

Store in Transit	Tk.	15,53,078.15
Miscellaneous Stock		6,98,850.71
Wastage Recovery	"	3,44,831.44

Taka : 4,36,78,803.13  
=====

Our itemwise comments on the above is given below :

a) Raw Cotton : Tk. 1,93,78,067.94

This consists of the following :

Raw Cotton Stock	3,35,338 lbs.	Tk.	79,93,086.10
Viscos	35,836 "	"	6,16,576.05
Raw Cotton in-Transit	919 "	"	1,06,06,660.70
Seed of Cotton		"	1,61,745.09

Taka : 1,93,78,067.94  
=====

This is as per ledger and as certified by the management of the mill. As regards the raw cotton-in-transit, out of 919 bales of raw cotton 618 bales have been received subsequently. One bale valued Tk. 13634.00 under contract No.26 was short received and claim has been lodged to BTMC vide letter No.ACC-26/Raw cotton/82/453/2025 dated 22.12.82 but the balance remain unadjusted. The stock of raw cotton have been value by the management at cost. Management used to charge interest on the value of closing stock of raw cotton in a separate head.

b) WORK-IN-PROCESS : TK. 73,19,029.40

This is made up as under :-

Cotton in Process	1,09,332.00 lbs	Tk.	25,33,847.85
Weaving(Yarn)	47,789.97 lbs	"	24,13,535.64
Weaving(Cloth)	49,706.00 Yds	"	5,26,115.62
Cloth Processing & Finishing	2,14,454.25 "	"	18,45,530.29

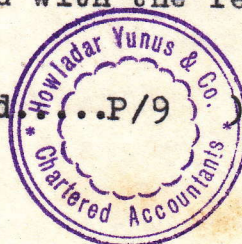
Taka : 73,19,029.40  
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Physical inventory was taken by the department concerned on 30.6.82. We have been supplied the closing statement from the respective department and it has been checked with the related books and registers.

For Ahmed Textile Mills Ltd

*[Signature]*  
General Manager

( Contd.





Work-in-Process as on 30-6-1982 has been valued by the mill management at materials cost Plus conversion cost upto previous process.

c) Finished-Goods : Tk. 39,13,036.13

The balance has been arrived at as follows :

Yarn	59,300.00 lbs	Tk.	30,03,910.00
Cloth (Fresh)	8,794.50 Yds		1,17,474.00
Cloth(Defective) & Cut Piece)	66,817.00 Yds		7,91,652.13
		Taka :	<u>39,13,036.13</u>

We have taken physical inventory on test basis on 17th January, 1983 and the balance agreed between the physical inventory and stock register.

Finished goods have been valued at Selling price being lower of cost price.

d) Store & Spares : Tk. 1,04,71,909.36

Itemwise break up of the above amount is given below :-

Construction Materials	Tk.	6,85,501.96
Iron & Steel Store	"	3,29,093.70
Pipe, Tubes & Fittings	"	85,067.89
Re-Factories		18,901.47
Fuel & Lubricant		1,74,313.20
Raw Materials		23,13,378.51
Paint & Varnish		1,50,209.96
General Hand Ware	"	11,425.85
Loose Tools		13,811.05
Domestic Equipment		13,463.41
Furniture & Fixture		16,694.85
Packing Materials		1,92,063.04
Chemical & Lubricant		33,285.07
Machanical Equipment		57,85,242.75
Electrical Equipment		6,13,526.92
Office Equipment		320.00
Miscellaneous Stock		35,609.73
		<u>1,04,71,909.36</u>

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for Ainal Textile Mills Ltd  
General Manager



This is as per ledger. No physical inventory has been carried out since 30th June, 1981. However, there is no reconciliation between financial ledger and stock register. We also failed to reconcile as the store ledgers were not upto date. Closing stock of stores & spares have been valued mainly at cost price. But while verifying the store ledger we found that a huge number of items included above were without value and the same were issued at nil value during the year under review. For a ready reference we may furnish the following examples :-

