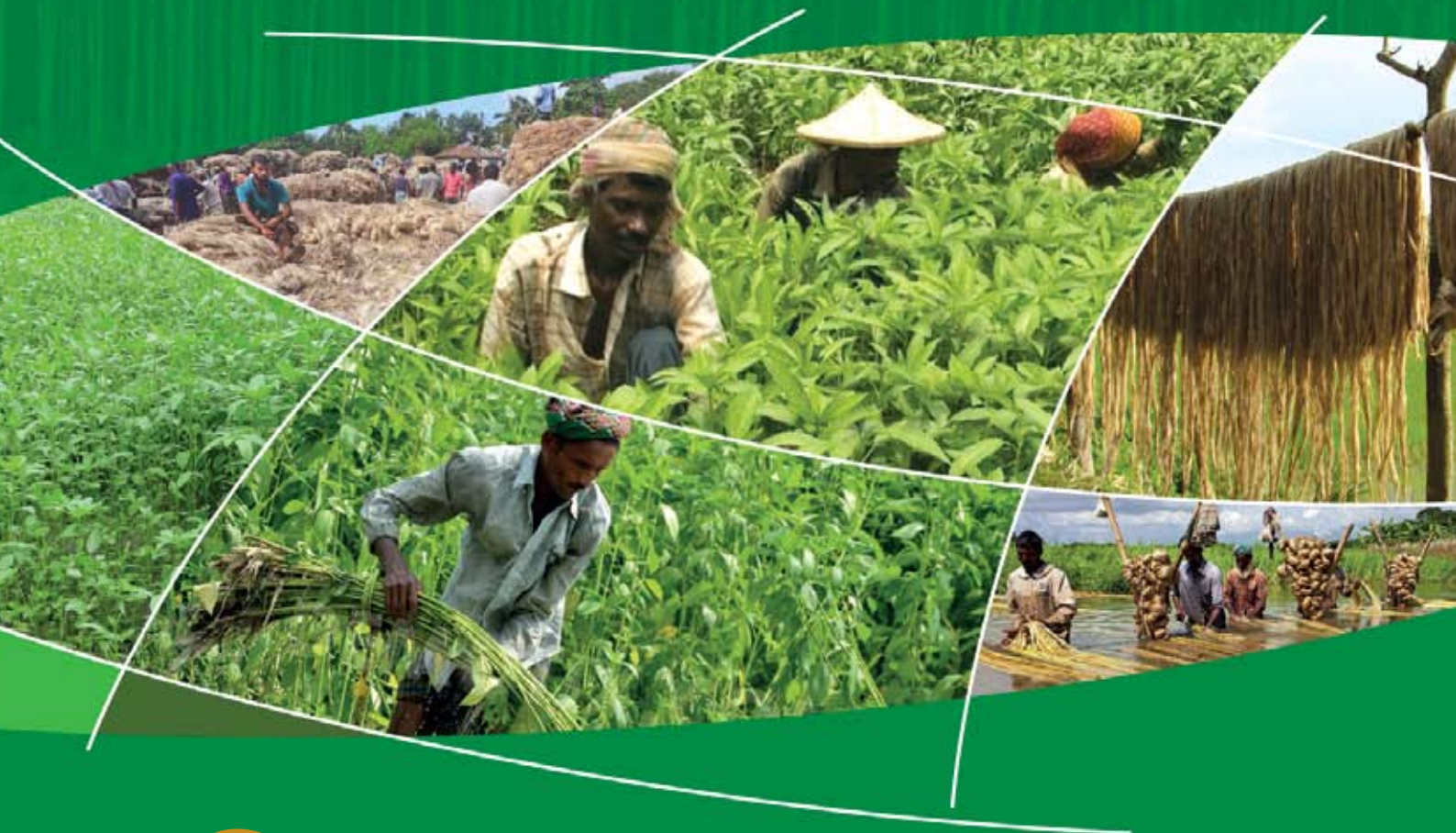


ANNUAL REPORT 2015-16



Northern Jute Manufacturing Co. Ltd.



CONTENTS

Letter of Transmittal	2
Notice of the Thirty Six Annual General Meeting	3
Management Apparatus	4
Picture Gallery	5
Statement from Chairman	6
Statement from Managing Director	7
Operational Result for 5 years	8
Directors' Report	9
Audit Committee Report	17
Corporate Governance Auditor's Report	18
Compliance of Corporate Governance Status Report	19
Report of MD & CFO	25
Auditors' Report	26
Financial Statements	27
Proxy Form	

Letter of Transmittal

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 the year ended 30 June, 2016.

Dear Sir (s),

We are pleased to enclose a copy of Annual Report together with the Audited Financial Statements comprising Statement of Financial Position as at 30 June, 2016 and Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30 June, 2016 along with notes thereon of Northern Jute Manufacturing Company Limited for your information and records.

Yours sincerely,

A stylized, handwritten signature in black ink, appearing to read 'Ananga'.

Ananga Mohan Roy
Managing Director

Notice of the Thirty Six Annual General Meeting

NOTICE is hereby given that the **Thirty Six Annual General Meeting** of Messrs Northern Jute Manufacturing Company Limited will be held on **Sunday the 18th December, 2016 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, 2016 together with the Directors and Auditors Reports thereon.
02	To approve 5% Cash Dividend as recommended by the Board of Directors for the year ended 30th June, 2016.
03	To elect Directors
04	To appoint Auditors for the year 2016-2017 and fix their remuneration.

By Order of the Board



(Ananga Mohan Roy)
Managing Director

Dated, Dhaka
The 4th December, 2016

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 16th November, 2016.
- (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



Board of Directors

Mr. Uzzal Kumar Nandi	Chairman
Mr. Ratan Kumar Biswas	Director
Mr. Md. Shah Alam Sheikh	Director
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. Ratan Kumar Biswas	Member
Mr. Md. Shah Alam Sheikh	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

Malek Siddiqui Wali
Chartered Accountants
9-G, Motijheel C/A., Dhaka-1000.
Phone: Off: 9560919, Fax: 880-2-9576236
E-mail: wali@satcombd.com

Bankers

Janata Bank Limited
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

Factory

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

Listing

Dhaka Stock Exchange (DSE)

Picture Gallery



Inside the Factory Premises



A worker working inside the Factory



A view of 35th AGM



Board of Directors surrounded by a section of shareholders



Personnel of Head Office



Personnel of Factory

Statement from Chairman



Dear Shareholders,

It is a great pleasure for me to be here with you at the 36th Annual General Meeting of Northern Jute Manufacturing Company Limited (NJMCL). On behalf of the Board of Directors and myself, I express my heartfelt thanks and profound gratitude to you for your support and trust. It is my privilege to present to you NJMCL's Annual Report for the year ended June 30, 2016.

NJMCL, your Company, performed very well during the year. We believe that our endeavors and team work have enabled NJMCL to achieve new milestones by working with integrity and focusing sustainable business development. The jute sector in Bangladesh is flourishing and we are very happy to be an integral part of the development. Despite many challenges, NJMCL has grown in line with the Jute industry in Bangladesh. In 2015-16, NJMCL has recorded 125 percent growth in revenue over the previous year. Buoyed by this momentum, we are optimistic about the growth in coming year. We have utilized maximum capacity of the factory to earn maximum return.

