

# JUTE SPINNERS LIMITED

Head Office : House No. 67/A (New), Road No. 9A (New)  
Dhanmondi R/A, Dhaka-1209

## REPORT OF THE DIRECTORS

for the year ended 30th June 2015

Respected Shareholders,

The Directors have the pleasure in submitting their report and the audited accounts of the Company for the year ended 30th June 2015 together with the Auditor's Report thereon.

### FINANCIAL RESULTS AND APPROPRIATION

	(in million taka)	
	2015	2014
Revenue	550.01	493.30
Less : Cost of Goods Sold	(469.60)	(467.63)
Gross Profit	<b>80.41</b>	<b>25.67</b>
Less: Expenses	(105.12)	(103.83)
Profit/(Loss) from Operation	<b>(24.71)</b>	<b>(78.16)</b>
Other Income	0.21	0.47
	(24.50)	(77.69)
Less: Contribution to Workers Profit Participation/Welfare Funds	-	-
<b>Net Profit/(Loss) before tax</b>	<b>(24.50)</b>	<b>(77.69)</b>
Less: Income tax	(9.70)	(5.99)
Deferred Tax (Income)/Expenses	0.73	6.82
<b>Net Profit/(Loss) after tax</b>	<b>(33.47)</b>	<b>(76.86)</b>
The Directors recommended the following appropriations:		
Proposed dividend		
For 2015 NIL (in 2014 : NIL)	-	-
Retained earnings	<b>(33.47)</b>	<b>(76.86)</b>

### DIRECTOR

Mr. Muhammad Shams-ul Huda, Chairman & Mrs. Shahida Hossain, Director retire by rotation as per Articles 126 and 127 of the Articles of Association of the company and being eligible offer themselves for re-election.

### CORPORATE GOVERNANCE COMPLIANCE REPORT

In accordance with the requirement of the Securities and Exchange Commission, "Corporate Governance Status Compliance Report" is annexed.

### CORPORATE & FINANCIAL REPORTING

The Company has complied with all the requirements of Corporate Governance as required by the Securities and Exchange Commission. Accordingly the Directors are pleased to confirm the followings :

- The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the result of its operations, cash flow and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate Accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- The International Accounting Standards, as applicable in Bangladesh, have been followed in the preparation of the financial statements.
- The systems of internal control are sound and have been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- The key operating and financial data for the last five years is Annexed.
- DIVIDEND**  
The Board of Directors regrets that no recommendation for payment of any Dividend could be made due to the fact that the Company could not make profit for the year.
- The hanging cloud over the sky of international jute goods market has not yet moved away. Therefore, we are not assured that we could be able to overcome the rough situation in near future.

(j) **BOARD MEETING AND ATTENDANCE**

During the year, Twelve Board Meetings were held.  
The attendance record of the Directors is as follows :

<u>Name of Directors</u>	<u>Meeting attended</u>
Mr. Muhammad Shams-ul Huda	12
Mr. Muhammad Shams-uz Zoha	12
Mr. Muhammad Shams-ul Kadir	12
Mrs. Shahida Hossain	2
Mr. Harunur Rashid	12

(k) The pattern of shareholding is as follows :

<u>Namewise details</u>	<u>Share held</u>	
(i) Parent/Subsidiary/Associate companies and other related parties :	Nil	
(ii) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children :		
Late Mr. Muhammad Shams-ul Haque	Ex. Chairman	424,150
Mr. Muhammad Shams-ul Huda	Chairman	80,300
Mr. Muhammad Shams-uz Zoha	Managing Director & CEO	104,800
Mr. Muhammad Shams-ul Kadir	Director	34,000
Mrs. Shahida Hossain	Director	34,000
Chief Financial officer, spouse and minor children		Nil
Company Secretary, spouse and minor children		Nil
(iii) Executives		Nil
(iv) Shareholders holding ten percent (10%) or more voting in interest in the company		
Mrs. Hasina Begum		298,200
ICB Dhaka		256,390

(l) **Report of CEO & CFO :**

The report of the Managing Director & CEO and the Chief Financial Officer in respect of Financial Statements of the Company for the year ended 30th June, 2015 was discussed and accepted.

(m) **Report of Internal Audit Committee :**

The report of the Internal Audit Committee for the year ended 30th June, 2015 was discussed and accepted.

n. **Report of Chairman of Audit Committee :**

The report of the Chairman of the Internal Audit Committee addressing the respected Shareholders in respect of their performance for the year 2014-2015 was discussed and accepted for publishing in the 36th Annual Report 2014-2015.

## AUDITORS

M/S Shafiq Bashak & Co., Chartered Accountants, House - 42 (1st floor), Road - 1, Block - A, Niketon, Gulshan, Dhaka - 1212 will retire at this Annual General Meeting. New Auditors for the year 2015-2016 will be appointed at the 36th AGM.

### # Our Position on auditors Qualified opinion:-

(i) **Going Concern :**

Unfortunately, the Company is passing through a critical time due to dull international jute goods market which indicates clearly a material uncertainty in respect of going concern. But the management assured that the uncertainty will be removed very soon because the management is trying afresh to overcome the rough situation by all means. This year the company has succeeded in lessening the loss the company incurred during previous two years. We expect to explore new markets for the products of the company.

(ii) **Compliance of section 234(b) of Bangladesh Labour Law 2006 regarding WPPF :-**

The present balance in WPPF is carried over from previous years and the company is now taking effective measures to comply with the applicable laws.

(iii) **Interest on WPPF:-**

Interest has not been provided on WPPF during the year 2014-2015. However, steps are being taken to comply with all the legal requirement in respect of WPPF account.

On behalf of the Board,



**Muhammad Shams-ul Huda**

Chairman

25th October 2015

Dhaka.