

Final

# Private & Confidential

## Auditors' Report and Financial Statements

of

**M M Jute Mills Ltd.**

Banshbaria, Chattogram.

For the year ended 30<sup>th</sup> June, 2024.

**MASUD ALTAF & CO.**

Chartered Accountants

Dom-Inno Apartment, B-1, 23/16, Khilji Road  
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## **Independent Auditors' Report of M M Jute Mills Ltd.**

### **Opinion**

We have audited the Financial Statements of **M M Jute Mills Ltd.** which comprise the Statement of Financial Position as on 30<sup>th</sup> 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, the accompanying financial statements of the Company gives a true and fair view of the financial position as on 30<sup>th</sup> 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. Stock, Stores & Spares amounting to **Tk. 2,843,553.00** coming from last year without any adjustments. (See Accounts Notes 3.00).
2. Debtors (including Foreign & Local, Duty Draw Back, Sundry Debtors, and Receivable from Nature Bac.) amounting to **Tk. 72,720,283.00** is being carried forward from previous years without any realization/adjustments. (See Accounts Notes 4.00)
3. Due from BJMC Mills amounting to **Tk. 32,669,986.00** from 18 (eighteen) mills coming from last year without any adjustment. (See Accounts Notes 5.00).
4. Advance against Salary amounting to **Tk. 156,063.00** (two employees) coming from last year without any adjustment. (See Accounts Notes 6.01.(a)).
5. Advance against Expenses amounting to **Tk. 276,121.00** from 07 (seven) no. of employees out of which **Tk. 61,121.00** from 05 (five) employees coming from last year without any adjustment. (See Accounts Notes 6.01(d)).
6. Deposits amounting to **Tk. 591,231.00** from 08 (eight) parties coming from last year without any adjustment. (See Accounts Notes 6.02).
7. Pre-payments amounting to **Tk. 123,866.00** (two parties) coming from last year without any adjustment. (See Accounts Notes 6.03).
8. Liabilities for Others Finance (including PF) amounting to **Tk. 40,825,277.00** (in which VAT deducted at source by amounting **Tk. 419,947.00** & Tax deducted at source by amounting **Tk. 220,240.00**). VAT & TAX duly deducted by the company from various suppliers but has not been to deposited to government treasury within stipulated time which is a non-compliance of **VAT & SD Act, 2012 & Income Tax Act 2023**. (See Accounts Notes 20.00)



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9. **Revenue** reported in the Manufacturing, Trading and other Comprehensive Income Statement **Tk. 45,416,305.00** the copy of the ledger, invoices/Bills and the mode of payment receipt have not been made available to us. Consequently we could not be able to gather sufficient and appropriate audit evidence which was necessary to perform the required audit procedures. In the absence of sufficient and appropriate audit evidence, we could not be able to confirm the correctness of the reported revenue.

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



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- 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.

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.



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**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:

- 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.
- c) 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
- d) The expenditures incurred were for the purpose of the company's business for the year.

Dated, Dhaka.  
17<sup>th</sup> May, 2025.



  
(Md. Altaf Hossain Masud, FCA)  
Principal, Enrolment No. 0684  
**MASUD ALTAF & CO.**  
Chartered Accountants  
**DVC: 2505170684AS183555**

## M M Jute Mills Ltd.

Banshbaria, Chattogram.

