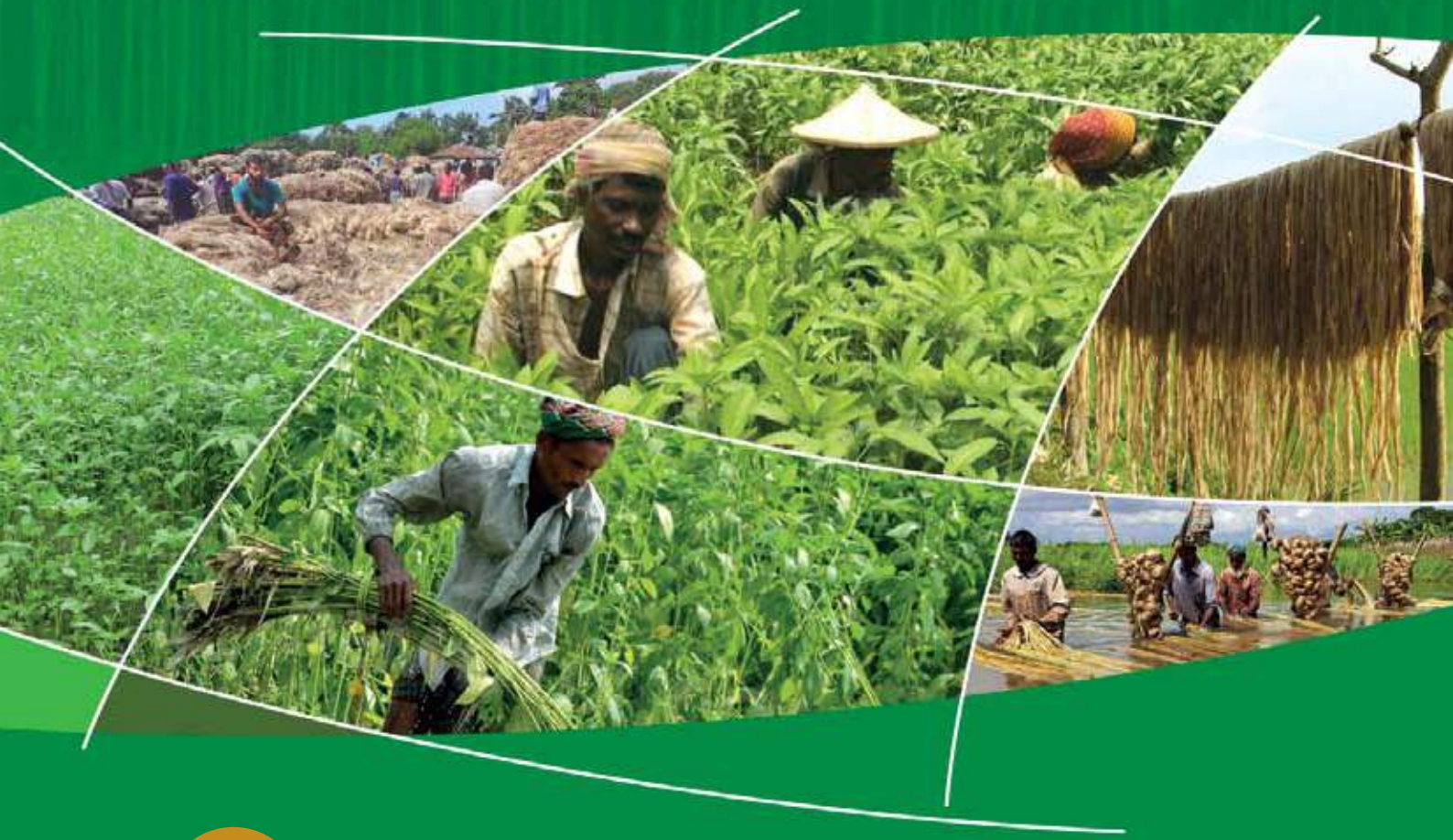
ANNUAL REPORT 2016-17



NJMCL Northern Jute Manufacturing Co. Ltd.



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Letter of Transmittal



To
All Shareholders,
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Ltd.

Sub: Annual Report for 2017.

Dear Sir (s),

I have pleasure in submitting the Annual Report-2017 of Northern Jute Manufacturing Co. Ltd, as required by and prepared in compliance with the provision of the Companies Act, 1994, Securities & Exchange Ordinance 1969, Securities & Exchange Rules 1987, Notification of Bangladesh Securities & Exchange Commission and Dhaka Stock Exchange (Listing) Regulations, 2015.

Thank you
In faith

Ananga Mohan Roy
Managing Director

Notice of the Thirty Seven Annual General Meeting

NOTICE is hereby given that the **Thirty Seven Annual General Meeting** of Messrs Northern Jute Manufacturing Company Limited will be held on **Sunday the 22nd October, 2017 at 09.00 A.M.** in the RAOWA Convention Hall -3 (Eagle), VIP Road, Mohakhali, Dhaka-1206 to transact the following business:

A G E N D A

01	To receive, consider and adopt the Audited Accounts for the year ended 30th June, 2017 together with the Directors and Auditors Reports thereon.
02	To approve 20% Cash & 20% stock Dividend as recommended by the Board of Directors for the year ended 30th June, 2017.
03	To elect Directors.
04	To appoint Auditors for the year 2017-2018 and fix their remuneration.
05	To discuss any other matter with the permission of the chair.

By Order of the Board

(Ananga Mohan Roy)
Managing Director

Dated, Dhaka
The 6th October, 2017

Note:

(a) A member entitled to attend and vote at the above meeting may appoint a proxy to attend on his/her behalf, but such proxy must be a member of the company.

(b) The instrument appointing a proxy shall be deposited at the registered office of the Company not less than 48 (forty eight) hours before the time of holding the meeting.

(c) The Share Transfer Books of the Company will remain closed on 28th September, 2017.

(d) The Annual Report is available on the Company's website at www.northernjute.com

* as per directive of Bangladesh Securities and Exchange Commission (BSEC), no food or gift will be arranged at the AGM

Management Apparatus



Mr. Uzzal Kumar Nandi
Chairman



Mr. Dilshad Hossain Siddiqui
Nominee Director of Islamic Development Bank



Mr. Amitav Adhikari
Nominee Director of Earthscope Ltd.



Mr. Kazi Momrez Mahmud
Nominee Director of Earthscope Ltd.



Mr. Md. Iqbal Sayeed
Independent Director



Mr. Ananga Mohan Roy
Managing Director

Management Apparatus

Board of Directors

Mr. Uzzal Kumar Nandi	Chairman
Mr. Amitav Adhikary	Nominee Director of Earthscope Ltd.
Mr. Kazi Momrez Mahmud	Nominee Director of Earthscope Ltd.
Mr. Md. Iqbal Sayeed	Independent Director
Mr. Dilshad Hossain Siddiqui	Nominee Director of Islamic Development Bank

Audit Committee

Mr. Md. Iqbal Sayeed, Advocate	Chairman
Mr. Amitav Adhikary	Member
Mr. Kazi Momrez Mahmud	Member Secretary

Management Team

Mr. Ananga Mohan Roy	Managing Director
Mr. Ujjal Kanti Dhar	CFO
Mr. Shahadat Hussain	Company Secretary
Mr. Khondakar Shakhawatul Islam	Head of Internal Audit

Auditors
Pinaki & Company
Chartered Accountants
2/A, Mymensingh Road, Shahbag, Dhaka-1000.
Phone: Off: 9660944, Fax: 880-2-9672726
E-mail: pinaki_co@yahoo.com

Bankers
Janata Bank Limited
Mercantile Bank Ltd.
Shahjalal Islami Bank Limited
International Leasing and Financial Services Ltd.

Insurers
Nitol Insurance Company Ltd.
Eastland Insurance Company Ltd.

Registered Office
DH Tower, Level-14, 6, Panthapath, Dhaka-1215.
Phone: 02-55013506, Fax : 02 55013507
e-mail: info@northernjute.com
Web: www.northernjute.com

Factory
BSCIC Industrial Estate, Kushtia, Bangladesh.
Phone: 071-61884-85

Listing
Dhaka Stock Exchange (DSE)

Picture Gallery



Entrance of the Factory (Main Gate)



Worker working inside the Factory



A view of 36th AGM



A Shareholder delivering speech in 36th AGM



Personnel of Head Office



Personnel of Factory

Statement from Chairman



Dear Shareholders,

Greetings! It is always wonderful to meet all of you during the Annual General Meeting of our amazing Company.

I would like to express my gratitude and greetings to all the respected Stakeholders for their continuous support and attention in achieving excellence in the performance of our company. I would also like to take the opportunity to thank you for providing me a unique opportunity to share and exchange our thoughts and views on the performance of the Company in the past year and the on going potentials and possibilities .

We are Convening this 37th AGM of our company on a time when every business entity is suffering from uncertainty in future business in Bangladesh, increased prices of all raw materials, Strong position of local currency against US dollar and imposition of anti-dumping duty by India. These all have a definite and direct impact on the production and profitability of our Company. Even that it is my great pleasure to report you that our Company has registered a profit of Tk. 91.51 lac, which is the highest in the history of Northern Jute Manufacturing Company Ltd. Now Company's EPS stands at Tk. 5.13 per share. The Credit of this phenomenal goes to our dedicated Workers, staffs and officers without whose hard Work this would not have been possible.

Northern Jute Manufacturing Company Ltd is trying to maintain adequate transparency and proper corporate governance. We believe that our business objectives are not only to maximize the profitability but also to address the needs of the Society. From this point of view, we have undertaken some projects for poor and under-privileged people.

In conclusion, I want to acknowledge and offer my heartfelt thanks to everyone to whom the Company relies for necessary support. I also want to acknowledge my debt to the Board of Directors for their continuous guidance and their invaluable support to me during the period under reference. I would like to extend my sincere thanks to the valued lenders, Customers, Suppliers, regulators for their Continued Support. I would also like to convey my appreciation to the employees of the Company for their dedicated Service. And finally, I would like to express my gratitude to the valued shareholders for rendering their continuous support on our path towards Sustainable and profitable growth.

With warm regards,

Yours sincerely,



Uzzal Kumar Nandi

Chairman

Statement from Managing Director



Dear Shareholders,

It is my pleasure to welcome you all at 37th Annual General Meeting of Shareholders of Northern Jute Manufacturing Company Ltd.

We continuously strive to maximize the value to our buyers, business l partner and stakeholders.

The market is growing slowly as compared to the last year, since unrest situation in middle east and imposed anti dumping duty by Indian Central Government. The hike in gas & electricity price has badly hurt the country's industrial sector.

Despite of more challenging market conditions, we made steady progress in 2016-17, growing revenue by 57.46% and gross profit growth by 69.53% in year to year comparison. Net Profit after tax of Tk. 91.51 million was 614.93% higher than that attained in 2015-16.

Lastly, I take this opportunity to express my heartfelt thanks to our work forces for their hard work and tireless efforts. I wish to thank our Bankers, Dhaka Stock Exchange Ltd, Bangladesh Security and Exchange Commission , Central Depository Bangladesh Limited, Registrar of Joint Stock Companies and Firms, Customs , Tax and VAT Authority and specially to our valued customers for their trust, support and co-operation.

Thank you for your continuous support.

