

32nd
Annual Report
2011-2012



NJMCL

Northern Jute Manufacturing Co. Ltd.

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Northern Jute Manufacturing Company Limited

Board of Directors

Chairman

Mr. A. Ahmed Yusuf

Directors

Mr. Nazmul Anwar
Mr. Md. Iqbal Sayeed
Mr. Monowar Hossain
Mr. Md. Mostahaque

Managing Director

Mr. M. Mahmood

Auditors

Kazi Zahir Khan & Co.
Chartered Accountants
67/4, Kakrail (Pioneer Road)
Dhaka-1000

Banker

Janata Bank Limited

Registered Office

Jatiya Scout Bhaban (9th Floor)
70/1, Purana Paltan Line,
Kakrail, Dhaka-1000
Bangladesh

NORTHERN JUTE MANUFACTURING COMPANY LIMITED

Notice of the Thirty Second Annual General Meeting

NOTICE is hereby given that the **Thirty Second Annual General Meeting** of Messrs Northern Jute Manufacturing Company Limited will be held on **Sunday the 30th December 2012 at 11.45 A.M.** in the Conference Room of the Factory Premises, BSCIC Industrial Estate, Kumargara, Kushtia to transact the following business:

A G E N D A

01	To receive and adopt the Audited Accounts for the year ended 30 th June 2012 together with the Directors and Auditors Reports thereon.
02	To Elect Directors
03	To appoint Auditors for the year 2012-2013 and fix their remuneration.

By Order of the Board

S/d
(A. Ahmed Yusuf)
Chairman

Dated, Dhaka
The 30th October 2012

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 9th December 2012.
- (d) A member having any queries on the related Accounts and Report should send the same in writing to the registered office at least 7(seven) days before the meeting.

DIRECTORS REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

Dear Respected Shareholders,
Northern Jute Manufacturing Company Limited

Ladies and Gentlemen,

It is a pleasure for me to welcome you to the 32nd Annual General Meeting and to present on behalf of the Board of Directors, the 32nd Annual Report together with Balance Sheet as at 30th June 2012 and Manufacturing Trading and Profit and Loss Account for the year ended on that date along with Auditors Report thereon.

OPERATIONS:

With great regret we would like to intimate you that the mill was not in operation during the year 2011-2012 (July 2011 – June 2012), due to shortage of working capital. The Board of Directors did their best to organize the working capital but unfortunately it did not materialized. As a result there was no production in the mill during the year 2011-2012.

WORKING RESULTS:

Your Directors with great regret to report that the company incurred loss of Tk.2,34,51,734.22 as against loss of Tk:139.22 lacs during the year 2010-2011. The loss was mainly due to payment of interest against CC (H) & Segregation Account, payment of wages and salaries to the workers, officers & staff, payment of electricity bills and depreciation account.

JUTE YARN AND TWINE MARKET:

The jute yarn and twine market was more or less steady during the year 2011-2012. There is demand for high quality jute yarn and twine. The international market was satisfactory.

RETIREMENT OF DIRECTORS:

Three Directors of the company were vacated as per directives of Securities & Exchange Commission and 3 new directors were appointed as per instruction of Securities & Exchange Commission for restructuring of the Board of Directors. These Directors are (1) Mr. Nazmul Anwar (2) Mr Md.. Syeed Iqbal (3) Mr. Monowar Hossain.

APPOINTMENT OF AUDITORS:

Messrs. Kazi Zahir & Company chartered accountants retire in this meeting as auditors of the company. An Audit Company will have to be appointed for the year 2012-2013.

COMPLIANCE WITH THE CONDITION OF THE SECURITIES & EXCHANGE COMMISSION'S NOTIFICATION NO.SEC/CMRRCD/2006-158/ADMIN/02/08 DATED FEBRUARY 20, 2006 REGARDING CORPORATE GOVERNANCE GUIDELINES.

Your Directors are happy to report that they have complied with most of the conditions stipulated by the Securities & Exchange Commission regarding Corporate Governance Guidelines except a few,

such as 3 meetings of the Board of Directors were held instead of 4. This is due to the fact that there was no quorum of Directors due to casual vacancy for non holding of 2% shares of paid up capital of the company. However 3 new directors have been appointed recently as per the directives of the Securities & Exchange Commission to restructure the Board and we shall be able to comply with the directives of the Securities & Exchange Commission during the current year. Directors are also happy to inform the shareholders that demate of shares of Northern Jute Mfg. Co. Ltd. as per directive of the Securities & Exchange Commission is in progress.

THE DIRECTORS REPORT TO THE SHAREHOLDERS:

i) PRODUCTIVITY AND LOSS

There is no production in the factory during the year 2011-2012 and as a result the mill incurred heavy loss on account of payment of interest against CC (Hypo) and Segregation Account, payment of wages and salaries to the workers, officers & staff and electricity bills etc. The losses are due to huge shortage of working capital.

ii) REMEDIAL MEASURE:

The Directors of the company would inform you that they could not operate the mill due to shortage of working capital during the year 2011-2012.

The Board discussed the issue in details and made all out efforts to organize working capital either by getting investors or getting loan from any other sources to put the mill back into operation and succeeded to get a substantial amount of loan but this was not sufficient to put the mill back into operation. However, the Chairman of the Board is working extremely hard to organize working capital even by selling some of his personal properties and put the mill into operation as soon as possible.

APPRECIATION:

The Directors takes this opportunity of expressing their thanks and heartfelt gratitude to the Government for their valuable assistance, guidance and co-operation extended to the company from time to time.

Your Directors are also thankful to Janata Bank Limited for extending Cash Credit Facilities to the Company and renewal of the same for the year 2012-2013.

CONCLUSION:

Your Directors also wish to place on record their appreciation of the services rendered by the officers, staff and workers of the company with loyalty and devotion to duty and they look forward to their continued efforts to achieve greater success of the company in the future.

Sd/-
A AHMED YUSUF
CHAIRMAN

NORTHERN JUTE MANUFACTURING COMPANY LIMITED

AUDITOR'S REPORT TO THE SHAREHOLDERS

We have audited the accompanying financial statements of **NORTHERN JUTE MANUFACTURING COMPANY LIMITED** which comprise the Balance Sheet as at 30th June, 2012 and Profit & Loss Account, Statement of Changes in Equity and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

Management is responsible for the preparation and fair presentation of these financial statement accordance with Bangladesh Financial Reporting standards, and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an independent opinion on these financial statements based on our audit.

