086,069.00** from 15 (Fifteen) parties coming from last year without any adjustment. (See Accounts Notes 7.01.05 & 7.01.04).
6. Interim Revenue Support Receivable amounting **Tk. 14,277,995.00** Which represents amount receivable against the loss for the year 1994-95 & 1995-96.



7. The production was closed on 30th June; 2020. So, the Entity incurred a series of net losses in the consecutive year to year. Last three-year details are given below:

Financial year	Net profit/Loss after Tax.	Profit & Loss account balance (Retained Earnings)
2022-2023	(71,762,359)	(6,664,481,801)
2023-2024	(76,941,367)	(6,727,234,818)
2024-2025	(39,321,011)	(6,772,430,024)

8. Liabilities for other Finance amounting **Tk. 61,044,288.00** are Shown in the financial Statements as on 30th June, 2025 (in which VAT deducted at source by the amounting **Taka 11,430,057.00** and Tax deducted at source by the amounting **Taka 6,622,823.00**) 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 and Income Tax Act, 2023. (See Accounts Notes 22.00).

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 Entity 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 Entity and also separate financial statement of the Entity 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity 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

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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 Entity 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 Entity's business for the year.

Dated, Dhaka.
23rd November, 2025.





(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. 0684

MASUD ALTAF & CO.

Chartered Accountants

DVC: 2511230684AS101712

Jessore Jute Industries Ltd.

Rajghat, Jessore.

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

Sl. #	Particulars	Notes/ Sch.	Amount (Tk.)	
			30.06.2025	30.06.2024
Assets :				
A. Non- Current Assets :				
	At Cost/Revaluation less accumulated depreciation	1.00	1,839,178,641	2,035,263,595
	Investment	2.00	-	-
	Deferred Expenses	3.00	-	-
	Total Non-Current Assets : (A)		1,839,178,641	2,035,263,595
B. Current Assets :				
	Stock, Stores & Spares	4.00	160,881	160,881
	Debtors Less Provision	5.00	14,628,335	14,628,335
	Due from BJMC Mills	6.00	23,815,256	23,815,256
	Advance, Pre-payments & Deposit	7.00	3,424,908	4,630,996
	Interim Revenue support receivable	8.00	14,277,995	14,277,995
	BJMC Current Account	9.00	-	-
	Cash & Cash Equivalents	10.00	13,275,479	10,788,640
	Total Current Assets : (B)		69,582,854	68,302,103
	Total Property & Assets : (A+B)		1,908,761,496	2,103,565,698
C. Equity & Liabilities :				
	Authorised Capital	11.00	100,000,000	100,000,000
	Issued, Subscribed & Paid-up Capital	12.00	19,000,000	19,000,000
	Govt. Equity Contribution	13.00	123,905,618	123,905,618
	Profit & Loss Account Balance	14.00	(6,772,430,024)	(6,727,234,818)
	Reserves	15.00	1,776,598,694	1,934,991,040
	Total Shareholders Equity : ©		(4,852,925,712)	(4,649,338,160)
D. Non-Current Liabilities :				
	Long Term Loan	16.00	6,309,542,508	6,309,542,508
	Gratuity Liabilities (Provision)	17.00	78,970,380	73,969,658
	Total Capital & Liabilities : (D)		6,388,512,888	6,383,512,166
E. Current Liabilities :				
	BJMC Current Account	18.00	220,112,009	224,040,464
	Bank Overdraft	19.00	-	-
	Liabilities for Goods	20.00	2,553,219	2,553,219
	Liabilities for Expenses	21.00	13,956,333	9,280,159
	Liabilities for Other Finance	22.00	61,044,288	62,529,821
	Due to BJMC Mills	23.00	18,039,562	18,039,562
	Gratuity Payable Account (Current)	24.00	57,468,909	52,948,467
	Provision for Income Tax	46.00	-	-
	Total Current Liabilities : (E)		373,174,319	369,391,692
	Total Capital & Liabilities : (C+D+E)		1,908,761,496	2,103,565,698

জি. এম. আবদুল ইসলাম
উপ-ব্যবস্থাপক (হিসাব ও অর্থ)
যশোর জুট ইন্ডাস্ট্রিজ লিমিটেড
যশোর।
Dated, Dhaka.
23rd November, 2025.

মোঃ আলী হোসেন
প্রকল্প প্রধান
যশোর জুট ইন্ডাস্ট্রিজ লিমিটেড
রাজঘাট, জয়নগর, যশোর।

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



(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. 0684
MASUD ALTAF & CO.
Chartered Accountants
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Jessore Jute Industries Ltd.

Rajghat, Jessore.