<u>Group :</u>	<u>Name of the Spare Parts :</u>	<u>Quantity :</u>	<u>Value :</u>
8-5-50	Cot with Bolt Nut	740 Pcs.	Not shown
17-5-8	Thread Pressure Washer	220 "	- do -
17-8-12	Nut for side lever S.Bolt	425 "	- do -
13-3-41	80s Teikel Shift (B'	352 "	- do -
17-28-15	Synthetic Rubber Cots	390 "	- do -

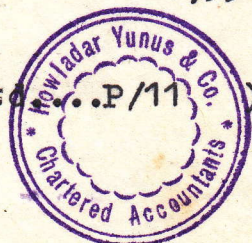
Overheads like insurance, carrying charges etc. were not included in cost of stores but directly charged under separate heads.

e) Stores-in-Transit : Tk.15,53,078.15

Details of the above accounts are given below :

<u>Contract No.</u>	<u>Date :</u>	<u>Payment :</u>	<u>Remarks :</u>
C.T.147(f)	30-6-82	1,34,786.00	No adjustment was made subsequently.
C.T.16	30-12-81	1,84,069.00	- do -
C.T.160	30-6-82	16,804.00	- do -
C.T.155	- do -	10,746.00	- do -
C.T.168	- do -	47,163.27	- do -
C.T.163	- do -	37,678.80	- do -
C.T.145	- do -	1,70,718.00	- do -
C.T.157	- do -	81,108.00	- do -
C.T.22	30-6-81	7,250.00	Old balance
C.T.11	30-6-79	71,232.96	- do -
C.T.12	- do -	37,242.22	- do -
C.T.10	24-6-79	21,952.93	- do -
C.T.9	26-6-79	20,532.00	- do -

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for Alhaj Textile Mills Ltd

General Manager



CT No.PB/MATI/L/310-314/81	30.12.81	5,771.00	Subsiquently adjusted
LC.No.IMI-1MP-XMR			
23.4.7 & 8	31.3.79	45,366.99	A disputed case
CT-13	24.3.80	10,138.98	Adjusted.
<del>LC No</del>			
CT-138	28.1.82	26,231.00	Adjusted.
LC.CT No.15,16,17,18 & 19.	30.12.81	3,68,500.00	Partly adjusted.
CT.18	- do -	1,40,111.00	Not adjusted
CT.15	- do -	867.00	- do -
CT.17	- do -	65,480.00	- do -
CT.19	- do -	47,991.00	- do -
Desh Seba Ltd.	31.3.79	1,338.00	It is an advance against survey fee

Taka : 15,53,078.15

f) Miscellaneous Stock : Tk. 6,98,850.71

This is made up as follows :

Stock of Cloth(Coffine)	Tk.	2,909.52
Stock at Electric Section	"	34,788.51
Stock at Construction Dept.		4,00,634.69
Stock at Workshop Dept.		43,245.55
Stock at Cotton Extension Dept.		8,450.41
Stock at Dyeing Dept.Chemicals		55,904.26
- do - Deyes		1,52,917.77

Taka : 6,98,850.71

All the above stock were as per book and as valued & certified by the management.

g) Waste Cotton : Tk.3,44,831.44

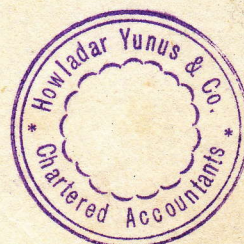
This is arrived at as under :

Balance as on 1.7.1981	Tk.	6,19,598.56
Add:Recovery during the year		<u>2,12,597.26</u>
		8,32,195.82
Less:Sold during the year		<u>4,87,364.38</u>
		<u><u>3,44,831.44</u></u>

for Alhaj Textile Mills Ltd

*[Signature]*

General Manager





While verifying the sales statement produced to us by the concerned department we found a difference of Tk.75,652.15 in aggregate between the financial ledger and sales register. However, the above difference has subsequently been adjusted.