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

| Sl. # | Particulars                                       | Note/ Sch. | Amount (Tk.)         |                      |
|-------|---|------------|----------------------|----------------------|
|       |   |            | 30.06.2024           | 30.06.2023           |
|       | <b>Property &amp; Assets :</b>                    |            |                      |                      |
| A.    | <b>Non Current Assets :</b>                       |            |                      |                      |
|       | At Cost/Revaluation less accumulated depreciation | 1.00       | 1,129,812,170        | 1,147,477,811        |
|       | Investment  | 2.00       | 1,487,678            | 1,487,678            |
|       | <b>Total Non Current Assets : (A)</b>             |            | <b>1,131,299,848</b> | <b>1,148,965,489</b> |
| B.    | <b>Current Assets :</b>                           |            |                      |                      |
|       | Stock, Stores & Spares                            | 3.00       | 2,843,553            | 9,205,073            |
|       | Debtors ( Less : Provisions )                     | 4.00       | 72,720,283           | 72,720,283           |
|       | Due from BJMC Mills                               | 5.00       | 32,669,986           | 32,756,041           |
|       | Advance, Deposit & Pre-payment                    | 6.00       | 1,157,247            | 1,063,551            |
|       | Interim Revenue support receivable                | 7.00       | 4,300,219            | 4,300,219            |
|       | BJMC H/O Lease Account                            | 8.00       | 15,249,171           | 15,249,171           |
|       | Cash & Cash Equivelent                            | 9.00       | 18,913,974           | 18,604,485           |
|       | <b>Total Current Assets : (B)</b>                 |            | <b>147,854,433</b>   | <b>153,898,823</b>   |
|       | <b>Total Property &amp; Assets : (A+B)</b>        |            | <b>1,279,154,281</b> | <b>1,302,864,312</b> |
|       | <b>Capital &amp; Liabilities :</b>                |            |                      |                      |
| C.    | <b>Authorized Capital</b>                         | 10.00      | <b>25,000,000</b>    | <b>25,000,000</b>    |
| D.    | <b>Equity &amp; Retained Earnings</b>             |            |                      |                      |
|       | Issued, Subscribed & Paid-up Capital              | 11.00      | 7,000,000            | 7,000,000            |
|       | Govt. Equity Contribution                         | 12.00      | 77,083,000           | 77,083,000           |
|       | Reserves  | 13.00      | 1,109,586,570        | 1,121,981,939        |
|       | Profit & Loss Account (Retained Earning)          | 14.00      | (1,273,358,613)      | (1,211,035,420)      |
|       | <b>Total Equity &amp; Retained Earnings</b>       |            | <b>(79,689,043)</b>  | <b>(4,970,481)</b>   |
| E.    | <b>Non-Current Liabilities</b>                    |            |                      |                      |
|       | BJMC Current Account                              | 15.00      | 328,451,063          | 282,180,785          |
|       | Long Term Loan                                    | 16.00      | 920,746,572          | 920,746,572          |
|       | Gratuity Liabilities ( Provision )                | 17.00      | 21,925,800           | 24,529,960           |
|       | <b>Total Non-Current Liabilities :</b>            |            | <b>1,271,123,435</b> | <b>1,227,457,317</b> |
| F.    | <b>Current Liabilities :</b>                      |            |                      |                      |
|       | Liabilities for Goods                             | 18.00      | 821,884              | 821,884              |
|       | Liabilities for Expenses                          | 19.00      | 14,386,983           | 13,210,988           |
|       | Liabilities for other Finance                     | 20.00      | 40,825,277           | 40,205,679           |
|       | Due to BJMC Mills                                 | 21.00      | 19,320,493           | 19,320,493           |
|       | Gratuity Payable Account (Current )               | 22.00      | 12,365,252           | 6,818,432            |
|       | <b>Total Current Liabilities :</b>                |            | <b>87,719,889</b>    | <b>80,377,476</b>    |
|       | <b>Total Capital &amp; Liabilities : (D+E+F)</b>  |            | <b>1,279,154,281</b> | <b>1,302,864,312</b> |

For M.M. JUTE MILLS LIMITED

  
Dy. Manager (A & F)

  
Project Head

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

Dated, Dhaka.  
17th May, 2025.



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

DVC: 2505170684AS183555

## M M Jute Mills Ltd.

Banshbaria, Chattogram.