NJMCL manufactures high quality products at competitive prices as per customer requirement. Thus, the management is continuously improving the production process and human resources by conducting supervision and development and on-the-job training programs. NJMCL produces high-end segment products with innovation and customer satisfaction. NJMCL has become a trusted source for the buyers.

NJMCL always refrains from environmentally hazardous activities and remains vigilant about any adverse environmental impact. Northern Jute Mfg. Co. Ltd. maintains compliance in each and every aspect such as employees' safety, environment, health etc. At the same time, it promotes efforts to ensure the quality and environmental security of its products and services over the entire supply chain and value chains including its operation.

Corporate Social Responsibility has always been an integral part of NJMCL. In addition, we continue to invest in our people and create a vibrant working environment to make NJMCL a great place to work. NJMCL recognizes that its people are its most valuable asset. Prudent development, deployment and management of its human resources have been a key contributor to the Company's success. We value the contributions of our employees to the organization and adopted policy to reward them accordingly.

At Northern, we are working for a better future for our stakeholders, buyers, employees and society at large. I would like to thank the employees, without whose effort and commitment we would not be able to hold such a strong position. I would also like to extend my gratitude to Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Register of Joint Stock Companies and Firms, Bank & Financial Institutes, National Board of Revenue for their valuable guidance, support and cooperation.

Finally, we stay committed to add value for the shareholders through execution of prudent business strategies whilst ensuring that we contribute towards the achievement of national priorities.

With warm regards,

Yours sincerely,

Uzzal Kumar Nandi
Chairman

Statement from Managing Director



Dear Shareholders,

It is my privilege and honor to welcome you all on behalf of the Board of Directors to this 36th Annual General Meeting of your company and to present the Annual Report 2016 together with the Audited Financial Statements and the Auditor's Report thereon for the year ended June 30, 2016.

We are convening this 36th AGM of your company on a time when every business entity is suffering from uncertainty in future business in Bangladesh, increased prices of all raw materials, energy crisis, strong position of local currency against US dollar and imposing of anti-dumping duty by the India. These all have a definite and direct impact on the production and profitability of your company.

Nevertheless over the past years, Northern Jute Manufacturing Company Ltd (NJMCL) has shown consistent growth in turnover. In 2015-16, your Company's turnover was Tk 278.71 Million. We set new records in respect of turnover and production. The profitability of the company took a hit due to increased raw material cost, rising financial overhead and highly competitive market.

NJMCL was built on a sound and solid foundation, brick by brick, capability by capability. Over the years, we have made an impact beyond our borders. With your strong unflagging support, faith and confidence in the management and its operation and blessing from the Almighty, NJMCL will remain at the forefront of the Jute Industry in Bangladesh and across national frontiers.

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 continuing support.

Ananga Mohan Roy
Managing Director

Northern Jute Manufacturing Company Limited

Five years statistics

Operating Result :

Particulars	2016	2015	2014	2013	2012
Result of operation:					
Revenue	278,713,167	124,013,915	104,800,417	Nil	Nil
Gross Profit	53,403,746	18,495,816	15,373,111	Nil	(6,977,249)
Operating Profit/(loss)	1,922,033	5,378,092	212,652	(16,977,505)	(23,456,406)
Net Profit/(loss)after tax	1,280,029	5,490,342	28,669,37	(16,970,318)	(23,457,734)
Basic Earning per share (In Taka)	0.72	3.08	1.69	(9.98)	(13.80)
Dividend Paid /recommended	5 % Cash	20 % Cash	5%- Stock 5%-Cash	x	x
Income tax paid	2,052,971	1,663,679	1,462,898	x	x

Financial Position:

Particulars	2016	2015	2014	2013	2012
Total Assets	444,042,387	344,246,848	316,238,388	171,887,430	164,467,651
Fixed Assets-Net	281,146,115	252,198,373	249,731,643	84,416,034	89,659,076
Reserve & Surp lus	135,547,287	137,837,258	114,911,742	(47,966,802)	(275,217,35)
Net Working capital	8,708,686	(94,875,305)	(116,219,279)	(109,282,852)	(92,254,877)
Authorized capital	1000,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Share holder's Equity	153,397,287	155,687,258	131,911,742	(30,966,802)	(10,521,735)
Paid up Capital	17,850,000	17,850,000	17,000,000	17,000,000	17,000,000
Total Long Term Loan	200,000,000	Nil	Nil	1,924,283	4,272,649
Deferred Tax Assets/ (liability)	1,908,733	1,635,810	1,600,622	2,093,646	2,093,646

Key Financial Ratio, Figures and Market Data:

Current Ratio	1.09	0.49	0.36	0.45	0.45
Debt Equity Ratio	1.89	1.21	1.40	(6.55)	(16.64)
Share Holder's Equity per share (in Taka)	85.94	87.22	77.60	(18.22)	(6.19)
Market value per share (in Taka)	214.70	200.00	130.00	18.00	21.30
Price Earning Ratio (based on DSE price)	298.19	64.94	76.92	(1.80)	(1.54)

Other:

Number of shares	1,785,000	1,785,000	1,700,000	1,700,000	1,700,000
Number of shares holders	961	379	269	277	285
Production(Qty in MT)	3,841.98 MT	2,044.66 MT	1,330.66 MT	78.325 MT	Nil
Export (Qty in MT)	3,929.00 MT	2,153.42 MT	1,490.07 MT	Nil	Nil

Total Employees:

Officers	48	43	40	22	20
Staff	27	25	28	17	20
Workers	377	320	252	105	112

DIRECTORS REPORT FOR THE YEAR ENDED 30TH JUNE, 2016

Dear Respected Shareholders,
Northern Jute Manufacturing Company Limited

Ladies and Gentlemen,

On behalf of the Board of Directors and Management of Northern Jute Manufacturing Company Limited, I welcome you to the 36th 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, 2016 along with the Auditors' Report thereon. These were approved by the Board of Directors on October 27, 2016 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 7th August, 2012 and other applicable laws

Introduction

M/s 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 998 spindles. Northern Jute Manufacturing Company Limited is a Public Limited Company. The Company is listed with Dhaka Stock Exchange Limited.

World economy and Economy of Bangladesh

Growth prospects for the global economy continue to weaken and recent events such as the Brexit vote, terrorist attacks around the world and the upcoming US presidential election are creating elevated levels of uncertainty for businesses. Global growth this year is likely to remain unchanged relative to the disappointing pace of 2015. Growth for 2016 is now forecast at 2.4 percent and 3.2 per cent in 2017. The United States will see stronger growth and a slight improvement in growth is expected in Western Europe. Domestic demand will increasingly drive growth in the new EU member States, while higher taxes will weigh on Japan's growth. Africa's growth will be driven by private consumption and investment, but East Asia will remain the fastest-growing region. Stronger domestic demand will underpin growth in South Asia.

