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**AUDITORS' REPORT**  
&  
**THE FINANCIAL STATEMENTS**  
OF  
**Star Jute Mills Ltd.**  
For the Year Ended 30th June 2023

**AUDITORS':**

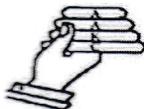
**AKHTER ABBAS KHAN & Co.**  
**Chartered Accountants**

Nirman Samad Trade Centre (5th Floor)  
63/1 Pioneer Road, Kakrail, Dhaka-1000

Hotel Ornate (5th Floor)  
30 Bijoy Nagar, Dhaka-1000

Contact Number: 01972448363

Email ID: aakc.dhaka@gmail.com



**Independent Auditor's Report**  
**To the Board of Directors'**  
**of**

**Star Jute Mills Ltd.**

**Report on the Audit of the Financial Statements**

**Report on the Audit of the Financial Statements:**

**Qualified Opinion:**

We have audited the financial statements of **Star Jute Mills Ltd.** which comprise the statement of financial position as of 30 June 2023, and Statement of Manufacturing and Profit or Loss and Other Comprehensive Income, a statement of changes in equity, a 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, 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 Company as of 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Emphasis the Matter**

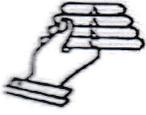
We draw attention to:

1. The company incurred a series of net losses in the consecutive Three years. Details are given in the tabulated form:

Financial Year	Net profit/(Loss) after tax (BDT.)	Profit & Loss Account Balance (Retained Earnings) (BDT.)
2020-2021	(234,799,367)	(11,018,665,615)
2021-2022	(129,037,213)	(11,191,429,516)
2022-2023	(71,548,437)	(11,174,115,388)

As of 30 June 2023, the Company's current liabilities stood at Tk. 363,704,488 and non-current liabilities stood Tk. 11,093,617,594 which exceeded its total assets of Tk. 1,857,915,328 by Tk. 9,599,406,754. We also draw attention to the production difficulties, inability to pay creditors on due dates, the inefficiency of key management, and negative operating cash flows indicated by the financial statements of the company. As per ISA-570 Para 19 & 22, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and that the financial statements do not adequately disclose this matter.





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E-mail ID : aakc.dhaka@gmail.com

However, as per P.O.-27 of 1972 Star Jute Mills Ltd. is a nationalized company and always backed and financially assisted by Government & subsequently Industrial Nationalization Act No. 25 of 1980. Company Operation is closed **through government circular Ref: 24.00.0000.118.18.057.20.104 dated-30 June 2020**. Our opinion is not modified in this issue.

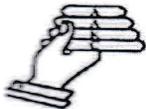
2. IAS 12 requires an entity to recognize a deferred tax liability or (subject to specified conditions) a deferred tax asset for all temporary differences, with some exceptions. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement 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 Company did not reflect any deferred tax which is non-compliance of IAS 12. Our opinion is not modified in this issue.
3. There are no any fixed assets register and physical verification was not carried from inception with tagging of the same. Therefore, we cannot comment on any damage, obsolete items, scrap, over/under statement and its impact in annual financial statements. Our opinion is not modified in this issue.
4. Attention is drawn to **Note no. 3.00** in the financial statements related to Inventories (Stock & Stores) balance accounted of BDT 12,987,504 as at 30 June 2023. The balance is confirmed by the management through financial statements and statement of inventory. But we could not physically verify the existence of the Inventory as at 30 June 2023 of the company, since audit was post-dated. We were also unable to satisfy ourselves by alternative means regarding to Inventories (Stock & Stores) because of statement of inventory were not up to date held on 30 June 2023. Our opinion is not modified in this issue.
5. Attention is drawn to **note no. 4.00** of the financial statements regarding Debtors as on June 30, 2023 BDT 163,925,090. The company provided the party break-up but did not provide the details address and information to confirm the figures through balance confirmation. We were also unable to satisfy ourselves by alternative means regarding Debtors held on 30 June 2023. Our opinion is not modified in this issue.

