

Final

Private & Confidential

Auditors' Report and Financial Statements

of

Aleem Jute Mills Ltd.
Atra Industrial Area, Khulna.

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 Aleem Jute Mills Ltd.

Qualified Opinion

We have audited the Financial Statements of **Aleem Jute Mills 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, the accompanying financial statements of the Company gives 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. Property, Plant and Equipment (PPE) amounting to Tk. 2,852,342,256.00 presented in The Statements of Financial Position. The Company does not maintain a fixed asset register, and no physical identification tags are attached to the assets. Many of the assets have remained idle for years and are not usable. These have not been presented at fair value in the financial statements. Accordingly, we were unable to verify the accuracy, existence, and valuation of PPE.
2. The mill has been non-operational since 2020, and store materials amounting to Tk.17,300,073.00 have not been used since then. These materials are obsolete and no longer usable. However, no adjustment or impairment has been made in the financial statements.
3. Sundry Debtors (including Subsidy Receivable, Duty Draw Back, BJC, and Insurance Claim) amounting to Tk. 4,706,344.00 is being carried forward from previous years without any realization/adjustments.
4. Due from BJMC Mills amounting to Tk. 1,735,427.00 from 04 (four) mills coming from last year without any adjustment. (See Accounts Notes 5.00). Also, due to BJMC Mills amounting to Tk. 25,541,609.00 from 18 (Eighteen) mills coming from last year without any adjustment.
5. Advances amounting to Tk. 3,087,389.00, deposits of Tk. 23,673.00 and pre-payments Tk. 63,109.00 include amounts paid to suppliers that no longer exist and advances related to stores that are no longer required. Supporting documentation was not available for verification.
6. Liabilities for Others Finance (including PF) amounting to Tk. 16,580,985.00 (in which VAT deducted at source by amounting Tk. 3,344,004.00 & Tax deducted at source by amounting Tk. 336,318.00). 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 & Income Tax Act 2023

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

MASUD ALTAF & CO.

Chartered Accountants

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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 Company and also separate financial statement of the Company 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 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 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 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.

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.

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) Aleem Jute Mills Ltd. is a government entity under BJMC.
- b) In our opinion, certain long-outstanding balances (debtors, advances, deposits, inter-mill transactions, Long Term Loan liabilities) lack supporting documents, which should be maintained as per government accounting guidelines.
- c) All long-term loans of the mill, including principal and accrued interest, are government-guaranteed and will be settled under government supervision.
- d) Except for these matters, the Company complied with applicable legal and regulatory requirements regarding government oversight and statutory reporting.

Dated, Dhaka.
7th January, 2026.




(Md. Altaf Hossain Masud, FCA)

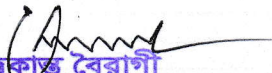
Principal, Enrolment No. 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2601070684AS603694

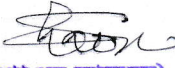
Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

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

Sl. #	Particulars	Note / Sch.	Amount (Tk.)	
			30.06.2025	30.06.2024
Property & Assets :				
A. Non Current Assets :				
	At Cost / Revaluation less accumulated dep.	1.00	2,852,342,256	2,857,403,170
	Investment	2.00	1,523,531	-
	Total Non Current Assets :		2,853,865,787	2,852,342,256
B. Current Assets :				
	Stock, Stores & Spares	3.00	17,300,073	17,300,073
	Debtors (Less Provision)	4.00	4,706,344	4,706,344
	Due from BJMC Mills	5.00	1,735,427	1,735,427
	Advance, Deposits & Pre-payments	6.00	3,167,671	2,579,740
	Interim Revenue Support Receivable	7.00	6,196,151	6,196,151
	Cash & Bank Balance	8.00	1,561,812	5,842,387
	Total Current Assets		34,667,478	38,360,122
	Total Property & Assets : (A+B)		2,888,533,266	2,895,763,292
Capital & Liabilities :				
	Authorized Capital	10.00	50,000,000	50,000,000
C. Shareholders Equity & Loans :				
	Issued, Subscribed & Paid-up Capital	11.00	6,500,000	6,500,000
	Govt. Equity Contribution	12.00	26,418,920	26,418,920
	Reserves	13.00	2,790,086,755	2,794,556,431
	Profit & Loss Account Balance (Retained Earning)	9.00	(3,483,970,538)	(3,444,510,954)
	Total Shareholders Equity		(660,964,864)	(617,035,603)
D. Non Current Liabilities				
	BJMC Current Account	14.00	103,687,206	76,292,295
	Long Term Loan	15.00	3,263,979,476	3,263,979,476
	Gratuity Liabilities (Provision)	16.00	43,996,800	37,590,860
	Total Non Current Liabilities		3,411,663,482	3,377,862,631
E. Current Liabilities :				
	Bank Overdraft	17.00	46,760,404	46,760,404
	Liabilities for Expenses	18.00	34,383,218	35,369,556
	Liabilities for other Finance	19.00	16,580,985	11,246,799
	Due to BJMC Mills	20.00	25,541,609	25,541,609
	Gratuity Payable Account(Current)	21.00	14,568,431	16,017,895
	Total Current Liabilities :		137,834,647	134,936,263
	Total Capital & Liabilities : (C+D+E)		2,888,533,266	2,895,763,292