BASIS OF OPINION:

We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain responsible assurance about 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 materials 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 provided a basis for our audit opinion.

OPINION:

In our opinion, the financial statement present fairly, in all material aspects, give a true and fair view of the financial position of the company as of 30th June, 2012 and its financial performance and its cash flows for the year ended in accordance with Bangladesh Financial Reporting Standards and comply with companies Act, 1994, the Securities & exchange rules 1987 and other applicable laws and regulations.

We also report that;

- (a) 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;
- (b) In our opinion, proper books of accounts as required by law have been kept by the company so as it appeared from our examination of those books;
- (c) The company's Balance Sheet, Profit & Loss Account and its Cash Flows Statement dealt with by this report are in agreement with the books of accounts;
and
- (d) The expenditure was incurred for the purpose of the company's business.

Dhaka, November 11, 2012

Kazi Zahir Khan & Co.
Chartered Accountants

Northern Jute Manufacturing Company Limited

Balance Sheet

As at 30-06-2012

	Notes No:	Amount in Tk.	
		30.06.2012	30.06.2011
A. Non Current Assets:			
Net Tangible Fixed Assets (At cost less Accumulated Depreciation)	4	87,990,102.00	89,862,174.00
Preliminary Expenses	5	198,974.00	198,974.00
Deferred Revenue Expenses	6	1,470,000.00	1,470,000.00
Total Non-Current Assets (A)		89,659,076.00	91,531,148.00
B. Current Assets:			
Inventories	7	69,678,928.83	56,798,172.00
Advanced Deposit & Prepayment	8	3,561,495.86	3,810,139.00
External Marketing Assistance Receivable	9	1,279,683.00	1,279,683.00
Cash & Cash Equivalents	10	288,467.37	85,796.00
Total Current Assets (B)		74,808,575.06	61,973,790.00
C. Current Liabilities and Provision:			
Loan (Secured)	11	77,654,617.59	69,094,084.00
Liabilities For Goods Supplies	12	35,980,457.21	34,896,500.00
Liabilities For Other Expenses	13	13,763,231.70	11,741,745.00
Liabilities For Other Finance	14	729,348.35	717,777.00
Short Term Loan	15	38,935,798.00	11,947,798.00
Total Current Liabilities		167,063,452.85	128,397,904.00
D. Net Current Assets(D=B-C)		(92,254,877.79)	(66,424,114.00)
E. Net Assets: (E=A-D)		(2,595,801.79)	25,107,034.00
F. Financed By:			
Shareholders Equity			
Share Capital	16	17,000,000.00	17,000,000.00
Tax Holiday Reserve		638,498.00	638,498.00
Revaluation Reserve	17	60,218,338.00	61,554,407.00
Retained Earning- As Per Profit & Loss Account	27	(88,378,571.79)	(64,573,284.00)
Total Shareholders Equity		(10,521,735.79)	14,619,621.00
Long Term Loan	18	4,272,649.00	6,834,128.00
Deferred Liabilities	19	1,559,639.00	1,559,639.00
Deferred Tax Liabilities		2,093,646.00	2,093,646.00
Total Non-Current Liabilities		7,925,934.00	10,487,413.00
Total Capital And Liabilities		(2,595,801.79)	25,107,034.00
Net Asset Value (NAV)		(6.19)	8.60

The annexed notes and Schedules are integrated part of this Balance Sheet.

SD/-
Chairman
NJMCL

SD/-
Director
NJMCL

SD/-
Kazi Zahir Khan & Co.
Chartered Accountants

Northern Jute Manufacturing Company Limited

Profit & Loss Account

For the year ended June 30, 2012

Particulars	Notes	Amount in Taka	
		30.06.2012	30.06.2011
Revenue (Turnover)		-	27,022,746.00
Factory Overhead / Cost of Goods Sold	21.03	6,977,249.02	25,891,366.00
A. GROSS PROFIT/(LOSS)		(6,977,249.02)	1,131,380.00
B. Operating Expenses			
Administrative Overhead	22	4,600,895.08	4,670,126.00
Selling Overhead	23	328,750.00	1,867,904.00
Financial Overhead	24	11,524,512.00	8,723,232.00
Auditors Remuneration	25	25,000.00	25,000.00
TOTAL		16,479,157.08	15,286,262.00
C. Operating Profit/ (Loss) (A-B)		(23,456,406.10)	(14,154,882.00)
Other Income	26	4,672.00	233,012.00
Net profit / (Loss) before provision		(23,451,734.10)	(13,921,870.00)
D. Less Provision:			
Contribution to WPPF.		-	-
Income Tax		-	-
TOTAL		-	-
E. Net Profit / (Loss) After Provision		(23,451,734.10)	(13,921,870)
Profit/(Loss) Brought forward		(64,573,284.00)	(52,766,125)
Previous Year Adjustment		(1,554,508.69)	667,000.00
Adjustment of revaluation Reserve:			
Against Depreciation		1,336,069.00	1,447,711.00
Adjustment against Tax on Turnover		(135,114.00)	-
Profit / (Loss) carried forward	27	(88,378,571.79)	(64,573,284.00)
Earning per share(EPS)		(13.80)	(8.19)

SD/-
Chairman
NJMCL

SD/-
Director
NJMCL

SD/-
Kazi Zahir Khan & Co.
Chartered Accountants

Northern Jute Manufacturing Company Limited
Cash Flow Statement
For the year ended June 30, 2012

