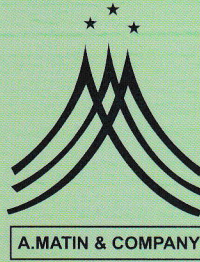


**PRIVATE & CONFIDENTIAL**

**AUDIT REPORT  
&  
FINANCIAL STATEMENTS  
OF  
CHANDPUR JUTE MILLS LIMITED  
FOR THE YEAR ENDED ON 30<sup>TH</sup> JUNE, 2025**



**এ.মতীন এন্ড কোং  
A. MATIN & COMPANY  
CHARTERED ACCOUNTANTS**

**60/2, Halim Palace (1<sup>st</sup> Floor), Naya Paltan, Dhaka-1000  
Phone : 88 0248318191, Mobile : 01713 453596, 01728 039565  
E-mail : akmatinmatin@yahoo.com, akmatinmatinbd29@gmail.com  
www.amatin.co**



এ. মতীন এন্ড কোং  
**A. MATIN & CO.**  
Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

To The Shareholders

Chandpur Jute Mills Limited

Nagoriyakandi, Narsingdi.

FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE 2025.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Qualified Opinion

We have audited the financial statements of **Chandpur Jute Mills Limited**, which comprise of the Statement of Financial Position as at 30<sup>th</sup> June 2025, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and Notes to the Financial Statements.

In our opinion, except for the effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the accompanying Financial Statements present fairly in all material respects or give a true and fair view of the Financial Position of the Company as at 30<sup>th</sup> June 2025 and of its Financial Performance and Cash Flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

### Basis for Qualified Opinion

With modification to this report, we would like to state that

1. During the course of our audit, we observed that although the entity applies the revaluation model for its property, plant and equipment, no revaluation has been carried out since 2016-2017, which is not in compliance with paragraph 31 of IAS 16. Furthermore, despite the existence of indicators of impairment, such as most of the assets are obsolete or physically damaged and remain idle, the entity has not performed an impairment assessment in accordance with paragraph 9 of IAS 36.
2. During the year, the entity disposed of **Plant, Machinery and Equipment** having a **cost of Tk. 8,366,480/-** and a **revaluation balance of Tk. 14,998,446/-**, with **accumulated depreciation of Tk. 2,997,830/- on cost** and **Tk. 6,843,930/- on revaluation**. However, no supporting documents or explanations were provided to enable us to verify the basis on which the cost and revaluation balances, along with the related accumulated depreciation of the disposed assets as at the date of disposal, were determined.

We also observed that **only depreciation on cost has been charged to profit or loss**, while **depreciation relating to the revaluation portion has been adjusted against Reserves (Note-13)**, which does not comply with **IAS 16**, as the standard requires that **depreciation on both the cost and revaluation components be recognized in profit or loss**.





4. The entity has failed to provide us any books of accounts or other alternative documents to substantiate the adjustment of Dewan Trade of Tk. 1,201,814/- & closing balance of Overseas Trading of Tk. 397,518/- reported under Trade Debtors Foreign (Note-4.01), Revenue Reserve against sale of Fixed Assets of Tk. 1,018,512/- (Note-13.00). As a result, we are unable to verify these reported balances.
5. The entity has not recognized any **provision for unpaid income tax**. Instead of recognizing **advance income tax as an asset**, an amount of **Tk. 993,768/- (Note-42.00)** has been recognized in **profit or loss**, which is not in compliance with **IAS 12**. Furthermore, **out of the reported TDS of Tk. 993,768/-**, tax challans amounting to **Tk. 984,744/-** were provided to us, resulting in a **discrepancy of Tk. 9,024/-**.
6. The financial statements include various financial assets, such as Mico Jute Bag & Co. amounting to Tk. 2,272,470/- (Note-04.01) & Green Leaf amounting to Tk. 6,550,268/- (Note-04.01) reported under Trade Debtors (Foreign), Sundry Debtors amounting to Tk. 13,072,245/- (Note-04.03), Interim Revenue support receivable amounting to Tk. 6,799,017/- (Note-07.00), which primarily represent contractual rights to receive cash from various parties. Despite clear indications of significant increase in credit risk associated with these assets, the entity did not measure & recognize a loss allowance/bad debt based on lifetime expected credit losses.
7. The entity has not regularly filed statutory returns with the Registrar of Joint Stock Companies and Firms (RJSC) as per the requirements of the companies act 1944. Additionally, the entity could not provide us Schedule X (Annual Summary of Share Capital & List of Shareholders) and Form XII (Particulars of Directors, Manager, and Managing Agents).
8. The entity has remained non-operational for several years and has recently disposed of certain non-current assets, including plant & machinery (Note 1.00). These factors may give rise material uncertainty related its going concern and those uncertainties have not been adequately disclosed in the financial statements.

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). 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 Code of Ethics Issued by the International Ethics Standards Board for Accountants (IESBA) Code of Ethics as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of the Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Responsibilities of the Management and those charged with Governance for the Financial Statements**  
Management is responsible for the preparation of Financial Statements in accordance with the accounting policies of the company 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 if 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 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 audit conducted in accordance with ISA 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 be reasonable by expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an Audit in accordance with ISA, we exercise professional judgement and maintain professional scepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 gives a true and fair view.