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

Sl. #	Particulars	Notes	Hessian	Sacking	CBC	Yarn	Amount (Tk.)	
							2024-2025	2023-2024
	Income :							
1	Foreign Sales	26.00	-	-	-	-	-	-
2	Local Sales	27.00	-	-	-	-	-	-
3	Other Sales						37,793,094	2,526,847
4	Total Sales : (1+2+3)						37,793,094	2,526,847
5	Subsidy		-	-	-	-	-	-
6	Total Income : (4+5)						37,793,094	2,526,847
	Material Cost :							
7	Opening Work-in-Process	28.00	-	-	-	-	-	-
8	Raw Jute Consumption	29.00	-	-	-	-	-	-
9	Charges on Raw Jute	30.00	-	-	-	-	-	-
10	Other Direct Materials Consumed	31.00	-	-	-	-	-	-
11	Sub-Total : (6 to 9)							
12	Closing Work-in-Process	28.00	-	-	-	-	-	-
13	Total Material Cost : (11-12)							
	Conversion Cost :							
14	Opening Work-in-Process	28.00	-	-	-	-	-	-
15	Wages (Notice Pay 02 Month)	32.00	-	-	-	-	-	-
16	Salaries	33.00	-	-	-	-	55,149,691	53,361,673
17	Power/Electricity	34.00	-	-	-	-	1,017,705	811,372
18	Fuel	35.00	-	-	-	-	-	-
19	Repairs & Maintenance	36.00	-	-	-	-	136,487	414,083
20	Depreciation	37.00	-	-	-	-	6,489,772	10,882,965
21	Insurance	38.00	-	-	-	-	48,502	48,502
22	Other Overhead	39.00	-	-	-	-	2,348,547	2,239,212
23	Sub-Total : (14 to 22)						65,190,704	67,757,807
24	Closing Work-in-Process	28.00	-	-	-	-	-	-
25	Total Conversion Cost : (23-24)						65,190,704	67,757,807
26	Cost of Production : (13+25)							
27	Opening Stock of Finished Goods	40.00	-	-	-	-	-	-
28	Transfer to N/L Swing Section		-	-	-	-	-	-
29	Cost of Goods av. for Sale : (26+27)						65,190,704	67,757,807
30	Closing Stock of Finished Goods	40.00	-	-	-	-	-	-
31	Total Cost of Sales : (29- 30)						65,190,704	67,757,807
32	Administrative Expenses	41.00	-	-	-	-	11,923,401	11,710,407
33	Selling Expenses	42.00	-	-	-	-	-	-
34	Total Operating Expenses : (31 to 33)						77,114,105	79,468,214
35	Operating Profit/(Loss) : (6 - 34)						(39,321,011)	(76,941,367)
	Financial Expenses :							
36	Interest (Cash Credit)	43.00	-	-	-	-	-	-
37	Interest (Long Term Loan : BBR-Fi)	44.00	-	-	-	-	-	-
38	Total Interest : (36+37)							
39	Total Profit/(Loss) : (35+38)						(39,321,011)	(76,941,367)
40	Non-Operating Income		-	-	-	-	-	-
41	Profit/(Loss) Before taxation: (39-40)						(39,321,011)	(76,941,367)
42	Less: Current Tax Expenses	45.00	-	-	-	-	-	-
43	Profit/(Loss) after taxation: (41-42)						(39,321,011)	(76,941,367)
44	Net Profit/(Loss) brought forward : (45+46)		-	-	-	-	(6,733,109,013)	(6,650,293,450)
45	Prior year adjustment	25.00	-	-	-	-	(5,874,196)	14,188,351
46	Loss brought forward	14.00	-	-	-	-	(6,727,234,817)	(6,664,481,801)
47	Balance transferred to Balance Sheet : (43+44)	14.00	-	-	-	-	(6,772,430,024)	(6,727,234,817)

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

জি. এম. সব্বিদুল ইসলাম
উপ-ব্যবস্থাপক (হিসাব ও অর্থ)
গণেশ্বর জুট ইন্ডাস্ট্রিজ লিমিটেড
Dated, Dhaka.
23rd November, 2025

মোঃ কল্যাণ মাসুদ
প্রবন্ধ প্রধান
গণেশ্বর জুট ইন্ডাস্ট্রিজ লিমিটেড
রাজঘাট, অভয়নগর, যশোর।



(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2511230684AS101712

Jessore Jute Industries Ltd.

Rajghat, Jessore.