In 2015-16, Bangladesh economy continued to grow rapidly achieving the highest GDP growth rate in seven years at 7.05% (provisional) of approximately \$ 11.23 billion while inflation has come down to 6.2%. Meanwhile foreign exchange reserves continue to rise currently closing 30 billion; export earnings have reached \$34 billion and over \$2 billion from foreign direct investment (FDI) in 2015-16, securing the position of the second largest FDI receiver among the South Asian countries. The balance of payments surplus (BoP) surged by more than 15% from the previous fiscal year to \$3.7 billion which is credited to lower import to export growth ratio. In fiscal 2015-16, exports grew 8.94% and imports 5.45%, which caused the expansion of the overall surplus, according to the Central Bank

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 over the world. Its 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.

Despite having a 5.88 per cent growth over the FY 2015-16, export receipts from jute and jute goods fell short of the target by 2.90 per cent in the last fiscal. Bangladesh earned \$ 919.58 million by shipment of jute and jute goods in FY 16 against the target of \$947 million, according to the EPB date. But the current Financial year 2017 had a good jute business start and earnings reached nearly US\$ 141 Million during July - August, 16 period, representing a nearly 6 percent increase compared with same previous period.

Company's Operations:**Capacity/ Production:**

After a long period of shutdown the company has resumed its commercial operation again since March, 2014. Now the mills are running on a 3 shift basis. Total production capacity of Northern Jute Manufacturing Co. Ltd. is 5,928 (M.T) where as during this year the production was 3,841.98 (M.T). It is 64.81% of total production capacity.

Product wise performance:

Northern Jute manufacturing company limited manufacture Jute Yarn and Twine. Total sales during the year was 3,929.00 M. Ton of Jute Yarn/Twine.

Cost of production:

The cost of production has varied during the past years, primarily 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. 234,485,185 against Tk. 104,744,186 in 2014-15.

Marketing operations:

The Company's marketing operations continued its emphasis on export sales over the years. Total sales during the year ended 30 June, 2016 was Tk. 278,713,167 against Tk. 124,013,915 in 2014-15.

Capital expenditures:

In order to upgrade the production facilities, the company made an additional net capital expenditures of Tk. 37.03 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 2015-2016 was \$ 3,586,688.00.

Highlights of Financial Performance in 2016

The Company's before and after tax profit for the year 2016 were for 3.45 million and took 1.28 million compared to Tk 6.14 million and Tk 5.49 million respectively in the previous year.

The financial result is summarized below:

Particulars	2015-16 (Tk.)	2014-15 (Tk.)
Revenue	278,713,167	124,013,915
Cost of Goods Sold	225,309,421	105,518,099
Gross Profit/(Loss)	53,403,746	18,495,816
Operating Expenses	51,481,713	13,117,724
Operating Profit/(Loss)	1,922,033	5,378,092
Other Income	1,532,949	763,402
Net Profit/(Loss) before provision	3,454,982	6,141,494
Net Profit / (Loss) after provision	1,280,029	5,490,342
Earning Per Share (EPS)	0.72	3.08

Appropriation:

The Company earned net profit of Tk. 1,280,029 during the year ended June 30, 2016. 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 2016 @ 5% (Tk. 0.50 per Share)	Tk. 8,92,500
b) Transfer to retained earnings	Tk. 3,87,529

Retirement and re-election of Directors:

In pursuant to Article 125 of the Articles of Association of the Company, Mr. Ratan Kumar Biswas retire at the meeting by rotation and is being eligible himself for re-election in pursuant under Article 127 of the Articles of Association.

Eng. Md. Rezaul Karim, General Manager-BDBL, nominee director of Islamic Development Bank (IDB) retired from the Board vide letter 07.3/2811 dated 10.11.16 of BDBL on retirement from his service .

At the same time Mr. Dilshad Hossain Siddiqui, Deputy General Manager of BDBL, has been appointed as Nominee Director of IDB since 10.11.16 instead of Eng. Md. Rezaul Karim, General Manager (Retd.).

Subsidiary Company

The Company has no subsidiary companies.

Appointment of Auditors:

The meeting was informed that the existing Auditors of the Company M/s. Malek Siddiqui Wali, Chartered Accountant retires at this Annual General Meeting as per clause 15 (2) of the Dhaka Stock Exchange (Listing) Regulation, 2015.

Corporate Social Responsibility:

Northern Jute Manufacturing Company Ltd is trying to maintain adequate transparency, quality of product 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 this view of point, 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 sustenance. Good Corporate Governance is key to successful sustenance. 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 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 an Independent Director acts as Chairman of the committee. All the members of the Audit Committee are Non-executive Directors. The audit committee of the Board 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

Northern Management continuously develop 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 your 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 registered & Joint Stock Companies & Firm.

Finally, the Board of Directors of your 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 2015-16 were as follows:

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

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, 2016

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. Ratan Kumar Biswas	Director	1,77,706	9.96
Mr. Md. Shah Alam Sheikh	Director	1,78,000	9.97
Eng. Md. Rezaul Karim	Nominee Director of Islamic Development Bank	5,35,500	30.00
Mr. Iqbal Sayeed	Independent Director	-	-
		10,69,206	59.90
iii. Managing Director, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Childrens:			
Mr. Anang a 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 and re-appointment:

Mr. Ratan Kumar Biswas, Director

Mr. Ratan Kumar Biswas is a Director of the company since June, 2014. He obtained Bachelor degree from the University of Dhaka. Presently he is the Director of Clewiston Foods & Accommodation Ltd and Winmark Ltd. Previously he was the Finance Director of Eskander Welfare Foundation from 1989 to 2006.

Mr. Dilshad Hossain Siddiqui, Nominee Director of IDB

Mr. Dilshad Hossain Siddiqui is Deputy General Manager of Bangladesh Development Bank Ltd. in General Advance Department and nominee Director of Islamic Development Bank, Jeddah, K.S.A.

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 2015-16, 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 2015-16 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: 27th October, 2016

ANNEXURE-V

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

Mak & Co.
Chartered Accountants

BSEC Bhaban (Level - 11)
102, Kazi Nazrul Islam Avenue,
Karwan Bazar, Dhaka 1215.

+88 02 55013647
+88 01764484444
+88 01612265265

**CERTIFICATE ON COMPLIANCE OF CONDITIONS
OF CORPORATE GOVERNANCE GUIDELINES
FOR THE YEAR ENDED ON 30 JUNE, 2016
TO THE SHAREHOLDERS OF
NORTHERN JUTE MANUFACTURING COMPANY LIMITED**

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, 2016.

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, 2016.

Dated, Dhaka;
2016, November 29



Anjan Kumer Roy

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

Member Firm of Santa Fe Associates International, USA

✉ info@maknco.net

🌐 www.maknco.net

SFAI SANTA FE ASSOCIATES INTERNATIONAL

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 column)		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 attendance by 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 members 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 Audit Committee:			
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 disclosed 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 possess any share of the company during the tenure of their assignment.	✓		
4(ix)	Audit/Certification services on compliance of corporate governance 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 conduct.	✓		
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, 2016, 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, 2016 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.