**Basis for Qualified Opinion:**

1. Attention is drawn to **note no. 21.00** of the financial statements, regarding Liabilities for Other Finance as on June 30, 2023 of BDT 110,861,126 (in which Deduction of VAT From Supplier by the amounting taka 20,705,626 and Tax deducted at source from employee by the amounting Taka 250,526 & Income Tax deducted at source by the amounting Tk. 13,894,413). VAT & TAX duly deducted by the company from various suppliers and employees but has not been to deposited to government treasury within stipulated time which is a non-compliance of VAT & SD Act, 2012 and Income Tax Act 2023 (Previous the Income Tax ordinance & Rule, 1984).

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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 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) and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion

**Other Matter:**

1. The financial statements of the entity for the year ended 30 June 2022, were audited by Masud Altaf & Co. who expressed an unmodified opinion on those financial statements.

**Other Information:**

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

The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

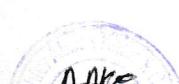
In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

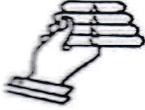
**Responsibilities of Management and Those Charged with Governance for the Financial Statements:**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with 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 concerned 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.





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**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.

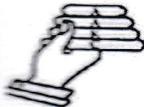
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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, 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 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.





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**Report on Other Legal and Regulatory Requirements:**

In accordance with the Companies Act 1994, we also report the following:

- 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) we did not get Schedule -X and Form-XII from the company;
- c) 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
- d) 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 account.
- e) The expenditure incurred was for the purpose of the Company's business.

Place: Dhaka, Bangladesh

Date: 26 FEB 2024

**Signed for & on behalf of**  
Akhter Abbas Khan & Co.  
**Chartered Accountants**

**Biplob Saha ACA**

Partner

**Enrollment Number-ICAB: 1992**

DVC: 2402261992 AS430895





**Star Jute Mills Ltd.**  
Statements of Financial Position  
As on 30th June, 2023

Particulars	Notes	Amount (Tk.)	
		30.06.2023	30.06.2022
<b>Assets:</b>			
<b>Non-Current Assets :</b>			
Property, Plant and Equipments	1.00	1,577,458,890	1,588,890,677
Investment	2.00	141,337	141,337
<b>Total Non-Current Assets : (A)</b>		<b>1,577,600,227</b>	<b>1,589,032,014</b>
<b>Current Assets :</b>			
Inventories (Stock & Stores)	3.00	12,987,504	13,018,967
Debtors	4.00	163,925,090	167,540,785
Due from BJMC Mills	5.00	13,262,848	13,262,848
Advance, Deposit & Pre-Payments	6.00	18,598,808	19,023,051
Interim Revenue Support Receivable	7.00	26,110,788	26,110,788
BJMC Current Account	8.00	-	-
Cash & Cash Equivalents	9.00	45,430,064	103,171,699
<b>Total Current Assets: (B)</b>		<b>280,315,101</b>	<b>342,128,137</b>
<b>Total Assets: (A+B)</b>		<b>1,857,915,328</b>	<b>1,931,160,151</b>
<b>Equity &amp; Liabilities :</b>			
Authorized Capital	10.00	25,000,000	25,000,000
<b>Shareholders Equity:</b>			
Issued, Subscribed & Paid-up Capital	11.00	11,500,000	11,500,000
Govt. Equity Contribution	12.00	85,441,653	85,441,653
Reserve and Surplus	13.00	1,477,766,981	1,486,776,981
Accumulated profit & Loss (Retained Earnings)	14.00	(11,174,115,388)	(11,191,429,516)
<b>Total Shareholders Equity: (C)</b>		<b>(9,599,406,754)</b>	<b>(9,607,710,882)</b>
<b>Non-Current Liabilities :</b>			
BJMC Current Account	15.00	984,694,001	736,972,904
Long-Term Loan	16.00	9,988,678,704	10,102,284,705
Gratuity Liabilities (Long-Term Portion)	17.00	120,244,889	175,388,406
<b>Total Non-Current Liabilities (D)</b>		<b>11,093,617,594</b>	<b>11,014,646,014</b>
<b>Current Liabilities :</b>			
Bank Overdraft	18.00	33,495,250	113,504,006
Liabilities for Goods	19.00	939,786	1,637,082
Liabilities for Expenses	20.00	28,835,095	30,478,434
Liabilities for other Finance	21.00	110,177,056	104,384,559
Due to BJMC Mills	22.00	51,779,573	71,785,061
Gratuity Liabilities (Current Portion)	23.00	137,901,401	202,435,877
Provision For Income Tax	38.00	576,328	-
<b>Total Current Liabilities: (E)</b>		<b>363,704,488</b>	<b>524,225,019</b>
<b>Total Equity &amp; Liabilities : (C+D+E)</b>		<b>1,857,915,328</b>	<b>1,931,160,151</b>