Ananga Mohan Roy

Managing Director

Northern Jute Manufacturing Company Limited

Five years statistics

Operating Result : **Figure in Taka**

Particulars	2017	2016	2015	2014	2013
Result of operation:					
Revenue	438,855,516	278,713,167	124,013,915	104,800,417	Nil
Gross Profit	90,536,472	53,403,746	18,495,816	15,373,111	Nil
Operating Profit/(loss)	12,186,903	1,922,033	5,378,092	212,652	(16,977,505)
Net Profit/(loss)after tax	9,151,273	1,280,029	5,490,342	28,669,37	(16,970,318)
Basic Earning per share (In Taka)	5.13	0.72	3.08	1.69	(9.98)
Dividend Paid /recommended	20%- Stock 20% - Cash	5 % Cash	20 % Cash	5%- Stock 5% - Cash	x
Income tax paid	3,002,443	2,052,971	1,663,679	1,462,898	x

Financial Position:

Particulars	2017	2016	2015	2014	2013
Total Assets	589,130,793	444,042,387	344,246,848	316,238,388	171,887,430
Fixed Assets-Net	367,520,438	281,146,115	252,198,373	249,731,643	84,416,034
Reserve & Surplus	144,639,392	135,547,287	137,837,258	114,911,742	(47,966,802)
Net Working capital	(50,532,552)	8,708,686	(94,875,305)	(116,219,279)	(109,282,852)
Authorized capital	1000,000,000	1000,000,000	100,000,000	100,000,000	100,000,000
Share holder's Equity	162,489,392	153,397,287	155,687,258	131,911,742	(30,966,802)
Paid up Capital	17,850,000	17,850,000	17,850,000	17,000,000	17,000,000
Total Long Term Loan	196,290,936	200,000,000	Nil	Nil	1,924,283
Deferred Tax Assets/ (liability)	1,971,558	1,908,733	1,635,810	1,600,622	2,093,646

Key Financial Ratio, Figures and Market Data:

Current Ratio	0.81	1.09	0.49	0.36	0.45
Debt Equity Ratio	2.63	1.89	1.21	1.40	(6.55)
Share Holder's Equity per share (in Taka)	91.03	85.94	87.22	77.60	(18.22)
Market value per share (in Taka)	466.80	214.70	200.00	130.00	18.00
Price Earning Ratio (based on DSE price)	90.99	298.19	64.94	76.92	(1.80)

Other:

Number of shares	1,785,000	1,785,000	1,785,000	1,700,000	1,700,000
Number of shares holders	926	961	379	269	277
Production (Qty in MT)	5,921.64 MT	3,841.98 MT	2,044.66 MT	1,330.66 MT	78.325 MT
Export (Qty in MT)	5,663.00 MT	3,929.00 MT	2,153.42 MT	1,490.07 MT	Nil

Total Employees:

Officers	49	43	40	22	20
Staff	27	25	28	17	20
Workers	453	320	252	105	112

DIRECTORS' REPORT
Northern Jute Manufacturing Company Limited
FOR THE YEAR ENDED 30TH JUNE, 2017

Dear Respected Shareholders,

On behalf of the Board of Directors and Management of Northern Jute Manufacturing Company Limited, I welcome you to the 37th Annual General Meeting of the Company. I have the pleasure to enclose herewith the Directors' Report together with the Audited Financial Statements of the Company for the year ended June 30, 2017 along with the Auditors' Report thereon. These were approved by the Board of Directors on September 10, 2017 which has been prepared in compliance with section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012 and other applicable laws.

Introduction

Northern Jute Manufacturing Company Limited was set up with 700 spindles on 3.12 acres of land at BSCIC Industrial Estate, Kumargara, Kushtia with the production capacity of 1,928 M Tons based on three shifts per day of 8 hours each of 300 working days in a year in the year 1982.

Subsequently, the mill was expanded by installing an additional 1,080 spindles. Northern Jute Manufacturing Company Limited is a Public Limited Company. The Company is listed with Dhaka Stock Exchange Limited in the year 1994.

World Economy and Economy of Bangladesh

Dwindling world trade growth is both a contributing factor and a symptom of the global economic slowdown. World trade volumes expanded by just 1.2 per cent in 2016, the third-lowest rate in the past 30 years. World gross product is expected to expand by 2.7% in 2017 and by 2.9% in 2018. While this marks a notable acceleration compared to 2016, growth in many regions remains below the levels needed for rapid progress towards achieving the Sustainable Development Goals. Oil prices have decreased further, by 32 percent, due to excess supply from members of the Organization of the Petroleum Exporting Countries (OPEC)

Bangladesh has made a remarkable progress in many economic and social indicators. By this time, we have attained self-sufficiency in food. Bangladesh's investment to GDP ratio has now grown to 29% and per capita income stands at $1,314. World Bank predicted that Bangladesh economy will grow at 6.50% this year and 6.70% in the next year which is neck to neck with China. Labor cost hike in China has created a huge Opportunity for Bangladesh. It creates hope that some foreign investment will be directed to Bangladesh which is crucial for its development.

However, inadequate infrastructure is One of the basic obstacles for growth and development in Bangladesh. The Government has undertaken Some significant steps for providing adequate port facilities, power and gas supply, improvement of communication.

Industry outlook and possible future developments in the industry:

This Industrial sector produce a wide variety of Jute yarn and twine from the world's best quality raw jute, meeting the international quality requirements for the whole world, It's products are used for Carpet Weaving, Wall Covering Jute Webbing, Fabrics for shopping Bags, packaging of Foods & Materials, Handicrafts, Jute cloth for various uses like Canvas, Decorative Fabrics, Laminated cloth, Safety Fuse for Explosive and many other uses.

Jute sector has huge potentials for economic development. Govt. has already taken steps to expand its international market and boost export for increasing this sector's contribution to the national economy.

Company's Operations:

Capacity/ Production:

After a long period of shutdown, the company has resumed its commercial operation again since March, 2014. Now the mill is are running on a 3 shift basis. Total production capacity of Northern Jute Manufacturing Co. Ltd. is 7,200 (M.T) whereas the production was 5,921.64 (M.T) during this year. It is 82.25% of total production capacity.

Product wise performance:

Northern Jute Manufacturing Company Limited manufactures Jute Yarn and Twine. Total sales during the year was 5,663.00 M. Ton of Jute Yarn/Twine.

Cost of production:

The cost of production has varied during the past years, primely due to wide fluctuations in the price of raw jute, packing materials, fuel & power, unit of production and spare parts which were beyond the control of the Management. Total cost of production during the year is Tk. 39,07,07,315 against Tk. 23,44,85,185 in 2015-16.

Marketing operations:

The Company's marketing operations continued its emphasis on export sales over the years. Total sales during the year ended 30 June, 2017 was Tk. 43,88,55,516 against Tk. 27,87,13,167 for the year ended 30 June 2016.

Capital expenditures:

In order to upgrade the production facilities, the company made an additional capital expenditures of Tk. 97.64 million. This investments had enabled the company to sustain the rate of production efficiency at the reasonable level over the years.

Foreign Exchange Earned:

The Company contributed substantially to the Foreign Exchange Reserve of the Country during the reporting year through its export marketing operation. Total Export earning during 2016-2017 was $ 54,28,058.00.

Highlights of Financial Performance in 2017

The Company's before and after tax profit for the year 2017 were 13.12 million and 9.15 million respectively as compared to Tk 3.45 million and Tk 1.28 million respectively in the previous year.

The financial result is summarized below:

Particulars	2016-17 (Tk.)	2015-16 (Tk.)
Revenue	438,855,516	278,713,167
Cost of Goods Sold	348,319,044	225,309,421
Gross Profit/(Loss)	**90,536,472**	**53,403,746**
Operating Expenses	78,349,569	51,481,713
Operating Profit/(Loss)	**12,186,903**	**1,922,033**
Other Income	935,022	1,532,949
Net Profit/(Loss) before provision	**13,121,925**	**3,454,982**
Net Profit / (Loss) after provision	**9,151,273**	**1,280,029**
Earning Per Share (EPS)	**5.13**	**0.72**

Appropriation:

The Company earned net profit of Tk. 9,151,273 during the year ended June 30, 2017. It has been recommended by the Board of Directors to be appropriated in the following manner:

a) Provision for proposed cash dividend for the year 2017 @ 20% (Tk. 2.00 per Share) & 20% Stock	Tk. 71,40,000
b) Transfer to retained earnings	Tk. 20,11,273

Retirement and re-election of Directors:

Mr. Ratan Kumar Biswas and Mr. Md. Shah Alam Sheikh has resigned from the position of Shareholding Directors on their personal grounds on 15.05.17 and 17.05.17 respectively .The Board accepted their resignations in its 144th meeting held on 25.05.17. The Board also thanks them for cooperation and assistance during their tenure and wishes their good health and best spirit.

Earthscope Ltd. sent a proposal letter to the of Northern Jute Manufacturing Company Limited on 24.05.17 to induct Mr. Amitav Adhikary and Mr. Kazi Momrez Mahmud as Nominee Director of Earthscope Limited to the Board of the Company. The Board of Directors of Company unanimously accepted the proposal of Earthscope Ltd and inducted them vide its 144th meeting held on 25.05.17.

Subsidiary Company

The Company has no subsidiary companies.

Appointment of Auditors:

The meeting informed that the existing Auditors of the Company M/s. Pinaki & Company, Chartered Accountants retires at this Annual General Meeting and being eligible offered themselves for appointment as Auditors of the company for the year ended 30 June, 2018.

Corporate Social Responsibility:

Northern Jute Manufacturing Company Ltd is trying to maintain adequate transparency and proper corporate governance .We believe that our business objectives are not only to maximize the profitability but also address the needs of the society. From point of view, we extend our help to local Mosque and social organizations in Kushtia where our Factory located. We always try our level best to contribute financial help to the meritorious Children of our Employees for their education and medical needs.

Corporate governance:

Corporate governance is key to its sustainibility. Good Corporate Governance is key to successful sustainibility. Our Corporate Governance is as follows:

Board of Directors

In line with the concept of good corporate management practice and the provisions of the Articles of Association, the Board of Directors, the top Management tier is responsible for overall control and supervision of the entire affairs of the Company primarily through strategic planning & budgetary control mechanisms. To this end, the Board of Directors holds periodic meetings to resolve issues of policies and strategies, correctly recording the minutes/ implementation of the decisions taken by the Executive Management. During the year under review, the board held 5 (Five) meetings to transact various agendas.

The Board of Directors is reconstituted every year by the shareholders through retirement /re-election/ election of its members.

Separate role of the Chairman and Managing Director

The positions of Chairman and Managing Director are held by separate persons. The Chairman is responsible for the functions of the Board & time worthy vigorous policy making while the Managing Director serves as the Chief Executive of the Company looking after the activities/performances of the workforce time to time visiting the Factory.

Audit Committee of Board

In line with BSEC guidelines for ensuring good governance practices, a three member audit committee was formed where as an Independent Director acts as the Chairman of the committee. All the members of the Audit Committee are Non-executive Directors. The audit committee held 4 (four) Meetings during the year.

Communication with the Shareholders

The Shareholders as owners are required to be provided with material information on the Company's operation quarterly, half-yearly and annually. They have also provided routine services by the Company Secretary in any company matters which is permissible. The Board is however responsible to the Shareholders as well as investors for publication of price sensitive information as per regulations of Bangladesh Securities and Exchange Commission. The Company has also a website to provide permissible information/notices/price sensitive information/financial reports/disclosures and others for the Shareholders and interested investors.

Corporate Governance is the practice of good citizenship, through which the company is governed by the board, keeping in view its accountability to the shareholders and to the society. A statement in pursuance to clause 1.5, audit committee report as per clause 3.5, certificate from professional accountants as per clause 7(i) and a status of compliance as per clause 7(ii) of the BSEC notification No. SEC/CMRRCD/2006-158/134/admin/44 dated 7th August, 2012 are depicted/disclosed in the Annexure-I, IV, V, and VI respectively.

Risk Perception

The term risk refers to the possibility of inadequate profits or even losses due to uncertainties, e.g., changes in tastes, preferences of consumers, strikes, insufficient supply of raw materials etc. The Major Risk associated with the Jute Industries are:

- Insufficient supply of good quality imported seed;
- Lack of awareness among jute farmer regarding best post harvest technology and how practice affected prices,
- Low mills productivity in terms of machinery
- Lack of skill labour
- Lack of market linkages
- Unfavourable Market Price
- Price Volatility
- Weak bargaining power
- Multiple intermediary levels
- Govt. Procurement Policy, etc

Our Management continuously develops their management, marketing and operational strategies to overcome the above challenges.

