

## DIRECTORS' REPORT

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Bismillahir Rahmanir Rahim  
Honorable Shareholders,

This year has been an important milestone for KDS Accessories. In 2021, we are celebrating 30 years of our operation .

On behalf of the Board of Directors of your company and from my own behalf, I would like to appreciate all of you for your all-out cooperation and contribution towards the 30th Anniversary of your company.

Now I take the opportunity to present the report of the Board of Directors together with the audited financial statements for the year ended on 30 June 2021 before all of you.

### OUR BUSINESS

Manufacturing all types of Garment Accessories – Corrugated Carton, Button, Soft Line Printing Products (Label, Elastics, Offset Printing), Hanger and Gum Tape. Our products are supplied to major retailers like Wal-Mart, Tesco and Decathlon to name few of many others.

### OVERVIEW 2020-2021

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2020 to 30 June 2021. Among others, the major areas, of our business in last year were:

#### *Revenue:*

Despite of many disruptions in supply chain and also resurgence of COVID-19 with more infections, we achieved a positive revenue trend than last year.

This year (2020-2021) our revenue has been increased by 15.38% than last year.

#### *Cost & Price Impact:*

The rise in the price of raw materials like paper has made it difficult to access raw material for packaging purposes coupled with shortage of shipping containers across the globe. These two major cost components have increased in unprecedented ways but increase of selling prices couldn't be imposed in same trend.

Despite of this challenges in global supply chain we sustained the higher net profit margin than last year .

#### *Development*

As declared, this year we have completed the finishing line automation of our corrugated packaging at Unit -2.

We are continually market innovation and investing to ensure that we are well positioned for continued long -term growth.

### INDUSTRY OUTLOOK

Garment industry has always been showing the need for different and attractive packaging.

Over the first half of FY21, factories reopened and exports rebounded. However, the economy faces elevated risks in the context of the ongoing COVID-19 pandemic.

Our prediction is that consumer economy, at least in the next 1/ 2 years, will perform better than the ongoing situation, we assume that rollout of Covid vaccine at mass level across the globe will results in positive business trend and with our strong base and innovation we will outperform in better ways in the coming year.

## SEGMENT & PRODUCTS' PERFORMANCE

### Operational Performance

Particulars	Unit	Production Capacity	01 July 2020 to 30 June 2021		Production Capacity	01 July 2019 to 30 June 2020	
			Actual Production	Capacity Utilization in (%)		Actual Production	Capacity Utilization in (%)
Carton	Pcs	30,000,000	19,370,444	64.57%	30,000,000	21,187,785	70.63%
Label	Pcs	175,964,208	51,629,786	29.34%	175,964,208	59,755,814	33.96%
Elastic & Narrow Fabrics	Pcs	30,576,000	19,654,644	64.28%	30,576,000	14,755,712	48.26%
Offset Printing	Pcs	150,009,600	48,958,885	32.64%	150,009,600	71,584,246	47.72%
Heat Transfer Printing	Pcs	24,960,000	2,805,001	11.24%	24,960,000	8,665,093	34.72%
Button	GG	360,000	108,741	30.21%	360,000	168,160	46.71%
Gum Tape	Pcs	4,290,000	819,877	19.11%	4,290,000	568,329	13.25%
Hanger	Pcs	45,000,000	20,484,620	45.52%	45,000,000	18,776,312	41.73%

\* For calculation of capacity utilization, weighted average of actual production capacity of each product has been considered.

### Product wise Revenue

Particulars	01 July 2020 to 30 June 2021		01 July 2019 to 30 June 2020	
	Contribution to total Revenue		Contribution to total Revenue	
	In Taka	In (%)	In Taka	In (%)
Carton	1,796,248,794	80.99%	1,484,990,358	77.25%
Label	35,148,254	1.58%	50,552,893	2.63%
Elastic & Narrow Fabrics	124,863,478	5.63%	92,827,620	4.83%
Offset Printing	50,449,758	2.27%	69,152,318	3.60%
Heat Transfer Printing	2,267,272	0.10%	11,199,192	0.58%
Button	63,324,387	2.86%	94,262,159	4.90%
Gum Tape	36,168,494	1.63%	25,656,397	1.33%
Hanger	109,472,215	4.94%	93,685,972	4.87%
<b>Total</b>	<b>2,217,942,652</b>	<b>100.00%</b>	<b>1,922,326,909</b>	<b>100.00%</b>

### Last 5 Years' Key Operating and Financial Performances:

Particulars	Amount in BDT.				
	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
Revenue	2,217,942,652	1,922,326,909	2,302,159,637	2,070,885,808	1,585,937,175
Gross Profit	424,624,094	422,675,837	418,004,019	377,208,994	333,360,520
Profit Before WPPF & Taxes	185,868,514	181,463,361	180,605,877	169,628,231	157,074,315
Net Profit After WPPF & Taxes	156,945,148	144,679,379	138,440,217	132,984,828	125,588,351
Earning Per Share (EPS)	2.20	2.03	1.94	1.87	1.76
Share Holder's Equity	1,761,810,181	1,654,527,148	1,572,910,769	1,494,530,552	1,418,745,724
Current Liabilities	1,820,561,156	1,510,242,105	1,417,325,234	2,012,391,304	1,347,796,367
Non-Current Liabilities	179,267,520	146,125,621	287,926,972	224,059,577	278,679,562
Addition to Fixed Assests & CWIP	154,890,122	13,830,563	35,179,286	98,940,650	169,045,295
NAV Per Share	24.75	24.99	24.94	24.88	24.80
Net Operating Cash Flow Per Share (NOCFPS)	6.58	8.12	2.02	3.08	2.81

## RISK AND CONCERNS

Board of Directors reviews the risk management practices and actions deployed by the Management with respect to identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives.

A detailed report on Risk & Concerns are given in *Annexure-J, Page: 84-85*.

## ANALYSIS COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

(Refer to *Annexure-D, Page No: 75-77*).

## EXTRA-ORDINARY GAIN / (LOSS)

There is no extraordinary gain or loss occurred during the reporting period.

## RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements in Note 38 and in *Annexure-G, Page: 81* in accordance with relevant International Accounting Standards (IAS).

## UTILIZATION OF PROCEEDS RAISED THROUGH PUBLIC ISSUES, RIGHTS ISSUES AND/OR ANY OTHER INSTRUMENTS

Initial Public offering (IPO) of KDS Accessories Limited was made in 2015 and the fund raised thereby has already been utilized as per purposes stated in the prospectus and reported to the regulators.

No other issues of any instrument including right share was made during the year.

## EXPLANATION IF THE FINANCIAL RESULTS DETERIORATE AFTER THE COMPANY GOES FOR INITIAL PUBLIC OFFERING (IPO), REPEAT PUBLIC OFFERING (RPO), RIGHTS SHARE OFFER, DIRECT LISTING

KDS Accessories Limited went for IPO in 2015 and after that the company didn't not raise any fund by any sort of offerings up to 2020-21. Moreover, the financial results have improved during the year under review. Therefore, no explanation is required in this connection.

## SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND PERIOD ENDED REPORT

There was no significant difference between quarterly performance and overall period ended

performance of the Company except the adjustment for the investment in associates due to discontinuation of equity method which is explained in the section of Associate Company of this report.

