

Private & Confidential

Auditors' Report Financial Statements

of

R R Jute Mills Ltd.

Banshbaria, Shitakundha, Chattogram.

For the year ended 30th June, 2024.

MASUD ALTAF & CO.

Chartered Accountants

Dom-Inno Apartment, B-1

23/16, Khilji Road, Block-B

Shyamoli, Mohammadpur, Dhaka-1207.

Telephone no. 88-02-48117178

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Independent Auditors' Report of R R JuteMills Ltd.

Qualified Opinion

We have audited the Financial Statements of **R R Jute Mills Ltd.** which comprise the Statement of Financial Position as on 30th June, 2024 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, except for the effects of the matter described in the basis for qualified opinion paragraph of our report, the accompanying financial statements of the Company gives a true and fair view of the financial position as on 30th June, 2024 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. They Could not maintain any fixed assets register amounting to **Tk. 942,876,906.00** and physical verification was not carried inception with tagging of the same. Therefore, we could not comment on any damage, obsolete items, scrap, over /under statement and its impact in annual financial statements.
2. Due from BJMC Mills amounting to **Tk. 90,216,290.00** from 21 (Twenty-One) parties out of which **Tk. 88,935,290.00** from 20 (Twenty) parties coming from last year without any adjustment. (See Accounts Notes 5.00).
3. Duty Draw Back amounting to **Tk. 976,847.25** Which Coming from last year Without any adjustment & Management Could not Provide source documents (See Accounts Notes 4.00).
4. Receivable From Nature Bac amounting to **Tk. 59,870,483.69** Which has been Carrying froward since year 2009-2010 Without any adjustment (See Accounts Notes 6.00).
5. BJMC (HO) Lease Account amounting to **Tk. 47,397,931.50** Which Coming from last year Without any adjustment & Management Could not Provide source documents (See Accounts Notes 7.00).
6. Advance against Store Purchase amounting to **Tk. 115,011.14** Which Coming from last year Without any adjustment (See Accounts Notes 8.01(d)).
7. Other Advance amounting to **Tk. 340,904.35** Which Coming from last year Without any adjustment (See Accounts Notes 8.01(g)).
8. Deposit amounting to **Tk. 728,150.35** Which Coming from last year Without any adjustment (See Accounts Notes 8.02.)

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9. Interim Revenue Support Receivable amounting **Tk. 3,104,401.00** Which represents amount receivable against the loss for the year 1994-95 & 1995-96. (See Accounts Notes 9.00)
10. The Entity incurred a series of net losses in the consecutive year to year. Last three year details are given below.

Financial year	Net profit/Loss after tax.	Profit & Loss account balance (Retained Earnings)
2021-2022	(28,237,035.16)	(1,267,091,706.16)
2022-2023	(23,608,840.85)	(1,304,288,854.85)
2023-2024	(24,244,475.69)	(1,327,741,190.54)

11. BJMC Current account amounting **Tk. 340,955,334.23** are shown in the statement of financial Position which are not reconciled with BJMC. (See Accounts Notes 17.00).
12. Long Term Loans which are NCB loan amounting **Tk. 95,933,1363.13**, Govt. Loan amounting **Tk. 712,023,510.56** & Govt. Loan for Retired and Terminated workers amounting **Tk. 211,916,705.00** are shown in the statement of financial Position where the management not provide any authentic or Source Document. (See Accounts Notes 18.00).
13. Due to BJMC Mills amounting to **Tk. 32,586,977.62** from 11 (Eleven) parties which coming from last year without any adjustment. (See Accounts Notes 24.00).

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 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.



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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:

- 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;
- 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.
- The Statement of Financial Position, Manufacturing, Trading and Profit (Loss) and Other Comprehensive Income, Changes in Equity & Cash Flow for the year then ended dealt with by the report are in agreement with the books of account and returns, and
- The expenditures incurred were for the purpose of the company's business for the year.

Dated, Dhaka.

10th March, 2025.




(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2503100684AS493539

R R Jute Mills Ltd.

Banshbaria, Shitakundha, Chattogram.

Statement of Financial Position as on 30th June, 2024.

