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Final

Private & Confidential

Auditors' Report Financial Statements

of

Eastern Jute Mills Ltd.

Atra Industrial Area, Khulna.

For the year ended 30th June, 2024.

MASUD ALTAF & CO.

Chartered Accountants

Dom-Inno Apartment, B-1

23/16, Khilji Road, Block-B

Shyamoli, Mohammadpur, Dhaka-1207.

Telephone no. 88-02-48117178

Mobile no. 01711-536193

E-mail : macaudit.2002@gmail.com

Independent Auditors' Report **of** **Eastern Jute Mills Ltd.**

Qualified Opinion

We have audited the Financial Statements of **Eastern Jute Mills Ltd.** which comprise the Statement of Financial Position as on 30th June, 2024 and related the Statement of Manufacturing, Trading and Profit (Loss) and Other Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, 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 give a true and fair view of the financial position as on 30th June, 2024 and of its Statement of Manufacturing, Trading and Profit (Loss) and Other Comprehensive Income, Changes in Equity and Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note B and other applicable laws and regulations.

Basis for Qualified Opinion

1. They Could not maintain any fixed assets register and physical verification was not carried inception with tagging of the same. Therefore, we could not comment on any damage, obsolete items, scrap, over /under statement and its impact in annual financial statements.
2. Inventories (Stock, Stores & Spares) balance accounted of **BDT. 28,408,524.00** as at 30th June, 2024. 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.
3. Sundry Debtors amounting to **Tk. 9,838,439.00** is being carried forward from previous years without any realization/adjustments. (See Accounts Notes 4.02).
4. Due from BJMC Mills amounting to **Tk. 7,540,151.00** from 7 (seven) party coming from last year without any adjustment. (See Accounts Notes 5.00).
5. Advance against Purchases amounting to **Tk. 1,139,100.00** from 52 (fifty two) parties coming from last year without any adjustment. (See Accounts Notes 6.01(e)).
6. Advance against Expenses amounting to **Tk. 1,028,671.00** from 26 (twenty Six) parties out of which **Tk. 995,771.00** from 25 (twenty five) parties coming from last year without any adjustment. (See Accounts Notes 6.01(d)).



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7. 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)
2021-2022	(112,990,107)	(5,098,100,051)
2022-2023	(87,781,852)	(5,179,850,256)
2023-2024	(45,397,270)	(4,727,317,374)

8. Due to BJMC Mills amounting to **Tk. 43,853,226.00** from 14 (fourteen) party coming from last year without any adjustment. (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.



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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.



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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.
1st February, 2025.




(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. 0684

MASUD ALTAF & CO.

Chartered Accountants

DVC: 2502010684AS660867

Eastern Jute Mills Ltd.

Atra Industrial Area, Khulna.

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

Sl. #	Particulars	Notes/Sch.	Amount (Tk.)	
			30.06.2024	30.06.2023
Property & Assets :				
A. Non Current Assets :				
	At Cost/Revaluation less Accumulated Depreciation	1.00	3,991,607,192	4,007,316,837
	Investment	2.00	-	-
	Total Non Current Assets		3,991,607,192	4,007,316,837
B. Current Assets :				
	Stock, Store & Spares	3.00	28,408,524	28,408,524
	Debtors	4.00	9,838,439	9,838,439
	Due from BJMC Mills	5.00	7,540,151	7,540,151
	Advance, Deposit & Pre-Payment	6.00	21,515,811	21,541,291
	Interim Revenue support receivable	7.00	7,208,521	7,208,521
	BJMC Current Account	8.00	-	-
	Cash & Bank Balance	9.00	17,708,003	47,480,370
	Total Current Assets		92,219,450	122,017,296
	Total Property & Assets (A+B)		4,083,826,642	4,129,334,133
Capital & Liabilities :				
	Authorized Capital	11.00	50,000,000	50,000,000
C. Shareholders Equity & Loans :				
	Issued, Subscribed & Paid-up Capital	12.00	8,000,000	8,000,000
	Govt. Equity Contribution	13.00	38,886,133	38,886,133
	Reserves	14.00	3,921,680,052	3,937,029,450
	Profit & Loss Account Balance (Retained Earning)	10.00	(4,727,317,374)	(4,702,724,174)
	Total Shareholders Equity		(758,751,189)	(718,808,591)
D. Non-Current Liabilities :				
	BJMC Current Account	15.00	337,158,952	350,628,050
	Long term Loan	16.00	4,320,719,424	4,320,719,424
	Gratuity Liabilities (Provision)	17.00	47,979,540	49,475,233
	Total Non-Current Liabilities		4,705,857,916	4,720,822,707
E. Current Liabilities :				
	Bank Overdraft	18.00	-	-
	Liabilities for Goods	19.00	4,702,873	4,827,495
	Liabilities for Expenses	20.00	27,656,197	24,902,537
	Liabilities for other Finance	21.00	16,817,115	14,909,222
	Due to BJMC Mills	22.00	43,853,226	43,853,226
	Gratuity Payable Account (Current)	23.00	43,690,505	38,827,537
	Total Current Liabilities		136,719,916	127,320,017
	Total Capital & Liabilities : (C+D+E)		4,083,826,642	4,129,334,133