## DIRECTORS REMUNERATION

Directors of KDSAL don't enjoy any facilities in the name of remuneration, bonus or any other form except the Managing Director for his direct participation to Company's day to day operations. Managing Director enjoys remuneration and festival bonus for his contribution to the Company which are as under:

Name	Amount In Taka
Mr. Khalilur Rahman, Chairman	-
Mr. Salim Rahman, Managing Director	2,400,000
Ms. Tahsina Rahman, Director	-
KDS Garment Industries Ltd., Director Represented by-Mr. Kamrul Hasan FCA	-
Mr. Muhammad Jamaluddin, Independent Director	-
Total	

## INTERNAL CONTROL SYSTEM

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Board.

## MINORITY SHAREHOLDERS' PROTECTION

The Board is and shall be committed to respect the rights of the minority shareholders to voting, right to information, dividends and appraisal of any alteration in Memorandum and Articles.

## GOING CONCERN

The Directors consider that the Company has adequate resources to remain in operation for the foreseeable future and has therefore continued to adopt the going concern basis in preparing the financial statements.

## SIGNIFICANT DEVIATION IN OPERATING RESULTS COMPARED TO PREVIOUS PERIOD

There is no such deviation in operating results compared to the previous period.

### DIVIDEND

Board of Directors has approved the Dividend Distribution Policy as per directive of Bangladesh Securities and Exchange Commission and based on this, our policy is to offer consistent dividends that closely reflect business performance. As announced by the Company on 25 October 2021, the Board has recommended dividend for all shareholders 15% Cash in respect of the year ended on 30 June 2021 which will be paid after approval in the Annual General Meeting of the Company as per respective shareholding position on record date i.e. on 21 November 2021. Dividend Distribution Policy and summary of Unclaimed Dividend have been disclosed in *Page: 93 & 94*.

Board of Directors confirm that no bonus share or stock dividend has been declared as interim dividend.

### BOARD OF DIRECTORS

#### *i) Structure and size of the Board*

On 30 June 2021, there were 5 members on the Board of the Company. The Board comprises Chairman, Managing Director, Two Directors and One Independent Director.

#### *ii) Status of Companies in which Directors also hold Directorship*

An Annexure is attached to this report on the status of Companies in which Directors are also hold Directorship. Annexure-I, Page: 83.

#### *iii) Director's Retirement And Re-election*

In accordance with the Articles of Association of the Company, one third of the total number of Directors is to retire by rotation in every year. In the forthcoming Annual General Meeting the following two Directors will retire and being eligible, offer themselves for re-appointment:

- i) Mr. Khalilur Rahman
- ii) Ms. Tahsina Rahman

Board of Directors' in its meeting held on 25 October 2021 proposed their appointment. The brief bio-data of the said Directors are enclosed herewith in the section of Director's Profile in *Page: 36 & 39*.

#### *iv) Board Meeting and Attendance*

During the reporting period the Board met 6 times. The attendance record of the Directors is as follows:

Name & Position	No. of Meeting	Attendance
Mr. Khalilur Rahman Chairman	04	04
Mr. Salim Rahman Managing Director	04	04
Ms. Tahsina Rahman Director	04	04
KDS Garment Industries Ltd. Represented by-Mr. Kamrul Hasan FCA Director	04	04
Mr. Muhammad Jamaluddin Independent Director	04	04

### APPOINTMENT OF INDEPENDENT DIRECTOR

In compliance with Corporate Governance Code of Bangladesh Securities & Exchange Commission Notification No: SEC/CMRRCD/2006-158/207/AD-MIN/80 Dated 3rd June 2018, the tenure of office of Mr. Muhammad Jamaluddin as Independent Director of the company expired on 3 August, 2021. Since he has completed 6 years in two terms, he is not eligible for reappointment. The Board of Directors of the company in its 135th Meeting held on 24 August 2021 has taken decision to appoint Professor Mr. Sarwar Jahan as Independent Director of the Company for next 3 (Three) years subject to approval by shareholders in 30th Annual General Meeting (AGM). Short-bio data of Professor Mr. Sarwar Jahan is given herewith in the section of Director's Profile. *Page: 40*.

### SHAREHOLDING PATTERN

(Refer to *Annexure-H, Page No:81*)

### DIRECTORS' INVOLVMENT IN OTHER BUSINESS

(Refer to *Annexure-I, Page No:83*)

### MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors converse on the increase / decrease of revenue, cost of goods sold, gross and net profit margin. The Board also takes instant actions on the inquiry as required. A detailed report on discussion in the regard is comprised in *Annexure-D, Page: 75-77*.

### CERTIFICATION BY THE CEO & THE CFO

Declaration of certificate by the CEO & the CFO to the Board as required under condition no. 3(3) of Corporate Governacnce Code is included in *Annexure-A, Page: 67*

## CREDIT RATING

Credit Rating Information and Services Limited (CRISL) assigned rating for your company as below

Long Term	Short Term
AA-	ST-2

Above rating have been assigned on the basis of good fundamental such as good profitability, sound infrastructural arrangement with state-of-the art, pioneer and market leader in Garment Accessories industry, experienced management. Entities rated in this category are adjudged to be of high quality, offer higher safety and have credit quality.

Your Company in the evaluation of Credit Rating Company was also placed with "Stable".

## SUBSEQUENT EVENTS

There is no subsequent event after the date of balance sheet and till the date of this report which could affect the ability of the users of these financial statements to make an appropriate evaluation.

## AUDIT COMMITTEE

The Board has constituted the Audit Committee as follows:

Name	Position
Mr. Muhammad Jamaluddin	Chairman & Independent Director
Ms. Tahsina Rahman	Member
KDS Garment Industries Limited Represented by-Mr. Kamrul Hasan FCA	Member

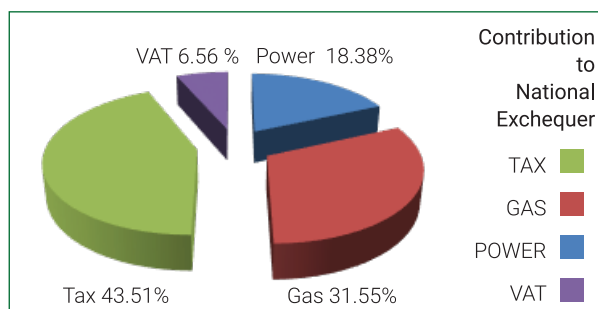
During the reporting period under review, the Committee held four meetings. A detailed of the roles and activities of the Audit Committee has been provided in "The Report of The Audit Committee". **Page: 86-87**

## NOMINATION AND REMUNERATION COMMITTEE (NRC):

KDS Accessories Limited has formed a Nomination and Remuneration Committee (NRC) on 3rd December, 2018 as a sub-committee of the Board of Directors. This committee will assist the Board of Directors in formulation of the nomination criteria or policy to determine qualifications, experiences, remuneration and independence of directors and top level of executives. The NRC has three members including one Independent Director. A detailed roles and activities of the NRC has been provided in "The Report of The Nomination and Remuneration Committee (NRC)" **Page: 88-90**

## CONTRIBUTION TO NATIONAL EXCHEQUER

Being a responsible business entity, KDSAL is paying and facilitating collection of Government's revenue. In the reporting period, we have paid collected and deposited a significant amount of tax, VAT and duties. During the period, KDSAL contributed to Tk. 84,034,485 to the Government Exchequer along with utility bill which is presented below:



## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Over the years, your company's commitment to Corporate Social Responsibility (CSR) activities is part and parcel of the Company's business model. Your Company has been contributing to the welfare of the community, research and development and protection of environment. Few initiatives of CSR of your company are mentioned below:

- Contributing donation to the Educational Institutes.
- Launching Tree Plantation program in patronizing a green environment.
- Contribute for safe drinking water supply.