Sl. #	Particulars	Notes/ Sch.	Amount (Tk.)	
			30.06.2024	30.06.2023
A.	Property, Plant & Equipment:			
	Non Current Assets :			
	(At Cost & Revaluation less accumulated depreciation)	1	942,876,906.00	945,015,405.00
	Investment	2	8,000.00	8,000.00
	Deferred Expenses			
	Total Non Current Assets : (A)		942,884,906.00	945,023,405.00
B.	Current Assets :			
	Stock of Stores & Spares	3	6,510,698.42	6,510,698.42
	Debtors (less: Provisions)	4	1,050,806.25	1,050,806.25
	Due from BJMC Mills & De-Nationalised Mills	5	90,505,209.31	91,786,209.31
	Receivable From Nature Bac	6	60,156,184.69	59,870,483.69
	BJMC (HO) Lease A/c	7	47,397,931.50	47,397,931.50
	Advance, Deposits & prepayment .	8	2,496,194.65	2,893,894.65
	Interim Revenue Support Receivable	9	3,104,401.02	3,104,401.02
	BJMC Current A/C	10	-	-
	Cash & Bank Balances	11	2,443,611.65	13,231,168.86
	Total Current Assets : (B)		213,665,037.49	225,845,593.70
	Total Assets: (A+B)		1,156,549,943.49	1,170,868,998.70
	Capital & Liabilities :			
C.	Authorised Capital	13	25,000,000.00	25,000,000.00
D.	Equity & Retained Earnings :			
	Issued/Subscribed & paid-up Capital	14	5,000,000.00	5,000,000.00
	Govt. Equity Contribution	15	78,282,000.00	78,282,000.00
	Accumulated Profit & Loss(Retained Earnings)	12	(1,327,697,335.85)	(1,304,288,854.85)
	Total Equity & Retained Earnings : (D)		(1,244,415,335.85)	(1,221,006,854.85)
E.	Long Term Liabilities:			
	Reserve	16	893,579,885.02	894,824,058.02
	BJMC Current Account	17	344,525,303.32	335,781,334.23
	Long Term Loan	18	1,015,981,534.55	1,015,981,534.55
	Gratuity Liabilities (Provision)	19	29,075,360.00	28,431,020.00
	Total Long Term Liabilities: (E)		2,283,162,082.89	2,275,017,946.80
F.	Current Liabilities :			
	Bank Overdraft	20	-	-
	Liabilities for Goods	21	2,010,212.25	2,010,172.25
	Liabilities for Expenses	22	19,843,604.01	18,994,210.01
	Liabilities for other Finance	23	58,525,691.98	58,429,836.28
	Due to BJMC Mills & De-Nationalised Mills	24	32,834,565.59	32,834,565.59
	Gratuity Payable Account (Current)	25	4,589,122.62	4,589,122.62
	Total Current Liabilities : (F)		117,803,196.45	116,857,906.75
	Total Capital & Liabilities : (D+E+F)		1,156,549,943.49	1,170,868,998.70

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

মোঃ সাখাওয়াত হুসাইন
ব্যবস্থাপক (হিসাব ও অর্থ)
ও হিসাব বিভাগীয় প্রধান
আর. আর. জুট মিলস লিমিটেড
ইন্দাবাড়িয়া, চট্টগ্রাম।

মোঃ মুর নবী
ব্যবস্থাপক (উৎপাদন) ও
একর প্রধান
আর. আর. জুট মিলস লিমিটেড
ইন্দাবাড়িয়া, চট্টগ্রাম।

(Md. Altaf Hossain Masud, FCA)

Principal, Enrolment No. : 0684

MASUD ALTAF & CO.

Chartered Accountants

DVC: 2503100684AS493539

Dated, Dhaka.

10th March, 2025.



R R Jute Mills Ltd.
Banshbaria, Shitakundha, Chattogram.

**Statement of Manufacturing, Trading and Profit/(Loss) & other Comprehensive Income
for the year ended 30th June, 2024.**

