

BANGLADESH JUTE MILLS CORPORATION (BJMC)
ADAMJEE COURT ANNEX-1,
115-120, MOTIJHEEL C/A, DHAKA-1000, BANGLADESH

Auditors' Report and Financial Statements
Of
RAJSHAHI JUTE MILLS
For the year ended 30 June, 2025

M A FAZAL & CO.

Chartered Accountants

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Independent Auditors' Report
To the Management of Rajshahi Jute Mills
Under Bangladesh Jute Mills Corporation (BJMC)
Report on the audit of the financial statements

Qualified Opinion

We have audited the financial statements of **Rajshahi Jute Mills (The Entity)** which comprise the statement of financial position as at **30 June, 2025** and the statement of profit or loss and other comprehensive income, Statement of cash flows, Statement of changes in equity 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 matters described in the Basis for qualified opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the **Rajshahi Jute Mills** as at **30 June, 2025** and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Qualified Opinion

1. The Entity incurred a series of net losses in the consecutive three years. Details are furnished below:

Financial Year	Net profit/ (Loss) after Tax	Retained Earnings
2022-2023	(92,976,108)	(3,932,681,645)
2023-2024	(98,626,912)	(4,018,683,953)
2024-2025	(106,548,449)	(4,142,499,792)

As on 30 June 2025, the Entity's current liabilities stood **Tk. 129,485,052** and non-Current liabilities stood **Tk. 4,427,808,728** which compared to its total assets of **Tk. 4,654,126,894** the difference is only **Tk. 96,833,114**. As per ISA-570 Para 19 & 22 and IAS-1 Para 25 & 26, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Entity'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 Rajshahi Jute Mills is a nationalized mill and always backed and financially assisted by Government.

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 Entity did not reflect any differed tax which is non-compliance of **IAS 12**.

3. As disclosed in Note 08 to the financial statements, an amount of **Tk. 15,410,351** has been reported under Trade and Other Receivables. This balance has been carried forward for an extended period without any adjustment, which raises concerns regarding its recoverability and suggests that it may be doubtful in nature.

4. As per Section 264 of the Bangladesh Labour Act 2006 and FRC Instruction Letter No. 179/FRC/FRM/Notification/2020/2 (Para 7 and 8), dated July 7, 2020, the Provident Fund of the Entity is required to be audited annually by an independent auditor. During our audit, we observed that the Entity's Provident Fund has not been audited for the year 2023-2024. The latest available audited report pertains to the year 2020-2021.

5. As disclosed in **Note 06** and **Note 22** to the financial statements, the balances of inter-project current accounts as at 30 June, 2025 were not reconciled. Furthermore, the accounts were prepared in the absence of jointly signed reconciliation statements. Accordingly, we were unable to obtain sufficient appropriate audit evidence regarding the accuracy and completeness of these balances.



6. As disclosed in **Note 09** to the financial statements, the balance of BJMC Current Accounts as at 30 June, 2025 could not be reconciled with the corresponding balances confirmed by Bangladesh Jute Mills Corporation (BJMC). Consequently, we were unable to obtain sufficient appropriate audit evidence regarding the accuracy and completeness of these balances.

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 Entity in accordance with the International Ethics Standards Board for Accountants' code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the management of the Entity.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Managements is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

Auditors 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 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.



MA FAZAL & CO.

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In practice since 1970



- 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 Entity'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 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 disclosure 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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 relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and other applicable laws and regulations, we also report the following:

- a) We have obtained all the information and explanation which to best of our knowledge and belief were necessary for the purposes 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 Entity's statement of financial position dealt with by the report is in agreement with the books of accounts and returns.
- d) The expenditure incurred were for the purpose of the Entities for the year.

Dated, Dhaka

08 FEB 2026

DVC: 2602080840AS552571



Md. Abul Basher, FCA # 0840

Managing Partner

M A Fazal & Co.