Particulars	Amount in Tk.	
	30.06.2012	30.06.2011
A. Cash flow from operating Activities:		
Collection from Turnover & Others	4,672.00	28,445,715.00
Payment to Suppliers & Employees	(32,789,055.22)	(34,850,377.00)
Net Cash Used by Operating Activities:	(32,784,383.22)	(6,404,662.00)
B. Cash Flow from Investing Activities:		
Disposal of Fixed Assets	-	-
Acquisition of Fixed Assets	-	(63,100.00)
Net Cash Used by Investing Activities :	-	(63,100.00)
C. Cash Flow from Financing Activities:		
Long Term Loan Received / (Repaid)	(2,561,479.00)	(3,321,104.00)
Secured Loan Received / (Repaid)	8,560,534.00	2,237,969.00
Sort Term Loan Received / (Repaid)	26,988,000.00	7,297,798.00
Net Cash Provided by Financing Activities:	32,987,055.00	6,214,663.00
D. Net Cash Flow (A+ B + C)	202,671.78	(253,099.00)
E. Opening Cash and Cash Equivalents	85,796.00	338,895.00
F. Closing Cash and Cash Equivalents (D + E)	288,467.78	85,796.00
Net Operating Cash Flow Per Share	(19.28)	(3.77)

SD/-
Chairman
NJMCL

SD/-
Director
NJMCL

SD/-
Kazi Zahir Khan & Co.
Chartered Accountants

Northern Jute Manufacturing Company Limited

Statement of Changes in Equity

For the year ended 30-06-2012

PARTICULARS	Share Capital Amount in Taka	Revaluation Reserve Amount in Taka	Tax Holiday Reserve Amount in Taka	Retained Earning Amount in Taka	Total Amount in Taka
Balance as on 01-07-2011	17,000,000.00	-	638,498.00	(64,573,284.00)	(46,934,786.00)
Net profit after provision	-	-	-	(23,451,734.10)	(23,451,734.10)
Previous year Adjustment	-	-	-	(353,553.69)	(353,553.69)
Revaluation Reserve	-	60,218,338.00	-	-	60,218,338.00
Balance as on 30-06-2012	17,000,000.00	60,218,338.00	638,498.00	(88,378,571.79)	(10,521,735.79)

Northern Jute Manufacturing Company Limited

Statement of Changes in Equity

For the year ended 30-06-2011

PARTICULARS	Share Capital Amount in Taka	Revaluation Reserve Amount in Taka	Tax Holiday Reserve Amount in Taka	Retained Earning Amount in Taka	Total Amount in Taka
Balance as on 01-07-2010	17,000,000.00	-	638,498.00	(52,766,125.00)	(35,127,627.00)
Net profit after provision	-	-	-	(13,921,870.00)	(13,921,870.00)
Previous year Adjustment	-	-	-	2,114,711.00	2,114,711.00
Revaluation Reserve	-	61,554,407.00	-	-	61,554,407.00
Balance as on 30-06-2011	17,000,000.00	61,554,407.00	638,498.00	(64,573,284.00)	14,619,621.00

SD/-

Chairman
NJMCL

SD/-

Director
NJMCL

SD/-

Kazi Zahir Khan & Co.
Chartered Accountants

NORTHERN JUTE MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2012
FORMING INTEGRAL PART OF THE ACCOUNT

1. ACCOUNTING POLICIES AND RELEVANT INFORMATION:

LEGAL FORM OF THE COMPANY:

NORTHERN JUTE MFG.CO.LTD. Was incorporated under the company Act. 1913 as a Public Company Limited by share on September 17, 1980 and it's share are listed in the Dhaka stock Exchange Limited in Bangladesh.

ADDRESS OF REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS:

The address of the registered office and principal place of the business is 70/1, Purana Paltan Line, Kakrail, Jatiya Scout Bhaban (9th Floor), Dhaka and the manufacturing place is located at BSCIC Industrial Estate, Kumargara, Kushtia.

NATURE OF BUSINESS ACTIVITIES:

The company is 100% export oriented Jute Yarn/ twine and sell them in the foreign market.

2. ACCOUNTING POLICIES:

a. Basis of accounting:

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

b. Recognition of Fixed Assets & Depreciation:

Fixed Assets are stated at their cost less accumulated depreciation in accordance with IAS 16 "property plant and equipment". Cost represents cost of acquisition of construction and revaluation. Revaluation represents revalued price of fixed assets, cost price less accumulated depreciation to the value of the assets at the date of balance sheet IAS 16 (30). 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. 50% depreciation is charged on Unit -1 & 2 Expenditure for maintenance and repairs are expended, major replacement, renewals and betterment are capitalized. 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.

The annual depreciation rates applicable to the principal categories are:

Building	5%
Plant & Machinery	10%
Office equipment	15%
Vehicles	20%
Electric Installation	15%
Furniture & Fixture	15%
Sundry assets	15%

c. **Inventories:**

Inventories comprise Raw Materials, Packing Materials, Work in Process, Finished Goods and Stock of Stationery and Spares and Accessories. They are stated at the lower of cost and net realizable value in accordance with IAS -2 "Inventories". The cost of inventories is assigned by using Weighted Average Cost formula. Cost of finished goods include 100% materials plus proportionate conversion cost. Cost of work in process include 100% materials cost plus 50% of conversion cost as per previous practice.

d. **cash and cash Equivalent:**

According to IAS 7 "cash flow Statement cash" comprises of cash in hand and demand deposits. IAS 1 "presentation of financial Statement" provides that Cash and cash Equivalent are not restricted in use. Considering the provision of IAS 7 and IAS 1, Cash in hand and Bank Balances have been considered as cash and cash Equivalents.

e. **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.

f. **Taxation:**

The company is a publicly traded company as per the Income Tax Ordinance. The company does not make any payment of tax and create any provision for tax during the year in financial statement, as it has no business income (company) incurred loss during the year.

g. **Deferred Tax:**

Provision for deferred tax liabilities has been made up to 2005-06. we note that no provision has been made for deferred tax liabilities from 2006-07 to 2011-12.

h. **Cash flow Statement:**

Cash flow statement is prepared principally in accordance with IAS 7 "Cash Flow Statement" and in the cash flow the operating activities have been presented under direct method as prescribed by the Security and Exchange Rule 1987.

i. **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 IAS 21 "the effect of changes in foreign currency rate"

- j. **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 IAS 18 "Revenue Recognition".
- k. **Earning Per Share (EPS):**
The company calculates Earning per Share (EPS) in accordance with IAS-33 "Earnings Par Share" which has been shown on the face of profit and loss account and the computation of EPS is stated in Accounts.
- l. **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.
- m. **Basic Earnings Per Share:**
This has been calculated by dividing the basic earnings by the number of ordinary shares issued by the company.
- n. **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. **ADDITIONAL INFORMATION ON FINANCIAL STATEMENTS:**

- a. **Responsibility For Preparation And Presentation of Financial Statements:**
The Board of Directors 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).
- b. **Component of Financial Statements:**
According to International Accounting Standard (IAS) "Presentation of Financial Statements" the complete set of Financial Statement includes the following component:

Balance Sheet as at June 30, 2012.