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস

৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali

CHARTERED ACCOUNTANTS

Partners: Md. Waliullah, FCA

Swadesh Ranjan Saha, FCA

Md. Habibur Rahman Sarker, FCA

Anjan Mallik, FCA

PHONE: OFF: 9513471

PABX: 9576118; 9576119

FAX: 880-2-9576236

wali@satcombd.com

9-G, MOTIJHEEL C/A,

Dhaka-1000, Bangladesh

AUDITORS' REPORT to the shareholders of Northern Jute Manufacturing Company Limited

We have audited the accompanying Statement of Financial Position of Northern Jute Manufacturing Company Limited as at 30th June, 2016 and the related Statement of Comprehensive Income, Statement of Cash Flow, Statement of Changes in Equity and Notes for the period from 1st July, 2015 to 30th June, 2016.

Management's Responsibility for the Financial Statements:

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standard/Bangladesh Financial Reporting Standards (BFRS), the companies Act 1994 and other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, where due to fraud or error.

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 where 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 consider 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 evaluation 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.

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standard/Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as of 30th June 2016 and of the results of its operations and its cash flows for the period then ended and comply with the Companies Act 1994, relevant schedule of Bangladesh Securities Exchanges Commission Rules 1987 and other applicable laws and regulations.

We also report that:

- 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 ;
- In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books ;
- The Company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of accounts ;
- The expenditures incurred and payments made were for the purpose of the company's business.

Dated: Dhaka
October 27, 2016

Md. Wali
Malek Siddiqui Wali
Chartered Accountants

Northern Jute Manufacturing Company Limited
Statement of Financial Position
As at 30 June, 2016

Particulars	Notes	Figure in Taka	
		2015 -16	2014 -15
ASSETS			
Non Current Assets			
Property, Plant and Equipment	4	281,146,115	252,198,373
Capital Work in Progress	5	65,451,219	-
Total Non-Current Assets		346,597,334	252,198,373
Current Assets			
Inventories	6	56,660,410	65,914,181
Account Receivables	7	16,925,324	5,440,050
Advance, Deposit & Prepayment	8	7,691,989	7,986,316
Cash Subsidy Receivable	9	11,856,009	10,286,563
Cash & Cash Equivalents	10	4,311,321	2,421,365
Total Current Assets		97,445,053	92,048,475
Total Assets:		444,042,387	344,246,848
EQUITY & LIABILITIES			
Shareholders' Equity			
Share Capital	11	17,850,000	17,850,000
Tax Holiday Reserve		638,498	638,498
Revaluation Reserve	12	216,062,311	216,967,328
Retained Earning	13	(81,153,522)	(79,768,568)
Total Shareholders' Equity		153,397,287	155,687,258
Non-Current Liabilities			
Long Term Loan	14	200,000,000	-
Deferred Tax Liabilities	15	1,908,733	1,635,810
Total Non-Current Liabilities		201,908,733	1,635,810
Current Liabilities and Provision:			
Trade Payable	16	1,482,603	3,455,919
Liabilities for Other Expenses	17	7,543,409	1,272,991
Other Liabilities	18	2,749,954	1,083,330
Working Capital Loan	19	75,000,000	-
Short Term Loan	20	1,960,401	181,111,540
Total Current Liabilities		88,736,367	186,923,780
Total Liabilities		290,645,100	188,559,590
Total Capital and Liabilities		444,042,387	344,246,848
Net Assets Value (NAV)		85.94	87.22

Accompanying notes form an integral part of these financial statements



Chairman
NJMCL



Managing Director
NJMCL

Dhaka, Dated: 27th October, 2016


MALEK SIDDIQUI WALI
Chartered Accountants

Northern Jute Manufacturing Company Limited
Statement of Comprehensive Income
For the year ended 30 June, 2016

Particulars	Notes	Figure in Taka	
		2015 -16	2014 -15
Revenue	21	278,713,167	124,013,915
Cost of Goods Sold	22	(225,309,421)	(105,518,099)
Gross Profit/(Loss)		53,403,746	18,495,816
Operating Expenses			
Administrative Expenses	23	(15,757,096)	(10,044,176)
Selling Overhead	24	(7,801,868)	(3,073,548)
Finance Overhead	25	(27,922,749)	-
Operating Profit/(Loss)		1,922,033	5,378,092
Add: Other Income	27	1,532,949	763,402
Net Profit/(Loss) before Provision and Tax		3,454,982	6,141,494
Less: Provision for Income Tax			
Income Tax	28	1,902,030	615,964
Deferred tax		272,923	35,188
Total		2,174,953	651,152
Net Profit / (Loss) after Tax		1,280,029	5,490,342
Other Comprehensive Income		-	-
Total Comprehensive Income		1,280,029	5,490,342
Earning Per Share (EPS)	29	0.72	3.08

Accompanying notes form an integral part of these financial statements



Chairman
NJMCL



Managing Director
NJMCL

Signed as per our annexed report of even date

Dhaka, Dated: 27th October, 2016



MALEK SIDDIQUI WALI
Chartered Accountants

Northern Jute Manufacturing Company Limited
Cash Flow Statement
For the year ended 30 June, 2016

		Figure in Taka	
Particulars	Notes	2015 -16	2014 -15
A. Cash Flow from Operating Activities			
Collection from Turnover & Others		266,724,602	121,577,286
Payment to suppliers & Employees		(255,994,945)	(140,661,925)
Cash Payment for Income Tax		(2,052,971)	(1,663,679)
Net Cash generated /(used) in Operations		8,676,686	(20,748,318)
B. Cash Flow from Investment Activities			
Disposal of Fixed Assets		2,800,000	495,000
Capital Work in Progress		(65,451,219)	
Acquisition of Fixed Assets		(37,030,189)	(6,540,267)
Net Cash generated /(used) in Investment		(99,681,408)	(6,045,267)
C. Cash Flow from Financing Activities:			
Long Term Loan Received / (Repaid)		200,000,000	-
Secured Loan Received/ (Repaid)		-	-
Short Term Loan Received		75,000,000	22,888,225
Short Term Loan Repaid		(179,151,139)	-
Payment of Dividend		(2,954,183)	(778,006)
Deferred Liabilities (gratuity-Repaid)		-	-
Net Cash generated /(used) in Financing		92,894,678	22,110,219
D. Net Cash Flow (A+B+C)		1,889,956	(4,683,366)
E. Opening Cash and Cash Equivalents		2,421,365	7,104,731
F. Closing Cash and Cash Equivalents (D+E)		4,311,321	2,421,365
Net Operating Cash Flow Per Share		4.86	(11.62)

Accompanying notes form an integral part of these financial statements



Chairman
NJMCL



Managing Director
NJMCL

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 years		-			-
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

Northern Jute Manufacturing Company Limited
Statement of Changes in Equity
For the year ended 30 June, 2015

Particulars	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Retained Earning	Total
Balance as on 01-07-14	17,000,000	218,002,127	638,498	(103,728,883)	131,911,742
Net profit after provision				5,490,342	5,490,342
Short term liabilities settlement benefits				19,135,174	19,135,174
Stock Dividend (2013-14)	850,000			(850,000)	-
Cash Dividend (2013-14)				(850,000)	(850,000)
Addition during the year		-			-
Adjustment against Depreciation		(1,034,799)		1,034,799	-
Balance as on 30-06-2015	17,850,000	216,967,328	638,498	(79,768,568)	155,687,258

Accompanying notes form an integral part of these financial statements



Chairman
NJMCL



Managing Director
NJMCL



MALEK SIDDIQUI WALI
Chartered Accountants

Dhaka, Dated: 27th October, 2016

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

NORTHERN JUTE MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2016

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 Scout 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, 2016.
- A Statement of Comprehensive Income for the year ended June 30, 2016.
- A Statement of Cash Flow Statement for the year ended June 30, 2016.
- A Statement of Changes in Equity.
- Notes, comprising a summary of significant accounting policies and other explanatory information.