2.40(ii) Book Debts : Tk.63,17,206.17

This consists of :

Trade debtors	Tk.	1,34,506.82
Sundry Debtors		61,82,699.35
		<u>63,17,206.17</u>
		=====

(a) TRADE DEBTORS : TK. 1,34,506.82

This has been arrived at as follows :

James Finlay & Co.	Tk.	13,981.82
Al-Haj Jute Mills Ltd. (Sharishabari)		325.00
Bangladesh Kapok Mills(Ctg.)		20,000.00
Trading Corporation of Bangladesh		1,00,200.00
	Taka :	<u>1,34,506.82</u>
		=====

Included in the above an amount of Tk.1,20,525.00 has been brought forward since 1973-74 and is considered doubtful of recovery.

(b) SUNDRY DEBTORS : TK.61,82,699.35

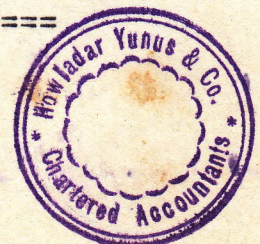
This is made up as follows :

BTMC Sales and display centre	Tk.	39,72,065.09
Loan to Project	"	19,37,192.21
Insurance Claim	"	1,19,965.44
Other Advances		55,623.47
Novocel Processing		5,907.00
Advance against cotton cultivation		28,976.62
Advance against cotton <del>on</del> <del>the</del> <del>basis</del> <del>of</del> <del>the</del> <del>same</del> <del>kind</del> <del>as</del> <del>the</del> <del>above</del> <del>mentioned</del> <del>one</del>		45,644.29
Seed Purchase		
ATM Employees Worker's contributory Provident Fund		<u>17,325.23</u>
	Taka :	<u>61,82,699.35</u>
		=====

For Alhaj Textile Mills Ltd



General Manager





(i) BTMC Sales and display centre : Tk. 39,72,065.09

On verification of the schedule of individual balance with each centre it was found that there is a credit balance for Tk.28,518.13 with Sales & Display Centre of ~~Bakara~~ Bangladesh Textile Mills Corporation for which detailed information is necessary. Besides this, we did not get any proper clarification about a large number of ~~credit~~ credit balances with various sales and display centre under BTMC. The balances of Sales & display centre at Comilla, Chittagong, Dhaka New Market, Dhaka exhibition Tarkey & Bashurhat have been carried forward from last years accounts.

(ii) LOAN TO PROJECT TK. 19,37,192.21

This is made up as follows :

Loan to Project	Tk.	34,12,255.15
Less: Loan from Project		14,75,062.94
Taka :		<u>19,37,192.21</u>
		=====

This represents debit and credit balances with the Sister concern of Al-Haj Textile Mills Ltd. we have been produced a schedule of the above and checked it with the respective ledger. Individual balances remained unconfirmed.

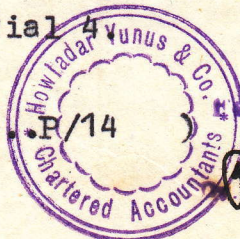
(iii) INSURANCE CLAIM : TK. 1,19,965.44

The break-up of the above ~~are~~ is as follows :

1. C.B.R.CC.No.PM/99/74	Tk.	3,703.79
2. Short received of Raw Cotton(9Mds.9 Shear)		5,416.68
3. Fire on 1-6-75		2,676.14
4. Fire on 7-2-80(Simplex Machine No.9 of Mill No.2)		<u>1,08,168.83</u>
Taka :		<u>1,19,965.44</u>
		=====

This is as per last account. No. paper and documents was available in respect of claims for Serial No.1,2 & 3 which was pointed out in last years report. It was observed that correspondence is going on between ATM Ltd. and Sadharan Bima Corporation for final Settlement regarding Simplex Machine under Serial 4

( Contd... P/14 )



for Alhaj Textile Mills Ltd

General Manager



(iv) OTHER ADVANCE: TK.55,623.47

This has been arrived at as follows :

Consociate Ltd.Dhaka	Tk.	53,899.69
Shamin Enterprise		908.08
Eastern Traders		636.00
Rajshahi Medical College		179.70

Taka : 55,623.47  
=====

During the course of our verification it was found that the balance with the consociate Ltd.Shamin Enterprise and Eastern Traders have been carried forward from last year accounts.Out of the above an amount of Tk.1723.76 is considered doubtful for recovery.