## AWARDS & RECOGNITION

Since starting your Company received the following awards and recognitions:

- FSC Chain of Custody Certification Standard & FSC CoC Certification of Multiple Sites Standard by Bureau Veritas
- OEKO-TEX Standard 100 Certified for Woven Labels.
- OEKO-TEX Standard 100 Certified for Buttons.
- Scope Certificate for Recycled Claim Standard (RCS)
- Scope Certificate for Global Recycled Standard (GRS)
- Achievement Award of Trim Qualification Program by Intertek.
- CAP Closure Verification Visit Results by Alliance.

## **INFORMATION TECHNOLOGY**

We, at KDS Accessories always strive for the innovation in business by adopting something different, smarter or better for bringing positive impact in terms of value, quality or productivity. We believe that now accurate business planning, effective marketing, global sales, systematic management, real time monitoring, instant customer support and long-term business growth cannot be achieved at the optimum level without IT and we plan ahead of others to enable our operations process through IT.

Some of our IT enabled applications and systems are Accounting Management System (AMS), HRIS, Sales & Distribution Management System (SDMS), Production Management System (PMS), Inventory Management System (IMS), Inventory & Procurement Managing System (IPMS), Fixed Asset Management System (FAMS) and Fund Management System (FMS). Through these applications management can view various reports for its review and decision from any location.

## **WEBSITE**

Company maintains a website namely [www.kdsaccessories.com](http://www.kdsaccessories.com) which is linked with the websites of the stock exchanges and it is functional from the date of listing and all disclosures and financials are available in the website of the company.

## **HUMAN RESOURCES**

Human Resources are a fundamental asset across the entire business model.

The development of the company builds its competitive advantage on the skills and commitment of its employees, promoting and rewarding pro-activity, goal orientation and teamwork.

The HR Department of your company operates with specific policy, manual and plan designed by the world class consulting firm and approved by the Board of Directors.

We provide on-the-job training and development opportunities to enhance our employees' carrier progression. Through different training, staff's professional knowledge in corporate operations, occupational and management skills are enhanced. KDS Accessories is an equal opportunity employer and does not discriminate on the basis of personal

characteristics. Company has employee handbooks outlining terms and conditions of employment, expectations for employees' conduct and behavior, employees rights and benefits. We establish and implement policies that promote a harmony and respectful workplace.

## **ASSOCIATE COMPANY**

KDS Accessories Limited currently hold only 15.59% shares (previously hold 46.69%) in SKYS Securities Limited. As per IAS-28, Investments in Associates and Joint Ventures has to be treated as associate, if it has got significant influence over the investee ie. SKYS Securities Limited. On the other hand, an investor is considered to have significant influence, if it has 20% or more voting power, representation in Board, participation in policy making, material transactions between the investor and investee etc.

As criteria for considering an investment as "Investment in Associate" no longer exists, investment in SKYS Securities Limited is no longer required to report as investment in associate under IAS-28. Hence, as stipulated in IAS-28, recognition of investment under equity method is discontinued and the fair value of the investment in "SKYS" is recognized on initial recognition as a financial asset in accordance with IFRS 9. Details of which are mentioned in Note No. 7-7.06 of Audited Financial Statements.

## **CODE OF CONDUCT**

The underlying philosophy of KDS Accessories Limited's Code is to conduct the business in an ethical manner as well as create a work environment that is conducive for members and associates alike, based on the Company's values and beliefs. Code of Conduct for Board of Directors was framed and followed accordingly in discharging their duties and responsibilities.

## **APPOINTMENT OF AUDITORS & PROFESSIONAL**

### **A. Appointment of External Auditors:**

Hoda Vasi Chowdhury & Co. Chartered Accountants, having its office at Delwar Bhaban (4th Floor), 104, Agrabad C/A, Chattogram will retire in the 30th Annual General Meeting and being eligible, they expressed their willingness for re-appointment.

On their willingness and being eligible, the Board in

their meeting held on 25 October 2021, recommended re-appointment of Hoda Vasi Chowdhury & Co. Chartered Accountants as Auditor of the company for the year 2021-2022 subject to the approval by the shareholders in the 30th Annual General Meeting.

#### **B. Appointment of Professional for Corporate Governance Certificate:**

On the willingness to be re-appointed as professional to certify on the compliance of corporate governance as issued by the Bangladesh Securities and Exchange Commission, the Board of Directors in its meeting held on 25 October 2021, recommended the appointment of Shafiq Basak & Co., Chartered Accountants, having its office at National House (1st Floor), 109, Agrabad C/A, Chattogram-4100 for the year 2021-2022 subject to the approval by the shareholders in the 30th AGM.

#### **COMPLIANCE OF CORPORATE GOVERNANCE**

Pursuant to notification No: BSEC/CMRRC-D/2006-158/207/Admin/80 dated 03 June 2018 by Bangladesh Securities and Exchange Commission (BSEC), the Corporate Governance Report and the Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report and attached in **Annexure-B & C, Page : 68-74** respectively.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

Pursuant to the BSEC notification No. BSEC/CMR-RCD/2006-158/207/Admin/80 dated 03 June 2018 the Directors confirm that:

- i) The financial statements prepared by the management of KDS Accessories Limited fairly present its state of affairs, the result of its operations, cash flows and changes in equity.
- ii) Proper books of Account of the company have been maintained.
- iii) 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.
- iv) International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) There are no doubts upon the Company's ability

to continue as a going concern and the accounts have been prepared on going concern basis.

vii) The significant deviations from previous period in the operating results of the company have been highlighted in the report and the reasons thereof have been explained.

viii) The key operating and financial data of last 5 years is disclosed in **Annexure-D Page: 76**.

ix) The number of Board Meeting held during the reporting period and the attendance by each director is disclosed in this report in **Page: 55**.

x) The pattern of shareholding is disclosed in **Annexure-H, Page: 81**.

xi) A compliance status report with requirements of Corporate Governance as required by BSEC is disclosed in Corporate Governance Report and is disclosed in **Annexure-C, Page: 69-74**.

xii) Directors' profile is attached in **page no 36 - 41** and their directorship and business interest in other organizations have been disclosed in Board of Directors segment and in **Annexure-I, Page: 83**.

#### **APPRECIATION**

We thank our customers, vendors, investors, business associates and bankers for their continued support during the years. We place on record our appreciation of the contribution made by workers and employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

We thank the Government of Bangladesh, and Government Agencies and Regulatory Bodies-BSEC, DSE, CSE, CDBL, RJSC, NBR and others related parties for their support and look forward to their continued support in the future.