Future Outlook:

Global market for jute products is overwhelmingly dependent upon developing countries. More than 90 percent of the demand for jute goods originates from a handful of Asian countries. Along with developed countries, the demand for jute goods in developing countries has gone up. Recent rise of global awareness on jute products may create new demand, particularly in developed countries such as USA, Canada, Australia and Japan, where consumer groups are becoming increasingly conscious of the carbon footprint of consumer goods. With a good marketing plan, we take the opportunity to get a hold on these markets.

Management appreciation:

I take this opportunity, on behalf of the Board of Directors, to express their sincere thanks and appreciation for the necessary cooperation and support extended to our Company by the shareholders, foreign buyers, suppliers, bankers, the authorities of Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd, Central Depository Bangladesh Ltd & Office of the Registrar of Joint Stock Companies & Firm.

Finally, the Board of Directors of our Company expresses its deep appreciation to all workers, staff and officers for their loyalty, dedication and hard working during the year and hope that they will continue to keep the spirit of their work in the coming years for the smooth running and growth of the Company.

On behalf of the Board of Directors,



Uzzal Kumar Nandi
Chairman

ANNEXURE-I

The Directors also report that:

1. Related Party Transactions are depicted in Note no. 30 in the Notes of Account.
2. Remuneration of Directors, including Independent Director have been shown in Note no. 29 in the Notes of Account.
3. The Financial Statement of the Company present true and fair view of the Company's state of affairs, result of its operation, cash flows and changes in equity.
4. Proper books of accounts as required by the prevailing law have been maintained.
5. Appropriate accounting policies have been followed in formulating the financial statements and accounting estimates were reasonable and prudent.
6. The financial statement was prepared in accordance with IAS/BAS/IFRS/BFRS.
7. The internal control system is sound in design and is effectively implemented and monitored.
8. There is no significant doubt about the company's ability to continue as a going concern.
9. There is significant deviation from the operating result of the last year due to resume of commercial operation of the industry.
10. Key operating and financial data of last five years have been presented in summarized form in page no.8
11. The number of Board Meeting and the Attendance of Directors during 2016-17 were as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Uzzal Kumar Nandi	Chairman	6	6
Mr. Ratan Kumar Biswas	Director	6	6
Mr. Md. Shah Alam Sheikh	Director	6	5
Eng. Md. Rezaul Karim	Nominee Director of Islamic Development Bank	2	2
Mr. Dilshad Hossain Siddiqui	Nominee Director of Islamic Development Bank	4	4
Mr. Md. Iqbal Sayeed	Independent Director	6	6

12. The pattern of shareholding as required by clause 1.5(xxi) of the BSEC Notification dated 7th August, 2012, stated in Annexure II.

ANNEXURE-II

Pattern of Shareholding as on 30 June, 2017

Name of the Shareholders	Status	Shares held	%
i. Parent/Subsidiary/Associated Companies and other related parties			
ii. Directors:			
Mr. Uzzal Kumar Nandi	Chairman	1,78,000	9.97
Mr. Dilshad Hossain Siddiqui	Nominee Director of Islamic Development Bank	5,35,500	30.00
Mr. Iqbal Sayeed	Independent Director	-	-
		7,13,500	39.97
iii. Managing Director, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Childrens:			
Mr. Ananga Mohan Roy	Managing Director	-	-
Mr. Ujjal Kanti Dhar	CFO	-	-
Mr. Shahadat Hussain	Company Secretary	-	-
Mr. Khondakar Shakhawatul Islam	Head of Internal Audit	-	-
iv. Shareholders Holding 10% or more voting interest in the company:		-	-

ANNEXURE-III

Brief Resume of the Directors

Directors who seek appointment :

Mr. Amitav Adhikary, Nominee Director of Earthscope Ltd.

Engr. Amitav Adhikary joined in the Board of Northern Jute Manufacturing Co. Limited on May 25, 2017 as nominee director of Earthscope Ltd.

Currently he is serving as Managing Director of Rahman Chemicals Limited and independent director of Peoples Leasing and Financial Services Ltd. Mr. Adhikary Completed his MBA from Institute of Business Administration (IBA) from University of Dhaka and acquired his B.Sc. in Chemical Engineering degree from the Bangladesh University of Engineering and Technology (BUET).

Mr. Kazi Momrez Mahmud, Nominee Director of Earthscope Ltd.

Mr. Kazi Momrez Mahmud joined in the Board of Northern Jute Manufacturing Co. Limited on May 25, 2017 as nominee director of Earthscope Ltd.

He got MBA (Marketing) from South East University having lot of experience in different organization while he was in Bangladesh Army including two years service in the United Nations.Mr. Mahmud is chairman of Drinun Apparels Ltd., Dhaka.

ANNEXURE-IV

AUDIT COMMITTEE REPORT

The audit committee of NORTHERN JUTE MANUFACTURING COMPANY LIMITED was formed as per the terms of reference approved by the Board in accordance with the notification of Bangladesh Securities and exchange commission no. SEC/CMRRCD/2006-158/134/Admin/44, dated 7th August 2012.

The Audit committee of the company comprises of three Directors, nominated by the Board of Directors of the Company, headed by the Independent Director Mr. Iqbal Sayeed, Advocate. The other members of the committee are, Mr.Ratan Kumar Biswas and Mr. Md. Shah Alam Sheikh.

The committee has worked closely with the company's financial term to ensure that the audit processes adopted in connection with the financial statements are deal with best practice. The committee was empowered to examine the matter related to financial and other affairs of the Company. This committee ensures a sound financial reporting system and updated information to the Board of Directors.

The committee normally meets in the next month of every quarter. During the year 2016-17, four Audit Committee meeting were held, the details of attendance of each member at the Audit Committee meetings are as follows:

Name of the Member	Number of Audit Committee Meeting held	Attended
Mr. Iqbal Sayeed	4	4
Mr.Ratan Kumar Biswas	4	4
Mr. Md. Shah Alam Sheikh	4	4

During the year the Audit Committee review and carry out the following tasks:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principals.
- Monitor Internal Control Risk management process.
- Oversee hiring and performance of external auditors.
- Review along with the management, the annual financial statements before submission to the Board for approval.
- Review along with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.
- Review statement of significant related party transactions submitted by the management.
- Sufficient effectiveness of the internal financial controls.
- Compliance of all applicable legal and regulatory rules and regulations.
- Various reports of operational activities and streamlined the operations of the Company.
- The committee reviewed the audit plan for the year 2016-17 and oversees the performance of external auditors.
- Reviewed compliance of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission.
- The Audit Committee is of the view that the internal control and procedures are adequate to present a true and fair view of the activities and financial status of the Company.



Mr. Iqbal Sayeed, Advocate
Chairman
Audit Committee
Date: 10th September, 2017

ANNEXURE-V

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE GUIDELINES TO THE SHAREHOLDERS OF NORTERN JUTE MANUFACTURING COMPANY LIMITED.

Mak & Co.
Chartered Accountants

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE GUIDELINES TO THE SHAREHOLDERS OF *NORTHERN JUTE MANUFACTURING COMPANY LIMITED* FOR THE YEAR ENDED ON 30 JUNE, 2017

We have examined the compliances of Corporate Governance Guidelines as required under clause 7(i) of the Bangladesh Securities & Exchange Commission (BSEC) notification SEC/CMRRCD/2006-158/134/ADMIN/44 dated on 7th August 2012 and SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 by Northern Jute Manufacturing Company Limited for the year ended on 30 June, 2017.

The compliance of conditions in the aforesaid notification and reporting the status of compliance is the responsibility of the Management of the Company. Our responsibility is to certify whether the company is in compliance with the said conditions of corporate governance based on our examination. For the purpose of issuing this certificate our examination was limited to the procedures as adopted by the Management of the Company for ensuring compliance to the conditions of Corporate Governance Guidelines and implementation status thereof.

To the best of our information and according to the explanations given to us, we certify that, Northern Jute Manufacturing Company Limited has complied with conditions of corporate governance guidelines as stipulated in the above mentioned notification issued by BSEC under section 2CC of the Securities & Exchange Ordinance, 1969 for the year ended on 30 June, 2017.

Dated, Dhaka;
2017, September 14

Anjan Kumer Roy, FCA
Partner,
Mak & Co., Chartered Accountants

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ANNEXURE-VI

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's notification No. SEC/ CMRRCD/ 2006-158/ 134/ Admin/ 44 dated 7th August, 2012

Condition No.	Title	Compliance Status (Put √ in the appropriate coulmn)		Remarks
		Complied	Non Complied	
1	**Board of Directors (BoD)**			
1.1	Board's Size (number of board members-Minimum-5 and maximum 20).	√		
1.2	**Independent Directors:**			
1.2 (i)	At least one fifth(1/5) of the total number of Directors shall be Independent directors.	√		
1.2 (ii)	**Independent Director means a director**			
1.2 (ii) (a)	Who either does not hold any share in the company or holds less than one percent(1%) share of the total paid-up shares of the company.	√		
1.2 (ii) (b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent(1%) or more shares of the total paid-up shares of the company on the basis of the family relationship.His/Her family members also should not hold above mentioned shares in the company.	√		
1.2 (ii) (c)	Who does not have any other relationship, whether pecuniary or otherwise,with the company or its subsidiary/associated companies.	√		
1.2 (ii) (d)	Who is not a member, director or officer of any stock exchange.	√		
1.2 (ii) (e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.	√		
1.2 (ii) (f)	Who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the company's statutory audit firm.	√		
1.2 (ii) (g)	Who shall not be an independent director in more than 3 (three) listed companies.	√		
1.2 (ii) (h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or Non-bank Financial Institution (NBFI).	√		
1.2 (ii) (i)	Who has not been convicted for a criminal offence involving moral turpitude.	√		
1.2 (iii)	Independent Director (s) shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
1.2 (iv)	The post of Independent Director(s) can not remain vacant for more than 90 (ninety) days.			No such case
1.2 (v)	The Board shall lay down a Code of Conduct for all Board members and annual compliance of the Code to be recorded.	√		
1.2 (vi)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		

1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3 (ii)	Independent Director should be a Business Leader/Corporate Leader/ Bureaucrat/ University Teacher with Economics or Business Studies or Law background / Professionals Chartered Accountants & Managements Accountants,Chartered Secretaries.The independent director must have at least 12 (twelve) years of corporate	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of Commission.	√		
1.4	The Chairman of the Board and Chief Executive Officer (CEO) shall be different individuals.The Chairman shall be elected from among the directors. The board of directors shall clearly defined their respective roles and responsibilities of the Chairman and the CEO.	√		
1.5	**The Director's Report to the shareholders:**			
1.5 (i)	Industry outlook and possible future developments in the industry.	√		
1.5 (ii)	Segment-wise or product-wise performance.	√		
1.5 (iii)	Risk and concerns	√		
1.5 (iv)	A discussion on cost of goods sold, Gross profit margin and net profit margin.	√		
1.5 (v)	Discussion on Continuity of any extraordinary gain or loss.			No such case
1.5 (vi)	Basis for Related party transaction- a statement of all related party transactions should be disclosed in the annual report.	√		
1.5 (vii)	Utilization of proceeds from public issue, right issue and/or through any other instruments.			No such case
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer (RO),Direct Listing etc.			No such case
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain about the variance.			No such case
1.5 (x)	Remuneration of Directors including Independent Directors.	√		
1.5 (xi)	The financial statements present fairly its state of affairs, the results of its operation, cashflows and changes in equity.	√		
1.5 (xii)	Proper books of account have been maintained.	√		
1.5 (xiii)	Adaption of appropriate accounting policies & estimates.	√		
1.5 (xiv)	IAS/BAS/IFRS/BFRS, as applicable in Bangladesh,have been followed and adequate disclosure for any departure.	√		
1.5 (xv)	The system of Internal Control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	Going Concern (Ability to continue as going concern).	√		
1.5 (xvii)	Highlights and explain significant deviations from the last years operating results.	√		