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

2.4 Reporting Period:

Financial Statements of the company cover one calendar year from 1st July, 2015 to 30th June, 2016.

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 2015 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 2015 has been re-arranged whenever considered necessary to ensure comparatively with the current period.

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%
Plant & Machinery	10%
Office Equipment	15%
Vehicles	20%
Forklift	20%
Electric Installation	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.

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

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 stated 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 stocks 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.

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

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".

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

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 2015.

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:

As per Sub Section 3 of Section 232 of Bangladesh Labour Law (amendment) 2013, Worker Profit Participation fund is replaced by another arrangement for 100% export oriented industry. That is why during the period ended 30th June, 2016, we did not make any provision for Worker Profit Participation Fund.

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 existed at the time of approval of the accounts and recommendation of dividend by the Board of Directors.

The Board Proposed dividend @ 5% cash dividend for the year ended 30th June, 2016.

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.

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

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 except the following:

The International Leasing and Financial Services Limited had enhanced Short Term Loan from 10.00 Crore to 40.00 Crore for financing the working Capital needs.

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, 2016

4.00

Figure in Taka

Assets Category	Cost			Rate (%)	Depreciation			Written down value	
	As on 01.07.15	Addition this period	Disposal this period		As on 01.07.15	Adjustment	Charge this year	As on 30.06.16	As on 30.06.15
Unit-1									
Land and Land Development	1,000,468	-	-	0%	-	-	-	1,000,468	1,000,468
Building	17,382,153	72,855	-	5%	9,852,320	-	369,785	7,232,903	7,529,833
Electric Installation	2,665,953	4,135,703	-	15%	1,630,602	-	433,474	2,064,076	1,035,351
Plant and Machinery	65,479,518	30,824,477	12,095,000	10%	54,640,787	10,851,540	2,616,856	46,406,103	10,838,731
Furniture & Fixtures	995,660	-	-	15%	362,957	-	88,645	544,058	632,703
Office Equipment	779,679	164,069	-	15%	223,579	-	95,687	624,482	556,100
Vehicle	1,073,966	311,980	-	20%	906,717	-	87,530	391,699	167,249
Forklift		750,000	-	20%			12,500	737,500	
Sundry Assets	570,329	712,300	-	15%	346,884	-	62,521	873,224	223,445
Total Unit-1 Taka	89,947,726	36,971,384	12,095,000		67,963,846	10,851,540	3,766,998	53,944,806	21,983,880
Unit-2									
Building	5,896,369	-	-	5%	1,751,541	-	202,558	3,942,270	4,144,826
Electric Installation	484,103	58,805	-	15%	404,299	-	12,642	125,967	79,804
Plant and Machinery	29,038,129	-	-	10%	20,015,594	-	862,028	8,160,507	9,022,535
Total Unit-2 Taka	35,418,601	58,805	-		22,171,434	-	1,077,228	12,228,744	13,247,165
Sub Total	125,366,327	37,030,189	12,095,000		90,135,280	10,851,540	4,844,226	66,173,550	35,231,045

Assets Category	Revaluation Surplus			Rate (%)	Depreciation			Written down value	
	As on 01.07.15	Addition this period	Disposal this period		As on 01.07.15	Adjustment	Charge this year	As on 30.06.16	As on 30.06.15
Unit-1									
Land and Land Development	202,053,032	-	-	0%	-	-	-	202,053,032	202,053,032
Building	11,849,842	-	-	5%	5,802,099	-	295,553	5,752,190	6,047,743
Electric Installation	100,367	-	-	15%	89,685	-	1,497	91,182	10,682
Plant and Machinery	20,085,072	-	4,017,717	10%	15,158,237	2,927,971	415,955	12,646,221	4,926,835
Total Unit-1 Taka	234,088,313	-	4,017,717		21,050,021	2,927,971	713,005	211,235,541	213,038,292
Unit-2									
Building	7,743,313	-	-	5%	3,814,277	-	192,012	3,737,024	3,929,036
Total Unit-2 Taka	7,743,313	-	-		3,814,277	-	192,012	3,737,024	3,929,036
Sub Total	241,831,626	-	4,017,717		24,864,298	2,927,971	905,017	214,972,565	216,967,328
Grand Total 2016	367,197,953	37,030,189	16,112,717	-	114,999,578	13,779,511	5,749,243	281,146,115	
Grand Total 2015	361,961,855	6,540,267	1,304,169	-	112,230,212	1,076,169	3,845,537	114,999,580	252,198,373

Depreciation Charged on unit 1 & 2

Depreciation charged to Factory Overhead

Depreciation charged to Administrative Expenses

= 5,564,911
= 184,332
5,749,243

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

5.00 Capital Work in Progress

Building
Plant & Machineries

Amount in Taka	
30.06.16	30.06.15
7,067,048	-
58,384,171	-
65,451,219	-

6.00 Inventories :

Inventories (Stock & Stores) Comprises the following balances:

A. Direct Materials:

Raw Jute (6.01)
Jute Batching Oil

23,398,410	37,803,051
553,991	245,311
23,952,401	38,048,362

Sub - Total

B. Consumable Stores :

Machinery Spares
Electric Goods
Loose Tools
Oil & Lubricant
Printing
Construction Materials
Sundry Stores
Stationery

5,532,779	3,787,183
269,617	406,553
124,204	124,204
791,864	674,395
36,404	36,404
706,184	686,254
136,977	55,008
6,834	4,864
7,604,863	5,774,865

Sub - Total

C. Packing Materials:

Hessian Cloth
Polythene
Conical Spool
Dyes & Chemical
P.P Tape and Slyver Can
Bobbin
Bindig clip
Corrugated paper

1,355,082	658,300
618,352	124,185
204,515	287,983
3,896	9,765
110,200	9,200
29,710	152,060
325	325
10,800	10,800
2,332,880	1,252,618

Sub - Total

D. Work in Process

E. Finished Goods (6.2)

Sub - Total

GRAND TOTAL

18,311,140	11,619,317
4,459,126	9,219,019
22,770,266	20,838,336
56,660,410	65,914,181