Allah Hafiz  
Stay safe and healthy!

on behalf of the Board



**Khalilur Rahman**

Chairman

25 October 2021

## পরিচালকমণ্ডলীর প্রতিবেদন

বিছমিল্লাহির রাহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

২০২১ আমাদের জন্য একটি উল্লেখযোগ্য বছর এই বছরে আমরা ৩০ এ পদার্পন করলাম। আমাদের এই সুদীর্ঘ পথ চলায় আপনাদের সকলের অবদান ও উৎসাহের জন্য আমি নিজের এবং পরিচালনা পর্ষদের পক্ষ হতে ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছি।

এখন পরিচালনা পর্ষদের পক্ষ হতে আমি আপনাদের সকলকে কোম্পানীর ৩০তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি এবং ৩০ জুন ২০২১ সমাপ্ত তারিখে আর্থিক বৎসরের উপর পরিচালনা পর্ষদের প্রতিবেদন ও নিরীক্ষিত আর্থিক বিবরণী ও প্রতিবেদন আপনাদের সামনে উপস্থাপন করছি।

### ব্যবসায়িক পরিধি

কোম্পানী মূলত সব ধরনের তৈরী পোশাকের এক্সেসরিজ যেমন- কার্টন, লেবেল, বোতাম, হ্যান্ডার, গাম টেপ এবং সফট লাইন প্রিন্টিং (SLP) পণ্যসামগ্রী উৎপাদন ও বিশ্বের শীর্ষস্থানীয় তৈরী পোশাকের Brand যথা- Wal-Mart, Tesco, Decathlon প্রভৃতি সমূহকে সরবরাহ করে থাকে।

### ব্যবসায়ের সংক্ষিপ্ত বিবরণ (২০২০-২০২১)

বিগত বৎসরের (০১ জুলাই ২০২০ হতে ৩০ জুন ২০২১) অপারেশন এবং আর্থিক ফলাফল সংক্রান্ত একটি সংক্ষিপ্ত পর্যালোচনা আপনাদের সামনে উপস্থাপন করছি। অন্যান্য অনেক বিষয়গুলোর মধ্যে যে সমস্ত দিকগুলো আমাদের ব্যবসা পরিচালনায় ব্যাপক প্রভাব ফেলেছে সেই দিকগুলো হলো :

### বিক্রয়

কাঁচামাল সরবরাহে প্রতিকূলতা এবং COVID-19 সংক্রমন পুনরুত্থানের পরও বিগত বছর আমরা বিক্রয়ের একটি ইতিবাচক ধারা অব্যাহত রাখতে সক্ষম হয়েছি।

### পন্যভিত্তিক ফলাফল

পরিচালন ফলাফলঃ

বিবরণ	ইউনিট	উৎপাদন ক্ষমতা	০১ জুলাই হতে ৩০ জুন ২০২১		উৎপাদন ক্ষমতা	০১ জুলাই ২০১৯ হতে ৩০ জুন ২০২০	
			প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)		প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)
কার্টন	পিচ	৩০,০০০,০০০	১৯,৩৭০,৪৪৪	৬৪.৫৭%	৩০,০০০,০০০	২১,১৮৭,৭৮৫	৭০.৬৩%
লেবেল	পিচ	১৭৫,৯৬৪,২০৮	৫১,৬২৯,৭৮৬	২৯.৩৪%	১৭৫,৯৬৪,২০৮	৫৯,৭৫৫,৮১৪	৩৩.৯৬%
ইলাস্টিক এবং ন্যার ফ্যাট্রিক্স	পিচ	৩০,৫৭৬,০০০	১৯,৬৫৪,৬৪৪	৬৪.২৮%	৩০,৫৭৬,০০০	১৪,৭৫৫,৭১২	৪৮.২৬%
অফসেট প্রিন্টিং	পিচ	১৫০,০০৯,৬০০	৪৮,৯৫৮,৮৮৫	৩২.৬৪%	১৫০,০০৯,৬০০	৭১,৫৮৪,২৪৬	৪৭.৭২%
হিট ট্রান্সপার	পিচ	২৪,৯৬০,০০০	২,৮০৫,০০১	১১.২৪%	২৪,৯৬০,০০০	৮,৬৬৫,০৯৩	৩৪.৭২%
বাটন	জিজি	৩৬০,০০০	১০৮,৭৪১	৩০.২১%	৩৬০,০০০	১৬৮,১৬০	৪৬.৭১%
গামটেপ	পিচ	৪,২৯০,০০০	৮১৯,৮৭৭	১৯.১১%	৪,২৯০,০০০	৫৬৮,৩২৯	১৩.২৫%
হ্যান্ডার	পিচ	৪৫,০০০,০০০	২০,৪৮৪,৬২০	৪৫.৫২%	৪৫,০০০,০০০	১৮,৭৭৬,৩১২	৪১.৭৩%

### ব্যয় ও পণ্য মূল্যের প্রভাব

বিশ্বব্যাপী শিল্প কাঁচামালের স্বল্পতা এবং দামের উর্ধগতির কারণে আমাদের প্রধান কাঁচামাল Paper সরবরাহ অনিশ্চিত ও অনিয়মিত হয়ে পড়ে এবং এর সাথে যুক্ত হয় Shipping Container এর অপ্রতুলতা এবং অস্বাভাবিক Freight Cost।

কাঁচামাল সরবরাহে এই সব চ্যালেঞ্জ থাকা সত্ত্বেও আমরা বিগত বছরের তুলনায় ইতি বাচক নীট মুনাফা বজায় রাখতে সক্ষম হয়েছি।

### উন্নয়ন ও সম্প্রসারণ

বিগত বছরের ঘোষণা অনুযায়ী এই বছর আমরা সফলতার সাথে Corrugated Packaging এর স্বয়ংক্রিয় Finishing Line স্থাপন সম্পন্ন করেছি।

দীর্ঘমেয়াদী উত্তরণের লক্ষে আমাদের ক্রমাগত উদ্ভাবন এবং বিনোয়োগ এই প্রচেষ্টা অব্যাহত থাকবে।

### সম্ভবনা

পোশাক শিল্পে সর্বদাই বৈচিত্র্যময় এবং ভিন্নতর Packaging এর প্রয়োজনীয়তা থাকে। বর্তমান আর্থিক বছরের প্রথম ছয় মাস পর, কারখানা এবং রপ্তানী কার্যক্রম পুনরায় শুরু হয়েছে এবং যদিও এখনও COVID-19 মহামারীর কারণে বিশ্ব অর্থনীতি এক উচ্চ ঝুঁকির মধ্যে রয়েছে।

আমাদের সজাব্যতা অনুসারে, আগামী ছয় মাসে বর্তমান পরিস্থিতির তুলনায় অর্থনীতির অনেক উন্নতি হবে। আমরা আরও আশা করছি বিশ্বব্যাপী বৃহত্তর পরিসরে COVID-19 এর ঠিকাদান কর্মসূচী আরম্ভ হলে আমরা আমাদের শক্তিশালী উৎপাদন ক্ষমতা এবং নতুন নতুন উদ্ভাবন শক্তি দ্বারা আরও ভাল ফলাফলে পৌঁছাতে পারব।



পণ্যভিত্তিক বিক্রয় :