1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	Reason for non declaration of Dividend.	√		
1.5 (xx)	The number of Board meetings held during the year and attendanceby each director shall be disclosed.	√		
1.5 (xxi)	**Pattern of shareholding and name wise details (disclosing aggregate number of shares):**			
1.5 (xxi)(a)	Parent/Subsidiary/Associate companies and other related parties.	√		
1.5 (xxi)(b)	Directors, Chief Executive Officer (CEO) , Chief Financial Officer (CFO), Company Secretary, Head of Internal Audit and their spouses and minor children (name wise details).	√		
1.5 (xxi)(c)	Top five executives other than mentioned above.	√		
1.5 (xxi)(d)	Shareholders holding of 10 % or more voting interest in the company (name wise details).	√		
1.5 (xxii)	**Incase of the appointment/Re-appointment of a director,disclose:**			
1.5 (xxii)(a)	A brief resume of the director .	√		
1.5 (xxii)(b)	Nature of his/her specific functional areas.	√		
1.5 (xxii)(c)	Name of companies in which the person also holds the directorship and membership of committees of the Board.	√		
2	**Chief Financial Officer (CFO),Head of Internal Audit & Company Secretary:**			
2.1	Appointment of Chief Financial Officer (CFO),Head of Internal Audit & Company Secretary and defining their respective roles, responsibilities and duties.	√		
2.2	The Chief Financial Officer & Company Secretary shall attend the meetings of the Board of Directors	√		
3	**Audit Committee:**			
3(i)	The company shall have an Audit Committee as a subcommittee of the Board of Directors.	√		
3(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3(iii)	The Audit Committee shall be responsible to the Board of Directors.The duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	**Constitution of the Audit Committee:**			
3.1(i)	The Audit Committee shall be composed of at least 3(three)members.	√		
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent Director.	√		
3.1(iii)	All members of Audit Committee should be "Financially Literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		

3.1(iv)	Expiration of the term of service of audit Committee mambers making the number lower than 3(three) and fill up the vacancy(ies) by the Board not later than 1 (one) month from the date of vacancy (ies).	√		
3.1(v)	The Company Secretary shall act as the Secretary of the Audit Committee.	√		
3.1(vi)	The quorum of Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.	√		
3.2	**Chairman of the AuditCommittee:**			
3.2(i)	The Board of Directors shall select 1 (one)member of the Audit Committee, who shall be an Independent Director.	√		
3.2(ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	**Role of Audit Committee:**			
3.3 (i)	Oversee the financial reporting process	√		
3.3(ii)	Monitor choice of accounting policies and principles	√		
3.3(iii)	Monitor Internal Control Risk Management Process	√		
3.3(iv)	Monitor hiring and performance of external auditors.	√		
3.3(v)	Review along with the management, the annual financial statements before submission to the Board for approval.	√		
3.3(vi)	Review along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval.	√		
3.3(vii)	Review the adequacy of internal audit function	√		
3.3(viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3(ix)	Review Management letter/letters of internal control weakness issued by the statutory auditors.	√		
3.3(x)	When money is raised through Initial Public offering (IPO)/Repeat Public Offering (RPO)/Right Issue, the Company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital etc) on a quarterly basis, as a part of their quarterly declaration of financial results.			No such case
3.4	**Reporting of The Audit Committee to The Board of Directors:**			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1(ii)	The Audit Committee shall immediately report to the Board of Directors on findings, if any:	√		
3.4.1(ii) (a)	Report on conflict of interests	√		
3.4.1(ii) (b)	Suspected or presumed fraud or irregularity or material defect in the internal control system.	√		

3.4.1(ii) (c)	Suspected infringement of laws including securities related laws, rules and regulations.	√		
3.4.1(ii) (d)	Any other matters which shall be disclsoed to the Board of Directors immediately.	√		
3.4.2	Reporting of anything having material financial impact to the Commission.			No such case
3.5	Reporting to the Shareholders and General investors.	√		
4	**External/Statutory Auditors**			
4(i)	Non-engagement in appraisal or valuation services or fairness options.	√		
4(ii)	Non-engagement in designing and implementation of Financial Information System.	√		
4(iii)	Non-engagement in Book-keeping or other services related to the accounting records or financial statements.	√		
4(iv)	Non-engagement in Broker/Dealer services.			Not Applicable
4(v)	Non-engagement in Actuarial services.			Not Applicable
4(vi)	Non-engagement in Internal Audit services.	√		
4(vii)	Non-engagements in any other services that the Audit Committee determines.	√		
4(viii)	No partner or employees of the external audit firms shall posses any share of the company during the tenure of their assignment.	√		
4(ix)	Audit/Certification services on compliance of corporate governnance as required under clause (i) of condition no.-7.	√		
5	**Subsidiary Company:**			
5(i)	Provision relating to the Composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.			Not Applicable
5(ii)	At least 1 (one) Independent Director on the Board of the holding company shall be a Director on the Board of Director of the subsidiary company.			Not Applicable
5(iii)	The minutes of the Board meeting of the Subsidiary Company shall be placed for review at the following Board meeting of the Holding Company.			Not Applicable
5(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			Not Applicable
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the Investments made by the subsidiary company .			Not Applicable

6	**Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO):**			
The CEO and CFO shall certify to the Board that :				
6(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief.	√		
6(i)(a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
6(i)(b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6(ii)	There are to the best of knowledge and belief no transactions entered into by the company during the year which are fraudulent,illegal or violation of the company's code of cnduct.	√		
7	**Reporting and Compliance of Corporate Governance:**			
7(i)	The company shall obtain a Certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost Management Accountant / Chartered Secretary)regarding compliance of on Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
7(ii)	The directors of the company shall state, in the Directors' Report whether the company has complied with these conditions.	√		

Report of the MD & CFO

We have reviewed the Financial Statements of Northern Jute Manufacturing Company Ltd which comprise of the Statement of Financial Position as at 30th June, 2017, Income Statement, Statement of Changes in Equity, Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory notes.

These Financial Statements have been prepared and presented fairly in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations. The Company has taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. The Internal Control & Compliance Department of the Company conducts periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed.

Based on the internal control system of the Company and our review of these Financial Statements, we, Ananga Mohan Roy, MD & Ujjal Kanti Dhar, CFO of the Company do hereby jointly certify that we have reviewed the Financial Statement for the year ended 30th June, 2017 together with the notes thereon and schedule annexed there to and that to the best of our knowledge and belief.

a) These Statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b) These statement together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.

Ujjal Kanti Dhar
Chief Financial Officer
Northern Jute Manufacturing Co. Ltd.

Ananga Mohan Roy
Managing Director
Northern Jute Manufacturing Co. Ltd.

পিনাকী এণ্ড কোম্পানী
Pinaki & Company
Chartered Accountants

AUDITOR'S REPORT
TO THE SHAREHOLDERS
OF
NORTHERN JUTE MANUFACTURING COMPANY LIMITED

We have audited the accompanying financial statements of Northern Jute Manufacturing Company Limited which comprises the Statement of Financial Position as at June 30, 2017 and the related Statement of Profit or Loss and other comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the companies Act 1994, the Bangladesh Securities and Exchange Rules 1987 and other applicable laws and regulations, This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at June 30, 2017 and of the results of its operations and its cash flows for the year then ended and comply with the Bangladesh Securities and Exchange Rules 1987, the companies Act 1994 and other applicable laws and regulations. However, compliance and accounting provision process need be strengthened further.

We also report that:

(i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) 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;

(iii) The Company's Statement of Financial Position and Statement of Profit or Loss and other comprehensive Income and its statements of Cash Flows dealt with by the report are in agreement with the books of account;

(iv) The expenditure incurred was for the purpose of the company's business.

Dhaka
Dated: 18.09.2017

PINAKI & COMPANY
Chartered Accountants

Northern Jute Manufacturing Company Limited
Statement of Financial Position
As at 30 June, 2017

Particulars	Notes	2016 -17	2015 -16
ASSETS			
Non Current Assets			
Property, Plant and Equipment	4	367,520,438	281,146,115
Capital Work in Progress	5	-	65,451,219
Total Non-Current Assets		**367,520,438**	**346,597,334**
Current Assets			
Inventories	6	149,021,378	56,660,410
Account Receivables	7	26,391,870	16,925,324
Advance, Deposit & Prepayment	8	13,176,944	7,691,989
Cash Subsidy Receivable	9	28,869,820	11,856,009
Cash & Cash Equivalents	10	4,150,343	4,311,321
Total Current Assets		**221,610,355**	**97,445,053**
Total Assets:		**589,130,793**	**444,042,387**
EQUITY & LIABILITIES			
Shareholders' Equity			
Share Capital	11	17,850,000	17,850,000
Tax Holiday Reserve		638,498	638,498
Revaluation Reserve	12	215,270,430	216,062,311
Retained Earning	13	(71,269,536)	(81,153,522)
Total Shareholders' Equity		**162,489,392**	**153,397,287**
Non-Current Liabilities			
Long Term Loan	14	152,526,936	200,000,000
Deferred Tax Liabilities	15	1,971,558	1,908,733
Total Non-Current Liabilities		**154,498,494**	**201,908,733**
Current Liabilities and Provision:			
Trade Payable	16	2,017,486	1,482,603
Liabilities for Other Expenses	17	4,741,995	7,543,409
Other Liabilities	18	4,330,047	2,749,954
Working Capital Loan	19	215,063,793	75,000,000
Current portion of Long Term Loan	14	43,764,000	-
Short Term Loan	20	2,225,586	1,960,401
Total Current Liabilities		**272,142,907**	**88,736,367**
Total Liabilities		**426,641,401**	**290,645,100**
Total Capital and Liabilities		**589,130,793**	**444,042,387**
Net Assets Value (NAV)		**91.03**	**85.94**

Accompanying notes form an integral part of these financial statements

Chairman	Director	Managing Director	
NJMCL	NJMCL	NJMCL	**PINAKI & COMPANY** Chartered Accountants

Northern Jute Manufacturing Company Limited
Statement of Comprehensive Income
For the year ended 30 June, 2017

Figure in Taka

Particulars	Notes	2016 -17	2015 -16
Revenue	21	438,855,516	278,713,167
Cost of Goods Sold	22	(348,319,044)	(225,309,421)
Gross Profit/(Loss)		**90,536,472**	**53,403,746**
Operating Expenses			
Administrative Expenses	23	(16,078,992)	(15,757,096)
Selling Overhead	24	(11,508,805)	(7,801,868)
Finance Overhead	25	(50,761,772)	(27,922,749)
Total		**(78,349,569)**	**(51,481,713)**
Operating Profit/(Loss)		**12,186,903**	**1,922,033**
Add: Other Income	27	935,022	1,532,949
Net Profit/(Loss) before Provision and Tax		**13,121,925**	**3,454,982**
Contribution to WPPF		-	-
Net Profit/(Loss) before Tax		**13,121,925**	**3,454,982**
Less: Provision			-
Workers profit participation fund		656,096	-
Income Tax	28	3,251,732	1,902,030
Deferred tax		62,825	272,923
Total		**3,970,653**	**2,174,953**
Net Profit / (Loss) after Tax		**9,151,273**	**1,280,029**
Other Comprehensive Income		**-**	**-**
Total Comprehensive Income		**9,151,273**	**1,280,029**
Earning Per Share (EPS)	29	**5.13**	**0.72**

Accompanying notes form an integral part of these financial statements

Chairman NJMCL	Director NJMCL	Managing Director NJMCL	**PINAKI & COMPANY** Chartered Accountants