6.01 Raw Jute Inventory

Jute Grading	Quantity (Mon)	Average	Total (Taka)
		Price/mond (Tk.)	
BTC	208.34	2,300	479,182
BDT-1	2,000.65	2,200	4,401,430
BDT-2	19.68	2,100	41,328
BTE	253.45	2,000	506,900
SMR	259.45	1,700	441,065
Cutting	3,596.12	1,700	6,113,404
Uncut	5,707.55	2,000	11,415,101
Total	12,045.24		23,398,410

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

6.02 Finished Goods Inventory

Count	Quantity (MT)	Average Price/MT (\$)	Total (Taka)
8/3 Hessian	0.05	1,040.24	3,723
10/1 Hessian	23.30	1,020.87	1,850,810
13/1 Sacking	1.38	910.12	97,714
13/1 CB	2.42	930.54	175,054
14/1 Sacking	9.83	900.41	688,610
14/2 Sacking	16.95	895.41	1,180,786
14/2 CB	0.70	920.45	50,128
20/2 Sacking	0.10	830.75	6,463
28/1 Sacking	6.77	770.18	405,838
Total	61.50		4,459,126

Amount in Taka	
30.06.16	30.06.15

7.00 Account Receivable

Namfa Tarde International
Kailash Traders
Vicar International
Ashim Kar & Ind. Pvt. Ltd.
Kolkata Trade Center

4,207,424	-
2,141,100	1,905,750
6,610,500	2,148,300
1,228,500	
2,737,800	1,386,000
16,925,324	5,440,050

Ageing of Account Receivable

Not more than 30 Days	16,925,324	5,440,050
30 Days to 60 Days	-	-
60 Days to 90 Days		
Over 90 Days		
Total	16,925,324	5,440,050

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

8.00 Advance, Deposit and Prepayment :

ADVANCE:

Advance to Employees
Advance Rent
Advance to Suppliers
Advance against Godown Rent
Advance Income Tax

44,900	50,900
10,000	10,000
499,251	3,363,051
500,000	
4,927,738	3,721,390
5,981,889	7,145,341

Sub- Total

SECURITY DEPOSIT:

Power Development Board
Custom
Telephone
Central Depository Bangladesh Ltd.

603,250	143,250
1,000	1,000
5,150	5,150
100,000	100,000
709,400	249,400

Sub-Total

PRE-PAYMENTS:

Insurance
VAT
License Fees

937,450	528,325
8,250	8,250
55,000	55,000
1,000,700	591,575
7,691,989	7,986,316

Sub- Total

GRAND TOTAL

Advance to Suppliers were adjusted during the audit period and Advance to Employees will adjust by June 2017.
Advance does not related to any Director of the Company.

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

9.00 Cash Subsidy Receivable:

Opening Balance
Receivable during the year

Less: Received during the year
Total Taka

Amount in Taka	
30.06.16	30.06.15
10,286,563	3,595,117
13,935,657	9,301,055
24,222,220	12,896,172
12,366,211	2,609,609
11,856,009	10,286,563

10.00 Cash and Cash Equivalents :

CASH IN HAND:

i) Head Office
ii) Factory Office

Sub- Total

CASH AT BANK:

i) Current Account # 33011458, Janata Bank, L/O, Dhaka.
ii) Current Account # 111-251, Shahjalal Islami Bank, Kushtia.
iii) Current Account # 694, Janata Bank, Chourhas Br., Kushtia.
iv) Dutch Bangla Bank Ltd., Elephant Road Br
v) Current Account #111-11587, Shahjalal Islami Bank, KawranBazar Br., Dhaka
vi) Sonali Bank Ltd., Local Office. A/C No. 33145604
vii) Sonali Bank Ltd., Cormuguria Br. A/C No. 33004184
viii) Sonali Bank Ltd., Kurigram Br. A/C No. 33014858
ix) SND no.1310000819, SJIBL, KawranBazar Branch for Dividend
x) Current Account# 100-112376-001, IFIC BankLtd. Motijheel C/A.

Sub- Total

Closing Balance of Cash & Cash Equivalent

50,924	338,365
970,180	123,172
1,021,104	461,537
123,942	94,937
29,008	81,616
-	1,853
29,253	-
2,418,297	1,701,025
12,321	-
1,597	-
97,950	-
577,650	78,549
199	1,848
3,290,217	1,959,828
4,311,321	2,421,365

11.00 Share Capital :

This represents:

a) Authorized: 10,000,000 Ordinary Shares of Tk. 10.00 each

Composition of Share holding:

Issued, Subscribed and Paid - up: (%)

i) Sponsors: 557,179 Ordinary Shares of Tk. 10.00 each (31.21%)

ii) Public Quota : 535,500 Ordinary Shares Tk. 10.00 each

Issued to Islamic Development Bank, Jeddah (30%)

iii) Gen. Public:692,321 Ordinary Shares of Tk. 10.00 each(38.79%)

TOTAL TAKA

100,000,000	100,000,000
5,571,790	6,360,520
5,355,000	5,355,000
6,923,210	6,134,480
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	752	78.25%	126,047	7.06%
501 to 5,000	188	19.56%	248,954	13.95%
5,001 to 10,000	6	0.62%	39,681	2.22%
10,001 to 20,000	4	0.42%	47,764	2.68%
20,001 to 30,000	4	0.42%	109,758	6.15%
30,001 to 40,000	1	0.10%	34,860	1.95%
40,001 to 50,000	1	0.10%	43,300	2.43%
50,001 to 1,00,000	1	0.10%	90,930	5.09%
Over 1,00,000	4	0.42%	1,043,706	58.47%
TOTAL	961	100.00%	1,785,000	100%

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

Amount in Taka	
30.06.16	30.06.15

12.00 Revaluation Reserve :

Particulars		Amount
Revaluation Reserve Balance (As on 01-07-2015)	216,967,328	218,002,127
Addition of Revaluation Reserve-Land (Current Year)	-	-
	216,967,328	218,002,127
Less: Transfer of depreciation on revaluation on tangible assets to the Retained Earnings	905,017	1,034,799
Revaluation Reserve Balance (As on 30-06-2016)	216,062,311	216,967,328

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	1,280,029	5,490,342
Profit/(Loss) Brought Forward	(79,768,568)	(103,728,883)
Previous Year Adjustment	-	-
Adjustment of Revaluation Reserve	905,017	1,034,799
Dividend during the year	(3,570,000)	(1,700,000)
Short Term Liabilities settlement benefits	-	19,135,174
Retained Earning Carried Forward	(81,153,522)	(79,768,568)

14.00 Long Term Loan:

Opening Balance	-	
Received during this year	200,000,000	
	200,000,000	
Less : Repayment during this year	-	
TOTAL TAKA	200,000,000	-

This loan has been taken from International Leasing and Financial Services Ltd vide Sanction Letter IL/BD/2015/3924 - dated 20.09.15 for 8 years.