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

Deputy General Manager

As per our annexed report of same date

Place: Dhaka, Bangladesh

Date: 26 FEB 2024

Signed for and on behalf of  
Akhter Abbas Khan & Co.  
Chartered Accountants

Biplob Saha ACA

Partner

Enrollment Number-ICAB: 1992

DVC: 240 226 1092 AS430895



**Star Jute Mills Ltd.**

Statement of Quantity of Manufacturing and Profit or Loss & Others Other Comprehensive Income  
For the year ended 30th June 2023

Particulars	Notes	Hessian	Sacking	Amount (Tk.)	
				30.06.2023	30.06.2022
<b>Income :</b>					
Local Sales	24	-	-	-	4,989,010
Foreign Sales	25	-	-	-	-
Other Sales	26	-	-	29,540,155	-
<b>Total Sales :</b>		-	-	<b>29,540,155</b>	<b>4,989,010</b>
Subsidy		-	-	-	-
<b>Total Income :</b>		-	-	<b>29,540,155</b>	<b>4,989,010</b>
<b>Material Cost :</b>					
Opening Work-in-Process		-	-	-	1,409,000
<b>Sub-Total :</b>		-	-	-	<b>1,409,000</b>
Closing Work-in-Process		-	-	-	-
<b>Total Material Cost :</b>		-	-	-	<b>1,409,000</b>
<b>Conversion Cost :</b>					
Opening Work-in-Process		-	-	-	469,000
Salaries	27	-	-	64,847,954	64,615,544
Power/Electricity	28	-	-	2,052,201	2,434,562
Repair & Maintenance	29	-	-	231,068	869,759
Depreciation	30	-	-	2,500,000	2,500,000
Insurance	31	-	-	14,543	48,504
Other Overhead	32	-	-	905,041	1,503,967
<b>Sub-Total :</b>		-	-	<b>70,550,807</b>	<b>72,441,336</b>
Closing Work-in-Process		-	-	-	-
<b>Total Conversion Cost :</b>		-	-	<b>70,550,807</b>	<b>72,441,336</b>
<b>Cost of Production :</b>		-	-	<b>70,550,807</b>	<b>73,850,336</b>
Opening Stock of Finished Goods		-	-	105,000	7,858,000
<b>Cost of Goods Available for Sale :</b>		-	-	<b>70,655,807</b>	<b>81,708,336</b>
Closing Stock of Finished Goods	33	-	-	105,000	105,000
<b>Total Cost of Sales :</b>		-	-	<b>70,550,807</b>	<b>81,603,336</b>
Administrative Expenses	34	-	-	17,927,593	20,297,040
Selling Expenses	35	-	-	36,325	584,577
<b>Total Operating Expenses :</b>		-	-	<b>88,514,724</b>	<b>102,484,953</b>
<b>Operating Profit/(Loss) :</b>		-	-	<b>(58,974,569)</b>	<b>(97,495,943)</b>
<b>Financial Expenses :</b>					
Interest	36	-	-	11,997,540	31,541,269
<b>Profit/(loss) before taxation:</b>		-	-	<b>(70,972,109)</b>	<b>(129,037,213)</b>
Less: Current Tax Expense	37	-	-	576,328	-
<b>Profit/(loss) after taxation</b>		-	-	<b>(71,548,437)</b>	<b>(129,037,213)</b>