(v) NOVOCEL PROCESSING : TK.5,907.00

This is as per last account.The new department was started for processing Novocel as per Govt.directives vide letter No.BTMC/ Prod-20(1)752 dated 27-5-80 and the programme was stopped during the year 1980-81 though it was pointed out in last years report to write it off but no action has yet been taken by the management.

(vi) ADVANCE AGAINST COTTON CULTIVATION: TK. 28,976.62

Advance was given to cultivators against cotton cultivation.We were given to understand that the above balance will be transferred to Rajshahi Textile Mills Ltd.in mutual agreement between Al-Haj Textile Mills Ltd.and BTMC.We have verified the schedule of the above and found a credit balance for Tk.253.28 with the respective cotton growers which should be adjusted immediately.

(vii) ADVANCE AGAINST COTTON SEED PURCHASE: TK.45,644.29

This is as follows :

Seeds purchase centure :

(i) Tabunia	Tk.	34,454.86
(ii) Ullapara		13.00
(iii) Ishurdi		4,006.12
(iv) Dashuria		4,990.00
(v) Ataikula		1,500.00
(vi) Bharamara		1,700.00
(vii) Pragpur		(2,167.13)
(viii) Allahardarga		1,147.44

Taka : 45,644.29  
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For Alhaj Textile Mills Ltd

*[Signature]*

General Manager





The above amount was advanced to various cotton seeds purchasing centre out of which the balances with tabunia and Ishurdi, Centres have subsequently been adjusted and the rest amount is yet to be adjusted.

2.40(iii) ADVANCE, DEPOSITS AND PREPAYMENTS: TK. 34,38,346.58

This consists of :

Advance Tk. 32,21,501.83

Deposits - 99,749.27

Prepayments 1,17,095.48

Taka : 34,38,346.58  
=====

(a) ADVANCE: TK. 32,21,501.83

This is as follows :

Advance against Salary & Wages Tk. 9,01,971.18

Advance against TA/DA 18,359.01

Advance against purchases 56,375.71

Advance payment of Company Income Tax 15,57,263.00

Advance to Sales and display centre 79,684.22

other Advance 6,07,848.71

Taka : 32,21,501.83  
=====

(ii) ADVANCE AGAINST SALARY AND WAGES: TK. 9,01,971.18

No schedule was made available to us for our verification.

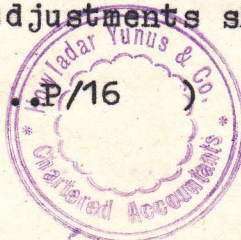
(iii) ADVANCE AGAINST TA/DA : TK. 18,359.01

A schedule has been produced to us for our verification. It was found that adjustments are being made but not satisfactory. Necessary adjustments are required for those officers and Staff who have been transferred to other mills and BTMC, Head Office.

(iii) ADVANCE AGAINST PURCHASE : TK. 56,375.71

Advance was given to some authorised officers and Staff of ATM Ltd. against various purchases. On our verification it was observed that amount of Tk. 18,924.00 and 18,948.80 were realisable from Mr. Saidur Rahman, Purchase Asstt. and Mr. Mazibur Rahman, purchase Asstt. who have been transferred to other Mill and Store department of ATM Ltd. respectively. Necessary adjustments should be made therefor :

( Contd....P/16 )



for Alhaj Textile Mills Ltd

*[Signature]*

General Manager



(iv) ADVANCE PAYMENT OF COMPANY INCOME TAX : TK.15,57,263.00

This is as per last account.No.income tax was paid during the year under audit owing to incurrance of loss.

