

Private & Confidential

Carpeting Jute Mills Ltd.
Town- Rajghat, Jessore

Auditor's Report and Financial Statements
Of
Carpeting Jute Mills Ltd.
For the year ended 30th June 2025.

M A Fazal & Co.

Chartered Accountants

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**Independent Auditor's Report
Of
Carpeting Jute Mills Ltd
Report on the Audit of the Financial Statements**

Opinion

We have audited financial statements of **Carpeting Jute Mills Ltd** which comprise the Statement of Financial Position as at 30 June 2025 and related the Statement of manufacturing, trading And Profit/(loss) & Others Comprehensive Income, Changes in Equity and 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 accompanying financial statements of the Company gives a true and fair view of the Statement of Financial Position as at 30 June 2025, and of its Statement of Manufacturing, Trading and Profit/(Loss) & 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 Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' 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); we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the 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 opinion.

Matter of emphasise

- i. Inter project transactions & Interim Revenue support receivable still unverified due to improper documents and reconciliation. Ref. note no-08, 10 and 20.
- ii. Depreciation has been calculated based on BJMC's prescribed method.

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 statements 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 Concern'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the manner that achieves fair presentation.

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 that:

- a) Except for the matters as referred to in the qualified opinion paragraph of our report. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, except for the matters as referred to in the qualified opinion paragraph of our report, proper books of accounts as required by law have been kept by the Corporation so far as it appeared from our examination of those books; and
- c) Except for the matters as referred to in the qualified opinion paragraph of our report, The statements 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 and returns.

Dated, Dhaka

03 FEB 2026



Md. Abul Basher, FCA
Managing Partner
M A FAZAL & CO.
Chartered Accountants
ICAB Enrollment No: 0840
FRC Enrollment No: CA-001-112

DVC: 2602030840AS284836

Carpeting Jute Mills Ltd.
Rajghat, Jessore.
Statement of Financial Position as on 30th June, 2025.

Particulars	Notes/Sc h.	Amount (Tk.)	
		30.06.2025	30.06.2024
Property & Assets (Non- Current Assets) :			
A. Non Current Assets :		972,655,282	974,041,682
At Cost/ Revaluation Less Accumulated Depreciation	4.00	971,505,282	972,891,682
Investment	5.00	1,150,000	1,150,000
B. Current Assets :		57,533,899	87,693,690
Stock, Store & Spares	6.00	-	10,589,611
Debtors	7.00	2,980,800	2,980,800
Due from BJMC Mills	8.00	39,776,224	39,776,224
Advance, Deposit & Pre-Payment	9.00	735,401	18,589,472
Interim Revenue support receivable	10.00	11,029,561	11,029,561
Cash & Cash Equivalents	11.00	3,011,913	4,728,022
Total Property & Assets : (A+B)		1,030,189,181	1,061,735,372
Capital & Liabilities :			
C. Authorized Capital	12.00	-	-
D. Equity & Retained Earning :		(2,070,010,514)	(2,002,860,889)
Issued, Subscribed & Paid-up Capital	13.00	7,500,000	7,500,000
Govt. Equity Contribution	14.00	98,110,999	98,110,999
Retained Earnings	15.00	(3,085,848,172)	(3,019,736,947)
Reserves	16.00	910,226,659	911,265,059
E. Long Term Liabilities :		3,007,398,526	2,984,927,599
Gratuity Liabilities (Provision)	17.00	52,304,100	46,559,460
Long Term Loan	18.00	2,472,199,024	2,472,199,024
BJMC Current Account	19.00	482,895,402	466,169,115
F. Current Liabilities :		92,801,169	79,668,662
Due to BJMC Mills	20.00	12,308,827	12,308,827
Liabilities for Goods	21.00	551,712	551,712
Liabilities for Expenses	22.00	18,941,596	18,497,467
Liabilities for other Finance	23.00	25,787,604	24,168,733
Gratuity Payable Account (Current)	24.00	35,211,430	24,141,923
Total Capital & Liabilities : (D+E+F)		1,030,189,181	1,061,735,372

The accompanying notes From 01-34 form an integral part of this Financial Position as per our annexed report of even date



Head of Accounts & Finance



General Manager (Project Head)

Signed in terms of our report of even date.