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

15.00 Deferred Tax Liabilities 2016

Particulars	Carrying Value (Cost -Acc. Depreciation)	Tax base (Cost- Acc. Capital Allowance)	Temporary Difference	Deferred Tax
Opening balance (excluding land and land development)	34,230,577	21,372,096	12,858,481	1,607,310.13
Addition during the year	37,030,189	37,030,189	-	-
Depreciation charge/capital allowance	(4,844,226)	(7,255,612)	2,411,386	301,423.27
Closing Balance	66,416,540	51,146,673	15,269,867	1,908,733

Amount in Taka	
30.06.16	30.06.15

16.00 Trade Payable

Liabilities for goods consist of following balance:

Mr. Bimal Kumar Kunda	-	970,000
Mr. Premendra Nath Saha	-	1,000,000
Niladri Poddar	-	513,688
Boishakhi Enterprise	137,421	-
General Equipment Corporation	50,000	-
Monno Jute Stafflers Ltd	5,629	-
Navana Industries Ltd	156,087	-
New JK Engineering	95,000	-
Nayem Traders	710,319	678,684
SM Engineering	328,147	293,547
TOTAL TAKA	1,482,603	3,455,919

***Fully Settled during July, 2016**

17.00 Liabilities For Expenses :

Liabilities for expenses consists of following balances:

Outstanding Salary	-	279,383
Electricity bill	1,265,328	953,608
Telephone	3,415	-
Audit Fee	60,000	40,000
Interest ag Loan from ILFSL	6,214,666	-
TOTAL TAKA	7,543,409	1,272,991

18.00 Other Liabilities:

Provision for Income Tax (Note: 18.01)	2,052,971	997,564
Deducted Tax and VAT	9,172	13,772
Unclaimed Dividend	687,811	71,994
TOTAL TAKA	2,749,954	1,083,330

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

Amount in Taka	
30.06.16	30.06.15

18.01 Provision for Income Tax

Opening Balance	997,564	1,462,898
Adjust against Return	846,623	1,081,298
Excess Provision	<u>150,941</u>	<u>381,600</u>
Provision made during the year (Note 28.00)	1,902,030	615,964
Closing Balance	<u>2,052,971</u>	<u>997,564</u>

19.00 Working Capital Loan

Opening Balance	-	
Received during this year	<u>75,000,000</u>	
	75,000,000	
Less : Repayment during this year	<u>-</u>	
TOTAL TAKA	<u>75,000,000</u>	<u>-</u>

This loan has been taken from International Leasing and Financial Services Ltd vide Sanction Letter IL/BD/2015/3925 - dated 20.09.15 for 1 year.

20.00 Short Term Loan:

Orial Limited	<u>1,960,401</u>	<u>181,111,540</u>
TOTAL TAKA	<u>1,960,401</u>	<u>181,111,540</u>

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

21.00 Revenue (Turnover From Sales) :

Export Sales
 Local Sales
TOTAL TAKA

Sales Quantity :

Particulars

Work in Process (Opening)
 Add :Raw Jute input
 Cutting
 Jute Batching Oil
 Lissapole
 Total
 Less: Process loss
 Sewing yarn
 Colour yarn
 Work in Process (Closing)
 Total
 Production during the year
 Add: Finished Goods (Opening)
 Goods available for Sales
 Less: Finished Goods (Closing)

Sales during the year

22.00 Cost of Good Sold :

Work - in - Process (Opening)
 Raw Jute consumed (22.01)
 Other Direct Materials (22.02)
 Work - in - Process (Closing)
 Total Consumption
 Factory Overhead (22.03)
 Cost of Production
 Finished Goods (Opening)
 Goods available for Sale
 Finished Goods (Closing)
Total Cost of Goods Sold
Less: Cash Subsidy
Net Cost of Goods Sold

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

Particulars

Stock as on 30-06-2015
 Stock as on 30-06-2016

22.01 Raw Jute Consumed :

Particulars

Cut Jute Consumption
 Cutting Consumption
TOTAL

Amount in Taka	
30.06.16	30.06.15

278,713,167	124,013,915
-	-
278,713,167	124,013,915

30.06.16 Qty. in M. ton	30.06.15 Qty. in M. ton
191.92	125.06
3,875.52	1,538.62
166.26	641.58
59.77	38.27
-	0.11

4293.47	2,343.64
172.25	93.74
26.54	9.05
11.64	4.27
241.06	191.92

451.49	298.98
--------	--------

3,841.98	2,044.66
148.52	257.28
3,990.50	2,301.94
61.50	148.52

3,929.00	2,153.42
----------	----------

11,619,317	7,973,779
162,238,049	67,044,885
18,212,718	6,631,068
(18,311,140)	(11,619,317)
173,758,944	70,030,415
60,726,241	34,713,771
234,485,185	104,744,186
9,219,019	19,293,987
243,704,204	124,038,173
(4,459,126)	(9,219,019)
239,245,078	114,819,154
13,935,657	9,301,055
225,309,421	105,518,099

Unit	Quantity	Value in Taka
M. Ton	867.24	37,803,051
M. Ton	481.08	23,398,410

Quantity in M. Ton	30.06.16	30.06.15
	Amount in Taka	Amount in Taka
3,875.52	154,830,895	53,332,323
166.26	7,407,154	13,712,562
4,041.78	162,238,049	67,044,885

MALEK SIDDIQUE WALI

CHARTERED ACCOUNTANTS

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

Particulars	Quantity in	30.06.16	30.06.15
	M. Ton	Amount in Taka	Amount in Taka
Opening Stock	867.24	37,803,051	11,322,852
Add: Purchase During the year	3,687.88	144,583,128	92,152,774
Add: Assortment Charges	-	3,250,280	1,372,310
Total	4,555.12	185,636,459	104,847,936
Less: Cutting Consumption	166.26	7,407,154	13,712,562
Closing Stock of Cutting	143.84	6,113,404	4,869,101
Handling Loss	32.26	-	-
Closing Stock of Long Jute	108.92	5,869,905	25,891,000
Closing Stock of Uncut Jute	228.32	11,415,101	7,042,950
Total	679.60	30,805,564	51,515,613
Cut Jute consumption	3,875.52	154,830,895	53,332,323

22.02 Other Direct Materials :

The above amount details as follows :

Jute batching Oil	5,379,320	2,602,358
Lissapole	-	14,405
Hessian Cloth	3,992,218	173,330
Polythene	787,216	124,831
Oil & Lubricant	2,121,050	119,421
Slyver Cam	349,500	102,200
Conical spool	1,268,068	226,830
Machinery Spares	3,243,443	2,803,727
Electrical Spares	771,403	291,306
Sundry Stores	285,683	166,535
Dyes & Chemicals	14,817	6,125
TOTAL TAKA	18,212,718	6,631,068

Amount in Taka	
30.06.16	30.06.15

22.03 Factory Overhead :

Break up of the above amount is given below :

Salary & Allowances	6,008,085	4,710,741
Direct Wages (Production)	27,258,185	12,211,498
Indirect Wages /Indirect Labour	366,289	916,355
Electricity	12,169,104	7,366,228
Bonus	927,860	655,995
Repairs and Maintenance	456,794	1,605,886
Rent, Rates & Taxes	45,360	275,693
Carriage & Cartage	1,510,500	887,895
Travelling Expenses	63,626	118,765
Conveyance	40,338	25,170
Postage & Telegram	9,196	45,040
Telephone	62,076	61,814
Entertainment	346,552	294,211
Medical Expenses	45,182	56,172
Staff Quarter Expenses	889,648	233,749
Sanitary Expenses	-	44,624
Vehicle Repairs	72,248	89,905
Fees & Renewals	2,527,105	156,967
Vehicle Running Expenses	160,396	139,900
Overtime	83,529	41,691
Printing & Stationery	60,815	100,955
Miscellaneous Expenses	349,050	250,030
Uniform & Liveries	2,330	25,865
Insurance Premium	1,707,062	642,955
Depreciation	5,564,911	3,720,317
Gratuity and Welfare Expenses	-	35,350
TOTAL TAKA	60,726,241	34,713,771