Statement of Changes In Equity for the year ended 30 June 2025

Particulars	2024-2025				
	Issued, Subscribed & Paid-up Capital	Govt. Equity Contribution	Retained Earnings	Reserves & Surplus	Total
Opening Balance	19,000,000	123,905,618	(6,727,234,818)	1,776,598,694	(4,807,730,506)
Add: Net Profit/(loss) for the year	-	-	(39,321,011)	-	(39,321,011)
Add: Prior year Adjustment for the year	-	-	(5,874,196)	-	(5,874,196)
Less: Depreciation on Revaluation of Fixed Assets	-	-	-	25,660,728	25,660,728
Balance as on June 30, 2025	19,000,000	123,905,618	(6,772,430,025)	1,750,937,966	(4,878,586,441)

Particulars	2023-2024				
	Issued, Subscribed & Paid-up Capital	Govt. Equity Contribution	Retained Earnings	Reserves & Surplus	Total
Opening Balance	19,000,000	123,905,618	(6,664,481,801)	1,934,991,040	(4,586,585,143)
Add: Net Profit/(loss) for the year	-	-	(76,941,367)	-	(76,941,367)
Add: Prior year Adjustment for the year	-	-	14,188,351	-	14,188,351
Less: Depreciation on Revaluation of Fixed Assets	-	-	-	-	-
Balance as on June 30, 2024	19,000,000	123,905,618	(6,727,234,818)	1,934,991,040	(4,649,338,160)

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

Dated, Dhaka.
23rd November, 2025.



(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. 0684
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Jessore Jute Industries Ltd.

Rajghat, Jessore.

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

Sl #	Particulars	Amount (Tk.)	
		2024-2025	2023-2024
A.	Cash Flow from Operating Activities :		
	Net Profit/(Loss) for the year 30th June, 2024	(39,321,011)	(76,941,367)
	Add: Prior year adjustment Profit/(Loss)	(5,874,196)	14,188,351
	Total	(45,195,207)	(62,753,016)
	Adjustment to Reconcile Net Loss to Net Cash Provided by Operating Activities		
	Depreciation.	(7,066,070)	9,583,657
	Provision for Gratuity	5,000,722	(5,028,121)
	Total	(2,065,348)	4,555,536
	(Increase)/Decrease in Current Assets:		
	Due from BJMC Mills Accounts.	-	-
	Stock, Stores & Spares	-	19,735,398
	Debtors Less Provision	-	-
	Advance, Pre-payments & Deposit	1,206,088	3,314,796
	BJMC Zonal Office.	-	-
	Total	1,206,088	23,050,194
	Increase/ (Decrease) in Current Liabilities:		
	BJMC Current Accounts.	(3,928,455)	22,763,165
	Due to BJMC Mills.	-	-
	Liabilities for goods	-	16,247
	Liabilities for Expenses	4,676,174	1,071,552
	Gratuity Payable Account (Current)	4,520,442	4,923,432
	Gratuity Liabilities (Provision)	-	-
	Provision for Income Tax	-	(2,291,300)
	Total	5,268,161	26,483,096
	Total Cash Flow from operating Activities	(40,786,306)	(8,664,191)
B.	Cash Flow from Investment Activities :		
	Addition Fixed Assets.	-	(41,450)
	Disposal Fixed Assets.	44,758,678	13,068,780
	Long term loan.	-	3,374,214
	Total Cash Flow from Investment Activities.	44,758,678	16,401,544
C.	Cash Flow from Financing Activities :		
	Liabilities for other Finance	(1,485,533)	(6,932,285)
	Total Cash Flow from Financing Activities	(1,485,533)	(6,932,285)
D.	Increase/(Decrease) in Cash & Bank Balance.	2,486,839	805,068
E.	Cash and Bank Balance at the Beginning of the year	10,788,640	9,983,572
F.	Cash & Bank Balance at the end of the year	13,275,479	10,788,640

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

Dated, Dhaka.
23rd November, 2025.



(Md. Altaf Hossain Masud, FCA)
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Jessore Jute Industries Ltd.

Rajghat, Jessore.

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

A. Legal form of the Enterprise :

Jessore Jute Industries Limited 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 establishment nationalization

Jessore Jute Industries Limited's Board of Directors' Chart:

Sl	Designation	
1	President	Joint Secretary and Director (Finance), BJMC, Dhaka and Chairman, Project Management, Jessore Jute Industries Limited.
2	Director	General Manager (Administration and General Services), BJMC, Dhaka.
3	Director	Public Relations Officer, Ministry of Textiles and Jute, Bangladesh Secretariat, Dhaka.
4	Director	General Manager, Janata Bank PLC, Divisional Office, Khulna.
5	Director	General Manager (R,C,O), BJMC, Khulna Region, Khulna.
6	Director	Project Head, Jessore Jute Industries Limited, Rajghat, Jessore.
7	Secretary	Head of Accounts Department, Jessore Jute Industries Limited, Rajghat,

B. Nature of Business :

The principal activities of the company is manufacturing, local sale and export of jute Hessian, Sacking and

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

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 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 Mills is maintaining a contributory Provident Fund for its every permanent employee. The Mills is providing contribution to the Fund equivalent to 10.00% of basic Salary and 8.33% of basic salary of each permanent employee from November-2017.

(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 Mills cover the period of 1st July, 2024 to 30th June, 2025 consistently.

M. Present Secution :

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