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

Deputy General Manager

As per our annexed report of same date

Place: Dhaka, Bangladesh

Date: 26 FEB 2024

Signed for and on behalf of  
Akhter Abbas Khan & Co.  
Chartered Accountants

Biplob Saha ACA  
Partner  
Enrollment Number-ICAB: 1992

DVC: 2402261002AS430895



**Star Jute Mills Ltd.**

Statement of Manufacturing, Trading and Profit/(Loss) or Other Comprehensive Income (Lakh Taka)  
For the year ended 30th June 2023

Particulars	Amount (Lakh Tk.)			
	Hessian	Sacking	Total 2022-2023	Total 2021-2022
<b>Income :</b>				
Local Sales	-	-	-	50
Foreign Sales	-	-	-	-
Other Sales	-	-	295.40	-
<b>Total Sales :</b>	-	-	<b>295.40</b>	<b>50</b>
Subsidy	-	-	-	-
<b>Total Operating Income :</b>	-	-	<b>295.40</b>	<b>50</b>
<b>Material Cost :</b>				
Opening Work-in-Process	-	-	-	14
Raw Jute	-	-	-	-
Charges on Jute	-	-	-	-
Other Direct Materials	-	-	-	-
<b>Sub-Total :</b>	-	-	-	<b>14</b>
Closing Work-in Process	-	-	-	-
<b>Total Material Cost :</b>	-	-	-	<b>14</b>
<b>Conversion Cost :</b>				
Opening Work-in Process	-	-	-	5
Wages	-	-	-	-
Salaries	-	-	648.48	646
Power/Electricity	-	-	20.52	24
Fuel	-	-	-	-
Repairs & Maintenance	-	-	2.31	9
Depreciation	-	-	25.00	25
Insurance	-	-	0.15	0
Other Factory Overhead	-	-	9.05	15
<b>Sub-Total :</b>	-	-	<b>705.51</b>	<b>724</b>
Closing Work-in-Process	-	-	-	-
<b>Total Conversion Cost :</b>	-	-	<b>705.51</b>	<b>724</b>
<b>Cost of Production :</b>	-	-	<b>705.51</b>	<b>739</b>
Opening Stock of Finished Goods	-	-	1.05	79
<b>Cost of Goods available for Sale :</b>	-	-	<b>706.56</b>	<b>817</b>
Closing Stock of Finished Goods	-	-	1.05	1
<b>Total Cost of Goods Sold :</b>	-	-	<b>705.51</b>	<b>816</b>
Administration Expenses	-	-	179.28	203
Selling Expenses	-	-	0.36	6
<b>Total Operating Expenses :</b>	-	-	<b>885.15</b>	<b>1,025</b>
<b>Operating Profit/Loss :</b>	-	-	<b>(589.75)</b>	<b>(975)</b>
<b>Financial Expenses :</b>				
Interest on Cash Credit	-	-	119.98	315
Interest on Long Term Loan	-	-	-	-
<b>Total Interest :</b>	-	-	<b>119.98</b>	<b>315</b>
<b>Profit/(loss) before taxation:</b>	-	-	<b>(709.72)</b>	<b>(1,290)</b>
Less: Current Tax Expense	-	-	5.76	-
<b>Profit/(loss) after taxation</b>	-	-	<b>(715.48)</b>	<b>(1,290.37)</b>
Prior year Adjustment A/C	-	-	(888.63)	-
This year Total Profit/Loss	-	-	173.14	-
Previous year Accumulated Profit/Loss	-	-	(111,914.30)	-
<b>Total Loss C/D to Balance sheet</b>	-	-	<b>(111,741.15)</b>	-