বিবরণ	০১ জুলাই ২০২০ হতে ৩০ জুন ২০২১		০১ জুলাই ২০১৯ ৩০ জুন ২০২০	
	বিক্রয়		বিক্রয়	
	টাকায়	(%)	টাকায়	(%)
কাটন	১,৭৯৬,২৪৮,৭৯৪	৮০.৯৯%	১,৪৮৪,৯৯০,০৫৮	৭৭.২৫%
লেবেল	৩৫,১৪৮,২৫৪	১.৫৮%	৫০,৫৫২,৮৯০	২.৬০%
ইনাস্টিক এবং ন্যার ফ্যাব্রিক	১২৪,৮৬০,৪৭৮	৫.৬০%	৯২,৮২৭,৬২০	৪.৮০%
অফসেট প্রিন্টিং	৫০,৪৪৯,৭৫৮	২.২৭%	৬৯,১৫২,৩১৮	৩.৬০%
ফিট ড্রাগপার	২,২৬৭,২৭২	০.১০%	১১,১৯৯,১৯২	০.৫৮%
বাটন	৬০,৩২৪,০৮৭	২.৮৬%	৯৪,২৬২,১৫৯	৪.৯০%
গামটেপ	৩৬,১৬৮,৪৯৪	১.৬০%	২৫,৬৫৫,৩৯৭	১.৩০%
হ্যাঙ্গার	১০৯,৪৭২,২১৫	৪.৯৪%	৯০,৬৮৫,৯৭২	৪.৮৭%
সর্বমোট	২,২১৭,৯৪২,৬৫২	১০০.০০%	১,৯২২,০২৬,৯০৯	১০০.০০%

বিগত ৫ বৎসরের প্রধান আর্থিক অনুপাত ও ফলাফল :

বিবরণ	Amount in BDT.				
	০১ জুলাই ২০২০ হতে ৩০ জুন ২০২১	০১ জুলাই ২০১৯ হতে ৩০ জুন ২০২০	০১ জুলাই ২০১৮ হতে ৩০ জুন ২০১৯	০১ জুলাই ২০১৭ হতে ৩০ জুন ২০১৮	০১ জুলাই ২০১৬ হতে ৩০ জুন ২০১৭
	বিক্রয়	২,২১৭,৯৪২,৬৫২	১,৯২২,০২৬,৯০৯	২,০০২,১৫৯,৬০৭	২,০৭০,৮৮৫,৮০৮
মোট মুনাফা	৪২৪,৬২৪,০৯৪	৪২২,৬৭৫,৮০৭	৪১৮,০০৪,০১৯	৩৭৭,২০৮,৯৯৪	৩০০,০৬০,৫২০
WPPF এবং Taxes পূর্ববর্তী মুনাফা	১৮৫,৮৬৮,৫১৪	১৮১,৪৬০,৩৬১	১৮০,৬০৫,৮৭৭	১৬৯,৬২৮,২০১	১৫৭,০৭৪,৩১৫
WPPF এবং Taxes পরবর্তী নিট মুনাফা	১৫৬,৭৫৫,৫৮০	১৪১,২১৫,৪৪৬	১৩৮,৩৯৮,১৪২	১০৭,৫৮০,৭৯৩	১৪৩,৯৮৬,০০৫
শেয়ার প্রতি আয় (EPS)	২.২০	২.০৩	১.৯৪	১.৮৭	১.৭৬
শেয়ারহোল্ডারদের সম্পদ	১,৭৬১,৮১০,১৮১	১,৬৫৪,৫২৭,১৪৮	১,৫৭২,৯১০,৭৬৯	১,৪৯৪,৫৩০,৫৫২	১,৪১৮,৭৪৫,৭২৪
চলতি দায়	১,৮২০,৫৬১,১৫৬	১,৫১০,২৪২,১০৫	১,৪১৭,০২৫,২০৪	২,০১২,০৯১,০০৪	১,০৪৭,৭৯৬,০৬৭
দীর্ঘমেয়াদী দায়সমূহ	১৭৯,২৬৭,৫২০	১৪৬,১২৫,৬২১	২৮৭,৯২৬,৯৭২	২২৪,০৫৯,৫৭৭	২৭৮,৬৭৯,৫৬২
স্থায়ী সম্পদ এবং চলতি কার্যের সংযোজন	১৫৪,৮৯০,১২২	১০,৮০০,৫৬০	৩৫,১৭৯,২৮৬	৯৮,৯৪০,৬৫০	১৬৯,০৪৫,২৯৫
শেয়ার প্রতি নিট সম্পদ মূল্য (NAV)	২৪.৭৫	২৪.৯৯	২৪.৯৪	২৪.৮৮	২৪.৮০
শেয়ার প্রতি নগদ প্রবাহ	৬.৫৮	৮.১২	২.০২	৩.০৮	২.৮১

ঝুঁকি ও উদ্বেগ

ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক ঝুঁকি ব্যবস্থাপনা, ঝুঁকির ফলাফল নির্ধারণ, পর্যবেক্ষণ, ত্রাসকরণ এবং প্রতিবেদন কোম্পানীর পরিচালনা পর্ষদ সময়ে সময়ে পর্যালোচনা করে থাকেন। কোম্পানীর পরিচালনায় ব্যবসায়িক ঝুঁকির ব্যবস্থাপনা সংক্রান্ত একটি বিস্তারিত প্রতিবেদন **Annexure -J, Page:84-85** এ উপস্থাপন করা হয়েছে।

বিক্রিত পণ্যের উৎপাদন ব্যয়, মোট মুনাফা এবং নিট মুনাফার বিশ্লেষণ বিক্রিত পণ্যের উৎপাদন ব্যয়, মোট মুনাফা এবং নিট মুনাফার বিশ্লেষণ **Annexure -D, Page:75-77** এ উপস্থাপন করা হয়েছে।

অস্বাভাবিক লাভ বা ক্ষতি

উল্লেখিত সময়ে কোম্পানীর কোন ধরনের অস্বাভাবিক লাভ বা ক্ষতি হয়নি।

স্বার্থসংশ্লিষ্ট প্রতিষ্ঠানের সাথে লেনদেন

এ বিষয়ে কোম্পানীর নিরীক্ষিত আর্থিক প্রতিবেদনের নোট নং -৩৮ এবং **Annexure - G, Page:81** এ আন্তর্জাতিক হিসাববান (IAS) অনুসারে বিস্তারিত বর্ণনা করা হয়েছে। উক্ত লেনদেন ব্যতীত আর্থিক বৎসরে কোম্পানীর সাথে স্বার্থসংশ্লিষ্ট অন্যান্য কোম্পানীর উল্লেখযোগ্য কোন লেনদেন সংগঠিত হয়নি।

IPO তহবিলের ব্যবহার

কেডিএস এক্সেসরিজের প্রাথমিক গণ প্রস্তাব (IPO) অনুষ্ঠিত হয় ২০১৫ সালে এবং এর মাধ্যমে উত্তোলিত অর্থ ইতোমধ্যে **Prospectus** এ বর্ণিত খাতে সম্পূর্ণরূপে ব্যবহার করা হয়েছে যা নিরীক্ষা করে যথাযথ নিয়ন্ত্রক সংস্থার নিকট প্রেরণ করা হয়েছে।

IPO পরবর্তী কোম্পানীর আর্থিক ফলাফল

২০১৫ সালের IPO পরবর্তী সময়ে কোম্পানী অন্য কোনভাবে আর কোন Fund Raising করে নাই এবং IPO এর পর কোম্পানীর আর্থিক অবস্থান সুদৃঢ় রয়েছে।