Sl. #	Particulars	Notes	Amount (Tk.)			Last year 2022-2023
			C.B.C.	Yarn	Total	
	Income:					
1	Foreign Sales	26	-	-	-	-
2	Local Sales		-	-	-	-
3	Total Sales : (1+2)		-	-	-	-
4	Subsidy		-	-	-	-
5	Total Operating Income : (3+4)		-	-	-	-
	Material Cost :					
6	Opening Work in Process	27	-	-	-	-
7	Raw jute	28	-	-	-	-
8	Charge on jute	29	-	-	-	-
9	Other Direct Materials	30	-	-	-	-
10	Sub Total : (6 to 9)		-	-	-	-
11	WIP work in Process	31	-	-	-	-
12	Total Materials Cost : (10-11)		-	-	-	-
	Conversion Cost :					
13	Opening Work in Process	27	-	-	-	-
14	Wages/Notice pay	32	-	-	-	-
15	Salaries	33	-	-	18,171,941.70	21,563,881.10
16	Power	34	-	-	405,391.00	683,674.00
17	Fuel	35	-	-	72,382.00	116,643.00
18	Repairs & Maintenance	36	-	-	74,580.00	116,398.00
19	Depreciation	37	-	-	894,326.00	894,326.00
20	Insurance	38	-	-	11,630.00	11,630.00
21	Other Factors Overhead	39	-	-	-	-
22	Sub Total : (13 to 21)		-	-	19,630,250.70	23,386,552.10
23	Closing Work in Process	31	-	-	-	-
24	Total Conversion Cost : (22-23)		-	-	19,630,250.70	23,386,552.10
25	Cost of Production : (12+24)		-	-	19,630,250.70	23,386,552.10
26	Closing Stock of F.Goods	40	-	-	-	-
27	Cost of Goods available for Sale : (25+26)		-	-	19,630,250.70	23,386,552.10
28	Total Cost of Sales : (27-28)	41	-	-	-	-
29	Gross Profit / (Loss) : (5-29)		-	-	19,630,250.70	23,386,552.10
30	Selling Expenses	42	-	-	4,650,624.09	5,141,584.85
31	Selling Expenses	43	-	-	-	-
32	Total Operating Expenses : (31 to 32)		-	-	24,280,874.79	28,528,136.95
33	Operating Profit/(Loss) : (30-33)		-	-	(24,280,874.79)	(28,528,136.95)
	Financial Expenses :					
34	Interest/Cash Credit	45	-	-	-	-
35	Interest on long Term Loan	46	-	-	-	-
36	Total Interest : (36+37)		-	-	-	-
37	Total Profit / Loss : (34-38)		-	-	(24,280,874.79)	(28,528,136.95)
38	Non-Operating Income	47	-	-	66,430.01	4,919,296.10
39	Net Profit (Loss) before Tax		-	-	(24,214,444.78)	(23,608,840.85)
40	Less: Turnover Tax Paid/TDS	44	-	-	-	-
41	Net Profit (Loss) after Tax		-	-	(24,214,444.78)	(23,608,840.85)
42	Profit/Previous year adjustment	48	-	-	805,963.78	(4,588,307.84)
43	Profit Accumulated loss up to Previous year		-	-	(1,304,288,854.85)	(1,276,091,706.16)
44	Balance Transfer to Balance Sheet		-	-	(1,327,697,335.85)	(1,304,288,854.85)

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

মোঃ সাব্বায়েত হুসাইন
মহাপ্রক (হিসাব ও অর্থ)
এ হিসাব বিতরণী প্রধান
আর. আর. জুট মিলস লিমিটেড
বংশাবারিয়া, শিটাকুন্ডা, চট্টগ্রাম।
মোঃ নূর নবী
ব্যবস্থাপক (উৎপাদন) ও
প্রকল্প প্রধান
আর. আর. জুট মিলস লিমিটেড
বংশাবারিয়া, শিটাকুন্ডা, চট্টগ্রাম।
08th March, 2025



(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. : 0684
MASUD ALTAF & CO.
Chartered Accountants
DVC: 2503100684AS493539

R R Jute Mills Ltd.

Banshbaria, Shitakundha, Chattogram.

Statement of Cash Flows for the year ended 30th June, 2024.