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

Deputy General Manager

As per our annexed report of same date

Place: Dhaka, Bangladesh

Date:

26 FEB 2024

Signed for and on behalf of  
Akhter Abbas Khan & Co.  
Chartered Accountants

Biplob Saha ACA  
Partner

Enrollment Number-ICAB: 1992

DVC: 2902261992AS430895



**Star Jute Mills Ltd.**  
Statement of Changes in Equity  
For year ended 30th June, 2023

Particulars	2022-2023				
	Issued, Subscribed & Paid-up Capital	Govt. Equity Contribution	Reserves & Surplus	Accumulated profit & Loss (Retained Earnings)	Total
Opening Balance	11,500,000	85,441,653	1,486,776,981	(11,191,429,516)	(9,607,710,882)
Less: Depreciation on Revaluation of Fixed Assets	-	-	(9,010,000)	-	(9,010,000)
Less: Profit & Loss for the year	-	-	-	(71,548,437)	(71,548,437)
Add: Prior year Adjustment for the year	-	-	-	(88,862,565)	(88,862,565)
Balance as on 01.07.2023	<b>11,500,000</b>	<b>85,441,653</b>	<b>1,477,766,981</b>	<b>(11,174,115,388)</b>	<b>(9,599,406,754)</b>

Particulars	2021-2022				
	Issued, Subscribed & Paid-up Capital	Govt. Equity Contribution	Reserves & Surplus	Accumulated profit & Loss (Retained Earnings)	Total
Opening Balance	11,500,000	85,441,653	1,495,786,981	(11,018,665,615)	(9,425,936,982)
Less: Depreciation on Revaluation of Fixed Assets	-	-	(9,010,000)	-	(9,010,000)
Less: Profit & Loss for the year	-	-	-	(129,037,213)	(129,037,213)
Add: Prior year Adjustment for the year	-	-	-	43,726,688	43,726,688
Balance as on 01.07.2022	<b>11,500,000</b>	<b>85,441,653</b>	<b>1,486,776,981</b>	<b>(11,191,429,516)</b>	<b>(9,607,710,882)</b>

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

Deputy General Manager

As per our annexed report of same date

Place: Dhaka, Bangladesh

Date: 26 FEB 2024



## Star Jute Mills Ltd.

Statement of Cash Flows

For the year ended 30th June, 2023

Sl. #	Particulars	Amount (Tk.)	
		2022-2023	2021-2022
<b>A.</b>	<b>Cash Flow From Operating Activities :</b>		
	Net Profit/ (Loss)	(71,548,437)	(129,037,213)
	Depreciation	2,500,000	2,500,000
	Add : Prior year Adjustment	88,862,565	(43,726,688)
	<b>Total</b>	<b>19,814,128</b>	<b>(170,263,900)</b>
	<b>(Increase)/(Decrease) in Current Assets</b>		
	Inventories (Stock & Stores)	31,463	9,832,724
	Debtors	3,615,695	149,900,925
	Advance, Deposit & Pre-Payments	424,243	3,738,446
	Due from BJMC Mills Accounts	-	(515,387)
	Interim Revenue Support Receivables	-	-
	<b>Total</b>	<b>4,071,401</b>	<b>162,956,708</b>
	<b>(Increase)/(Decrease) in Current Liabilities</b>		
	Bank Overdraft	(80,008,756)	14,369,059
	Due to BJMC Mills	(20,005,488)	(86,855)
	Liabilities for Goods	(697,296)	(208,703,463)
	Liabilities for Expenses	(1,643,339)	(28,480,788)
	Liabilities for other Finance	5,792,498	(24,308,692)
	Gratuity Liabilities (Current portion)	(64,534,477)	(541,581,202)
	Provision for income tax	576,328	-
	<b>Total</b>	<b>(160,520,530)</b>	<b>(788,791,941)</b>
	<b>Total Net Cash Used in Operating Activities</b>	<b>(136,635,002)</b>	<b>(796,099,134)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities :</b>		
	Addition of Non Current Assets	(78,213)	(23,750)
	Revaluation of Non Current Assets	-	-
	<b>Total Net Cash used in Investing Activities</b>	<b>(78,213)</b>	<b>(23,750)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities :</b>		
	BJMC Current Account	247,721,097	(200,092,965)
	Long Term Loan	(113,606,001)	973,862,339
	Gratuity Liabilities (Long-Term Portion)	(55,143,517)	24,700,000
	<b>Total Net Cash Generated from Financing Activities</b>	<b>78,971,580</b>	<b>798,469,374</b>
	<b>Net Cash Inflow / (Outflow) ( A+B+C )</b>	<b>(57,741,635)</b>	<b>2,346,490</b>
	Opening Cash & Bank Balances	103,171,699	100,825,208
	<b>Cash &amp; Cash Equivalents</b>	<b>45,430,064</b>	<b>103,171,699</b>