Dated, Dhaka.

03 FEB 2026





Md. Abul Basher FCA

Managing Partner

M A Fazal & Co.

Chartered Accountants

ICAB Enrollment: 0840

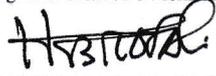
FRC Enrollment: CA-001-112

DVC: 2602030840AS284836

Carpeting Jute Mills Ltd.
Raighat, Jessore.
Statement of Manufacturing, Trading & Profit/(Loss) and other Comprehensive Income
for the year ended 30th June, 2025.

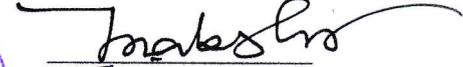
Sl. #	Particulars	Notes/ Sch.	Amount (Tk.)		Amount (Tk.)	
			C.B.C	YARN	2024-2025	2023-2024
	Income :					
1	Foreign Sales	25.00	-	-	-	-
2	Local Sales	26.00	-	-	-	-
3	Others Sales					2,146,450
4	Total Sales : (1+2+3)					2,146,450
5	Subsidy	26.01	-	-	-	-
6	Total Income : (4+5)					2,146,450
	Material Cost :					
7	Opening work-in-process	27.00	-	-	-	-
8	Raw Jute Consumed					
9	Charge on Raw Jute					
10	Other Direct Materials Consumed					
11	Sub Total : (7 to 10)					
12	Closing Work in Process	27.00	-	-	-	-
13	Total Material Cost : (11-12)					
	Conversion Cost :					
14	Opening work-in-process	27.00	-	-	-	-
15	Wages					
16	Salaries	28.00	-	-	38,877,624	39,489,471
17	Power/ Electricity	29.00	-	-	120,178	360,216
18	Fuel					
19	Repairs & Maintenance	30.00	-	-	85,025	178,903
20	Depreciation	31.00	-	-	348,000	348,000
21	Insurance	32.00	-	-	60,000	728,400
22	Other Factory Overhead	33.00	-	-	636,210	-
23	Sub Total : (14 to 22)				40,127,037	41,104,990
24	Closing Work-in-process					
25	Total Conversion Cost : (23-24)				40,127,037	41,104,990
26	Cost of Production : (13+25)				40,127,037	41,104,990
27	Opening Stock of Finished Goods					
28	Cost of Goods Available for Sales : (26+27)				40,127,037	41,104,990
29	Closing Stock of Finished Goods					
30	Total Cost of Sales : (28-29)				40,127,037	41,104,990
31	Gross Profit/loss(6-30)				(40,127,037)	(38,958,540)
32	Administrative Expenses	34.00	-	-	7,966,675	6,764,846
33	Selling Expenses	35.00	-	-		
34	Total Operating expenses : (32+ 33)				7,966,675	6,764,846
35	Operating Profit/(Loss) : (31-34)				(48,093,712)	(45,723,386)
	Financial Expenses :					
36	Interest (Cash Credit)					
37	Interest on Bangladesh Bank Loan	36.00	-	-		
38	Total Interest : (36+37)					
39	Total Profit/(Loss) : (35-38)				(48,093,712)	(45,723,386)
40	Non-Operating Income					
41	Net Profit/(Loss) Before Tax : (39+40)				(48,093,712)	(45,723,386)
42	TDS					
43	Net Profit/(Loss) After Tax : (41-42)				(48,093,712)	(45,723,386)

The accompanying notes From 01-34 form an integral part of this Financial Position as per our annexed report of even date


Head of Accounts & Finance


General Manager (Project Head)
Signed in terms of our report of even date.




Md. Abul Basher FCA
Managing Partner
M A Fazal & Co.
Chartered Accountants
ICAB Enrollment: 0840
FRC Enrollment: CA-001-112

Dated, Dhaka.

03 FEB 2026

DVC: 2602030840AS284836

Carpeting Jute Mills Ltd.

Rajghat, Jessore.