Manager (Accounts & Finance)

পতিত কুমার সাহা
পরিচালক (অর্থ ও হিসাব)
হিসাব ও অর্থ বিভাগীয় প্রধান
ইস্টার্ন জুট মিলস লিমিটেড
অট্টরা, খুলনা।

বিসম্বন্ধিত
ব্যবস্থাপক (উৎপাদন) ও
Deputy General Manager
ইস্টার্ন জুট মিলস লিঃ
অট্টরা, খুলনা।
মোবাইল: ০১৭৬৬-৬৮০৫৬৬

Dated, Dhaka.

1st February, 2025.



(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. 0684

MASUD ALTAF & CO.

Chartered Accountants

DVC: 2502010684AS660867

Eastern Jute Mills Ltd.
Atra Industrial Area, Khulna.

Statement of Manufacturing, Trading and Other Comprehensive Income for the year ended 30th June, 2024.

Sl. #	Particulars	Notes /Sch.	Amount (Tk.)				Last year 2022-2023
			Hessian	Sacking	C.B.C	Total 2023-2024	
Income :							
1	Foreign sales.	25.00	-	-	-	-	-
2	Others sales.	26.00	-	-	-	10,060,640	-
3	Total Sales : (1+2)		-	-	-	10,060,640	-
4	Subsidy	26.01	-	-	-	-	-
5	Total Income : (3+4)		-	-	-	10,060,640	-
Material Cost :							
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)		-	-	-	-	-
Conversion Cost :							
13	Opening work-in-process		-	-	-	-	-
14	Wages.		-	-	-	-	-
15	Salaries.	27.00	-	-	-	45,560,562	48,721,211
16	Power/ Electricity.	28.00	-	-	-	1,001,196	1,453,115
17	Fuel	29.00	-	-	-	-	-
18	Repairs & Maintenance	30.00	-	-	-	662,489	243,854
19	Depreciation.	31.00	-	-	-	360,247	360,247
20	Insurance.	32.00	-	-	-	37,042	70,000
21	Other Factory Overhead.	33.00	-	-	-	-	-
22	Sub Total : (13 to 21)		-	-	-	47,621,536	50,848,427
23	Closing Work-in-process.		-	-	-	-	-
24	Total Conversion Cost : (22-23)		-	-	-	47,621,536	50,848,427
25	Cost of Production : (12+24)		-	-	-	47,621,536	50,848,427
26	Opening Stock of Finished Good.		-	-	-	-	-
27	Cost of Goods Available for Sales : (25+26)		-	-	-	47,621,536	50,848,427
28	Closing Stock of Finished Goods.		-	-	-	-	-
29	Total Cost of Sales : (27-28)		-	-	-	47,621,536	50,848,427
30	Administrative expenses	34.00	-	-	-	9,784,074	9,900,737
31	Selling expenses	35.00	-	-	-	-	-
32			-	-	-	57,405,610	60,749,164
33	Operating Profit/(Loss) : (5-32)		-	-	-	(47,344,970)	(60,749,164)
Financial Expenses :							
34	Interest (Cash Credit)		-	-	-	-	-
35	Interest on C.C.L.T Loan	36.00	-	-	-	-	-
36	Total Interest : (34+35)		-	-	-	-	-
37	Total Profit/(Loss) : (33-36)		-	-	-	(47,344,970)	(60,749,164)
38	Non-Operating Income	26.02	-	-	-	1,947,700	-
39	Net Profit/(Loss) : (37+38)		-	-	-	(45,397,270)	(60,749,164)

Manager (Accounts & Finance)

পতিত কুমার সাহা

This is the Statement of Manufacturing Trading and Profit (Loss) Accounts referred to in our separate report of even date.
ইহা হল Statement of Manufacturing Trading and Profit (Loss) Accounts referred to in our separate report of even date.
ইস্টার্ন জুট মিলস লিমিটেড
আটরা, খুলনা।

বিসম্বন্ধ কুমার চক্রবর্তী
Deputy General Manager

ইস্টার্ন জুট মিলস লিমিটেড
আটরা, খুলনা।

Dated, Dhaka.

1st February, 2025.



(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. 0684

MASUD ALTAF & CO.

Chartered Accountants

DVC: 2502010684AS660867

Eastern Jute Mills Ltd.

Atra Industrial Area, Khulna.