Income Statements (Profit and Loss Account) for the year ended June 30, 2012.

Cash Flow Statement for the year ended June 30, 2012.

Statements of Changes of Equity.

Accounting Policies and Explanatory Notes.

c. **Risk and Uncertainties For Use Estimates in Preparation of Financial Statements:**

The preparation of Financial Statements in conformity with the International Accounting Standards (ISA) requires management to make estimates and assumption that affect the reported amounts of Assets and Liabilities and disclose of contingent assets and liabilities at the date of the affect Financial Statements and revenue and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as long.

d. **Compliance With Local Laws:**

The Financial Statements have been prepared in compliance with requirements of the Companies Act. 1994, the Securities and exchange Rules 1987 and other relevant local laws and rules.

e. **Compliance With International Accounting Standards (IAS):** The Financial Statements have been prepared in compliance with requirements of IAS's adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh.

f. **Reporting Period:**

Financial Statements of the company cover one calendar year from 1st July, 2011 to 30th June, 2012.

g. **Reporting Currency and Level of Precision:**

The Figures in the Financial Statements represents Bangladesh Currency (Taka) which have been rounded off to the nearest Taka except where indicates other wise.

h. **Comparative Information:**

Comparative Information have been disclosed in respect of the year 2011 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.

Figure of the year 2012 have been re-arranged whenever considered necessary to ensure comparatively with the current period.

i. **Subsequence Event Disclosure Under IAS 10 "Event After Balance Sheet Date":**

There is no non-adjusting Balance Sheet of such importance, non-disclosure of which would affect the availability to the user of the Financial Statements to make proper evaluation and decision.

j. **Transaction With Related Parties:**

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

Northern Jute Manufacturing Company Limited

Schedule of Fixed Assets as on 30-06-2012

Schedule-A

4.00 Fixed Assets: 87,990,102.00

Name of Assets	COST			Rate %	Depreciation				Written down value 30-06-2012	Written down value 30-06-2011
	As on 01-07-11	Addition during the year	Adjustment	As on 30-06-2012	Adjustment during the year	Charge during the year	As on 01-07-2011	As on 30-06-2012		
UNIT- 1										
Land & Land Development	42,876,240.00	-	-	42,876,240.00	-	-	-	-	42,876,240.00	42,876,240.00
Building	24,888,572.00	-	-	24,888,572.00	-	283,627.00	13,543,509.00	13,827,136.00	11,061,436.00	11,345,063.00
Electric Installation	1,634,661.00	-	-	1,634,661.00	-	4,429.00	1,575,613.00	1,580,042.00	54,619.00	59,048.00
Plant & Machinery	77,476,210.00	-	-	77,476,210.00	-	595,653.00	65,563,160.00	66,158,813.00	11,317,397.00	11,913,050.00
Furniture & Fixtures	244,331.00	-	-	244,331.00	-	1,010.00	230,871.00	231,881.00	12,450.00	13,460.00
Office Equipment	209,669.00	-	-	209,669.00	-	7,066.00	115,462.00	122,528.00	87,141.00	94,207.00
Vehicle	2,378,135.00	-	-	2,378,135.00	-	78,577.00	1,592,365.00	1,670,942.00	707,193.00	785,770.00
Sundry Assets	345,329.00	-	-	345,329.00	-	1,932.00	319,572.00	321,504.00	23,825.00	25,757.00
Total Unit - 1 Taka =	150,053,147.00	-	-	150,053,147.00	-	972,294.00	82,940,552.00	83,912,846.00	66,140,301.00	67,112,595.00
UNIT - 2										
Building	13,639,682.00	-	-	13,639,682.00	-	241,174.00	399,2742.00	4,233,916.00	9,405,766.00	9,646,940.00
Electric installation	484,103.00	-	-	484,103.00	-	10,415.00	345,235.00	355,650.00	128,453.00	138,868.00
Plant & Machinery	29,038,129.00	-	-	29,038,129.00	-	648,189.00	160,74358.00	16,722,547.00	12,315,582.00	12,963,771.00
Total Unit - 2 Taka =	43,161,914.00	-	-	43,161,914.00	-	899,778.00	204,12335.00	21,312,113.00	21,849,801.00	22,749,579.00
Grand Total 1&2 Taka=	193,215,061.00	-	-	193,215,061.00	-	1,872,072.00	103,352887.00	105,224,959.00	87,990,102.00	89,862,174.00

50% depreciation charge on Unit-1 & 2

Depreciation Charged to Administration Cost	=	100000.00
Depreciation Charged to Direct Production Cost	=	1772072.00
		<u>1872072.00</u>

5.00 PRELIMINARY EXPENSES :Tk. 198,974.00

This represents the balance of cost of public issue for the financial year 2011-2012.No amount has been amortized for the year due to loss as per Board resolution, which will be amortized against two years profit in future.

6.00 DEFERRED REVENUE EXPENSES :Tk 1,470,000.00

	Amount inTk.	
	30/06/2012	30/06/2011
Machinery Overhauling	1,150,000.00	1,150,000.00
Gratuity	320,000.00	320,000.00
Total Tk.	1,470,000.00	1,470,000.00

7.00 INVENTORIES :Tk. 69,678,928.83

Inventories (Stock & Stores) Comprises the following balances:

	Amount inTk.	
	30/06/2012	30/06/2011
A. Direct Materials:		
Raw Jute	33,827,223.73	21,088,378.63
Jute Batching Oil	24,155.25	27,606.00
Lissapol	7,566.00	7,566.00
Sub - Total	33,858,944.98	21,123,550.63
B. Consumable stores :		
Machinery Spares	6,008,775.69	5,849,325.83
Electric Goods	220,988.74	224,356.90
Loose tools	11,256.54	11,845.54
Oil & Lubricant	4,298.45	15,271.56
Printing & Stationery	38,960.62	41,417.45
Construction Materials	10,065.92	11,327.87
Sundry stores	32,578.75	31,617.41
Sub - Total	6,326,924.71	6,185,162.56
C. Packing Materials:		
Hessian Cloth	25,139.00	25,139.00
Polythene	49,177.25	45,577.25
Conical Spool	23,329.93	23,329.93
Dyes & Chemical	31.19	31.19
P.P Tape	1,902.43	1,902.43
Corrugated paper	11,800.00	11,800.00
Binding clip	325.00	325.00
Sub - Total	111,704.80	108,104.80
D. Work in Process	4,307,917.55	4,307,917.55
E. Finished Goods	25,073,436.79	25,073,436.79
Sub - Total	29,381,354.34	29,381,354.34
GRAND TOTAL	69,678,928.83	56,798,172.33

Inventories have been hypothecated with Janata Bank Local Office, Dhaka against Cash Credit, which is valued by the Management of the Company under Average Cost Method. Inventory is not verified by the audit committee.

8.00 ADVANCE, DEPOSIT AND PREPAYMENTS :Tk. 3,561,495.86

No amount was due by the directors, managing agents, managers and other officers of the company and any of them severally or jointly with any other person.

	Amount inTk.	
	30/06/2012	30/06/2011
ADVANCE:		
Advance to workers against wage commission	3,800.00	3,800.00
Advance to Employees	97,521.00	97,521.00
Advance against purchase	1,089.00	1,104.00
Sub- Total	102,410.00	102,425.00
OTHER ADVANCE:		
Port Authority, Mongla.	10,448.40	10,448.40
Sub- Total	10,448.40	10,448.40
SECURITY DEPOSIT:		
Power development Board	143,250.00	143,250.00
Custom	1,000.00	1,000.00
Telephone	3,000.00	3,000.00
Central Depository Bangladesh Ltd.	100,000.00	100,000.00
Sub-Total	247,250.00	247,250.00
PRE-PAYMENTS:		
Insurance	191,503.47	409,341.63
Income Tax	2,934,797.99	2,965,587.99
VAT	2,086.00	2,086.00
License Fees	73,000.00	73,000.00
Sub- Total	3,201,387.46	3,450,015.62
GRAND TOTAL	3,561,495.86	3,810,139.02

- i) There is no aggregate amount due by Directors, Officers of the Company or by associated companies and controlled firms
- ii) security Deposit are made to Govt. and statutory Authorities and hence considered good.
- iii) Advance to workers against wage commission is regularly being realized through their wages.
- iv) Advance to Employees is not realized this year, it will be realized as soon as possible.

9.00 EXTERNAL MARKETING ASSISTANCE RECEIVABLE: Tk. 1,279,683.00

This amount was receivable from the Government of the People's Republic of Bangladesh as subsidy and the amount has been realized subsequently.

10.00 CASH AND CASH EQUIVALENTS :Tk. 288,467.37**CASH IN HAND:**

i) Head Office	207,167.87	15,099.50
ii) Factory office	4,987.75	5,477.53
Sub- Total	212,155.62	20,577.03

CASH AT BANK:

i) current Account # 33011458, Janata Bank, L/O, Dhaka.	378.31	3,333.37
ii) Current Account # 210035436, Janata Bank, Corporate Br., Kushtia.	21,448.44	13,486.44
iii) Current account # 694, Janata Bank, Chourhas Br., Kushtia.	2,910.00	4,060.00
iv) FC. Account # 10, Janata Bank L/O, Dhaka.	32,408.00	32,408.00
vi) Current Account # 13616-6, Agrani Bank, Principal Br., Dhaka	7,110.00	8,280.00
vii) Current Account# 100-112376-001, IFIC Bank Ltd. Motijheel C/A.	12,057.00	3,651.00
Sub- Total	76,311.75	65,218.81

Closing Balance of Cash & Cash Equivalent**288,467.37****85,795.84****11.00 LOAN (SECURED) :Tk. 77,654,617.59**

Cash Credit Hypothecation Account	77,654,617.59	69,094,083.59
GRAND TOTAL	77,654,617.59	69,094,083.59

Cash Credit loan was secured by hypothecation of Raw materials, work in process, finished goods, stores & also by personal guarantee of all the Directors of the company.

12.00 LIABILITIES FOR GOODS SUPPLIED :Tk. 35,980,457.21**Amount inTk.****30/06/2012****30/06/2011****Liabilities for goods consist of following balance:**

M/S. Kushtia Store	567,676.00	591,177.96
MR. Rathindra Kumar Sikdar	4,370,898.38	982,162.38
Md. Liakat Ali	1,575,193.75	1,575,193.75
Mr. Raghunath Sikder	6,391,911.71	7,832,502.21
Md. Khaiber Ali	285,842.86	335,842.86
Mr. Ratan Kumar Sikder	3,295,500.88	3,295,500.88
M/s. F.K. Corporation	-	2,800.00
M/s. H.P. Traders	-	37,400.00
M/s. ZIM Traders	27,858.35	27,858.35
M/s. Khaleque Polythine Stores	-	21,445.00
Mr. Bimal Kumar Kunda	9,885,981.26	9,748,348.66
Mr. Karamat Ali	230,048.03	280,048.03
M/s. Sea Tax	54,300.00	114,300.00
M/s. Seba Enterprise	-	8,000.00
M/s Janata Machinery	9,850.00	-
M/s. Peple Mill Store	17,649.00	31,149.00
M/s. Monowar Enterprise	84,600.00	146,550.00
M/s. Abdul Baser & Sons	-	116,400.00
Mr. Sanjay Kumar Sikdar	939,535.38	1,039,535.38
Mr. Premendra Nath Saha	7,974,549.73	8,335,495.73
M/S. Adarsha Traders	16,975.50	72,703.50
Sree Hare Krishna Sarker	252,086.38	302,086.38
Total Tk.	35,980,457.21	34,896,500.07

13.00 LIABILITIES FOR EXPENSES :Tk. 13,763,231.70

Liabilities for expenses consists of following balances:

	Amount inTk.	
	30/06/2012	30/06/2011
M/s. Erba Ltd. (Interest free)	6,964,083.00	6,972,283.00
Provision for Income Tax (Employees)	6,149.00	6,149.00
Outstanding Salary	3,934,855.18	1,592,191.60
Outstanding Wages (Direct)	60,467.28	53,982.79
Outstanding Wages (Indirect)	20,721.24	16,099.10
PDB, Kushtia	75,000.00	450,000.00
Telephone (Head office)	2,544.00	6,522.00
Telephone (Factory office)	1,338.00	2,757.00
Audit Fee	50,000.00	50,000.00
M/s. Prince Shipping Lines Ltd.	58,295.00	58,295.00
Office Rent	1,565,919.00	1,403,295.00
M/s. Erba China Engineering Workshop	343,490.00	259,490.00
CBA (Subscription)	370.00	415.00
M/S. Pragati Insurance Company	-	570,266.00
House rent	680,000.00	300,000.00
Total Tk.	13,763,231.70	11,741,745.49

i) Tk.6964083 payable to M/s Erba Ltd. is against sales Commission Carryforwad from the previous year.

ii) Tk.343490 payable to. Erba China Engineering Workshop against Fork Lift Rent.

14.00 LIABILITIES FOR OTHER FINANCE :Tk. 729,348.35

	Amount inTk.	
	30/06/2012	30/06/2011
Advance against sale	400,000.00	400,000.00
Unclaimed Dividend	271,568.00	271,568.00
Unpaid Salary	48,707.35	37,136.46
Tax at source (Dividend)	9,073.00	9,073.00
Total Tk.	729,348.35	717,777.46

15.00 SHORT TERM LOAN :Tk. 38,935,798.00

M/S. Timberex (Bangladesh) Ltd.	4,500,000.00	4,500,000.00
Mr. M. Mahmood	7,447,798.00	7,447,798.00
M/s Erba Ltd.	26,988,000.00	-
Total Tk.	38,935,798.00	11,947,798.00

- a) Tk.4500000 & Tk. 7447798 payable M/s Timberex (Bangladesh) Ltd & Mr.M. Mahmood this is as per last account. It may be noted that M/S Timberex (Bangladesh) Ltd. is a sisterconcern of the company & Mr.M. Mahmood is a Director of Northern Jute Manufacturing Company Limited. TK 2,69,88,000/= has been received during the year under audit from another sisterconcern M/S Erba Ltd as short term loan.

All the above loan are said to be interest free. However no formal agreement between them and the company or direct confirmation from them were available for our verification.

16.00 SHARE CAPITAL :Tk. 17,000,000

This represents:

a) Authorized: 10,000,000 Ordinary Shares ofTk. 10.00 each composition of share holding: Issued, Subscribed and Paid - up: (%)

i) Sponsors: 850,000 Ordinary Shares ofTk. 10.00 each (50%)	8,500,000.00	8,500,000.00
ii) Public Quota : 510,000 Ordinary SharesTk. 10.00 each Issued to Islamic Development Bank, Jeddah (30%)	5,100,000.00	5,100,000.00
iii) General public:340,000 Ordinary shares ofTk. 10.00 each(20%)	3,400,000.00	3,400,000.00
Total Tk.	17,000,000.00	17,000,000.00

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	253	71.88	56,200	3.31
501 to 5000	78	22.16	130,300	7.66
5001 to 10000	3	0.85	24,400	1.44
10001 to 20000	7	1.99	98,589	5.80
20001 to 30000	2	0.57	58,668	3.45
30001 to 40000	3	0.85	92,772	5.46
40001 to 50000	-	-	-	-
50001 to 100000	3	0.85	246,255	14.48
Over 100000	3	0.85	992,816	58.40
TOTAL	352	100.00%	1,700,000	100%

17.00 REVALUATION RESERVE :Tk. 60,218,338.00

The company engaged and Independent valuer named " Asian Surveyors Ltd." 128, dilkusha C/A. Dhaka carried out the inspection and examination of the Fixed Assets located at the Factory premises vide letter No. NJM:MD:RE-VALUATION:2002-221. The management of the company thinks the value of the Fixed Assets is fair value and given effect in the Accounts of the company vide Board resolution dated 30 October, 2003. The above amount represents are as follows:

Name of Assets	Cost as on 01-07-2001 (a)	Accu-Dep. as on 1-7-01 (b)	Caring amount (c = a - b)	Revaluation price (d)	Revaluation reserve (e = c - d)
Land & Land Development	649,228	-	649,228	42,525,000	41,875,772
Building Unit-1	12,823,929	5,992,530	6,831,399	18,681,241	11,849,842
Building Unit-2	5,896,370	550,715	5,345,655	13,088,968	7,743,313
Plant & Machinery Unit-1	56,331,108	43,819,236	12,511,872	32,596,944	20,085,072
Electric Installation Unit-1	1,520,793	1,351,660	169,133	269,500	100,367
Total Tk.	77,221,428	51,714,141	25,507,287	107,161,653	81,654,366

Particulars		Amount
Revaluation Reserve Balance (As on 01-07-2011)	61,554,407	63,002,118
Adjustment of Revaluation Reserve against Depreciation (Current Year)	1,336,069	1,447,711
Revaluation Reserve Balance (As on 30-06-2012)	60,218,338.00	61,554,407.00

18.00 LONG TERM LOAN :Tk. 4,272,649.00

This represents as below:

	Amount inTk.	
	30/06/2012	30/06/2011
Bangladesh Small & Cottage Industries Corporation (BSCIC)	178,085.00	178,085.00
Cash Credit (Segregation) account	4,094,564.00	6,656,043.00
Total Tk.	4,272,649.00	6,834,128.00

19.00 DEFERRED LIABILITY (PROVISION FOR GRATUITY): 1,559,639.00

This represents as below:

Opening Balance	1,559,639.00	1,559,639.00
Add Provision during the year	-	-
less : Paid during the year	-	-
Total Tk.	1,559,639.00	1,559,639.00

20.00 REVENUE (TURN OVER FROM SALES) :

Export sales	-	25,392,854.80
Add External Marketing Assistance	-	1,629,891.00
Total Tk.	-	27,022,745.80

Sales Quantity :