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

Particulars	Share Capital	Equity Contribution	Capital Reserve	Retained in Earning	Total
Balance as on 01.07.2024	7,500,000	98,110,999	911,265,059	(3,019,736,947)	(2,002,860,889)
Depreciation on Re-Valuation Assets	-	-	(1,038,400)	-	(1,038,400)
Prior year Adjustment	-	-	-	(18,017,513)	(18,017,513)
Profit & Loss A/C	-	-	-	(48,093,712)	(48,093,712)
Balance as on 30.06.2025	7,500,000	98,110,999	910,226,659	(3,085,848,172)	(2,070,010,514)

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

Particulars	Share Capital	Equity Contribution	Capital Reserve	Retained in Earning	Total
Balance as on 01.07.2023	7,500,000	98,110,999	912,303,459	(2,984,822,196)	(1,966,907,738)
Depreciation on Re-Valuation Assets	-	-	(1,038,400)	-	(1,038,400)
Prior year Adjustment	-	-	-	10,808,635	10,808,635
Profit & Loss A/C	-	-	-	(45,723,386)	(45,723,386)
Balance as on 30.06.2024	7,500,000	98,110,999	911,265,059	(3,019,736,947)	(2,002,860,889)

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



Head of Accounts & Finance



General Manager (Head of Project)

Signed in terms of our report of even date.



Carpeting Jute Mills Ltd.

Rajghat, Jessore.

Statement of Cash Flows 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	(48,093,712)	(45,723,386)
	Prior year Adjustment	(18,017,513)	10,808,635
	Total	(66,111,225)	(34,914,751)
	<u>Increase/Decrease in Current Assets :</u>		
	Stock & Stores	10,589,611	(777,372)
	Debtors	-	-
	Due from BJMC Mills	-	-
	Advance Deposit & Pre-payments	17,854,071	175,093
	Depreciation	348,000	348,000
	Total	28,791,682	(254,279)
	<u>Increase/Decrease in Current Liabilities :</u>		
	Due to BJMC Mills	-	8,960
	Liabilities for Goods	-	551,712
	Liabilities for Expenses	444,129	7,418,794
	BJMC Current Account	16,726,287	31,301,084
	Gratuity Liability (Provision)	5,744,640	(5,162,145)
	Gratuity Payable Account(Current)	11,069,507	(676,856)
	Total	33,984,563	33,441,549
	Total Net Cash used by Operating Activities:	62,776,245	33,187,270
B.	<u>Cash Flow from Investing Activities :</u>		
	Addition of Non Current Assets	-	-
	Total Net Cash used by Investing Activities :	-	-
C.	<u>Cash Flow from Financing Activities :</u>		
	Liabilities for Other Finance	1,618,871	(2,855,186)
	Long Term Loan	-	(346,426)
	Total Net Cash provided by Financing Activities :	1,618,871	(3,201,612)
	Net Cash Inflow/Outflow : (A+B+C)	(1,716,109)	(4,929,093)
	Cash & Bank Balance at the beginning of the year	4,728,022	9,657,115
	Cash & Bank Balance at the ending of the year	3,011,913	4,728,022

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



Carpeting Jute Mills Ltd.
Rajghat, Jessore.

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

1.00 Company's Background and Nature of Business

1.01 Formation

Carpeting 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).

1.02 Nature of Business

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

2.00 Basis For Preparation

2.01 Reporting framework and compliance thereof

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act, 1994 and other relevant local laws and regulations.

2.02 Other Regulatory Compliance

As required, Carpating Jute Mills Limited Complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) The Income Tax ordinance 2023
- b) The Income Tax Rules 2023
- c) The Value Added Tax Act 2012
- d) The Value Added Tax Rules 2016
- e) Securities and Exchange Commission Rules 1987
- f) Security & Exchange Act 1993
- g) Bangladesh Labour Act 2006 Amended in 2013
- h) Bangladesh labour Rules 2015
- i) Public Procurement Rules 2008
- j) Public Procurement Act 2006
- k) The Customs Act 1969
- l) Security & Exchange Ordinance 1969

2.03 Basis of measurement

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by the Company is historical cost of property, plant and equipment, financial assets and inventories as disclosed in the accounting policies below.

2.04 Functional and presentational currency and level of precision

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT) except where indicated otherwise, which is both functional currency and presentation currency of the Company/group. The figures of financial statements have been rounded off to the nearest BDT.

2.05 Use of judgments and estimates