ত্রৈমাসিক এবং বার্ষিক আর্থিক ফলাফলে উল্লেখযোগ্য ব্যবধান

সহযোগী কোম্পানীর বিনিয়োগ Recording এ Accounting Standard পরিবর্তনজনিত Adjustment ব্যতীত উল্লেখিত সময়ে কোম্পানীর ত্রৈমাসিক এবং বার্ষিক কার্যক্রমে উল্লেখযোগ্য কোন ব্যবধান নেই যা সহযোগী কোম্পানীর প্রতিবেদনে উল্লেখ করা হয়েছে।

পরিচালকপর্ষদের ভাতা / সম্মানী

কোম্পানীর ব্যবস্থাপনা পরিচালক ব্যতীত পরিচালক পর্ষদের অন্য কোন সদস্যকে কোন ধরনের মাসিক বেতন, ভাতা এবং অন্যান্য সুবিধাদি কোম্পানী হতে প্রদান করা হয় না। আর্থিক বৎসরে পরিচালকদের মোট প্রদত্ত ভাতাদি নিম্নে উল্লেখ করা হল :

পরিচালকের নাম	টাকা
জনাব খলিলুর রহমান, চেয়ারম্যান	-
জনাব সেলিম রহমান, ব্যবস্থাপনা পরিচালক	২,৪০০,০০০
জনাব তাহসিনা রহমান, পরিচালক	-
কেডিএস গার্মেন্ট ইন্ডাস্ট্রিজ লি., পরিচালক এর প্রতিনিধি জনাব কামরুল হাসান এফসিএ	-
জনাব মোহাম্মদ জামালউদ্দিন, স্বাধীন পরিচালক	-
সর্বমোট	২,৪০০,০০০

## আভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতি :

কোম্পানীর কার্যক্রম পরিচালনের ব্যাপ্তি অনুসারে নিয়ন্ত্রণের সুবিধার্থে কোম্পানীর আভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতি নির্ধারণ করা হয়। কোম্পানীর আভ্যন্তরীণ নিরীক্ষা বিভাগের নিরীক্ষা পদ্ধতিতে এগুলো পর্যালোচনা এবং মূল্যায়ন করা হয়। আভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতিগুলো পরিচালনায় যথাযথভাবে পরিচালন করা হচ্ছে কিনা তা কোম্পানীর নিরীক্ষা বিভাগ সময়ে সময়ে নিরীক্ষণ, পর্যবেক্ষণ এবং মূল্যায়ন করে থাকে এবং এ সংক্রান্ত প্রতিবেদন কোম্পানীর পরিচালনা পর্ষদের নিকট দাখিল করে থাকেন।

## সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ সংরক্ষণ

পরিচালকমন্ডলী কোম্পানীতে সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ যথা-ভোটিং, তথ্য অধিকার এবং তথ্যের প্রাপ্তি, লভ্যাংশ ও কোম্পানীতে মৌলিক কোন পরিবর্তনে তাদের অংশগ্রহণ নিশ্চিতকরত এবং ভবিষ্যতে তাদের যেকোন স্বার্থ সংরক্ষণে সচেষ্ট এবং প্রতিজ্ঞাবদ্ধ থাকবে।

## চলমান প্রক্রিয়ার নীতি (Going Concern)

পরিচালনা পর্ষদের বিবেচনায় ভবিষ্যতে কার্য পরিচালনার জন্য কোম্পানীর সম্পদের পর্যাপ্ততা রয়েছে এবং সে ভিত্তিতে কোম্পানীর আর্থিক প্রতিবেদন তৈরী করা হয়েছে।

## গত বছরের তুলনায় অপারেটিং ফলাফলের উল্লেখযোগ্য পরিবর্তন :

গত বছরের তুলনায় অপারেটিং ফলাফলে কোন ধরনের বিচ্যুতি নাই।

## লভ্যাংশ

বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন (BSEC) কর্তৃক নির্দেশিত Directive অনুসারে কোম্পানী একটি Dividend Distribution Policy অনুসরণ করে থাকে এবং এর ভিত্তিতে কোম্পানীর ফলাফলের সাথে সামঞ্জস্যতা রেখে আমরা লভ্যাংশ ঘোষণা করে থাকি।

২৫ অক্টোবর ২০২১ তারিখে অনুষ্ঠিত পরিচালনা পর্ষদের সভায় বিগত বৎসরের জন্য (৩০ জুন ২০২১ তারিখের সমাপ্ত আর্থিক বৎসরের) কোম্পানীর সকল শেয়ারহোল্ডারদের ১৫% নগদ লভ্যাংশ বিতরণের সুপারিশ করা হয়েছে যাহা বার্ষিক সভায় অনুমোদন সাপেক্ষে নির্দিষ্ট Record Date- ২১ নভেম্বর ২০২১ এ শেয়ারধারীদের মধ্যে বিতরণ করা হবে।

পরিচালকমন্ডলী নিশ্চিত করছেন যে, বিগত বছরে কোন প্রকার অর্ন্তবর্তীকালীন Stock Dividend ঘোষণা করেননি।

## পরিচালক মন্ডলী :

### ১. পরিচালনা পর্ষদের গঠন ও আকার :

৩০ জুন ২০২১ তারিখে কোম্পানীর পরিচালনা পর্ষদে মোট ৫ জন সদস্য ছিলেন। এদের মধ্যে একজন পর্ষদের সভাপতি, একজন ব্যবস্থাপনা পরিচালক, ২ জন সাধারণ পরিচালক এবং একজন স্বতন্ত্র পরিচালক মর্যাদায় অধিষ্ঠিত ছিলেন।

### ২. পরিচালনা পর্ষদের অন্যান্য স্বার্থ সংশ্লিষ্ট প্রতিষ্ঠানের বিবরণ :

পরিচালনা পর্ষদের স্বার্থসংশ্লিষ্ট অন্যান্য প্রতিষ্ঠানের বিবরণ এবং উক্ত প্রতিষ্ঠানে তাদের স্ব-স্ব অবস্থানের একটি প্রতিবেদন Annexure - I, Page:83 এ বর্ণনা করা হয়েছে।

### ৩. পরিচালকবৃন্দের অবসরগ্রহণ এবং পুনঃনিয়োগ :

কোম্পানীর পরিমেল নিয়মাবলীর (Article of Association) সংশ্লিষ্ট ধারা অনুযায়ী এক তৃতীয়াংশ পরিচালকের বার্ষিক সাধারণ সভায় অবসরগ্রহণ বাধ্যতামূলক। এই অনুযায়ী কোম্পানীর নিম্নের বিধিত সম্মানিত দু'জন পরিচালক এ সভায় অবসরগ্রহণ করতঃ পুনঃনিয়োগের যোগ্য বিধায় পুনঃনিয়োগের আশ্রয় প্রকাশ করেছেন।

১. জনাব খলিলুর রহমান
২. জনাবা তাহসিনা রহমান

বিগত ২৫ অক্টোবর ২০২১ তারিখে অনুষ্ঠিত কোম্পানীর পরিচালনা পর্ষদের সভায় তাদের পুনঃনিয়োগ প্রস্তাব সর্বসম্মতিক্রমে গৃহীত হয়েছে। উক্ত পরিচালকদ্বয়ের জীবন বৃত্তান্ত Page-36 & 39 এ উল্লেখ করা হয়েছে।

### ৪. পরিচালনা পর্ষদের সভা ও উপস্থিতি :

উল্লেখিত সময়ে পরিচালনা পর্ষদের মোট ৪টি সভা অনুষ্ঠিত হয়। উক্ত সভায় পর্ষদের সদস্যদের স্ব-স্ব উপস্থিতি নিম্নে উল্লেখ করা হল :-