Particulars	30/06/2012 Qty. in M. ton	30/06/2011 Qty. in M. ton
Work in Process (Opening)	61.746	90.627
Add :Raw Jute input	-	267.614
Cutting	-	50.322
Jute Batching Oil	-	10.994
Lissapole	-	0.263
Total	61.746	419.82
Less: Process loss	-	30.297
Sewing yarn	-	4.442
Colour yarn	-	3.87
Work in Process (Closing)	61.746	61.746
Total	61.746	100.355
Production during the year	-	319.465
Add Finished goods (Opening)	338.306	368.183
Goods available for sales	338.306	687.648
Less Finished goods (Closing)	338.306	338.306
	-	349.342
Sales during the year	-	349.342

21 COST OF GOODS SOLD :Tk. 6,977,249.02

	Amount inTk.	
	30/06/2012	30/06/2011
Work - in - Process (opening)	4,307,917.55	4,778,753.91
Raw jute consumed (21.01)	-	15,219,944.62
Other direct materials (21.02)	-	1,069,123.01
Work - in - Process (closing)	(4,307,917.55)	(4,307,917.55)
Total Consumption	-	16,759,903.99
Factory Overhead (21.03)	6,977,249.02	11,057,294.35
Cost of Production	6,977,249.02	27,817,198.34
Finished Goods (Opening)	25,073,436.79	23,147,604.71
Goods available for sale	32,050,685.81	50,964,803.05
Finished Goods (Closing)	(25,073,436.79)	(25,073,436.79)
Total Cost of Goods of Sold	6,977,249.02	25,891,366.26

Addition disclosures under the companies Act, 1994 :

Item wise quantity and value of Raw jute stock are as follows :

Particulars	Unit	Quantity	Value inTk.
Stock as on 30-06-2011	M. Ton	423.053	21,088,378.17
Stock as on 30-06-2012	M. Ton	673.020	33,827,223.73

21.01 RAW JUTE CONSUMED :

Particulars	Quantity in M. Ton	30/06/2012 Amount inTk.	30/06/2011 Amount inTk.
Cut jute Consumption	-	-	13,856,048.33
Cutting Consumption	-	-	1,363,896.29
TOTAL	-	-	15,219,944.62

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

Particulars	Quantity in M. Ton	30/06/2012 Amount inTk.	30/06/2011 Amount inTk.
Opening stock	423.053	21,088,378.63	18,312,317.00
Add: purchase During the year	249.967	12,735,745.10	17,848,605.97
Add: assortment charges	-	3,100.00	147,399.82
Total	673.020	33,827,223.73	36,308,322.79
Less: Cutting consumption	-	-	1,363,896.29
Cutting Sales	-	-	-
Stock of Cutting	-	-	623,106.71
Handling loss	-	-	-
Stock of Long jute	-	-	12,695,624.42
Stock of cut jute	-	-	7,769,647.04
Total	-	-	22,452,274.46
Cut Jute consumption	-	-	13,856,048.33

21.02 OTHER DIRECT MATERIALS :

The above amount details as follows :

Jute batching Oil	-	549,819.50
Lissapole	-	19,874.00
Hessian Cloth	-	267,961.00
Polythene	-	67,856.22
Conical spool	-	160,818.43
Dyes & Chemicals	-	2,793.86
P.P. tape	-	-
Corrugated paper	-	-
Total Tk.	-	1,069,123.01

21.03 FACTORY OVERHEAD :Tk. 6,977,249.02

Amount inTk.	
30/06/2012	30/06/2011

Break up of the above amount is given below :

Salary & Allowances	800,259.50	1,185,243.90
Direct Wages (Production)	1,967,406.28	2,613,801.82
Indirect Wages /Direct Labour	878,565.05	1,152,603.26
Power & Fuel	488,195.00	1,385,906.00
Bonus	170,750.00	228,720.00
Repairs and Maintenance	391,262.27	361,880.32
Rent, Rates & Taxes	39,000.00	39,000.00
Carriage & Cartage	4,375.00	11,658.00
Traveling Expenses	2,355.00	8,865.50
Conveyance	2,533.00	982.00
Postage & Telegram	5,768.00	5,971.00
Telephone	11,567.00	13,679.00
Entertainment	38,580.00	51,439.00
Medical Expenses	5,150.00	6,050.00
Sanitary Expenses	3,100.00	-
Vehicle Repairs	4,140.00	2,920.00
Fees & Renewals	40,560.00	28,750.00
Vehicle running expenses	134,907.84	208,092.80
Overtime	108,659.72	134,639.40
Printing & Stationery	8,962.83	22,680.68
Uniform & Liveries	6,400.00	-
Miscellaneous Expenses	560.00	-
Insurance premium	92,120.53	602,300.67
Depreciation	1,772,072.00	2,992,111.00
Total Tk.	6,977,249.02	11,057,294.35

22.00 ADMINISTRATIVE EXPENSES :Tk. 4,600,895.08

Break up of the above amount is given below :

	Amount inTk.	
	30/06/2012	30/06/2011
Managing Director remuneration	780,000.00	780,000.00
Salary & Allowance	2,052,603.08	1,950,971.58
Bonus	154,300.00	166,130.00
House rent	240,000.00	240,000.00
Office Rent	162,624.00	162,624.00
Traveling Expenses	23,800.00	2,725.00
Conveyance	26,045.00	26,776.00
Postage & Telegram	1,625.00	2,115.00
Telephone	29,213.00	32,722.00
Entertainment	61,384.00	143,287.00
Medical Expenses	-	30.00
Vehicle repairs	110,042.00	93,766.00
Fees & Renewals	35,790.00	37,035.00
Vehicle running expenses	74,334.00	61,816.00
Overtime	-	2,798.33
Ferry & Tolls	2,555.00	1,475.00
Printing & Stationery	8,046.00	15,355.00
Fax Expenses	90.00	403.00
Bank charges & Commission	438,143.00	592,314.50
Directors attendance fee	12,000.00	15,000.00
Board Meeting expenses	2,048.00	3,005.00
AGM expenses	129,875.00	70,017.60
News paper & periodicals	5,512.00	5,760.00
Advertisement & Publicity	25,000.00	13,200.00
Books & Periodicals	216.00	305.00
Subscription	42,100.00	34,600.00
Computer Servicing Expenses	1,080.00	18,500.00
CDBL Expenses	31,000.00	33,500.00
V A T	766.00	2,254.00
Revenue Expenses	290.00	310.00
Legal Expenses	10,000.00	11,800.00
Office Maintenance	26,467.00	32,136.00
Email Expenses	10,400.00	10,400.00
Photo copy expenses	3,547.00	6,995.00
Depreciation	100,000.00	100,000.00
Total Tk.	4,600,895.08	4,670,126.01