Signed as per our annexed report of even date

Dhaka, Dated: 27th August, 2017

Northern Jute Manufacturing Company Limited
Cash Flow Statement
For the year ended 30 June, 2017

Figure in Taka

Particulars	Notes	2016 -17	2015 -16
A. Cash Flow from Operating Activities			
Collection from Turnover & Others		413,310,181	266,724,602
Payment to suppliers & Employees		(513,712,879)	(255,994,945)
Cash Payment for Income Tax		(3,281,546)	(2,052,971)
Net Cash generated /(used) in Operations		**(103,684,244)**	**8,676,686**
Total Cash Flow from Operating Activities			
B. Cash Flow from Investment Activities			
Disposal of Fixed Assets		-	2,800,000
Capital Work in Pregress		-	(65,451,219)
Acquisition of Fixed Assets		(32,187,845)	(37,030,189)
Net Cash generated /(used) in Investment		**(32,187,845)**	**(99,681,408)**
C. Cash Flow from Financing Activities:			
Long Term Loan Received / (Repaid)		(3,709,064)	200,000,000
Secured Loan Received/ (Repaid)		-	-
Working Capital Loan Received		140,063,793	75,000,000
Short Term Loan Repaid		265,185	(179,151,139)
Payment of Dividend		(908,803)	(2,954,183)
Deferred Liabilities (gratuity-Repaid)		-	-
Net Cash generated /(used) in Financing		**135,711,111**	**92,894,678**
D. Net Cash Flow (A+B+C)		**(160,978)**	**1,889,956**
E. Opening Cash and Cash Equivalents		**4,311,321**	**2,421,365**
F. Closing Cash and Cash Equivalents (D+E)		**4,150,343**	**4,311,321**
Net Operating Cash Flow Per Share		**(58.09)**	**4.86**

Accompanying notes form an integral part of these financial statements

Chairman
NJMCL

Director
NJMCL

Managing Director
NJMCL

Northern Jute Manufacturing Company Limited
Statement of Changes in Equity
For the year ended 30 June, 2017

Particulars	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Retained Earning	Total
Balance as on 01-07-16	17,850,000	216,062,311	638,498	(81,153,522)	153,397,287
Net profit after provision				9,151,273	9,151,273
Cash Dividend (2015-16)				(892,500)	(892,500)
Previous years adjustment		-		833,332	833,332
Adjustment against Depreciation		(791,881)		791,881	-
Balance as on 30-06-2017	**17,850,000**	**215,270,430**	**638,498**	**(71,269,536)**	**162,489,392**

Northern Jute Manufacturing Company Limited
Statement of Changes in Equity
For the year ended 30 June, 2016

Particulars	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Retained Earning	Total
Balance as on 01-07-15	17,850,000	216,967,328	638,498	(79,768,568)	155,687,258
Net profit after provision				1,280,029	1,280,029
Cash Dividend (2014-15)				(3,570,000)	(3,570,000)
Addition during the year		-			-
Adjustment against Depreciation		(905,017)		905,017	-
Balance as on 30-06-2016	**17,850,000**	**216,062,311**	**638,498**	**(81,153,522)**	**153,397,287**

Accompanying notes form an integral part of these financial statements

Chairman	Director	Managing Director	PINAKI & COMPANY
NJMCL	NJMCL	NJMCL	Chartered Accountants

Dhaka, Dated: 27th August, 2017

NORTHERN JUTE MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017
FORMING INTEGRAL PART OF THE ACCOUNT

1. Status of the company

1.1 Legal form of the company:

Northern Jute Mfg. Co. Ltd. was incorporated under the Company Act. 1913 (now Companies Act, 1994) as a Public Company Limited by share on September 17, 1980 and the shares of the Company are listed in the Dhaka Stock Exchange Limited of Bangladesh.

1.2 Address of Registered Office and Principal place of Business:

The Company, in its 123rd meeting of the Board of the Directors held on 23rd June, 2014 decided to shift the registered office of the Company from Jatiya Scount Bhaban (9th Floor), 70/1 Purana Paltan Line, Kakrail, Dhaka. The present address of the registered office and principal place of the business is Navana DH Tower, 6, Panthpoth (14th Floor), Dhaka and the manufacturing place is located at BSCIC Industrial Estate, Kumargara, Kushtia.

1.3 Nature of Business Activities:

The Company operates in a Single industry segment. It owns and operates a jute spinning mill and producing and selling Jute Yarn and Twine.

2. Bases of Financial Statement-its preparation and presentation:

2.1 Basis of Accounting:

The accounts have been prepared on a going concept convention under Generally Accepted Accounting Principles (GAAP) and on accrual basis.

2.2 Reporting Framework and Compliance thereof:

The Financial Statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange and other relevant local laws and regulations as applicable and in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

2.3 Component of Financial Statements:

According to Bangladesh Accounting Standard (BAS-1) "Presentation of Financial Statements" the complete set of Financial Statements includes the following component:

- A Statement of Financial position as at June 30, 2017.
- A Statement of Comprehensive Income for the year ended June 30, 2017.
- A Statement of Cash Flow Statement for the year ended June 30, 2017.
- A Statement of Changes in Equity.
- Notes, comprising a summary of significant accounting policies and other explanatory information.

2.4 Reporting Period:

Financial Statements of the company cover one calendar year from 1st July, 2016 to 30th June, 2017.

2.5 Responsibility for Preparation and Presentation of Financial Statements:

The Management is responsible for preparation and presentation of Financial Statements under section 183 of the Company Act. 1994 and as per the provision of "The Framework for The Preparation and Presentation of Financial Statements" issued by the International Accounting Standards Committee (IASC).

2.6 Reporting Currency and Level of Precision:

The Financial Statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information has been presented rounded off to the nearest Taka except where indicated otherwise.

2.7 Comparative Information:

Comparative Information has been disclosed in respect of the year 2016 for all numerical information in the Financial Statements and also the narrative and descriptive information when it is relevant for understanding of the current period Financial Statements.

The figure of the year have been regrouped/re-arranged where ever considered necessary to ensure better comparatively with the current year.

3. Significant Accounting Policies:

3.1 Recognition of Fixed Assets & Depreciation:

Fixed Assets are stated at their cost less accumulated depreciation in accordance with BAS 16 "Property Plant and Equipment". The cost represents cost of acquisition of construction and revaluation. After recognition as an asset, an item of Property, Plant and Equipment carried at its cost less any accumulated depreciation and any accumulated impairment losses. Depreciation on all other Property, Plant, and Equipments are computed using the reducing balance method in amounts sufficient to write off depreciable assets over their estimated useful economic lives. The cost and accumulated depreciation of depreciable assets retired or otherwise disposed off are eliminated from the assets and accumulated depreciation and any gain or loss on such is reflected in operations for the year. Depreciation is charged from the month of acquisition and no depreciation has been provided on its disposal.

The annual depreciation rates applicable to the principal categories are:

Building	5%
Godown	5%
Plant & Machinery	10%
Office Equipment	15%
Vehicles	20%
Forklift	20%
Electric Installation	15%
Generator	15%
Furniture & Fixture	15%
Sundry Assets	15%

Maintenance activities:

The Company incurs maintenance costs for all major items of Fixed Assets. Repair and Maintenance costs are charged as expenses when incurred.

Subsequent Expenditure:

The company recognizes in the carrying amount of an item of Fixed Assets the cost of replacing part of such an item when that cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the Assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the Fixed Assets, the expenditure is capitalized as an additional cost of the Assets. All other costs are recognized in the statement of comprehensive income as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

Disposal of Fixed Assets:

On disposal of Fixed Assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of comprehensive income, which is determined with reference to the net book value of the assets and net sales proceeds.

3.2 Inventories:

Inventories comprise Raw Materials, Packing Materials, Work in Process, Finished Goods and Stock of Stationery and Spares and Accessories. They are stared at the lower of cost and net realizable value in accordance with BAS -2 "Inventories". The cost of inventories is assigned by using Weighted Average Cost formula. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale. The physical stocks counting for verify the closing socks of inventories were carried out by internal audit team of the company.

3.3 Financial Instruments:

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Financial Assets of the company include cash and cash equivalents, accounts receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual rights or probabilities of receiving the cash flows from the assets expire or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

Accounts Receivable:

Accounts receivable are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, provision experience and general economic conditions. When an account receivable is determined to be uncollectible, it is written off, firstly against any provision available and then to the statement of comprehensive income. Subsequent recoveries of amounts previously provided for are credited to the statement of comprehensive income.

Advances and Deposits:

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads. Deposits are measured at payment value.

Cash and Cash Equivalent:

According to BAS 7 "Cash Flow Statement" and BAS 1 "presentation of financial Statement" Cash and Cash equivalents are carried in the financial position at cost and included cash in hand and with banks on current and deposit accounts, which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.4 Impairment:

Financial Assets:

Accounts receivable and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy etc.

Non-financial Assets:

As asset is impaired when an asset's carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that as asset may be impaired. If any such indication exists, the company estimated the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

3.5 Financial Liability:

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

3.6 Creditors and Accruals:

Liabilities are recognized for amounts to be paid in the future for goods and services received, whether or not billed by the supplier.

3.7 Provision:

A provision is recognized in the statement of financial position when the company has legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditure expected to be required to settle the obligation.

3.8 Revenue Recognition:

The company recognized revenue when risk of ownership has been transferred to the buyer, which satisfied all the condition for the revenue recognition as provided in BAS 18 "Revenue Recognition".

Accounting for Government Grants (cash subsidy) and disclosure of Government Assistance:

A Government Grant (cash subsidy) that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related cost, is recognized in profit and loss on accrual basis.

3.9 Income Tax Expense:

Current Tax:

Provision for current year income tax has been made higher one among @ 10% as prescribe in the SRO No. 207-Legal/Income Tax/2016 dated 29.06.16 on the accounting profit by the company, Turn over Tax or AIT deducted at sources.

Deferred Tax:

The Company has adopted deferred tax accounting policy as per Bangladesh Accounting Standard (BAS) 12. Accordingly deferred tax liability/asset is accounted for all temporary timing differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purpose. Deferred tax is computed at the prevailing tax rate as per Finance Act 2017.

3.10 Borrowing Costs:

This has been dealt with the requirements of BAS 23: Borrowing Costs. Borrowing costs relating to projects in commercial operation are recognized as expenses in the year in which they are incurred. In respect of projects that have not yet commenced commercial production, borrowing costs are debited to capital work in progress.

3.11 Employee Benefits:

The company's employee benefits include the following:

Short-term employee benefits:

Short-term employee benefits include salary, bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

Contribution to Workers' Participation/Welfare Funds:

This represents 5% of net profit before tax to be contributed by the Company as per section no. 232(3) of the Bangladesh Labour Law 2006 read with rule no.212 of the Bangladesh Labour Rules 2015 and is payable to workers as defined in the said law.

3.12 Proposed Dividend:

The amount of proposed dividend is not accounted for but disclosed in the notes to the account along with dividend per share in accordance with the requirements of the Para 125 of Bangladesh Accounting Standards (BAS) 1: Presentation of Financial Statements. Also, the proposed dividend has not been considered as "Liability" in accordance with the requirements of the Para 12 & 13 of Bangladesh Accounting Standards (BAS) 10: Events after the Reporting Period, because no obligation exited at the time of approval of the accounts and recommendation of dividend by the Board of Directors.

The Board Proposed dividend @ 20% cash and 20% stock for the year ended 30th June, 2017.

3.13 Earning Per Share (EPS):

This has been calculated in compliance with the requirements of BAS-33: "Earnings Per Share" by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Basic Earnings:

This represents earning for the year attributable to ordinary share holders. As there was no preference dividend minority interest on extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary share holders.

Basic Earnings Per Share:

This has been calculated by dividing the basic earnings by the number of ordinary shares issued by the company.