চন্দ্রকান্ত বৈরাগী
ব্যবস্থাপক (হিঃ ও অর্থ)
আলীম জুট মিলস্ লিঃ
আটরা, খুলনা।


(শাওন মাহমুদ)
উপমহাব্যবস্থাপক (হিঃ ও অর্থ)
প্রকল্প প্রধান
আলীম জুট মিলস্ লিঃ
আটরা, খুলনা।

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

Dated, Dhaka.
7th January, 2026.




(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. : 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2601070684AS603694

Aleem Jute Mills Ltd.
Atra Industrial Area, Khulna.

**Statement of Manufacturing, Trading and Profit (Loss) & Other Comprehensive Income
for the year ended 30th June, 2025.**

Sl. #	Particulars	Note	Amount (Tk.) 2024-2025			Last year 2023-2024
			Hessian	Sacking	Total	
	Income :					
2	Local Sales	-	-	-	-	-
1	Foreign Sales	-	-	-	-	-
3	Total Sales : (1+2)	-	-	-	-	-
4	Subsidy	-	-	-	-	-
5	Total Income : (3+4)	-	-	-	-	-
	Material Cost :					
6	Opening Work-in-Process	-	-	-	-	-
7	Raw Jute Consumption	-	-	-	-	-
8	Charges 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	22.00	-	-	29,538,707	28,747,437
16	Power/Electricity	23.00	-	-	1,100,339	1,178,985
17	Fuel	-	-	-	-	-
18	Repairs & maintenance	24.00	-	-	662,979	847,379
19	Depreciation	25.00	-	-	660,000	660,000
20	Insurance	-	-	-	180,000	-
21	Other Factory overhead	-	-	-	-	-
22	Sub-Total : (13 to 21)	-	-	-	32,142,025	31,433,801
23	Closing Work-in-Process	-	-	-	-	-
24	Total Conversion Cost : (22-23)	-	-	-	32,142,025	31,433,801
25	Cost of Production : (12+24)	-	-	-	32,142,025	31,433,801
26	Opening stock of Finished Goods	-	-	-	-	-
27	Cost of Goods available for Sale : (25+26)	-	-	-	32,142,025	31,433,801
28	Closing stock of Finished Goods	-	-	-	-	-
29	Total cost of Sales : (27- 28)	-	-	-	32,142,025	31,433,801
30	Administrative expenses	26.00	-	-	1,681,092	1,365,260
31	Selling expenses	-	-	-	-	-
32	Total operating expenses : (29 to 31)	-	-	-	33,823,117	32,799,061
33	Operating Profit/(Loss) : (5-32)	-	-	-	(33,823,117)	(32,799,061)
	Financial Expenses :					
34	Interest on Cash Credit	-	-	-	-	-
35	Interest on Long term Loan	-	-	-	-	-
36	Total Interest : (34+35)	-	-	-	-	-
37	Total Profit/(Loss) : (33+36)	-	-	-	(33,823,117)	(32,799,061)
38	Non-Operating Income	-	-	-	41,270	12,403,339
39	Net Profit/(Loss) : (37-38)	-	-	-	(33,781,847)	(20,394,783)

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

Dated, Dhaka.
7th January, 2026.