### Statement of Manufacturing, Trading and other Comprehensive Income for the year ended 30th June, 2024.

| Sl. # | Particulars                                     | Sch. No | Amount (Tk.)      |                     |
|-------|---|---------|-------------------|---------------------|
|       |   |         | 2023-2024         | 2022-2023           |
|       | <b>Income :</b>                                 |         |                   |                     |
| 1     | Foreign sales                                   |         | -                 | -                   |
| 2     | Local Sales                                     |         | -                 | -                   |
| 3     | Local Sales (Process goods)                     |         | -                 | -                   |
| 4     | Local Sale (Others Scrap Machinery)             | 23.00   | 45,416,305        | -                   |
| 5     | <b>Total sales : (1+2+3+4)</b>                  |         | <b>45,416,305</b> | -                   |
| 6     | Subsidy   |         | -                 | -                   |
| 7     | <b>Total Income : (5+6)</b>                     |         | <b>45,416,305</b> | -                   |
|       | <b>Material cost :</b>                          |         |                   |                     |
| 8     | Opening Work-in-process                         |         | -                 | -                   |
| 9     | Raw Jute Consumed                               | 24.00   | -                 | -                   |
| 10    | Charge on Raw Jute                              |         | -                 | -                   |
| 11    | Other direct materials Consumed                 | 25.00   | -                 | -                   |
| 12    | <b>Sub-Total (8 to 11)</b>                      |         | -                 | -                   |
| 13    | Closing Work-in-Process                         |         | -                 | -                   |
| 14    | <b>Total Material cost : (12-13)</b>            |         | -                 | -                   |
|       | <b>Conversion cost :</b>                        |         |                   |                     |
| 15    | Opening Work-in-Process                         |         | -                 | -                   |
| 16    | Wages   | 26.00   | -                 | -                   |
| 17    | Salaries  | 27.00   | 17,581,488        | 18,880,722          |
| 18    | Power/Electricity                               | 28.00   | 643,103           | 615,030             |
| 19    | Repairs & Maintenance                           | 29.00   | 137,755           | 217,986             |
| 20    | Insurance                                       | 30.00   | 85,986            | 137,482             |
| 21    | Depreciation                                    | 31.00   | 5,270,272         | 5,326,271           |
| 22    | Other Overhead                                  | 32.00   | 82,808            | 79,594              |
| 23    | <b>Sub-Total : (15 to 22)</b>                   |         | <b>23,801,412</b> | <b>25,257,085</b>   |
| 24    | Closing Work-in-Process                         |         | -                 | -                   |
| 25    | <b>Total Conversion Cost (23-24) :</b>          |         | <b>23,801,412</b> | <b>25,257,085</b>   |
| 26    | <b>Cost of Production (14+25)</b>               |         | <b>23,801,412</b> | <b>25,257,085</b>   |
| 27    | Opening stock of Finished Goods                 |         | -                 | -                   |
| 28    | <b>Cost of Goods Available for sale (26+27)</b> |         | <b>23,801,412</b> | <b>25,257,085</b>   |
| 29    | Closing stock of Finished Goods                 |         | -                 | -                   |
| 30    | <b>Total Cost of Sales (28-29)</b>              |         | <b>23,801,412</b> | <b>25,257,085</b>   |
| 31    | <b>Gross Profit /(Loss) (7-30)</b>              |         | <b>21,614,893</b> | <b>(25,257,085)</b> |
| 32    | Administrative expenses                         | 33.00   | 4,013,434         | 4,651,145           |
| 33    | Selling expenses                                | 34.00   | 4,180             | 60,008              |
| 34    | <b>Total Operating expenses (32 to 33)</b>      |         | <b>4,017,614</b>  | <b>4,711,153</b>    |
| 35    | <b>Operating Profit/(Loss) (31-34)</b>          |         | <b>17,597,279</b> | <b>(29,968,238)</b> |
|       | <b>Financial expenses :</b>                     |         |                   |                     |
| 36    | Interest (Cash Credit)                          | 35.00   | -                 | -                   |
| 37    | Interest (Long term Loan)                       | 36.00   | -                 | -                   |
| 38    | <b>Total Interest (36+37)</b>                   |         | -                 | -                   |
| 39    | <b>Total Profit/(Loss) (35-38)</b>              |         | <b>17,597,279</b> | <b>(29,968,238)</b> |
| 40    | Non-Operating Income                            |         | 978,115           | 2,726,839           |
| 41    | <b>Total Profit/(Loss) before Tax (39-40)</b>   |         | <b>18,575,394</b> | <b>(27,241,399)</b> |
| 42    | AIT Deduction                                   |         | -                 | -                   |
| 43    | <b>Net Profit/(Loss) after Tax</b>              |         | <b>18,575,394</b> | <b>(27,241,399)</b> |