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

23.00 Administrative Expenses :

Break up of the above amount is given below :

	Amount in Taka	
	30.06.16	30.06.15
Managing Director Remuneration	1,470,000	1,320,000
Salary & Allowance	2,899,513	3,455,256
Bonus	593,268	238,500
Office Rent	1,144,894	1,172,014
Audit fee	60,000	40,000
Traveling Expenses	164,997	224,526
Conveyance	132,034	62,908
Postage & Stamp	26,067	34,988
Telephone	37,937	128,296
Entertainment	170,125	170,325
Eid Tips	83,300	-
Vehicle Repairs	137,970	157,680
Fees & Renewals	348,708	355,775
Vehicle Running Expenses	664,769	11,323
Ferry & Tolls	-	340
Mobile Allowances	94,600	-
Printing	7,919	161,710
Bank Charges & Commission	109,261	92,152
Directors attendance fee	-	147,000
Board Meeting expenses	251,983	99,445
AGM expenses	357,410	84,535
Newspaper	9,670	7,110
Advertisement & Publicity	1,100,977	574,937
Books & Periodicals	5,550	6,898
Subscription	49,700	33,260
Computer Servicing Expenses	30,890	50,900
Credit Rating Fee	45,000	-
CDBL Expenses	40,500	3,950
Office Maintenance	257,107	-
WASA	20,433	-
VAT	759,917	104,136
Professional Fee	98,940	86,000
Legal Expenses	11,300	8,705
Electricity Bill (Office)	415,973	408,063
Internet Expenses	185,869	194,497
Stationery	124,536	74,619
Uniform & Liveries	14,040	12,225
Photo copy expenses	-	10,056
Security Services	2,212,852	82,987
Donation	54,255	21,940
Business Development	1,380,500	281,900
Depreciation	184,332	125,220
TOTAL TAKA	15,757,096	10,044,176

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

24.00 Selling & Distribution Expenses :

The above amount details as follows:

	Amount in Taka	
	30/06/16	30/06/15
Salary & Allowances	388,320	285,600
Advertisement	50,000	20,000
Fees & Renewals	-	6,000
Commission	445,901	10,000
Bonus	38,832	25,800
Entertainment	10,843	2,984
Postage & Telegram	2,734	1,970
Conveyance	9,408	3,425
Bank Charges and Commission	704,130	352,834
C&F Bills	1,329,790	899,453
Revenue Stamp	21,830	2,687
Carriage Outward	4,661,480	1,408,350
Miscellaneous Expenses	138,600	54,445
TOTAL TAKA	7,801,868	3,073,548

25.00 Financial Overhead:

Interest on Long Term Loan	22,229,166	-
Interest on Short Term Loan	5,302,083	-
Loan Processing Fee	391,500	-
TOTAL TAKA	27,922,749	-

26.00 Auditors Remuneration :

	60,000	40,000
--	---------------	---------------

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 :

This is arrived at as follows :

	Amount in Taka	
	30/06/16	30/06/15
Sale of Caddies	82,181	245,000
Gain on Sale of Machineries	466,794	267,000
Sale of Scrap Material	391,400	251,560
Interest on FDR	565,722	-
Interest received	5,873	-
Foreign Exchange Rate Fluctuation	20,979	(158)
TOTAL TAKA	1,532,949	763,402

28.00 Provision for Income Tax

A. Required provision (As per Tax Rate)

	2015-16	2014-15		
Income from Operation	1,922,033	5,378,092	192,203	806,714
Other Income	1,532,949	763,402	383,237	190,851
Total	3,454,982	6,141,494	575,441	997,564

B. AIT deducted at source

2,052,971

C. Tax bases on Turnover

1,672,279

Minimum Tax higher of A B C

2,052,971

Less: Excess provision in 2014-15

150,941

381,600

Provision during the period

1,902,030

615,964

Tax Rate

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

MALEK SIDDIQUE WALI
CHARTERED ACCOUNTANTS

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

The computation of EPS is furnished below:

Particulars	Amount in taka	
	30.06.16	30.06.15
a) Earning attributable to the ordinary shareholders net profit/loss	1,280,029	5,490,342
b) weighted average number of ordinary shares outstanding	1,785,000	1,785,000
c) Basic EPS	0.72	3.08

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 materials 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 2015-2016 was \$ 35,86,688
- g) Miscellaneous Expenses in 2015-2016 was Tk. 3,04,475.
- 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	
	30.06.16	30.06.15
Managerial Remuneration	1,350,000	1,200,000
Bonus	195,000	120,000
Perquisites:		
Medical	-	-
Others	-	-
	1,545,000	1,320,000

Plant Capacity & Capacity Utilization:

Particulars	Utilization capacity of production		Utilization	
	2015 -16	2014 - 15	2015 -16	2014 - 15
Capacity of Production (M.T)	3,841.98	2,044.66	64.81%	57.96%
Total Capacity = 5,928 (M.T)				
During This Year Production = 3,841.98 (M.T)				
Percentage Of Production = 64.81%				

Total production capacity of Northern Jute Manufacturing Co. Ltd. Is 5,928 (M.T) but during this year they produced only 3,841.98 (M.T). It is 64.81% of total production capacity.

30.00 THE RELATED PARTY DISCLOSURES UNDER BAS - 24

Name of the related party	Relationship	Nature of transaction	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	181,111,540	-	179,151,139	1,960,401

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 422.

32.00 Proposal of dividend

The Board of Directors in its 140th Board Meeting recommended a Cash Dividend @ 5% to the Shareholders of the Company.

33.00 Contingent Liabilities

There is no contingent Liabilities of the Company as on June 30, 2016.

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, 2016.

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 36th Annual General Meeting (AGM) of the
 Company to be held on Sunday the 18th December, 2016 at 09.00 A.M.

As witness my hand this day of 2016

(Signature of the Proxy)

Revenue
Stamp
Tk: 20.00

Signature of the Shareholder(s)

Date:

Register Folio /BO No.....

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 16th November, 2016.

Northern Jute Manufacturing Company Limited

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

SHAREHOLDER'S ATTENDANCE SLIP

I/We hereby record my attendance at the Annual General Meeting of the
 2016.

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.

Registered Office

DH Tower, Level-14, 6 Panthapath, Dhaka-1215, Bangladesh
Tel: +88 02 55013506, Fax: +88 02 55013507
e-mail: info@northernjute.com, Web: www.northernjute.com

Factory

BSCIC Industrial Estate, Kushtia, Bangladesh
Tel: +88 071-61884-85