

PRIVATE & CONFIDENTIAL
AUDIT REPORT
&
FINANCIAL STATEMENTS
OF

Latif Bawany Jute Mills Ltd.
For the year ended 30th June, 2025



RAHMAN ANIS & CO.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF LATIF BAWANY JUTE MILLS LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Latif Bawany Jute Mills Limited** (the Company), which comprise the Statements of financial position as at **30 June 2025**, and the statement of profit or loss and other comprehensive income, statement of 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 present fairly, in all material respects, the financial position of the Company as at **30 June 2025** and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Auditor's Responsibilities to 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) together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994 and other applicable laws and regulations 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 also 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also



Latif Bawany Jute Mills Ltd.
Statement of Financial Position
As on 30th June, 2025.

Sl. #	Particulars	Notes/ Sch.	Amount (Tk.)	
			2024-2025	2023-2024
Property & Assets :				
A.	Non Current Assets :		17,224,919,861	17,238,441,422
i.	At Cost Less Accumulated Depreciation	1.00	17,133,176,465	17,149,974,682
ii.	Investment On Associate (Sonali bag project)	2.00	91,743,396	88,466,740
B.	Current Assets :		1,267,688,668	1,402,139,472
	Stock & Stores	3.00	35,396,429	38,412,298
	Debtors (Less : Provision)	4.00	418,865,613	418,815,613
	Due from BJMC Mills	5.00	24,423,801	34,205,550
	Advance, Deposit & Pre Payments	6.00	41,880,436	41,065,871
	Interim Revenue Support Receivable	7.00	21,200,000	21,200,000
	BJMC Current Account	8.00	708,397,424	832,744,796
	Cash & Bank Balance	9.00	17,524,965	15,695,344
Total Property & Assets : (A+B)			18,492,608,528	18,640,580,894
C.	Capital & Liabilities :			
	Authorised Capital	10.00	25,000,000	25,000,000
D.	Equity & Retained Earnings:		5,648,071,103	5,594,113,580
	Issued, Subscribed & Paid up capital	11.00	16,500,000	16,500,000
	Govt. Equity Contribution	12.00	90,554,607	90,554,607
	Reserves	13.00	17,092,788,247	17,099,108,047
	Accumulated Profit & (Loss) Account Balance	14.00	(11,551,771,751)	(11,612,049,074)
E.	Long term Loans & Liabilities :		12,188,732,452	12,186,357,592
	BJMC Current Account	15.00	-	-
	Long term Loan	16.00	11,989,487,712	11,989,487,712
	Gratuity Liabilities (Provision)	17.00	199,244,740	196,869,880
F.	Current Liabilities :		655,804,973	860,109,722
	Bank Overdraft	18.00	150,928,776	150,928,776
	Liabilities for Goods	19.00	3,621,427	135,505
	Liabilities for Expenses	20.00	106,535,584	89,343,767
	Liabilities for Other Finance	21.00	126,307,739	379,250,194
	Due to BJMC Mills	22.00	117,892,020	108,789,275
	Gratuity Payable Account (Current)	23.00	150,519,426	131,662,205
Total Capital & Liabilities : (D+E+F)			18,492,608,528	18,640,580,894

The annexed notes form an integral part of these financial statements


Mohammad Mohiuddin Sadek
Managing Director
Latif Bawany Jute Mills Limited
Demra, Dhaka.

Signed in terms of our separate report of even date annexed


Ahsan Kabir
Deputy General Manager (A&F)
Latif Bawany Jute Mills Ltd
Demra, Dhaka.


Mollah Hafizul Haq, FCA
Senior Partner
Rahman Anis & Co.
Chartered Accountants
ICAB Enrollment No. 336
DVC No. 2603150336AS942521



Latif Bawany Jute Mills Ltd.
Statement of Manufacturing, Trading & Profit/(Loss) and other Comprehensive Income
For the year ended 30th June, 2025.

Sl. #	Particulars	Notes/ Sch.	Amount (Tk.)	
			2024-2025	2023-2024
	Income :			
1	Local Sale	25.00	-	-
2	Foreign Sales	25.00	-	-
3	Total Sales : (1+2)		-	-
4	Subsidy		-	-
5	Total Income (3+4)		-	-
	Material Cost :			
6	Opening Work-in-Process		-	-
7	Raw Jute		-	-
8	Other Direct Materials		-	-
9	Sub-Total : (6+8)		-	-
10	Closing Work-in-Process		-	-
11	Total Materials Cost : (9-10)		-	-
	Conversion Cost :			
12	Opening Work-in-Process		-	-
13	Wages	28.00	-	-
14	Salaries	29.00	144,464,384	142,185,052
15	Power/Electricity		2,396,473	2,396,473
16	Fuel /Gas Bills		1,854,204	1,854,204
17	Repairs & Maintenance	30.00	1,237,762	2,177,805
18	Depreciation	31.00	10,478,418	10,478,418
19	Insurance		210,336	210,336
20	Other Factory Overhead	32.00	2,803,000	-
21	Sub-Total : (12+20)		163,444,578	159,302,288
22	Closing Work-in-Process		-	-
23	Total Conversion Cost : (21-22)		163,444,578	159,302,288
24	Cost of Production (11+23)		163,444,578	159,302,288
25	Opening Stock of Finished Goods		-	-
26	Cost of Goods Available for Sale (24+25)		163,444,578	159,302,288
	Cloth Tr.to PLP		-	-
27	Closing Stock of Finished Goods		-	-
28	Total Cost of Sales : (26-27)		163,444,578	159,302,288
29	Gross Profit/Loss : (5-28)		(163,444,578)	(159,302,288)
30	Administrative Expenses	33.00	20,993,140	21,435,507
31	Selling Expenses	34.00	-	-
32	Total Operating Expenses : (30+31)		20,993,140	21,435,507
33	Operating Profit/(Loss) (29-32)		(184,437,718)	(180,737,795)
	Financial Expenses :			
34	Interest In Cash Credit		-	-
35	Interest Long Term Loan	35.00	-	-
36	Total Interest (34+35)		-	-
37	Non Operating Income		247,912	247,912
38	Net Profit/(Loss) (33-36+37)		(184,189,806)	(180,489,883)
39	Balance B/F. for the last year		(11,612,049,075)	(11,413,713,355)
40	Previous year adjustment		244,467,130	(17,845,837)
41	Balance Transferred to Balance Sheet		(11,551,771,751)	(11,612,049,075)