For M.M. JUTE MILLS LIMITED


  
Dy. Manager (A & F)

  
Project Head

This is the Statement of Manufacturing, Trading and other Comprehensive Income referred to in our separate report of even date.

Dated, Dhaka.  
17th May, 2025.



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

DVC: 2505170684AS183555

## M M Jute Mills Ltd.

Banshbaria, Chattogram.

### Statement of Changes in Equity for the year ended 30th June, 2024.

| Particulars   | Share Capital | Equity Contribution | Capital Reserve | Profit & Loss A/C | Total (Tk.)  |
|---|---------------|---------------------|-----------------|-------------------|--------------|
| Balance as on 01.07.2023                                | 7,000,000     | 77,083,000          | 1,172,171,844   | (1,211,035,420)   | 45,219,424   |
| Depreciation on Re-valuation Assets                     | -             | -                   | (85,060,298)    | -                 | (85,060,298) |
| Excess of Sales value over the cost of overhead Charges |               |                     | 22,475,024      | -                 | 22,475,024   |
| Prior year Adjustment                                   | -             | -                   | -               | (80,898,587)      | (80,898,587) |
| Profit & Loss A/C                                       | -             | -                   | -               | 18,575,394        | 18,575,394   |
| Balance as on 30.06.2024                                | 7,000,000     | 77,083,000          | 1,109,586,570   | (1,273,358,613)   | (79,689,043) |

### Statement of Changes in Equity for the year ended 30th June, 2023.

| Particulars   | Share Capital | Equity Contribution | Capital Reserve | Profit & Loss A/C | Total (Tk.)  |
|---|---------------|---------------------|-----------------|-------------------|--------------|
| Balance as on 01.07.2022                                | 7,000,000     | 77,083,000          | 1,172,171,844   | (1,309,145,312)   | (52,890,468) |
| Depreciation on Re-valuation Assets                     | -             | -                   | (72,664,929)    | -                 | (72,664,929) |
| Excess of Sales value over the cost of overhead Charges | -             | -                   | 22475024        | -                 | 22,475,024   |
| Prior year Adjustment                                   | -             | -                   | -               | 125,351,291       | 125,351,291  |
| Profit & Loss A/C                                       | -             | -                   | -               | (27,241,399)      | (27,241,399) |
| Balance as on 30.06.2023                                | 7,000,000     | 77,083,000          | 1,121,981,939   | (1,211,035,420)   | (4,970,481)  |

This is the Statement of Changes in Equity referred to in our separate report of even date.

Dated, Dhaka.  
17th May, 2025.



(Md. Altaf Hossain Masud, FCA)  
Principal, Enrolment No. : 0684  
**MASUD ALTAF & CO.**  
Chartered Accountants  
DVC: 2505170684AS183555

## M M Jute Mills Ltd.

Banshbaria, Chattogram.

