



## PRICE SENSITIVE INFORMATION

This is for kind information of all concerned that the Board of Directors of the company in its 98<sup>th</sup> Meeting held on Sunday, 27<sup>th</sup> day of October 2024 at 3.00 p.m. has decided to declare and recommend the following proposals for approval of the shareholders in the 17<sup>th</sup> Annual General Meeting of the Company while considering Audited Financial Statements for the year ended 30 June 2024:

### 1. Declaration of Key Financial Performances:

Sl No.	Particulars	Jul 2023 to Jun 2024	Jul 2022 to Jun 2023
1.	Earnings Per Share (EPS)	(1.08)	0.13
2.	Net Operating Cash Flow Per Share (NOCFPS)	(0.04)	0.08
3.	Net Asset Value (NAV) per share	3.96	5.10

- Date, Time and Venue of 17<sup>th</sup> Annual General Meeting:** Sunday, December 29, 2024 at 9.00 a.m. Venue: The Dhanmondi Party Centre, House #107, Road # 9/A, Dhanmondi, Dhaka – 1209 and Digital Platform.
- Record Date for 17<sup>th</sup> Annual General Meeting:** Thursday, November 21, 2024.
- Recommended dividend:** Nil
- Auditor's Qualified Opinion:**

1. The financial statement showing Trade & Other Receivable Tk. 153,755,782 on 30 June 2024 which includes receivables of Tk. 105,510,279 has been lying to 16 customers since 2020-21. Balance of receivables from those customers on 30 June 2023 had shown Tk. 360,523,513 against which provision for bad debts had been made Tk. 285,797,060 as on that date. During the year under audit an amount of Tk. 255,013,234 has been written off out of the amount of bad debts provision Tk. 285,797,060 and carrying forward bad debts provision Tk. 30,783,826 considering those as doubtful by the management. In addition to that, another amount of Tk. 74,726,453 has been treated as bad debts provision since the management cast significant doubt on realization of those amount, which has mounted up the amount of bad debts provisions to Tk. 105,510,279 again as on 30 June 2024. During the course of our audit, those customers have not also responded to our letters to confirm the year-end balance. We were also not provided with sufficient and appropriate information and documents or audit evidence to satisfy ourselves in providing our opinion, and conclude that, there are no undetected material misstatements in the financial statement in this regard using alternative approach, which are strengthening us to belief that, the probability of realizing the amount of receivable is very remote.

2. The financial statement exhibits Gross Sales Revenue (Including VAT) Tk. 547,678,911 as shown in the note # 23.00 and Trade Receivable of Tk. 153,755,782 note # 6.00, which indicates realization of Tk. 539,742,685 during the year, whereas bank statement produced to us by the company shows deposits of Tk. 140,549,334 only in company's bank accounts out of sales during the year under audit. Balance of Tk. 399,193,351 has been shown as recovery in cash and adjustment against purchase from M/S Dhaka Enterprise the only agent/buyer as well as supplier of the company. We were also unable to obtain sufficient appropriate audit evidence to satisfy ourselves to provide our opinion, and conclude that there is no undetected material misstatement in the financial statement in this regard.



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3. Based on our analysis of the operating results and financial position reflected in the financial statements cast significant uncertainty over the going concern of the entity, though the management of the company has prepared the financial statement using going concern concept as stated under note # 2.01 due to the following:

- a) The company is suffering from working capital crisis and incapacity of paying the loans, utility bills and payable regularly for which bank loan has become classified yet after rescheduling of those on multiple times. Moreover, the operational activities are also interrupting due to the supply chain disruption, which has laid down the company's dependency on single agent and supplier in local market.
- b) Gross profit of the company has been dropped down to (2)% during the year 2023-24 as reflected in the Statement of Profit or Loss & Other Comprehensive income from 6% as was at the end of the year 2022-23 for which the company incurred Net Loss after Tax Tk. 122,997,466 against Net Profit after Tax of Tk. 15,355,447 earned during the year 2022-23, which has dropped down EPS to Tk. (1.08) from Tk 0.13. Moreover, Accumulated Loss of the company is mounting up as reflecting in the Statement of Financial Position. Accumulated Loss (Retained Earnings) as on 30 June 2024 has been increased to Tk. 851,834,921 from the Accumulated Loss of Tk. 721,633,803 as on 30 June 2023, which has dragged down NAV Per Share to Tk. 3.96 from Tk. 5.10.

All those have ultimately created going concern threats to the company but we were not provided with any written management plan ensuring operational viability of the company and effectuate that.

**Matter of Emphasis:**

1. The company have not yet introduced employee provident fund as per guideline of Bangladesh Labour Laws/Rules 2015. As such no provision have been made for this purpose, which is a non-compliance and misstatement in the financial statement.
2. Income Tax Returns have not yet submitted from the accounting year 2016-17 to 2021-22, which is a non-compliance with the Income Tax Ordinance 1984 and Income Tax Act -2023. Our opinion is to ensure compliance with all related laws, rules and regulations to avoid any risk of the entity.

By order of the Board of Directors

Md. Mohin Uddin  
Company Secretary

Date: October 27, 2024