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/(Loss) for the year	(45,397,270)	(60,749,164)
	Prior year Adjustment	20,804,070	537,875,246
	Total	(24,593,200)	477,126,083
	(Increase)/Decrease in Current Assets :		
	Stock & Stores	-	67,685
	Debtors	-	-
	Advance Deposit & Pre-payments	25,480	(14,211,338)
	Depreciation	360,247	360,247
	Total	385,727	(13,783,406)
	Increase/(Decrease) in Current Liabilities :		
	Liabilities for Goods	(124,622)	(2,985,637)
	Liabilities for Expenses	2,753,660	39,068
	BJMC Current Account	(13,469,098)	(309,895,225)
	Gratuity Payable Account (Current)	4,862,968	(154,426,614)
	Total	(5,977,092)	(467,268,408)
	Total Net Cash used by Operating Activities:	(30,184,565)	(3,925,732)
B.	Cash Flow from Investing Activities :		
	Addition of Non Current Assets	-	-
	Revaluation of Non Current Assets	-	-
	Assets in Pakistan	-	-
	Total Net Cash used by Investing Activities :	-	-
C.	Cash Flow from Financing Activities :		
	Bank Overdraft	-	-
	Liabilities for Other Finance	1,907,893	(24,818,447)
	Long Term Loan	-	(61,351,466)
	Gratuity Liability (Provision)	(1,495,693)	(6,031,108)
	Reserves	-	-
	Total Net Cash provided by Financing Activities :	412,200	(92,201,021)
	Net Cash Inflow/Outflow (A+B+C)	(29,772,364)	(96,126,753)
	Cash and Bank Balance at the beginning of the year	47,480,370	143,607,121
	Cash and Bank Balance at the ending of the year	17,708,003	47,480,370

Deputy Manager (Accounts & Finance)

বিত্তিক কুমার সাহা
উপ-সহকারী (হিসাব) ও
হিসাব ও অর্থ বিভাগীয় প্রধান
ইস্টার্ন জুট মিলস লিমিটেড
খুলনা, কুমিল্লা।

Dated, Dhaka.
1st February, 2025.

Deputy General Manager

বিমল কুমার চক্রবর্তী
ব্যবস্থাপক (উৎপাদন) ও
ইস্টার্ন জুট মিলস লিমিটেড
খুলনা।
মোবাইল: ১১৭৬৬-৬৮০৫৬৬



(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. 0684

MASUD ALTAF & CO.

Chartered Accountants

DVC: 2502010684AS660867

Eastern Jute Mills Ltd.

Ara Industrial Area, Khulna

Schedule of Fixed Assets as on 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/Sales during the year	Total as on 30.06.2024			Opening as on 01.07.2023	Charged during the year	
	1	2	3	4	4	6	7	6+7=8
1) Land	1,336,057	-	1,336,057	2,636,464,046	2,637,800,103	-	-	-
2) Land Development	364,022	-	364,022	5,153,546	5,517,568	-	-	-
3) Building & Other Construction	12,124,976	-	12,124,976	115,526,523	127,651,499	836,616	139,436	976,052
4) Plant, Machinery & Equipment	55,440,029	-	55,440,029	1,264,177,427	1,319,617,456	1,151,598	191,933	1,343,531
5) Furniture & Fixture	781,833	-	781,833	1,292,617	2,074,450	99,175	5,248	104,423
6) Vehicles	3,800,000	-	3,800,000	537,000	3,800,000	141,780	23,630	165,410
7) Sundry Assets	370,916	-	370,916	4,273,400	907,916	-	-	-
8) Biological Assets(Trees)	-	-	-	4,273,400	4,273,400	-	-	-
Total	74,217,833	-	74,217,833	4,027,424,559	4,101,642,392	2,229,169	360,247	2,589,416

Particulars	Depreciation on Re-valuation Cost		Total as on 30.06.2024	Total Depreciation		Written Down Value		Total Assets as on 30.06.2024
	Opening Balance as on 01.07.2023	Charged during the year		For the year 30.06.2024	Cumulative	Original Cost	Revaluation	
	9	10	9+10=11	8+11=13	3-8=14	4-11=15	14+15=16	
1) Land	-	-	-	-	1,336,056	2,636,464,046	2,637,800,103	
2) Land Development	1,546,064	257,677	1,803,741	1,803,741	364,022	3,349,805	3,713,827	
3) Building & Other Construction	13,863,182	2,310,530	16,173,712	17,149,764	11,148,924	99,352,810	110,501,735	
4) Plant, Machinery & Equipment	75,850,646	12,641,774	88,492,420	89,835,951	54,096,498	1,175,685,006	1,229,781,504	
5) Furniture & Fixture	775,570	129,262	904,832	1,009,255	677,410	387,786	1,065,195	
6) Vehicles	-	-	-	165,410	3,634,590	-	3,634,590	
7) Sundry Assets	60,924	10,154	71,078	71,078	370,916	465,922	836,838	
8) Biological Assets(Trees)	-	-	-	-	-	4,273,400	4,273,400	
Total	92,096,386	15,349,398	107,445,784	110,035,200	71,628,417	3,919,978,775	3,991,607,192	

N.B. : Re-valuation of fixed assets done 2016-2017, that's why the opening balance of depreciation on previous Re-valuation are omitted. The above Plant & Machinery Assets includes Assets received from closed Adamjee Jute Mills (M.RR NO-501 to 508 year-2003-04).