Chartered Accountants

ICAB Enrollment No. 0840

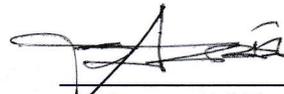
FRC Enlistment No. CA-001-112

Rajshahi Jute Mills
Statement of Financial Position
As at 30 June, 2025

Particulars	Notes	Amount in Taka	
		30 June, 2025	30 June, 2024
Property & Assets:			
Non Current Assets:			
Property, Plant & Equipment	1.00	4,257,375,227	4,297,445,756
Construction Work in Progress	2.00	201,806,984	201,785,055
		4,459,182,211	4,499,230,811
Current Assets:			
Investments	3.00	-	-
Stock of Stores and Spares	4.00	8,905,761	10,570,636
Trade and Other Receivable	5.00	15,410,351	15,527,441
Due from BJMC Mills	6.00	6,245,721	6,243,521
Advance, Deposits & Pre-payments	7.00	5,528,165	6,188,854
Interim Revenue Support Receivable	8.00	7,480,800	7,480,800
BJMC Current Account (Asset)	9.00	133,853,565	203,808,507
Cash and Cash Equivalents	10.00	17,520,320	32,747,749
		194,944,683	282,567,508
Total Property & Assets		4,654,126,894	4,781,798,319
Capital & Liabilities:			
Equity & Retained Earnings:			
Capital Fund	11.00	1,072,304	1,072,304
Govt. Equity Contribution	12.00	51,700,927	51,700,927
Reserves & Surplus	13.00	4,186,559,675	4,219,813,675
Retained Earnings	14.00	(4,142,499,792)	(4,018,683,953)
		96,833,114	253,902,954
Non-Current Liabilities:			
Long Term Loan	15.00	4,304,553,968	4,300,198,976
Gratuity Liabilities (Provision)	16.00	123,254,760	108,865,360
		4,427,808,728	4,409,064,336
Current Liabilities:			
Bank Overdraft	17.00	-	-
BJMC Current Account (Liability)	18.00	-	-
Liabilities for Goods	19.00	24,528	1,837,887
Liabilities for Expenses	20.00	20,367,072	18,131,663
Liabilities for Other Finance	21.00	53,189,372	54,506,623
Due to BJMC Mills	22.00	11,400,126	10,465,996
Gratuity Payable Account (Current)	23.00	44,503,954	33,888,860
		129,485,052	118,831,029
Total Capital & Liabilities:		4,654,126,894	4,781,798,319

Accompanying notes from 1 to 43 form an integral part of these Financial Statements


Dy. Manager (A&F)


Manager (A&F)


Project Head

Signed in terms of our report of even date.

Dated, Dhaka.

08 FEB 2026

DVC: 2602080840AS552571




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

Rajshahi Jute Mills
Statement of Profit or Loss & Other Comprehensive Income
For the year ended 30 June, 2025

Sl. No.	Particulars	Notes	Amount in Taka	
			30 June, 2025	30 June, 2024
Income:				
01	Local Sales	24.00	-	-
02	Foreign Sales	25.00	-	-
03	Total Sales(01+02)		-	-
04	Subsidy	26.00	-	-
05	Total Income(03+04)		-	-
Material Cost:				
06	Opening Work-in-Process	27.00	-	-
07	Raw Materials Consumption	28.00	-	-
08	Charge on Raw Jute	29.00	-	-
09	Other Direct Materials Consumed	30.00	-	-
10	Sub-Total: (06 to 09)		-	-
11	Closing Work-in-Process		-	-
12	Total Material Cost: (10-11)		-	-
Conversion Cost:				
13	Opening Work-in-Process		-	-
14	Wages	31.00	-	-
15	Salary & Allowances	32.00	91,503,871	85,635,698
16	Power/Electricity	33.00	1,769,971	1,788,842
17	Fuel	34.00	-	-
18	Repairs & Maintenance	35.00	381,617	873,943
19	Insurance	36.00	690,313	673,630
20	Other Factory Overhead	37.00	196,914	188,765
21	Depreciation on Original Cost	38.00	6,392,975	4,955,715
22	Sub-Total : (13 to 21)		100,935,662	94,116,593
23	Closing Work-in-Process		-	-
24	Total Conversion Cost : (22-23)		100,935,662	94,116,593
25	Cost of Production : (12+24)		100,935,662	94,116,593
26	Opening Stock of Finished Goods	39.00	-	-
27	Cost of Goods available for Sale: (25+26)		100,935,662	94,116,593
28	Closing Stock of Finished Goods	39.00	-	-
29	Total Cost of Sales: (27-28)		100,935,662	94,116,593
30	Gross Profit/(Loss): (5-29)		(100,935,662)	(94,116,593)
31	Administrative Expenses	40.00	6,636,409	6,686,052
32	Selling Expenses	41.00	-	-
33	Operating Expenses: (31+32)		6,636,409	6,686,052
34	Net Operating Profit/(Loss): (30-33)		(107,572,071)	(100,802,645)
35	Financial Expenses	42.00	23,600	-
36	Non-Operating Income	43.00	1,390,337	2,287,765
37	Net Profit/(Loss) before Tax: (34-35+36)		(106,205,334)	(98,514,880)
38	Income Tax Expenses	43.00	343,115	112,032
39	Net Profit/(Loss) after Tax : (37-38)		(106,548,449)	(98,626,912)

Accompanying notes from 1 to 43 form an integral part of these Financial Statements


Dy. Manager (A&F)


Manager (A&F)


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 No. 0840

FRC Enlistment No. CA-001-112

Dated, Dhaka.