Sl.#	Particulars	Amount (Tk.)	
		2023-2024	2022-2023
A.	Cash Flow from operating Activities :		
	Net profit/ (loss) for the year june 30.06.23	(24,214,444.78)	(23,608,840.85)
	Depreciation & Revaluation	894,326.00	894,326.00
	Add : Prior year adjustment profit/(loss)	805,963.78	(4,588,307.84)
	Total	(22,514,155.00)	(27,302,822.69)
	Increase / (Decrease) in Current Assets :		
	Stock of Stores & Spares	-	6,976.00
	Debtors (less: Provisions)	-	-
	Due from B/MC Mills	1,281,000.00	(204,743.00)
	B/MC (HO) Lease A/c	-	(24,000,000.00)
	Advance, Deposits & prepayment .	397,700.00	(32,325.00)
	Total	1,678,700.00	(24,230,092.00)
	Increase / (Decrease) in Current Liabilities :		
	Liabilities for Goods	40.00	(198,408.00)
	Liabilities for Expenses	849,394.00	(13,426,151.07)
	B/MC Current Account	8,743,969.09	(3,808,235.05)
	Due to B/MC Mills	-	-
	Guaranty Liabilities (Provision)	644,340.00	1,415,480.00
	Total	10,237,743.09	(16,017,314.12)
	Total Cash Flow From Operating Activities	(10,597,711.91)	(67,550,228.81)
B.	Cash Flow from Investing Activities :		
	Addition of Fixed Assets	-	-
	Long Term Loan	-	29,448,268.31
	Total Cash Flow From Investing Activities	-	29,448,268.31
C.	Cash Flow from Financing Activities :		
	Liabilities for Other Finance	95,855.70	24,204,734.85
	Guaranty Liabilities	-	(763,533.00)
	Total Cash Flow From Financing Activities	95,855.70	23,441,201.85
D.	Increase/(Decrease) in Cash and Bank Balance	(10,787,557.21)	(14,661,058.65)
E.	Cash and Bank Balance at beginning of the year	13,231,168.86	27,892,227.51
F.	Cash & Bank Balance as on 30.06.2024	2,443,611.65	13,231,168.86

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

Dated, Dhaka.
18th March, 2025.



(Md. Altaf Hossain Masud, FCA)
Principal, Enrolment No. : 0684
MASUD ALTAFA & CO.
Chartered Accountants
DVC: 2503100684AS493539

R H Jute Mills Ltd.

Banchura, Bhalkundi, Chittagong

Schedule of Fixed Assets as on 30th June, 2024.

Schedule 1.00

#	Particulars	Original Cost			Revaluation			Total Cost as on 30.06.2024
		Opening Balance as on 01.07.2023	Addition during the year 2023-2024	Adjustment/Disp. 2023-2024	Total Cost as on 30.06.2024	Opening Balance	Add Excess Value	Total
	Land	168,115.65	-	-	168,115.65	770,231,884.35	-	770,231,884.35
	Land Development	56,375.00	-	-	56,375.00	8,774,786.00	-	8,831,161.00
	Building & Other Construction	4,828,772.96	-	-	4,828,772.96	72,299,371.04	-	77,128,144.00
	Plant, Machinery & Equipment	49,655,443.65	-	-	49,655,443.65	50,840,452.35	-	100,495,896.00
	Furniture & Fixture	1,012,217.11	-	-	1,012,217.11	137,088.89	-	1,149,306.00
	Vehicles	20,000.00	-	-	20,000.00	-	-	20,000.00
	Sundry Assets	560,910.88	-	-	560,910.88	14,829.12	-	575,740.00
	Biological Assets	-	-	-	-	1,466,600.00	-	1,466,600.00
	Total	56,301,835.25	-	-	56,301,835.25	903,765,011.75	-	960,066,847.00

#	Particulars	Depreciation On Original Cost			Depreciation On Revaluation			Written Down Value as on 30.06.2024		
		Opening as on 01.07.2023	Charged during the year	Adjustment/Disp. 2023-24	Total as on 30.06.2024	For the year	Cumulative	Original Cost	Revaluation	Total
1	-	-	-	-	-	-	-	168,115.65	770,231,884.35	770,400,000.00
2	-	-	-	-	-	-	-	56,375.00	8,172,837.00	8,229,212.00
3	218,900.00	4,448,247.00	650,694.00	-	5,098,941.00	696,306.00	5,363,453.00	4,564,260.96	67,200,430.04	71,764,691.00
4	5,508,236.00	4,200,671.00	508,405.00	-	4,709,076.00	1,341,205.00	11,050,112.00	43,314,407.65	46,131,376.35	89,445,784.00
5	117,737.00	24,232.88	1,714.00	-	25,946.88	17,628.00	159,597.88	878,566.11	111,142.01	989,708.12
6	-	-	-	-	-	-	-	20,000.00	-	20,000.00
7	-	-	-	-	-	-	-	560,910.88	0.00	560,910.88
8	-	-	-	-	-	-	-	-	1,466,600.00	1,466,600.00
	Total	5,844,873.00	894,326.00	-	6,739,199.00	2,138,499.00	17,189,941.00	49,562,636.25	893,314,269.75	942,876,906.00

B: Land Development 10%, Building & Other Construction 2.5% & 50%, Plant, Machinery & Equipment 7% & 25%, Furniture & Fixture 6% & 20%