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

| SL #      | Particulars   | Amount (Tk.)        |                      |
|-----------|---|---------------------|----------------------|
|           |   | 2023-2024           | 2022-2023            |
| <b>A.</b> | <b><u>Cash Flow from Operating Activities :</u></b>         |                     |                      |
|           | Net Profit/(Loss) for the year                              | 18,575,394          | (27,241,399)         |
|           | Depreciation  | 5,270,272           | 5,326,271            |
|           | Prior year Adjustment                                       | (80,898,587)        | 125,351,291          |
|           | <b>Total</b>  | <b>(57,052,921)</b> | <b>103,436,163</b>   |
|           | <b><u>Increase/ (Decrease) in Current Assets :</u></b>      |                     |                      |
|           | Stock of Stores & Spares                                    | 6,361,520           | 600                  |
|           | Debtors (Less: Provision)                                   | -                   | 10,501,955           |
|           | Due from BJMC Mills   | 86,055              | 135,364              |
|           | Advance, Deposits & Prepayment                              | (93,696)            | 1,611,610            |
|           | <b>Total</b>  | <b>6,353,879</b>    | <b>12,249,529</b>    |
|           | <b><u>Increase/ (Decrease) in Current Liabilities :</u></b> |                     |                      |
|           | Due to BJMC Mills   | -                   | (5,437,926)          |
|           | Liabilities for Expenses                                    | 1,175,995           | (8,263,482)          |
|           | Liabilities for Goods                                       | -                   | (429,211)            |
|           | BJMC Current Account  | 46,270,278          | (122,392,571)        |
|           | Gratuity Liabilities (Provision)                            | (2,604,160)         | (3,289,760)          |
|           | Gratuity Payable Account (Current)                          | 5,546,820           | (18,052,649)         |
|           | <b>Total</b>  | <b>50,388,933</b>   | <b>(157,865,599)</b> |
|           | <b>Total Net Cash used by Operating Activities :</b>        | <b>(310,109)</b>    | <b>(42,179,907)</b>  |
| <b>B.</b> | <b><u>Cash Flow from Investing Activities :</u></b>         |                     |                      |
|           | Addition of Non-Current Assets                              | -                   | -                    |
|           | <b>Total Net Cash used by Investing Activities :</b>        | <b>-</b>            | <b>-</b>             |
| <b>C.</b> | <b><u>Cash Flow from Financing Activities :</u></b>         |                     |                      |
|           | Liabilities for Other Finance                               | 619,598             | (5,099)              |
|           | Long Term Loan  | -                   | 28,450,563           |
|           | <b>Total Net Cash Provided by Financing Activities :</b>    | <b>619,598</b>      | <b>28,445,464</b>    |
|           | <b>Net Cash Inflow /Outflow : (A+B+C)</b>                   | <b>309,489</b>      | <b>(13,734,443)</b>  |
|           | Cash & Bank Balance at the beginning of the year            | 18,604,485          | 32,338,928           |
|           | <b>Cash &amp; Bank Balance at the ending of the year</b>    | <b>18,913,974</b>   | <b>18,604,485</b>    |

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

Dated, Dhaka.  
17th May, 2025.



(Md. Altaf Hossain Masud, FCA)  
Principal, Enrolment No. : 0684  
**MASUD ALTAF & CO.**  
Chartered Accountants  
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## M M Jute Mills Ltd.

Banshbaria, Chattogram.

### Notes to the Financial Statements for the year ended 30th June, 2024.

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

M M Jute Mills Ltd. was 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. is subsequently and placed Bangladesh industrial enterprise (Nationalisation Act.25 year of 2018)

**B. Nature of Business :**

The principal activities of the company is manufacturing, local sale and export of jute yarn and C.B.C.

**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. First time Revaluation was made in the year 1992-93 and second 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 mills is maintaining a contributory Provident Fund for its every permanent employee. The mills is providing contribution to the Fund 10% of basic Salary of each permanent employee and for company's 8.33% of Basic Salary from November/2017.

(b) The mills also provides Gratuity benefit to its every permanent employee equivalent to two months last basic wage/salary for each completed year of service.

**J. Taxation :**

The mills 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, 2023 to 30th June, 2024 consistently.