Diluted Earnings Per Share:

No diluted Earnings per Share (EPS) is required to be calculated for the year as there was no scope for dilution during the year under review.

3.14 Cash Flow Statement:

Cash Flow Statement is prepared principally in accordance with BAS 7 "Cash Flow Statement". The cash generated from operating activities have been reported using the direct method as prescribed by the Security and Exchange Rule 1987 and as encouraged by BAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.15 Foreign Currency Translation:

Translations in foreign currencies are converted into Bangladesh Taka at the exchange rate prevailing on the date of transaction in accordance with provision of BAS 21 "the effect of changes in foreign currency rate"

3.16 Use of Estimates and:

The preparation of financial statements in conformity with BFRSs/BASs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses, and disclosure requirements for contingent Assets and Liabilities during and at the date of the Financial Statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by BAS 8: Accounting Policies, Changes in Accounting estimates and Errors.

3.17 BAS 10 " Event After Balance Sheet Date":

There is no information/transaction of such importance, non-disclosure of which would affect the availability to the user of the Financial Statements to make a proper evaluation and decision.

3.18 Transaction with Related Parties:

The company has carried on transaction with related parties in the normal course of Business.

3.19 Financial risk management:

The Company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market condition and the company's activities. The company has exposure to the following risks from its use of financial instruments.

- ◆ Credit risk
- ◆ Liquidity risk
- ◆ Market risk
- ◆ Operational risk

Credit risk:

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other Financial Assets, i.e. Cash at Bank and other external receivables are nominal.

Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the company may get support from the related company in the form of short terms financing.

Market risk:

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency risk:

The company is exposed to currency risk on revenues such as revenue from foreign customers. Majority of the company's foreign currency transactions are denominated in USD and relate to export.

(b) Interest rate risk:

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Operational risk

A form of risk that summarizes the risks a company or firm undertakes when it attempts to operate within a given field or industry. Operational risk is the risk that is not inherent in financial, systematic or market-wide risk. It is the risk remaining after determining financing and systematic risk, and includes risks resulting from breakdowns in internal procedures, people and systems. The Operational Risk Management (ORM) of the company involves a continual cyclic process which includes risk assessment, risk decision making, and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risk.

Northern Jute Manufacturing Company Limited
Fixed Assets Schedule
For the year ended 30 June, 2017

4.00

Figure in Taka

Assets Category	Cost				Rate (%)	Depreciation				Written down value	
	As on 01.07.16	Addition this period	Disosal this period	As on 30.06.17		As on 01.07.16	Adjustment	Charge this year	Total as on 30.06.17	As on 30.06.17	As on 30.06.16
Unit-1											
Land and Land Development	1,000,468	-	-	1,000,468	0%	-	-	-	-	1,000,468	1,000,468
Building	17,455,008	15,792,018	-	33,247,026	5%	10,222,105	-	419,247	10,641,352	22,605,674	7,232,903
Godown		6,349,150	-	6,349,150	5%		-	26,455	26,455	6,322,695	
Electric Installation	6,801,656	738,856	-	7,540,512	15%	2,064,076	-	687,715	2,751,791	4,788,721	4,737,580
Plant and Machinery	84,208,995	67,403,245	-	151,612,240	10%	46,406,103	-	7,482,766	53,888,869	97,723,371	37,802,892
Generator		3,300,000	-	3,300,000	15%		-	41,250	41,250	3,258,750	
Furniture & Fixtures	995,660	238,500	-	1,234,160	15%	451,602	-	79,618	531,220	702,940	544,058
Office Equipment	943,748	189,450	-	1,133,198	15%	319,266	-	95,785	415,051	718,147	624,482
Vehicle	1,385,946	2,695,000	-	4,080,946	20%	994,247	-	288,764	1,283,011	2,797,935	391,699
Forklift	750,000	-		750,000	20%	12,500		134,702	147,202	602,798	737,500
Sundry Assets	1,282,629	327,710	-	1,610,339	15%	409,405	-	148,384	557,789	1,052,550	873,224
Total Unit-1 Taka	**114,824,110**	**97,033,929**	**-**	**211,858,039**		**60,879,304**	**-**	**9,404,686**	**70,283,990**	**141,574,049**	**53,944,806**
Unit-2											
Building	5,896,369	-	-	5,896,369	5%	1,954,099	-	192,660	2,146,759	3,749,610	3,942,270
Electric Installation	542,908	605,135	-	1,148,043	15%	416,941	-	95,844	512,785	635,258	125,967
Plant and Machinery	29,038,129	-	-	29,038,129	10%	20,877,622	-	779,670	21,657,292	7,380,837	8,160,507
Total Unit-2 Taka	**35,477,406**	**605,135**	**-**	**36,082,541**		**23,248,662**	**-**	**1,068,174**	**24,316,836**	**11,765,705**	**12,228,744**
Sub Total	**150,301,516**	**97,639,064**	**-**	**247,940,580**		**84,127,966**	**-**	**10,472,860**	**94,600,826**	**153,339,754**	**66,173,550**

Assets Category	Revaluation Surplus				Rate (%)	Depreciation				Written down value	
	As on 01.07.16	Addition this period	Disosal this period	As on 30.06.17		As on 01.07.16	Adjustment	Charge this year	Total as on 30.06.17	As on 30.06.17	As on 30.06.16
Unit-1											
Land and Land Development	202,053,032	-	-	202,053,032	0%		-	-		202,053,032	202,053,032
Building	11,849,842	-	-	11,849,842	5%	6,097,652	-	281,108	6,378,760	5,471,082	5,752,190
Electric Installation	100,367	-	-	100,367	15%	91,182	-	1,287	92,469	7,898	9,185
Plant and Machinery	16,067,355	-	-	16,067,355	10%	12,646,221	-	326,859	12,973,080	3,094,275	3,421,134
Total Unit-1 Taka	**230,070,596**	**-**	**-**	**230,070,596**		**18,835,055**	**-**	**609,254**	**19,444,309**	**210,626,287**	**211,235,541**
Unit-2											
Building	7,743,313	-	-	7,743,313	5%	4,006,289	-	182,627	4,188,916	3,554,397	3,737,024
Total Unit-2 Taka	**7,743,313**	**-**	**-**	**7,743,313**		**4,006,289**	**-**	**182,627**	**4,188,916**	**3,554,397**	**3,737,024**
Sub Total	**237,813,909**	**-**	**-**	**237,813,909**		**22,841,344**	**-**	**791,881**	**23,633,225**	**214,180,684**	**214,972,565**

Grand Total 2017	**388,115,425**	**97,639,064**	**-**	**485,754,489**	**-**	**106,969,310**	**-**	**11,264,741**	**118,234,051**	**367,520,438**	
Grand Total 2016	**367,197,953**	**37,030,189**	**16,112,717**	**388,115,425**	**-**	**114,999,578**	**13,779,511**	**5,749,243**	**106,969,310**		**281,146,115**

Depreciation Charged on unit 1 & 2

Depreciation charged to Factory Overhead	=	11,089,338
Depreciation charged to Administrative Expenses	=	175,403
		11,264,741

		Amount in Taka	
		30.06.17	30.06.16
5.00	**Capital Work in Progress**		
	Building	-	7,067,048
	Plant & Machineries	-	58,384,171
		-	**65,451,219**
6.00	**Inventories :**		
	Inventories (Stock & Stores) Comprises the following balances:		
	A. Direct Materials:		
	Raw Jute (6.01)	89,349,951	23,398,410
	Jute Batching Oil	1,656,000	553,991
	Sub - Total	**91,005,951**	**23,952,401**
	B. Consumable Stores :		
	Machinery Spares	6,672,308	5,532,779
	Electric Goods	597,180	269,617
	Loose Tools	212,558	124,204
	Oil & Lubricant	312,486	791,864
	Printing	-	36,404
	Construction Materials	-	706,184
	Sundry Stores	227,438	136,977
	Stationery	-	6,834
	Sub - Total	**8,021,970**	**7,604,863**
	C. Packing Materials:		
	Hessian Cloth	1,055,736	1,355,082
	Polythene	88,530	618,352
	Conical Spool	199,280	204,515
	Dyes & Chemical	4,955	3,896
	P.P Tape and Slyver Can	108,220	110,200
	Bobbin	28,200	29,710
	Bindig clip	3,180	325
	Corrugated paper	23,200	10,800
	Sub - Total	**1,511,301**	**2,332,880**
	D. Work in Process	23,577,535	18,311,140
	E. Finished Goods (6.2)	24,904,621	4,459,126
	Sub - Total	**48,482,156**	**22,770,266**
	GRAND TOTAL	**149,021,378**	**56,660,410**

6.01 Raw Jute Inventory

Jute Grading	Quantity (Mon)	Average Price/mond (Tk.)	Total (Taka)
BTC	311.56	2,400	750,340
BDT-1	1,820.00	2,300	4,186,000
BDT-2	2,356.00	2,200	5,183,200
BTE	1,263.00	2,120	2,677,560
SMR	3,417.00	1,750	5,979,750
Cutting	16,537.00	1,772	29,303,564
Uncut	19,652.16	2,100	41,269,537
Total	**45,356.72**		**89,349,951**

6.02 Finished Goods Inventory

Count	Quantity (MT)	Average Price/MT ($)	Total (Taka)
20/2 CB	0.40		15,063
8/1 CB	57.50	1,050.00	4,799,813
14/2 Hessian	12.11	1,000.00	962,666
9.5/1 Hessian	0.76	980.00	59,134
13/1 CB	105.00	1,020.00	8,514,450
14/1 Sacking	2.12	930.00	156,446
14/2 Sacking	74.05	920.00	5,416,017
14/2 CB	30.00	980.00	2,337,300
16/2 Sacking	30.00	900.00	2,146,500
28/1 Sacking	8.21	762.00	497,232
Total	**320.14**		**24,904,621**

	Amount in Taka	
	30.06.17	**30.06.16**

7.00 Account Receivable

Namfa Tarde International	-	4,207,424
Kailash Traders	-	2,141,100
Vicar International	4,154,670	6,610,500
Netra International	12,921,120	
Ashim Kar & Ind. Pvt. Ltd.	-	1,228,500
Kolkata Trade Center	9,316,080	2,737,800
	26,391,870	**16,925,324**

Ageing of Account Receivable

Not more than 30 Days	26,391,870	16,925,324
30 Days to 60 Days	-	-
60 Days to 90 Days		
Over 90 Days		
Total	**26,391,870**	**16,925,324**

The Acccount Receivable were realized in full during July, 2016.

8.00 Advance, Deposit and Prepayment :

ADVANCE:		
Advance to Employees	154,400	44,900
Advance Rent	10,000	10,000
Advance to Suppliers	409,651	499,251
Advance against Godown Rent	218,000	500,000
Advance Income Tax	5,907,024	4,927,738
Sub- Total	**6,699,075**	**5,981,889**
SECURITY DEPOSIT:		
Power Development Board	603,250	603,250
Custom	1,000	1,000
Telephone	5,150	5,150
Central Depository Bangladesh Ltd.	100,000	100,000
Sub-Total	**709,400**	**709,400**
PRE-PAYMENTS:		
Insurance	1,071,028	937,450
VAT	8,250	8,250
License Fees	-	55,000
Sub- Total	**1,079,278**	**1,000,700**
GOODS IN TRANSIT:	**4,689,191**	**-**
GRAND TOTAL	**13,176,944**	**7,691,989**

Advance to Suppliers were adjusted during the audit period and Advance to Employees will adjust by June 2018.
Advance does not related to any Director of the Company.