23.00 SELLING & DISTRIBUTION EXPENSES :Tk. 328,750.00

The above amount details as follows:

	Amount inTk.	
	30/06/2012	30/06/2011
Salary & Allowances	192,250.00	176,880.00
Conveyance	-	1,210.00
Postage & Telegram	-	225.00
Entertainment	-	870.00
Fees & Renewals	33,000.00	23,215.00
Printing & Stationery	5,000.00	-
Bank charges & Commission	-	51,500.00
Bonus	14,500.00	14,500.00
Commission	-	45,554.00
Handling & Forwarding expenses	-	271,997.00
Govt. Revenue	-	15,758.61
Fork Lift Rent	84,000.00	84,000.00
V A T	-	105.00
Sea Freight	-	1,172,089.00
Fumigation Expenses	-	10,000.00
Total Tk.	328,750.00	1,867,903.61

24.00 FINANCIAL OVERHEAD :Tk. 11,524,512.00

	Amount inTk.	
	30/06/2012	30/06/2011
Interest on C.C. Hypo. Account	11,336,991.00	8,468,843.00
Interest on C.C.Seg.Account	187,521.00	254,389.00
Total Tk.	11,524,512.00	8,723,232.00

25.00 AUDITORS REMUNERATION :Tk. 25,000

the above amount is fixed for statutory audit fees approved in the last annual general meeting and includes no other remuneration.

26.00 OTHER INCOME :Tk. 4,672.00

This is arrived at as follows :

	Amount inTk.	
	30/06/2012	30/06/2011
Sale of caddies	-	7,329.00
Duty draw back	-	225,683.00
Other	4,672.00	-
Total Tk.	4,672.00	233,012.00

27.00 RETAINED EARNINGS :Tk. (88,378,571.79)

	Amount inTk.	
	30/06/2012	30/06/2011
Net Profit/(Loss) After Provision During The Year	(23,451,734.10)	(13,921,870.00)
Profit/(Loss) Brought Forward	(64,573,284.00)	(52,766,125.00)
Previous Year Adjustment	(1,554,508.69)	667,000.00
Adjustment of Revaluation Reserve	1,336,069.00	1,447,711.00
Adjustment against Tax on Turnover	(135,114.00)	-
Retained Earning Carried Forward	(88,378,571.79)	(64,573,284.00)

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

The computation of EPS is furnished below:

Particulars	Amount inTk.	
	30/06/2012	30/06/2011
a) Earning attributable to the ordinary shareholders net profit/loss	(23,451,734.10)	(13,921,870.08)
b) weighted average number of ordinary shares outstanding	1,700,000	1,700,000
c) Basic EPS	(13.80)	(8.19)

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) There was no imported raw materials or spares etc. used during the year under audit.
d) During the year under review there was three no. of board meeting the rate of the board meeting attendance fee per meeting per member wasTk. 1,500 and these were drawn by the respective directors.
e) The company is subject to foreign currency fluctuation as the local currency (Taka) varies with Us Dollars and other foreign currencies.
f) Payment/ perquisites to directors and officers :

i) Directors:

Remuneration and house rent 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.

ii) Officers:

Remuneration: Tk. 1,755,722.00

	Amount inTk.	
	30/06/2012	30/06/2011
Managerial remuneration	927,660.00	1,049,700
Bonus	154,610.00	174,950
Perquisites:		
Medical	25,200.00	23,400
Others	648,252.00	589,512
Total Tk.	1,755,722.00	1,837,562.00

Plant Capacity & Capacity Utilization:

Particulars	Utilization capacity of production (M.T)		Rate of Capacity Utilization	
	2011-2012	2010-2011	2011-2012	2010-2011
Capacity of Production (M.T) 3,528.00	-	319.464	-	9.06%

29.00 THE RELATED PARTY DISCLOSURES UNDER BAS - 24

Name of the related party	Relationship	Nature of transation	Payment durin the year Amount inTk.	Balance Debit/(Credit) Amount inTk.
M/S. Erba Limited	Associate	Short term loan	-	26,988,000.00
M/S. Erba Limited	Associate	Sales Commissio	8,200.00	6,964,083.00
M/S. Erba China Engi: Work Shop	Associate	Rent of Fork lift	-	343,490.00
M/S. Timberex (BD) Ltd.	Associate	Short term loan	-	4,500,000.00
Mr. M. Mahmood	M.D.	Short term loan	-	7,447,798.00

- N.B.**
- a) The sales commission of Erba Ltd. Is stoped since July, 2006. The amount shown is balance of commission due to them.
 - b) The monthly rent of Fork lift isTk. 7,000.00 including maintence and cost of spares.
 - c) Loan taken for establishing unit-2 wasTk. 70.00 lacs of whichTk. 25.00 lacs have already been paid.
 - d) Loan taken from Mr. M. MahmoodTk. 7,447,798.00 as short term loan.

Northern Jute Manufacturing Company Limited

Jatiya Scout Bhaban (9th Floor), 70/1, Purana Paltan Line, Kakrail, Dhaka-1000, 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 32nd Annual General
Meeting (AGM) of the Company to be held on Sunday the 30th December 2012 at 11.45 A.M.

As witness my hand thisday of2012

(Signature of the Proxy)
Date:.....

Revenue
Stamp
Tk:10.00

Signature of the Shareholder(s)
Register Folio /BO No.....
No of Share held
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 9th December 2012.

Northern Jute Manufacturing Company Limited

Jatiya Scout Bhaban (9th Floor), 70/1 Purana Paltan Line, Kakrail, Dhaka-1000, Bangladesh

SHAREHOLDER'S ATTENDANCE SLIP

I/We hereby record my attendance at the Annual/Extra Ordinary General Meeting of the
..... 2012

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.