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.





এ. মতীন এন্ড কোং  
**A. MATIN & CO.**  
Chartered Accountants

**Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, we also report the following except for the effects of the matter described in the Basis for Qualified Opinion:

- 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 Company so far as it appeared from our examination of those books; and
- c) The Statement 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 accounts.
- d) The Expenditure incurred was for the purpose of the Company's Business.

Monika Nashat Matin, FCA

Enrolment No. 1968

A. Matin & Co.

Chartered Accountants

DVC: 260 308 1968 AS 22 5761

Place: Dhaka, Bangladesh

Dated: 08 MAR 2025





Chandpur Jute Mills Limited

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

Particulars	Note	Amount in Taka	
		30.06.2025	30.06.2024
<b>Fixed Asset</b>			
<b>A. Non Current Assets</b>			
At Cost/Revaluation less accumulated depreciation	1.00	2,105,380,923	2,125,558,412
Investment	2.00	-	-
<b>Total Non-Current Assets</b>		<b>2,105,380,923</b>	<b>2,125,558,412</b>
<b>B. Current Assets</b>			
Stock, Stores & Spares	3.00	-	-
Debtors (Less: Provisions)	4.00	22,292,501	23,594,315
Due from BJMC Mills	5.00	-	-
Advance, Deposit & Pre-payments	6.00	-	-
Interim Revenue support receivable	7.00	6,799,017	6,799,017
BJMC Current Accounts	8.00	-	-
Cash & Bank Balance	9.00	-	-
<b>Total Current Assets</b>		<b>29,091,518</b>	<b>30,393,332</b>
<b>Total Property &amp; Assets (A+B)</b>		<b>2,134,472,441</b>	<b>2,155,951,744</b>
<b>Capital &amp; Liabilities</b>			
<b>Authorised Capital</b>	10.00	<b>50,000,000</b>	<b>50,000,000</b>
<b>D. Shareholders Equity &amp; Loans</b>			
Issued, Subscribed & Paid-up Capital	10.01	10,000,000	10,000,000
Govt. Equity Contribution	11.00	57,646,749	57,646,749
Accumulated Profit & Loss Account Balance	12.00	(2,779,973,854)	(2,755,682,572)
Reserves	13.00	2,073,794,536	2,087,864,395
<b>Total Equity &amp; Retained Earning</b>		<b>(638,532,568)</b>	<b>(2,688,035,823)</b>
<b>E. Long Term Liabilities</b>			
Current Accounts with United Jute Mills	14.00	2,758,682,396	2,744,100,714
Long Term Loan	15.00	-	-
Gratuity Liabilities (Provision)	16.00	9,337,117	6,691,117
<b>Total Shareholders Equity &amp; Loans</b>		<b>2,768,019,513</b>	<b>4,838,656,226</b>
<b>F. Current Liabilities</b>			
Bank Over Draft	17.00	-	-
Liabilities for Goods	18.00	-	-
Liabilities for expenses	19.00	3,911,766	3,531,766
Liabilities for other Finance	20.00	1,073,730	1,799,574
Due to BJMC Mills	21.00	-	-
Gratuity Payable Account (Current)	22.00	-	-
<b>Total Current Liabilities</b>		<b>4,985,496</b>	<b>5,331,340</b>
<b>Total Capital &amp; Liabilities (D+E+F)</b>		<b>2,134,472,441</b>	<b>2,155,951,744</b>

Manager (Accounts & Finance)  
Signed in terms of our separate report of even date annexed.

General Manager (Project Head)

Place: Dhaka, Bangladesh.  
Date: 08 MAR 2020

Monika Nashat Matin, FCA  
Enrollment No. 1968  
A. Matin & Co.  
Chartered Accountants