(Md. Altaf Hossain Masud, FCA)
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Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

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

Sl. #	Particulars	Amount (Tk.)	
		2024-2025	2023-2024
A.	<u>Cash Flow from Operating Activities :</u>		
	Net Profit (Loss) for the year	(33,781,847)	(20,394,783)
	Previous year adjustment	(5,677,738)	(21,414,454)
	Depreciation	591,238	591,238
	Stock, Stores & Spares	-	-
	Debtors (Less Provision)	-	576,054
	Advance, Deposits & Pre-payments	(587,931)	(177,714)
	Due from BJMC Accounts	-	12,568,105
	BJMC Current Accounts	27,394,911	(0)
	Due to BJMC Mill	-	-
	Liabilities for Goods	-	-
	Liability for Expenses	(986,338)	3,748,217
	Gratuity Liabilities(Provision)	6,405,940	22,538,100
	Net Cash used from Operating Activities : (A)	(6,641,766)	(1,965,237)
B.	<u>Cash flow from Investing Activities :</u>		
	Investment	(1,523,530)	-
	Fixed Assets Addition / Adjustment	-	-
	Long term Loan	-	65,919,684
	Net cash flow from Investing Activities : (B)	(1,523,530)	65,919,684
C.	<u>Cash Flow from Financing Activities :</u>		
	Liabilities For Other Finance	5,334,186	200,482
	Bank Overdraft	-	-
	Gratuity Payable Account(current)	(1,449,464)	(64,924,079)
	Net Cash used from Financing Activities : (C)	3,884,722	(64,723,597)
	Net Increase/Decrease in Cash at Bank Balance : (A+B+C)	(4,280,574)	(769,151)
	Opening Cash & Bank Balance	5,842,387	6,611,537
	Closing Cash & Bank Balance	1,561,812	5,842,387

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

Dated, Dhaka.
7th January, 2026.



(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. : 0684

MASUD ALTAF & CO.

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Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

Statement of Changes in Equity for the year ended 30th June, 2025.


Particulars	Issued, Subscribed & Paid-Up Capital	Govt. Equity Contribution	Reserves & Surplus	Accumulated Profit & Loss (Retained Earning)	Total
Opening Balance as on 01 July, 2024	6,500,000	26,418,920	2,794,556,431	(3,444,510,953)	(617,035,602)
Less : Depreciation on Revaluation of Fixed Assets	-	-	(4,469,676)	-	(4,469,676)
Less : Profit & Loss for the year	-	-	-	(33,781,847)	(33,781,847)
Add : Prior year Adjustments for the year	-	-	-	(5,677,738)	(5,677,738)
Closing Balance as on 30th June, 2025.	6,500,000	26,418,920	2,790,086,755	(3,483,970,539)	(660,964,864)

Statement of Changes in Equity for the year ended 30th June, 2024.

Particulars	Issued, Subscribed & Paid-Up Capital	Govt. Equity Contribution	Reserves & Surplus	Accumulated Profit & Loss (Retained Earning)	Total
Opening Balance as on 01 July, 2023	6,500,000	26,418,920	2,799,026,107	(3,402,701,716)	(570,756,689)
Less : Depreciation on Revaluation of Fixed Assets	-	-	(4,469,676)	-	(4,469,676)
Less : Profit & Loss for the year	-	-	-	(20,394,783)	(20,394,783)
Add : Prior year Adjustments for the year	-	-	-	(21,414,454)	(21,414,454)
Closing Balance as on 30th June, 2024	6,500,000	26,418,920	2,794,556,431	(3,444,510,953)	(617,035,602)

Dated, Dhaka.
7th January, 2026.




(Md. Altaf Hossain Masud, FCA)
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Aleem Jute Mills Ltd.

Atra Industrial Area, Khulna.

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

A. Legal form of the Enterprise :

Aleem 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 nationalised Act No. 25 of 2018.

B. Nature of Business :

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 factory is maintaining a contributory Provident Fund for its every permanent employee. The factory is providing contribution to the Fund equivalent to 8.33% from date of Nov'17 of basic wages/salary of each permanent employee.

(b) The factory also provides Gratuity benefit to its every permanent employee equivalent to two months last basic wages/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, 2024 to 30th June, 2025 consistently.