08 FEB 2026

DVC: 2602080840AS552571



Rajshahi Jute Mills
Statement of Changes In Equity
For the year ended 30 June, 2025

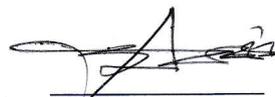
Particulars	Issued, Subscribed & Paid-up Capital/Equity Capital	Govt. Equity Contribution	Reserve & Surplus	Retained Earning	Total
Opening Balance as on 01.07.2024	1,072,304	51,700,927	4,219,813,675	(4,018,683,953)	253,902,954
Add: Net Profit/(Loss) after Tax	-	-	-	(106,548,449)	(106,548,449)
Add/(Less): Capital Gain or Loss	-	-	-	-	-
Add/(Less): Prior years adjustment	-	-	-	(17,267,391)	(17,267,391)
Less: Depreciation on Reserve	-	-	33,254,000	-	33,254,000
Closing Balance as on 30.06.2025	1,072,304	51,700,927	4,186,559,675	(4,142,499,792)	96,833,114

For the year ended 30 June, 2024

Particulars	Issued, Subscribed & Paid-up Capital	Govt. Equity Contribution	Reserve & Surplus	Retained Earning	Total
Opening Balance as on 01.07.2023	1,072,304	51,700,927	4,253,067,675	(3,932,681,645)	373,159,262
Add: Net Profit/(Loss) after Tax	-	-	-	(98,626,912)	(98,626,912)
Add/(Less): Capital Gain or Loss	-	-	-	-	-
Add/(Less): Prior years adjustment	-	-	-	12,624,604	12,624,604
Less: Depreciation on Reserve	-	-	33,254,000	-	33,254,000
Closing Balance as on 30.06.2024	1,072,304	51,700,927	4,219,813,675	(4,018,683,953)	253,902,954

Accompanying notes from 1 to 43 form an integral part of these Financial Statements


 Dy. Manager (A&F)


 Manager (A&F)


 Project Head

Signed in terms of our report of even date.

Dated, Dhaka.

08 FEB 2026



Rajshahi Jute Mills
Statement of Cash Flows
For the year ended 30 June, 2025

Sl. No.	Particulars	Notes	Amount in Taka	
			30 June, 2025	30 June, 2024
A. Cash Flow from Operating Activities:				
	Net Profit/(Loss) for the year		(106,548,449)	(98,626,912)
	Prior year Adjustment		(17,267,391)	12,624,604
	Depreciation		6,392,975	4,527,714
	Total		(117,422,864)	(81,474,594)
Change in Working Capital:				
	(Increase)/ Decrease in Trade and Other Receivable		117,090	29,496,561
	(Increase)/ Decrease in Due from BJMC Mills		(2,200)	(685,349)
	(Increase)/ Decrease in Advance Deposit and Prepayments		660,689	4,349,482
	(Increase)/ Decrease in Stock, Stores and Spares		1,664,875	24,463
	(Increase)/ Decrease in BJMC current account (Asset)		69,954,942	(34,224,518)
	(Increase)/ Decrease in Interim Revenue Support Receivable		-	-
	Increase/ (Decrease) in Due to BJMC Mills		934,130	(869,283)
	Increase/ (Decrease) in Gratuity Liabilities (provision)		14,389,400	16,259,160
	Increase/ (Decrease) in Liabilities for Goods		(1,813,359)	(27,992)
	Increase/ (Decrease) in Liabilities for Expenses		2,235,409	(170,836)
	Increase/ (Decrease) in Liabilities for Other Finance		(1,317,251)	(1,864,909)
	Increase/ (Decrease) in Gratuity Payable Account (Current)		10,615,094	(17,619,702)
	Net Cash used by Operating Activities:		(19,984,045)	(86,807,517)
B. Cash Flow from Investing Activities:				
	Addition of Non Current Assets		-	(93,870)
	Capital Gain or Loss from Sale of Fixed Assets		423,554	-
	Sale of Construction Work in Progress (2nd Unit)		-	56,652,261
	Payment of Construction Work in Progress (2nd Unit)		(21,929)	-
	Net Cash used by Investing Activities:		401,625	56,558,391
C. Cash Flow from Financing Activities:				
	Increase/(Decrease) in Long Term Loan		4,354,992	17,696,699
	Net Cash provided by Financing Activities:		4,354,992	17,696,699
D.	Net Cash Inflow/Outflow: (A+B+C)		(15,227,429)	(12,552,427)
E.	Cash and Bank Balance at the beginning of the year		32,747,749	45,300,175
F.	Cash and Bank Balance at the ending of the year (D+E)		17,520,320	32,747,749

Accompanying notes from 1 to 43 form an integral part of these Financial Statements


Dy. Manager (A&F)


Manager (A&F)


Project Head

Signed in terms of our report of even date.

Dated, Dhaka.

08 FEB 2026

Rajshahi Jute Mills
Notes to the Financial statements
For the year ended 30 June, 2025

A.00 Company's Background and Nature of Business

A.01 Formation:

Rajshahi Jute Mills was incorporated in the then 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, Bangladesh Industrial Nationalized Act. 25 of 2018.

A.02 Location of Registered Office:

The registered office of the Mill is at Shampur, Katakali, Rajshahi.

A.03 Nature of Business:

The principal activities of the company is manufacturing, local sale and export of jute goods. But production of the company is closed through government circular Ref: 24.00.0000.118.18.057.20.104 dated-30 June, 2020

B.00 Basis For Preparation

B.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.

B.02 Other Regulatory Compliance

As required, Rajshahi Jute Mills 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

B.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.

B.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.

B.05 Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.