		Amount in Taka	
		30.06.17	30.06.16
9.00	**Cash Subsidy Receivable:**		
	Opening Balance	11,856,009	10,286,563
	Receivable during the year	21,942,776	13,935,657
		33,798,785	24,222,220
	Less: Received during the year	4,928,965	12,366,211
	Total Taka	**28,869,820**	**11,856,009**
10.00	**Cash and Cash Equivalents :**		
	CASH IN HAND:		
	i) Head Office	192,096	50,924
	ii) Factory Office	115,942	970,180
	Sub- Total	**308,038**	**1,021,104**
	CASH AT BANK:		
	I) Current Account # 33011458, Janata Bank, L/O, Dhaka.	69,509	123,942
	ii) Current Account # 111-251,Shahjalal Islami Bank, Kushtia.	113,552	29,008
	iii) Current Account # 15692,Mercantile Bank Ltd.,Kawran Bazar Br.	292,834	-
	iv) Dutch Bangla Bank Ltd., Elephant Road Br	26,392	29,253
	v) Current Account #111-11587, Shahjalal Islami Bank,KawranBazar B	2,462,775	2,418,297
	vi) Sonali Bank Ltd., Local Office. A/C No. 33145604	76,938	12,321
	vii) Sonali Bank Ltd., Cormuguria Br. A/C No. 33004184	-	1,597
	viii) Sonali Bank Ltd., Kurigram Br. A/C No. 33014858	96,650	97,950
	ix) SND no.1310000819, SJIBL, KawranBazar Branch for Dividend	694,575	577,650
	x) Current Account# 100-112376-001, IFIC BankLtd. Motijheel C/A.	-	199
	xi) Mercantile Bank Ltd.,Kushtia Br.,A/C No. 6126	9,080	-
	Sub- Total	**3,842,305**	**3,290,217**
	Closing Balance of Cash & Cash Equivalent	**4,150,343**	**4,311,321**
11.00	**Share Capital :**		
	This represents:		
	a) Authorized: 10,000,000 Ordinary Shares of Tk. 10.00 each	100,000,000	100,000,000
	Composition of Share holding:		
	Issued, Subscribed and Paid - up: (%)		
	i) Sponsors: 274,552 Ordinary Shares of Tk. 10.00 each (15.38%)	2,745,520	6,360,520
	ii) Public Quota : 535,500 Ordinary Shares Tk. 10.00 each Issued to Islamic Development Bank, Jeddah (30%)	5,355,000	5,355,000
	iii) Gen. Public: 974,948 Ordinary Shares of Tk. 10.00 each(54.62%)	9,749,480	6,134,480
	TOTAL TAKA	**17,850,000**	**17,850,000**

b) Distribution Schedule : Disclosure under the Listing regulation of Dhaka Stock Exchange.

Range of holding in number of Shares	No. of Share Holders	% of Share Holder	No. of Share	% of Share Capital
1 to 500	776	83.80%	110,472	6.19%
501 to 5,000	132	14.25%	160,694	9.00%
5,001 to 10,000	2	0.22%	11,777	0.66%
10,001 to 20,000	4	0.43%	52,080	2.92%
20,001 to 30,000	1	0.11%	21,865	1.22%
30,001 to 40,000	3	0.32%	100,075	5.61%
40,001 to 50,000	1	0.11%	43,300	2.43%
50,001 to 1,00,000	3	0.32%	215,531	12.07%
Over 1,00,000	4	0.43%	1,069,206	59.90%
TOTAL	**926**	**100.00%**	**1,785,000**	**100%**

	Amount in Taka	
	30.06.17	30.06.16

12.00 Revaluation Reserve :

Particulars		Amount
Revaluation Reserve Balance (As on 01-07-2016)	**216,062,311**	**216,967,328**
Addition of Revaluation Reserve-Land (Current Year)	-	-
	216,062,311	**216,967,328**
Less: Transfer of depreciation on revaluation on tangible assets to the Retained Earnings	**791,881**	**905,017**
Revaluation Reserve Balance (As on 30-06-2017)	**215,270,430**	**216,062,311**

First revaluation of the property at factory office of the company carried out in 2003 by Independent valuer named "Asian Surveyors Ltd." 128, Dilkusha C/A. Further in 2014 The Company in its 123rd Board meeting dated 23rd June, 2014 decided to revaluation of its project land to reflect true picture in the Financial Statements of the company as on 30 June, 2014. The Company engaged an Independent valuer named "Ahmed & Akhtar" Chartered Accountants to carry out the inspection and examination of the project land located at the Factory premises. Subsequently the company appointed "Ahmed & Akhtar" Chartered Accountants for the purpose of Valuation of the Company's Land situated at the Factory premises-BSCIC industrial Estate, Kushtia, Bangladesh as on 30 June 2014. The management of the company in its 124th Board meeting held on 22nd July, 2014 approve the valuation report.

Methodology Adopted for Revaluation of Factory Land in 2014: The Methodology adopted for revaluation of the land has involved two steps. The first step was adopted for physical verification of the land and the second step was for ascertainment of current realizable values, at which the assets should appear in the Balance Sheet as at 30 June, 2014. For the purpose of revaluation of land, the valuer consulted with the district Sub-Registrar Office, BSCIC and the different level of beneficiary in the above area where the land located.

The revalued amount of the land stands at Tk. 203,053,500 as on 30 June 2014 is as follows:

Location of the Land	Land Area	Book Value as on 30 June, 2014 (Tk.)	Market Value as on 30 June, 2014 as per revaluation (Tk.)	Revaluation Surplus (Tk.)
BSCIC Industrial Estate Kumargara, Kustia	312.39	42,876,240	203,053,500	160,177,260

13.00 Retained Earnings:

Net Profit/(Loss) during The Year	9,151,273	1,280,029
Profit/(Loss) Brought Forward	(81,153,522)	(79,768,568)
Previous Year Adjustment	833,332	-
Adjustment of Revaluation Reserve	791,881	905,017
Dividend during the year	(892,500)	(3,570,000)
Retained Earning Carried Forward	**(71,269,536)**	**(81,153,522)**

14.00 Long Term Loan:

Opening Balance	-	-
Received during this year	200,000,000	200,000,000
	200,000,000	200,000,000
Add: Interest during this period	7,233,455	-
	207,233,455	200,000,000
Less : Repayment during this year	10,942,519	-
	196,290,936	**200,000,000**
Less : Current Portion of Long Term Loan	**43,764,000**	**-**
TOTAL TAKA	**152,526,936**	**200,000,000**

This loan has been taken from Mercantile Bank Ltd., Kawran Bazar Br. vide Sanction Letter MBL/KB/CR/2016/2020 - dated 29.12.16 for 7 years.

15.00 Deferred Tax Liabilities

Particulars	Carrying Value (Cost -Acc. Depreciation)	Tax base (Cost-Acc. Capital Allowance)	Temporary Difference	Deferred Tax
Openingbalance(excludingland and land development)	65,173,082	51,146,673	14,026,409	1,753,301
Addition during the year	97,639,064	97,639,064	-	-
Depreciation charge/capital allowance	(10,472,860)	(12,218,912)	1,746,052	218,256
Closing Balance	**152,339,286**	**136,566,825**	**15,772,461**	**1,971,558**

	Amount in Taka	
	30.06.17	**30.06.16**

16.00 Trade Payable

Liabilities for goods consist of following balance:		
Saha Traders	162,678	-
Mitu Electric Services	600,000	-
Nahar Enterprise	119,452	-
Anar Export	426,000	-
Boishakhi Enterprise	31,831	137,421
General Equipment Corporation	-	50,000
Monno Jute Stafllers Ltd	77,973	5,629
Navana Industries Ltd	11,826	156,087
New JK Engineering	-	95,000
Nayem Traders	488,709	710,319
SM Engineering	99,017	328,147
TOTAL TAKA	**2,017,486**	**1,482,603**

17.00 Liabilities For Expenses :

Liabilities for expenses consists of following balances:

Electricity bill	1,330,854	1,265,328
Salary	1,194,260	-
Telephone	261	3,415
Audit Fee	80,000	60,000
Interest ag Loan from ILFSL	2,136,620	6,214,666
TOTAL TAKA	**4,741,995**	**7,543,409**

18.00 Other Liabilities:

Provision for Income Tax (Note: 18.01)	3,002,443	2,052,971
Workers profit participation fund	656,096	-
Deducted Tax and VAT	-	9,172
Unclaimed Dividend	671,508	687,811
TOTAL TAKA	**4,330,047**	**2,749,954**

		Amount in Taka	
		30.06.17	30.06.16
18.01	**Provision for Income Tax**		
	Opening Balance	2,052,971	997,564
	Adjust against Return	2,302,260	846,623
	Short/Excess Provision	**(249,289)**	**150,941**
	Provision made during the year (Note 28.00)	3,251,732	1,902,030
	Closing Balance	**3,002,443**	**2,052,971**
19.00	**Working Capital Loan**		
	Mercantile Bank Ltd., Kawran Bazar Br.	100,601,993	
	International Leasing & Financial Ser. Ltd	114,461,800	75,000,000
	TOTAL TAKA	**215,063,793**	**75,000,000**

This loan has been taken from Mercantile Bank Ltd., Kawran Bazar Br. vide Sanction Letter MBL/KB/CR/2016/2020 - dated 29.12.16 for 1 year.

20.00	**Short Term Loan:**		
	Orial Limited	2,225,586	1,960,401
	TOTAL TAKA	**2,225,586**	**1,960,401**

		Amount in Taka	
		2016-2017	2015-2016
21.00	**Revenue (Turnover From Sales) :**		
	Export Sales	438,855,516	278,713,167
	Local Sales	-	-
	TOTAL TAKA	**438,855,516**	**278,713,167**

Sales Quantity :

Particulars	30.06.17 Qty. in M. ton	30.06.16 Qty. in M.ton
Work in Process (Opening)	241.06	191.92
Add :Raw Jute input	5,109.09	3,875.52
Cutting	1,013.58	166.26
Jute Batching Oil	131.10	59.77
Total	6494.83	4,293.47
Less: Process loss	222.58	172.25
Sewing yarn	51.48	26.54
Colour yarn	36.88	11.64
Work in Process (Closing)	262.25	241.06
Total	573.19	451.49
Production during the year	5,921.64	3,841.98
Add: Finished Goods (Opening)	61.50	148.52
Goods available for Sales	5,983.14	3,990.50
Less: Finished Goods (Closing)	320.14	61.50
Sales during the year	5,663.00	3,929.00

22.00	**Cost of Good Sold :**		
	Work - in - Process (Opening)	18,311,140	11,619,317
	Raw Jute consumed (22.01)	266,661,300	162,238,049
	Other Direct Materials (22.02)	35,393,749	18,212,718
	Work - in - Process (Closing)	(23,577,535)	(18,311,140)
	Total Consumption	296,788,654	173,758,944
	Factory Overhead (22.03)	93,918,661	60,726,241
	Cost of Production	**390,707,315**	**234,485,185**
	Finished Goods (Opening)	4,459,126	9,219,019
	Goods available for Sale	**395,166,441**	**243,704,204**
	Finished Goods (Closing)	(24,904,621)	(4,459,126)
	Total Cost of Goods Sold	370,261,820	239,245,078
	Less: Cash Subsidy	21,942,776	13,935,657
	Net Cost of Goods Sold	**348,319,044**	**225,309,421**

Addition disclosures under the companies Act, 1994 :
Item wise quantity and value of Raw jute stock are as follows :

Particulars	Unit	Quantity	Value in Taka
Stock as on 30-06-2016	M. Ton	481.08	23,398,410
Stock as on 30-06-2017	M. Ton	1,814.27	89,349,951

Raw Jute Consumed :

Particulars	Quantity in M. Ton	2016-2017 Amount in Taka	2015-2016 Amount in Taka
Cut Jute Consumption	5,109.09	224,806,042	154,830,895
Cutting Consumption	1,013.58	41,855,258	7,407,154
TOTAL	**6,122.67**	**266,661,300**	**162,238,049**

Details of Cut Jute & Cutting consumption are shown in below :