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

Deputy General Manager

As per our annexed report of same date

Place: Dhaka, Bangladesh

Date: 26 FEB 2024



## Star Jute Mills Ltd.

### Statement of Changes in Working Capital As on 30th June, 2023

Sl. #	Particulars	Sch./Note	Amount (Tk.)	
			2022-2023	2021-2022
<b>A.</b>	<b>Current Assets :</b>			
1	Stock & Stores (Less : Provision)	3.00	12,987,504	13,018,967
2	Debtors (Less : Provision)	4.00	163,925,090	167,540,785
3	Due from BJMC Mills	5.00	13,262,848	13,262,848
4	Advance, Deposits & Pre-Payments	6.00	18,598,808	19,023,051
5	Interim Revenue Support	7.00	26,110,788	26,110,788
6	BJMC Current A/C	8.00	-	-
7	Cash & Bank Balance	9.00	45,430,064	103,171,699
	<b>Total Current Assets :</b>		<b>280,315,101</b>	<b>342,128,137</b>
<b>B.</b>	<b>Current Liabilities :</b>			
1	Bank Overdraft	18.00	33,495,250	113,504,006
2	Liabilities for Goods	19.00	939,786	1,637,082
3	Liabilities for Expenses	20.00	28,835,095	30,478,434
4	Liabilities for other Finance	21.00	110,177,056	104,384,559
5	Due to BJMC Mills	22.00	51,779,573	71,785,061
6	Gratuity Payable Account (Current)	23.00	137,901,401	202,435,877
7	Provision fro Income Tax	38.00	576,328	-
	<b>Total Current Liabilities</b>		<b>363,704,488</b>	<b>524,225,019</b>
	<b>Net Working Capital (Decrease) : (A-B)</b>		<b>(83,389,387)</b>	<b>(182,096,882)</b>

The annexed notes form an integral parts of these financial statements.

\_\_\_\_\_  
Manager (Accounts & Finance)

\_\_\_\_\_  
Deputy General Manager

As per our annexed report of same date

Place: Dhaka

Date: 26 FEB 2024





**Star Jute Mills Ltd.**  
Notes to the Financial Statements  
For the year ended 30th June, 2023

**A. Legal form of the Enterprise :**

Star 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 Susequantly Industrial Nationaligation Act No. 25 of 2018.

**B. Nature of Business :**

The principal activities of the company is manufacturing, local sale and export of jute Hessian and Sacking.

**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 recommeded in the International Financial Reporting

**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. Property, Plant & Equipments :**

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 factory is maintaining a contributory Provident Fund for its every permanent employee.

(b) The factory also provides Gratuity benefit to its every permanent employee equivalent to two months last basic wages/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, 2022 to 30th June, 2023 consistently.