(v) ADVANCE TO SALES AND DISPLAY CENTRE: TK. 79,684.22

This has been arrived at as follows :

	4,197.82	
Chatmohar S & D Centre	Tk. <del>79,684.22</del>	
Paksey - do -	21,038.48	
Ishurdi - do -	24,804.63	
Pabna - do -	29,643.29	
	<u>Taka : 79,684.22</u>	=====

(vi) OTHER ADVANCE : TK. 6,07,848.71

Out of the above an amount of Tk.1,06,449.84 has been carried forward from last year account; We were given to understand that Tk.20,030.24 was due from some officers and s taff who are no more in this concern. In our opinion,the above outstanding balance should be adjusted/ realised immediately.

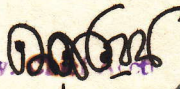
(b) DEPOSITS: TK. 99,749.27

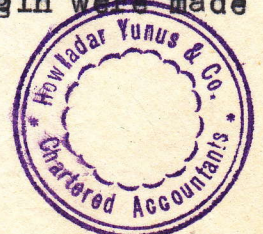
This consists of :

Custom Deposits		Tk. 41,020.77
L/C Margin		
AGB/UK/8-12/113	403.00	
AGB/UK/8-12/114	<u>361.50</u>	764.50
Security deposits against .		
Custom excise	4,000.00	
Telephone	2,700.00	
Oxyzen Cylender	<u>2,000.00</u>	8,700.00
Bank Guarantee		10,250.00
Earnest Money Deposits		
(E.P.M.)Setabgonj Sugar Mills		<u>39,014.00</u>
	<u>Taka : 99,749.27</u>	=====

Included in the above Tk.49,264.00 was deposited in respect of Bank Gurantee and Earnest Money which have been carried forward since 1972-73.No papers and documents in respect of L/c Margin were made ~~make~~ made available to us for our verification.

for Alhaj Textile Mills Ltd

  
General Manager





(c) PREPAYMENT: TK. 1,17,095.48

During the year under audit insurance premium was paid for Tk.3,15,282.27 out of which an amount of Tk.1,17,095.48 was paid as advance and to be adjusted in the subsequent period.

2.40(iv) CASH AND BANK BALANCES: TK. 30,882.74

This is as follows :

Cash at Bank	Tk.	8,482.74
Cash in Hand		22,400.00
Taka :		<u>30,882.74</u>
		=====

(a) CASH AT BANK : TK.8,482.74

This consists of :

Pubali Bank, Ishurdi, A/c.No.520	Tk.	571.00
Sonali Bank, Pabna, A-103-751		3.35
Pubali Bank, Dhaka A/c.2873		988.39
<del>Sonali</del> Bank, Ishurdi A/c.No.1193		1,000.00
Demonatise Notes		6,000.00
Taka :		<u>8,482.74</u>
		=====

All the bank accounts are inoperative except amount with Pubali Bank, Dhaka. Bank's confirmation certificate of Pubali Bank, Dhaka was made available to us for verification.

As already pointed out in last year's report that demonitised notes was deposited to Pubali Bank (Eastern Mercantile Bank Ltd.) Pabna on 8.6.71 under MLR No.81 payment of exchange value of Notes was allowed by the Chairman of the Committee formed under MLR No.81-A Chittagong vide memo No-XAT-IV/33988 dated 7-12-71. But the Company could not withdraw the amount because the said order was not available at Pabna before due date. The amount also seems to be doubtful of recovery. But the balance remain unadjusted.

(b) CASH IN HAND : TK.22,400.00

The break-up of the balance is as follows :

Petty Cash	Tk.	20,000.00
Postage Imprest		300.00
Purchase imprest		1,500.00
BTMC SVD Centre :		
Pabna		300.00
Ishurdi		300.00
		<u>600.00</u>

22,400.00

For Akhai Textile Mills Ltd

General Manager

