



Corporate Office:

House No # 59/A, Road No # 12/A (6th & 7th floor)
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PRICE SENSITIVE INFORMATION

This is for kind information of all concerned that the Board of Directors of the company in its 88th Meeting held on Tuesday, the 1st November 2022 at 3.00 p.m. has decided to declare and recommend the following proposals for approval of the shareholders in the 15th Annual General Meeting of the Company while considering Audited Financial Statements for the year ended 30 June 2022:

1. Declaration of Key Financial Performances:

Sl No.	Particulars	As on 30.06.2022	As on 30.06.2021
1.	NAV per share	4.97	6.25
3.	EPS	(1.28)	(2.52)
5.	NOCFPS	0.06	0.43

2. **Date, Time and Venue of 15th Annual General Meeting:** Monday, December 26, 2022 at 9.00 a.m.
Venue: Digital Platform.

3. **Record Date for 15th Annual General Meeting:** Thursday, November 24, 2022.

4. **Recommended dividend:** Nil

5. Auditor's Qualified Opinion:

1. The financial statement shows Property Plant and Equipment, and Work in Progress TK 628,339,704 which includes addition during the year to Property, Plant and Equipment Tk. 56,439,225 transferred from Capital Work in Progress and new addition of Tk. 11,400,000 to Capital Work in Progress. Acquisition of those assets were recognized through payment in cash and/or through bank also on adjustment with receivables. We found that only Tk 8,975,000 has been paid through bank and Tk. 23,411,317 has shown as unpaid liabilities to M/S Dhaka Enterprise and rest of the amount has shown as adjustment against sales/receivable without deducting AIT and VAT, which is a violation of Income Tax Ordinance 1984, section 30 (m) and section 48. Beside this Dhaka Enterprise is not any reputed machinery manufacturer or supplier from whom the company acquires machinery of Tk. 50,900,000, without following as standard purchase procedure. 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 misstatements in the financial statement in this regard.

2. The financial statement shows Trade & Other Receivable Tk. 369,985,513 on 30 June 2022 and realization of Tk. 372,304,930 during the year whereas bank statement produced to us by the company shows only Tk. 82,056,356 were deposited in the bank during the year under audit. We have received no response from the customers/parties to confirm the yearend balance shown in the financial statement despite our written approach to them for confirmation. Whereas the company has made an amount of Tk.83,440,705 Provision for Bad Debts in addition to 202,356,355 provision made earlier. We were also unable to obtain sufficient appropriate audit evidence to satisfy ourselves to provide our opinion, and conclude that there are no undetected material misstatements in the financial statement in this regard.

3. The financial statement exhibits Sales Revenue (Net off VAT) Tk. 337,577,733 as Shown in the note # 24.00 and note # 6.00, which has been recognized by realizing through cash, bank and adjustment with suppliers bills as stated by the management of the company, out of that total Tk. 82,056,356 were only deposited in the bank. The balance amount was cash received and adjusted against purchase from M/S Dhaka Enterprise the lone customer as well as supplier of the company but we were also unable to obtain sufficient appropriate audit evidence to satisfy ourselves to provide our opinion, and conclude that there are no undetected material misstatements in the financial statement in this regard. This is for your kind information and record of all concerned.



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4. The financial statement shows an amount of Tk. 137,524,422 loss on fire by virtue of damage of Property Plant & Equipment and damage of Inventory in the year 2020-21 without considering any claim receivable from insurance company. During our verification we found that the company had a fire insurance policy of only Tk. 100,000,000 instead book value of Building, Machinery Tk 451,924,490 and Inventory Tk. 82,474,124 Total Tk. 534,398,614 we were also unable to obtain sufficient appropriate audit evidence to satisfy ourselves to provide our opinion, and conclude that there are no undetected material misstatements in the financial statement in this regard.

Matter of Emphasis:

1. We found that the company is submitting the VAT Returns, Mushak 9.1 showing only the Qty of Sales without disclosing the sale value, though the company is paying VAT on the sales as per relate VAT rule without showing wastage sales therein. We were also informed that has not yet submitted Income Tax Return from the accounting year 2016-17 to 2020-21.

2. To the best of our understand the company is suffering from working capital crisis which has laid down the company's dependency on single customer and supplier, dependency on local market, inability in reestablishing damaged machinery after the fire incidence on 21 January 2021 to regain the production capacity. All those have ultimately created going concern threats to the company though the management of the company has prepared the Financial Statement of the company considering it as a going concern and fully functional as stated in note # 2.01, but we have provided with any management plan to effectuate and ensuring this.

By order of the Board of Directors

Md. Mohin Uddin
Company Secretary

Date: November 1, 2022