The annexed notes form an integral part of these financial statements

Moh
Mohammad Mohiuddin Sadek
Managing Director
Latif Bawany Jute Mills Limited
Demra, Dhaka.

Signed in terms of our separate report of even date annexed

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Ahsan Kabir
Deputy Director
Latif Bawany Jute Mills Ltd
Demra, Dhaka.

Rae
Mollah Hafizul Haq, FCA
Senior Partner

Rahman Anis & Co.
Chartered Accountants
ICAB Enrollment No. 336
DVC No. 2602150226AS042521



Latif Bawany Jute Mills Ltd.
Statement of Changes in Working Capital
for the year ended 30th June, 2025.

Sl. #	Particulars	Amount (Tk.)	
		2024-2025	2023-2024
A	Current Assets :		
	Stock & Store	35,396,429	38,412,298
	Book Debts	418,865,613	418,815,613
	Due from BJMC Mills	24,423,801	34,205,550
	Adv. Deposit & Pre Payments	41,880,436	41,065,871
	Interim Revenue Supports	21,200,000	21,200,000
	BJMC Current Account	708,397,424	832,744,796
	Cash & Bank Balance	17,524,965	15,695,344
	Total : (A)	1,267,688,668	1,402,139,472
B	Current Liabilities :		
	Bank Overdraft	150,928,776	150,928,776
	Liabilities for Goods	3,621,427	135,505
	Liabilities for Expenses	106,535,584	89,343,767
	Liabilities for Other Finance	126,307,739	379,250,194
	Due to BJMC Mills	117,892,020	108,789,275
	Gratuity Payable Account (Current)	150,519,426	131,662,205
	Total : (B)	655,804,973	860,109,722
C	Increase/Decrease : (A-B)	611,883,695	542,029,750

M. M.
Mohammad Mohiuddin Sadek
Managing Director
General Manager
Latif Bawany Jute Mills Limited
Demra, Dhaka.

Ahsan Kabir
Ahsan Kabir
Deputy General Manager (A&F)
Director
Latif Bawany Jute Mills Ltd
Demra, Dhaka.


Signed in terms of our separate report of even date annexed

Place: Dhaka, Bangladesh.
Date: 15 March 2026



Latif Bawany Jute Mills Ltd.
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 for the year	(184,189,806)	(180,489,883)
	Adjustment Previous year	244,467,130	(17,845,837)
	Depreciation	10,478,419	10,478,419
	Stock & Stores	3,015,869	
	Debtors (Less : Provision)	(50,000)	
	Due from BJMC Mills	9,781,749	(475,360)
	Advance Deposit per payment	(814,565)	7,409,545
	BJMC Current Accounts	124,347,372	104,437,431
	Liabilities for Goods	3,485,922	(1,926,096)
	Liabilities for Expenses	17,191,817	635,618
	Liabilities for Other Finance	(252,942,455)	(20,897,257)
	Due to BJMC Mill	9,102,745	1,218,736
	Gratuity Payable Account (Current)	18,857,221	54,908,366
	Net Cash used from Operating Activities (A+B+C)	2,731,418	(42,546,318)
B.	Cash Flow from Investing activities :		
	Fixed Assets Addition	-	(1,621,194)
	Investment	(3,276,656)	5,070,659
	Net Cash used from Investing Activities : (B)	(3,276,656)	3,449,465
C.	Cash Flow from Financing Activities :		
	Reserve	-	-
	Long Term Loan	0	9,904,716
	Gratuity Prov.	2,374,860	13,860,820
	Bank Overdraft	(0)	104,350
	Net Cash used from Financing Activities : (C)	2,374,860	23,869,886
	Increase/(Decrease) in Cash and Bank Balance : (A+B+C)	1,829,623	(15,226,967)
	Cash & Bank Balance at the beginning of the year	15,695,344	30,922,311
	Cash & Bank Balance at the ending of the year	17,524,965	15,695,344


Mohammad Mohiuddin Sadek
General Manager
Managing Director
Latif Bawany Jute Mills Limited
Demra, Dhaka.


Ahsan Kabir
Deputy Director
Manager (A&F)
Latif Bawany Jute Mills Ltd
Demra, Dhaka.

Signed in terms of our separate report of even date annexed

Place: Dhaka, Bangladesh.
Date: 15 March 2026



Latif Bawany Jute Mills Ltd.
Notes to the Financial Statement for the year ended 30th June, 2025.

A. Legal form of the Enterprise :

Latif Bawany 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 Nationalization Act No. 25th of 1972.

B. Nature of Business & Activities :

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 mill is maintaining a contributory Provident Fund for its every permanent employee. The mill is providing contribution to the Fund equivalent to 10% of basic salary of each permanent employee and company contribution 8.33% as November 2018.

(b) The mill 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 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.

M. The mill production process has been closed from 01/07/2020 By govt. gadget notification no. 24.00.0000.118.18.057.20.104 Dated- 30/06/2020