Particulars	Quantity in M. Ton	2016-2017 Amount in Taka	2015-2016 Amount in Taka
Opening Stock	481.08	23,398,410	37,803,051
Add: Purchase During the year	7,562.91	326,662,943	144,583,128
Add: Assortment Charges	-	5,949,898	3,250,280
Total	**8,043.99**	**356,011,251**	**185,636,459**
Less: Cutting Consumption	1,013.58	41,855,258	7,407,154
Closing Stock of Cutting	661.48	29,303,564	6,113,404
Handling Loss	107.05	-	-
Closing Stock of Long Jute	366.70	18,776,850	5,869,905
Closing Stock of Uncut Jute	786.09	41,269,537	11,415,101
Total	**2,934.90**	**131,205,209**	**30,805,564**
Cut Jute consumption	**5,109.09**	**224,806,042**	**154,830,895**

22.02 Other Direct Materails :

The above amount details as follows :

	2016-2017	2015-2016
Jute batching Oil	11,799,000	5,379,320
Bobbin	604,150	-
Hessian Cloth	8,162,840	3,992,218
Polythene	1,306,040	787,216
Oil & Lubricant	3,706,082	2,121,050
Slyver Can	691,900	349,500
Conical spool	2,536,402	1,268,068
Machinary Spares	4,200,495	3,243,443
Electrical Spares	1,941,149	771,403
Sundry Stores	400,336	285,683
Dyes & Chemicals	45,355	14,817
TOTAL TAKA	**35,393,749**	**18,212,718**

22.03 Factory Overhead :

	Amount in Taka 2016-2017	2015-2016
Break up of the above amount is given below :		
Salary & Allowances	7,637,055	6,008,085
Direct Wages (Production)	44,831,208	27,258,185
Indirect Wages /Indirect Labour	114,020	366,289
Electricity	17,729,930	12,169,104
Bonus	656,700	927,860
Repairs and Maintenance	1,065,637	456,794
Rent, Rates & Taxes	84,386	45,360
Land Rent	1,878,019	-
Carriage & Cartage	1,620,512	1,510,500
Travelling Expenses	108,788	63,626
Conveyance	372,778	40,338
Postage & Telegram	8,475	9,196
Telephone	2,562	62,076
Entertainment	351,016	346,552
Medical Expenses	124,860	45,182
Staff Quarter Expenses	309,505	889,648
Guest House Expenses	323,412	-
Vehicle Repairs	46,405	72,248
Fees & Renewals	1,026,460	2,527,105
Vehicle Running Expenses	176,866	160,396
Overtime	184,204	83,529
Printing & Stationery	106,180	60,815
Miscellaneous Expenses	290,250	349,050
Uniform & Liveries	10,500	2,330
Insurance Premium	2,011,095	1,707,062
Depreciation	11,089,338	5,564,911
Godown Rent	1,758,500	-
TOTAL TAKA	**93,918,661**	**60,726,241**

23.00 Adminstrative Expenses :

	Amount in Taka	
	2016-2017	2015-2016
Break up of the above amount is given below :		
Managing Director Remuneration	1,650,000	1,470,000
Salary & Allowance	3,381,229	2,899,513
Bonus	555,360	593,268
Office Rent	1,190,616	1,144,894
Audit fee	80,000	60,000
Travelling Expenses	215,175	164,997
Conveyance	137,454	132,034
Postage & Stamp	15,669	26,067
Telephone	35,691	37,937
Entertainment	383,140	170,125
Eid Tips	108,800	83,300
Vehicle Repairs	373,737	137,970
Fees & Renewals	193,014	348,708
Vehicle Running Expenses	761,974	664,769
Medical related expenses	4,050	-
Mobile Allowances	182,535	94,600
Printing	51,326	7,919
Bank Charges & Commission	145,670	109,261
Directors attendance fee		-
Board Meeting expenses	279,380	251,983
AGM expenses	384,276	357,410
Newspaper	9,250	9,670
Advertisement & Publicity	580,150	1,100,977
Books & Periodicals	450	5,550
Subscription	18,900	49,700
Computer Servicing Expenses	15,000	30,890
Credit Rating Fee		45,000
CDBL Expenses	54,000	40,500
Office Maintenance	134,474	257,107
WASA	28,612	20,433
VAT	254,553	759,917
Professional Fee	103,250	98,940
Legal Expenses		11,300
Electricity Bill (Office)	285,050	415,973
Internet Expenses	114,276	185,869
Stationery	91,419	124,536
Uniform & Liveries	33,630	14,040
Photo copy expenses		-
Security Services	3,652,984	2,212,852
Donation	85,495	54,255
Business Development	313,000	1,380,500
Depreciation	175,403	184,332
TOTAL TAKA	**16,078,992**	**15,757,096**

24.00 Selling & Distribution Expenses :

	Amount in Taka	
	2016-2017	**2015-2016**
The above amount details as follows:		
Salary & Allowances	429,600	388,320
Advertisement	70,000	50,000
Travelling	186,157	-
Commission	281,923	445,901
Bonus	42,960	38,832
Entertainment	430	10,843
Postage & Telegram	175	2,734
Conveyance		9,408
Bank Charges and Commission	1,200,300	704,130
C&F Bills	1,815,125	1,329,790
Documentation	59,175	21,830
Carriage Outward	7,422,960	4,661,480
Miscellaneous Expenses		138,600
TOTAL TAKA	**11,508,805**	**7,801,868**

25.00 Financial Overhead:

Interest on Long Term Loan	25,936,263	22,229,166
Interest on Short Term Loan	24,246,889	5,302,083
Loan Processing Fee	578,620	391,500
TOTAL TAKA	**50,761,772**	**27,922,749**

26.00 Auditors Remuneration :	**80,000**	**60,000**

The above amount is fixed for statutory audit fees approved in the last Annual General Meeting and includes no other remuneration.

27.00 Other Income :

	Amount in Taka	
	2016-2017	**2015-2016**
This is arrived at as follows :		
Sale of Caddies	62,272	82,181
Gain on Sale of Machineries	-	466,794
Sale of Scrap Material	126,593	391,400
Interest on FDR	-	565,722
Interest received	18,670	5,873
DEDO	667,475	-
Foreign Exchange Rate Fluctuation	60,012	20,979
TOTAL TAKA	**935,022**	**1,532,949**

28.00 Provision for Income Tax

A. Required provision (As per Tax Rate)

	2016-17	2015-16		
Income from Operation	12,186,903	1,922,033	1,218,690	192,203
Other Income	935,022	1,532,949	233,756	383,237
Total	**13,121,925**	**3,454,982**	**1,452,446**	**575,441**
B. AIT deducted at source			**3,002,443**	**2,052,971**
C. Tax bases on Turnover			**2,633,133**	**1,672,279**
Minimum Tax higher of A B C			**3,002,443**	**2,052,971**
Add/Less: Short/Excess provision			249,289	150,941
Provision during the period			**3,251,732**	**1,902,030**

Tax Rate		
Income from Operation	10%	15%
Other Income	25%	25%

29.00 Earning Per Share (EPS) Disclosure under IAS 33" Earning Per Share"

The computation of EPS is furnished below:

Particulars	Amount in taka	
	30.06.17	30.06.16
a) Earning attributable to the ordinary shareholders net profit/loss	9,151,273	1,280,029
b) weighted average number of ordinary shares outstanding	1,785,000	1,785,000
c) Basic EPS	5.13	0.72

General for compliance with Securities Exchange Rule, 1987

a) All Shares have been fully called & paid up in cash.
b) There was no preference shares issued by the company.
c) During the year under review there was Five no. of board meeting. The rate of the board meeting attendance fee per meeting per member was Taka 5,000 and these were drawn by the respective directors.
d) There was no imported raw materils or spares etc. used during the year under audit.
e) The company is subject to foreign currency fluctuation as the local currency (Taka) varies with US Dollars and other foreign currencies.
f) Total Export earning during 2016-2017 was $ 54,28,058
g) Miscellaneous Expenses in 2016-2017 was Tk. 2,90,250.
h) Payment/ perquisites to Directors :

Remuneration was paid by the company to the Managing Director of the company.
No amount of money was expended by the company for compensating any member of the board or special services rendered.

	Amount in Taka	
	2016-2017	2015-2016
Managerial Remuneration	1,500,000	1,350,000
Bonus	150,000	120,000
Perquisites:		
Medical	-	-
Others	-	-
	1,650,000	**1,470,000**

Plant Capacity & Capacity Utilization:

Particulars	Utilization capacity of production		Utilization	
	2016 -17	2015 - 16	2016 -17	2015 - 16
Capacity of Production (M.T)	5,921.64	3,841.98	82.25%	64.81%
Total Capacity = 7,200 (M.T)				
During This Year Production = 5,921.64 (M.T)				
Parcentage Of Production = 82.25%				

Total production capaticity of Northern Jute Manufacturing Co. Ltd. Is 7,200 (M.T) but during this year they produced only 5,921.64 (M.T). It is 82.25% of total production capacity.

30.00 THE RELATED PARTY DISCLOSURES UNDER BAS - 24

Name of the related party	Relationship	Nature of transation	Opening Balance (Amount in taka)	Received during the year(Amount in taka)	Refunded during the year(Amount in taka)	Balance Debit/ (Credit) Amount in Taka
Orial Limited	Common Director	Short Term Loan	1,960,401	265,185		2,225,586

NB Loan taken from Orial Limited as Short Term interest free loan

31.00 Number of Employees

The number of Employees engaged for the whole period or part thereof who received a total remuneration of Tk.36,000 or above were 531.

32.00 Proposal of dividend

The Board of Directors in its 145th Board Meeting recommended a cash Dividend @20% and stock 20% to the Shareholders of the Company.

33.00 Contingent Liabilities

There is no contingent Liabilities of the Company as on June 30, 2017.

34.00 Event after Reporting Date

There is no significant event after the end of the period that has to be reflected in the Financial Statement for the year ended 30th June,2017.

Northern Jute Manufacturing Company Limited

DH Tower, Level-14, 6 Panthapath, Dhaka-1215, Bangladesh.

Proxy Form

I/We ..... Of (address) .....

.....being a member of Northern Jute

Manufacturing Company Limited hereby appoint Mr/Mrs/Miss ....

..... as my proxy to attend and vote for me and my behalf at the 37th Annual General Meeting (AGM) of the Company to be held on Sunday the 22th October, 2017 at 09.00 A.M at RAOWA Convention Hall, Eagle, 3rd Floor, VIP Road, Mohakhali, Dhaka. As witness my hand this ..... day of 2017

(Signature of the Proxy)

Date: .....

No.....

Revenue Stamp Tk: 20.00

Signature of the Shareholder(s)

Register Folio /BO No.....

Date: .....

Signature verified

Authorized Signature

Notes:

a) A member entitled to attend and vote at the above meeting may appoint a proxy to attend on his/her behalf but such proxy must be a member of the company.

b) The instrument appointing a proxy shall be deposited at the registered office of the Company not less than 48 (forty Eight) hours before the time of holding the meeting.

c) The Share Transfer Books of the Company will remain closed on 28th September, 2017.

Northern Jute Manufacturing Company Limited

DH Tower, Level-14, 6 Panthapath, Dhaka-1215, Bangladesh.

SHAREHOLDER'S ATTENDENCE SLIP

I/We hereby record my attendance at the 37th Annual General Meeting (AGM) of the Company to be held on Sunday the 22th October, 2017 at 09.00 A.M at RAOWA Convention Hall, Eagle, 3rd Floor, VIP Road, Mohakhali, Dhaka.

Name of Shareholders: .....

Shareholder's Folio/BO No: .....Signature: .....

Name of Proxy (in Block): ..... Folio / BO No: .....

Signature of Proxy

N.B: Shareholder attending the meeting in person or by proxy is requested to complete the attendance slip and hand it over at the entrance of the meeting.



Northern Jute Manufacturing Co. Ltd.

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