DVC: 260 3081968 AS 225761





Chandpur Jute Mills Limited

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

Particulars	Notes	Amount in (Tk.)			2023-24
		2024-25			
		Hessian	Sacking	Total	
<b>Income</b>					
1 Foreign sales	25	-	-	-	-
2 Local sales	26	-	-	-	-
3 Total sales (1+2)		-	-	-	-
4 Subsidy		-	-	-	-
5 Total Income (3+4)		-	-	-	-
<b>Material cost</b>					
6 Opening work-in-process		-	-	-	-
7 Raw Jute consumption	27	-	-	-	-
8 Charges on Raw Jute	28	-	-	-	-
9 Other direct materials consumed	29	-	-	-	-
10 Sub-Total (6 to 9)		-	-	-	-
11 Closing work-in-process		-	-	-	-
12 Total Material cost (10-11)		-	-	-	-
<b>Conversion cost</b>					
13 Opening work-in-process		-	-	-	-
14 Wages	30	-	-	-	-
15 Salaries	31	-	-	21,149,543	21,329,441
16 Power/Electricity	32	-	-	595,376	423,436
17 Fuel	33	-	-	-	-
18 Repairs & maintenance	34	-	-	147,309	65,245
19 Depreciation	35	-	-	738,980	3,447,594
20 Insurance	36	-	-	4,602	4,321
21 Other Factory overhead	37	-	-	-	309,695
22 Sub-Total (13 to 21)		-	-	22,635,810	25,579,732
23 Closing work-in-process		-	-	-	-
24 Total Conversion cost (22-23)		-	-	22,635,810	25,579,732
25 Cost of production (12+24)		-	-	22,635,810	25,579,732
26 Opening stock of Finished goods		-	-	-	-
27 Cost of goods available for sale(25+26)		-	-	22,635,810	25,579,732
28 Closing stock of Finished goods		-	-	-	-
29 Total cost of sales (27- 28)		-	-	22,635,810	25,579,732
30 Administrative expenses	38	-	-	3,740,084	3,394,303
31 Selling expenses	39	-	-	-	77,064
32 Total operating expenses (29 to 31)		-	-	26,375,894	29,051,099
33 Operating Profit/(Loss) (5 - 32)		-	-	(26,375,894)	(29,051,099)
<b>Financial expenses</b>					
34 Interest (Cash Credit)		-	-	-	-
35 Interest (Long term Loan)	40	-	-	-	-
36 Total Interest (34+35)		-	-	-	-
37 loss On Sale Of Plant & Mechinery	41	-	-	(5,076,136)	-
38 Total Profit/(Loss) (33+36)		-	-	(31,452,030)	(29,051,099)
39 Tax Paid At Source (TDS)	42	-	-	993,768	-
40 Net Profit/(Loss) After Tax during the Year(39-40)		-	-	(32,445,798)	(29,051,099)

Manager (Accounts & Finance)

Signed in terms of our separate report of even date annexed.

General Manager (Project Head)

Monfka Nashat Matin, FCA  
Enrollment No. 1968  
A. Matin & Co.

Chartered Accountants

Place: Dhaka, Bangladesh.

Date: 08 MAR 2026





এ. মতীন এন্ড কোং  
**A. MATIN & CO.**  
Chartered Accountants

**Chandpur Jute Mills Ltd.**

Statement of Change in Equity

For year ended 30th June, 2025

Particulars	Share Capital	Equity Contribution	Reserves	P&L A/C	Total
Balance as on 01.07.2024	10,000,000	57,646,749	2,087,864,395	(2,755,682,572)	(600,171,428)
Depreciation on Re-Valuation Assets	-	-	(5,915,343)	-	(5,915,343)
Disposal of Plant & Machinery	-	-	(8,154,516)	-	(8,154,516)
Profit on Disposal of PPE	-	-	-	8,154,516	8,154,516
During the Year	-	-	-	(32,445,798)	(32,445,798)
Closing Balance as on 30.06.25	10,000,000	57,646,749	2,073,794,536	(2,779,973,854)	(638,532,568)





**Chandpur Jute Mills Limited**

Statement of Cash Flow  
For the Year Ended June 30, 2025

Particulars	Amount in Taka	
	2024-2025	2023-2024
<b>A. Cash Flows from Operating Activities</b>		
Net Profit Before Tax	(31,452,030)	(29,051,099)
Add: Finance Cost	-	-
Add: Depreciation on Fixed Assets (Cost)	738,980	3,447,594
Less: Disposal of Fixed Asset	8,154,516	1,458,946
(Increase)/Decrease in Stock, Stores & Spares	-	-
(Increase)/Decrease in Debtors (Less: Provisions)	1,301,814	2,235,500
(Increase)/Decrease in Current A/C with United Jute Mills	14,581,682	10,716,756
Increase/(Decrease) in Liabilities for Expenses	380,000	629,941
Increase/(Decrease) in Liabilities for Other Finance	(725,844)	1,697,001
Increase/(Decrease) in Gratuity Liabilities (Current)	2,646,000	-
<b>Cash Generated from Operations</b>	<b>(4,374,882)</b>	<b>(8,865,360)</b>
Tax Paid	(993,768)	-
Less: Bank Commission & Charges Paid	-	-
<b>Net Cash Generated from Operating Activities</b>	<b>(5,368,650)</b>	<b>(8,865,360)</b>
<b>B. Cash flows from Investing Activities</b>		
Cash Payment to acquire Fixed Assets	-	-
Disposal of Fixed Asset	5,368,650	8,388,516
<b>Net cash used in investing activities</b>	<b>5,368,650</b>	<b>8,388,516</b>
<b>C. Cash flows from Financing Activities</b>		
Cash Receipt from Long-Term Liabilities	-	-
Cash Paid for Gratuity Liabilities (Provision)	-	476,844
<b>Net cash Flow from Financing Activities</b>	<b>-</b>	<b>476,844</b>
<b>D. Net Cash Inflows/(outflows) {A+B+C}</b>	<b>-</b>	<b>-</b>
<b>E. Cash and Cash Equivalent at The Beginning of The Year</b>	<b>-</b>	<b>-</b>
<b>F. Cash and Cash Equivalent at The End of The Year</b>	<b>-</b>	<b>-</b>