পরিচালকের নাম ও পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	সভায় উপস্থিতি সংখ্যা
জনাব খলিলুর রহমান চেয়ারম্যান	০৪	০৪
জনাব সেলিম রহমান ব্যবস্থাপনা পরিচালক	০৪	০৪
জনাবা তাহসিনা রহমান পরিচালক	০৪	০৪
কেডিএস গার্মেন্ট ইন্ডাস্ট্রিজ লি.; এর প্রতিনিধি জনাব কামরুল হাসান এফসিএ পরিচালক	০৪	০৪
জনাব মোহাম্মদ জামালউদ্দিন, স্বাধীন পরিচালক	০৪	০৪

## স্বাধীন পরিচালক নিয়োগ

বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন (BSEC) কর্তৃক নির্দেশিত কর্পোরেট গভর্নেন্স নির্দেশিকা যাহা ৩রা জুন ২০১৮-ইং তারিখে ইস্যুকৃত নোটিফিকেশন নং (বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০১৭/এডমিন/৮০) অনুযায়ী কোম্পানীর স্বতন্ত্র পরিচালক জনাব মোহাম্মদ জামালউদ্দিন এর পরিচালক হিসেবে ০৩ আগস্ট ২০২১ এ মেয়াদ উত্তীর্ণ হয়। তিনি দুই দফায় ৬ বছর স্বাধীন পরিচালক হিসেবে তার দায়িত্ব পালন করায় পুনরায় নিযুক্ত হওয়ার যোগ্য না হওয়ায় কোম্পানীর ২৪ আগস্ট ২০২১ এ অনুষ্ঠিত ১৩৫তম সভায় প্রফেসর জনাব সরওয়ার জাহানকে কোম্পানীর ৩০তম সাধারণ সভায় শেয়ারহোল্ডারদের সর্বসম্মতিক্রমে পরবর্তী বছরের জন্য স্বাধীন পরিচালক হিসেবে নিয়োগের সুপারিশ করেন। প্রফেসর জনাব সরওয়ার জাহান এর যোগ্যতা এবং দক্ষতা ডিরেক্টরস প্রোফাইলে Page No: 40 এ বিস্তারিত দেয়া হয়েছে।

## শেয়ারহোল্ডিং Patterns

কোম্পানীর শেয়ারহোল্ডিং Patterns Annexure - H, Page :81 এ বর্ণনা করা হয়েছে।

## পরিচালকমন্ডলীর অন্যান্য ব্যবসায়িক কার্যক্রম

পরিচালকমন্ডলীর অন্যান্য ব্যবসায়িক কার্যক্রম Annexure - I, Page: 83 এ বর্ণনা করা হয়েছে।

## ব্যবস্থাপনা সংক্রান্ত আলোচনা ও বিশ্লেষণ

পরিচালনা পর্ষদ সময়ে সময়ে কোম্পানীর বিক্রয় ও বিক্রিত পণ্যের ব্যয়, মোট মুনাফা এবং নীট মুনাফার হ্রাস ও বৃদ্ধির উপর আলোচনা করে থাকেন এবং বাজার পর্যালোচনা করে ব্যবসায়িক প্রবৃদ্ধির জন্য প্রয়োজনীয় পদক্ষেপ গ্রহণ করে থাকেন। এ বিষয়ের উপর তাদের বিস্তারিত কার্যক্রমের / বিশ্লেষণের উপর একটি প্রতিবেদন Annexure - D, Page:75-77 এ উপস্থাপন করা হয়েছে।

## সিইও এবং সিএফও কর্তৃক প্রত্যয়ন পত্র

Corporate Governance Code এর ৩ (৩) শর্ত অনুযায়ী কোম্পানীর প্রধান নির্বাহী কর্মকর্তা ও অর্থ কর্মকর্তা কর্তৃক প্রত্যয়ন পত্র সংযুক্তি Annexure - A, Page:67 এ বর্ণিত হলে।

## ক্রেডিট রেটিং :

ক্রেডিট রেটিং ইনফরমেশন এন্ড সার্ভিসেস লিমিটেড (CRISL) এর বিশ্লেষণে আপনাদের কোম্পানীর ঋণমান নিম্নরূপ:-

দীর্ঘকালীন	স্বল্পকালীন
AA-	ST-2

উক্ত AA- রেটিং অনুসারে আপনাদের কোম্পানীর ঋণমান ভাল মৌল ভিত্তি সম্পন্ন এবং আয় অর্জনের সক্ষমতা নির্দেশ করে। ক্রেডিট রেটিং কোম্পানীর মূল্যায়নে আপনাদের কোম্পানীর ভবিষ্যত অবস্থা “Stable” থাকবে।

উপরোক্ত রেটিং কিছু মৌলিক বিষয়ের উপর যেমন- ভাল মুনাফা, শিল্প ও জমি সংক্রান্ত অবকাঠামোগত ব্যবস্থার উপর ভিত্তি করে মূল্যায়ন করা হয়েছে। এ বিষয় শ্রেণীতে অর্ন্তভুক্ত রেটিং বলতে বুঝায় উচ্চমান, উচ্চনিরাপত্তা এবং উচ্চমানের ঋণ।

## আর্থিক বৎসর পরবর্তী অবস্থা / ঘটনা :

কোম্পানীর বাৎসরিক হিসাব সমাপ্তির তারিখ হইতে পরিচালনা পর্ষদের প্রতিবেদন দাখিলের সময়ের মধ্যে কোন ধরনের উল্লেখযোগ্য লেনদেন সংগঠিত হয়নি যাহা কোম্পানীর সংশ্লিষ্ট / আর্থিক প্রতিবেদন ব্যবহারকারীর সিদ্ধান্ত গ্রহণের মূল্যায়নে প্রভাব ফেলতে পারে।

## নিরীক্ষা কমিটি

কোম্পানীর পরিচালনা পর্ষদের সহযোগী হিসেবে নিম্নে উল্লেখিত সদস্যদের নিয়ে একটি নিরীক্ষা কমিটি গঠন করা হয়েছে :

নাম	পদবী
জনাব মোহাম্মদ জামালউদ্দিন	চেয়ারম্যান এবং স্বাধীন পরিচালক
জনাবা তাহসিনা রহমান	সদস্য
কেডিএস গার্মেন্ট ইন্ডাস্ট্রিজ লি: এর প্রতিনিধি জনাব কামরুন হাসান এফসিএ	সদস্য
জনাব মনজুরে খোদা	সদস্য সচিব

আর্থিক বৎসরে উক্ত নিরীক্ষা কমিটির ৪টি সভা অনুষ্ঠিত হয়। উক্ত কমিটির দায়-দায়িত্ব এবং কার্যবলী Page: 86-87 এ বিস্তারিতভাবে বর্ণনা করা হয়েছে।

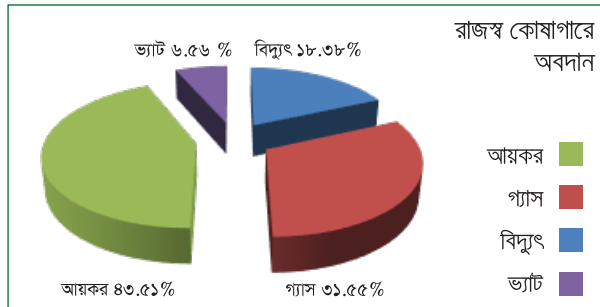
## মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি

কেডিএস এক্সেসরিজ লিমিটেড গত ৩ ডিসেম্বর ২০১৮ তারিখে পরিচালনা পর্ষদের উপ-কমিটি হিসেবে মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি (Nomination & Remuneration) নামে একটি কমিটি গঠন করে। এই কমিটি কোম্পানীর পরিচালকমন্ডলীকে কোম্পানীর নির্বাহীদের যোগ্যতা, অভিজ্ঞতা, সম্মানী ও পরিচালকদের স্বাধীনতা মূল্যায়নের মানদণ্ড ও নীতি নির্ধারণে সহায়তা করবে। এনআরসি স্বাধীন পরিচালকসহ তিন সদস্য নিয়ে গঠিত হয়েছে। এনআরসির বিস্তারিত ভূমিকা ও কার্যবলী Page: 88-90 এ প্রতিবেদন আকারে বর্ণিত হয়েছে।

## রাজস্ব কোষাগারে অবদান :

একটি দায়িত্বশীল ব্যবসায়ী প্রতিষ্ঠান হিসেবে আপনাদের কোম্পানী সরকারের রাজস্ব আহরণে সহযোগিতা করে যাচ্ছে।

উল্লেখিত সময়ে আপনাদের কোম্পানীর ব্যবসায়িক লেনদেনের উপর প্রযোজ্য আরোপিত বিভিন্ন প্রকার কর, শুল্ক, মুসক হিসেবে মোট ৮৪,০৩৪,৪৮৫/= টাকা রাষ্ট্রীয় কোষাগারে প্রদান করেছে। যাহা নিম্নে বর্ণিত চিত্রে দেখানো হলো :



## ব্যবসায়িক সামাজিক দায়বদ্ধতা

প্রতিষ্ঠার শুরু থেকে আপনাদের কোম্পানী ব্যবসার পাশাপাশি সমাজ এবং এর সংশ্লিষ্ট কমিউনিটির উন্নয়নে সম্ভাব্য সকল ধরনের সহযোগিতা এবং অনুদান অব্যাহত রেখেছে। এ কার্যক্রমের উল্লেখিত কয়েকটি কার্যবলীর মধ্যে বিভিন্ন শিক্ষা প্রতিষ্ঠানে অনুদান, বৃক্ষরোপন অভিযান এবং নিরাপদ পানীয় জলের ব্যবস্থা অন্যতম।

## পুরস্কার এবং স্বীকৃতি

শুরু থেকে আপনাদের কোম্পানী বিভিন্ন ধরনের মান মূল্যায়নের সনদের স্বীকৃতি অর্জন করে আসছে। এর মধ্যে উল্লেখ্য অর্জন এবং স্বীকৃতিসমূহ নিম্নরূপ :

- FSC Chain of Custody Certification Standard & FSC CoC Certification of Multiple Sites Standard by Bureau Veritas
- OEKO-TEX Standard 100 Certified for Woven Labels.
- OEKO-TEX Standard 100 Certified

for Buttons.

- Scope Certificate for Recycled Claim Standard (RCS)
- Scope Certificate for Global Recycled Standard (GRS)
- Achievement Award of Trim Qualification Program by Intertek.
- CAP Closure Verification Visit Results by Alliance.

## তথ্য প্রযুক্তি

তথ্য প্রযুক্তির ব্যবহারে আপনাদের কোম্পানী সবসময় একধাপ এগিয়ে, কারন আমরা বিশ্বাস করি, সঠিক সময়ে সঠিক বাজার বিপনন ব্যবস্থা, বৈশিষ্ট্য বিক্রয়, পদ্ধতিগত ব্যবস্থাপনা, সময়োপযোগী পর্যবেক্ষণ, যথাযথ গ্রাহক সেবা এবং দীর্ঘমেয়াদী ব্যবসায়িক প্রবৃদ্ধি এ সব কিছুই পরিচালনায় তথ্য প্রযুক্তির ব্যবহার ছাড়া এ যুগে প্রায় অসম্ভব। ইতিমধ্যে আমরা ফিন্যান্সিয়াল রিপোর্টিং, মানবসম্পদ ব্যবস্থাপনা, বিক্রয় ও বিপনন, উৎপাদন, মজুদ ব্যবস্থাপনা, মজুদ ও যোগান ব্যবস্থাপনা, এবং স্থায়ী সম্পদ ব্যবস্থাপনা এবং তহবিল ব্যবস্থাপনায় অটোমেশন পদ্ধতি চালু করেছি যাহার মাধ্যমে ব্যবস্থাপনা কর্তৃপক্ষ যেকোন সময়ে যেকোন স্থান হতে এ সংক্রান্ত রিপোর্ট দেখতে এবং সিদ্ধান্ত গ্রহন করতে পারে।

## ওয়েবসাইট (Website)

কোম্পানী [www.kdsaccessories.com](http://www.kdsaccessories.com) নামে একটি Website চালু রেখেছে যা Stock Exchange এর Website এর সাথে সংযুক্ত করা হয়েছে এবং এটি সর্বদা চলমান। এতে কোম্পানী সময়ে সময়ে যাবতীয় আর্থিক ও অন্যান্য বিষয়াদি প্রকাশ করে থাকে।

## মানব সম্পদ ব্যবস্থাপনা

আমরা ব্যবসায়িক ব্যাপ্তিতে মানব সম্পদকে একটি মৌলিক ভিত্তি হিসেবে বিবেচনা করি। কোম্পানীর কর্মকর্তা এবং কর্মচারীদের দক্ষতার উপর কোম্পানীর প্রতিযোগিতায় টিকে থাকার সক্ষমতা গড়ে উঠে। বিশ্বমানের পরামর্শকারী প্রতিষ্ঠান কর্তৃক আপনাদের কোম্পানীর পরিচালনগত অবকাঠামো এবং গঠনতন্ত্র গ্রহন করা হয়েছে যাহা প্রতিষ্ঠানে কর্মরত প্রত্যেকের দক্ষতা এবং সক্ষমতা বৃদ্ধিতে অবদান রাখছে। আমরা আমাদের প্রতিষ্ঠানে কর্মরত কর্মকর্তা ও কর্মচারীদের নিয়মিত প্রশিক্ষনের ব্যবস্থা করে থাকি এবং আমরা নিয়োগের ক্ষেত্রে Equal Opportunity এবং ক্ষমতায়ন নিশ্চিত করে থাকি।

## সহযোগী কোম্পানী

কেডিএস এক্সেসরিজ লিমিটেড বর্তমানে SKYS SECURITIES LIMITED -এ ১৫.৫৯% শেয়ার ধারণ করছে (আগে ছিল ৪৬.৬৯%)। IAS-28 অনুসারে বর্তমান Shareholding অনুযায়ী SKYS SECURITIES LIMITED এর শেয়ার বিনিয়োগ Equity Method এর পরিবর্তে Fair Market Value তে হিসাব করে দেখানো হয়েছে। এই বিষয়ে বিস্তারিত Audited Financial Statements Gi Note No 7 থেকে 7.06 তে [ewY@Zn#q#Q](mailto:ewY@Zn#q#Q)

## আচরন বিধি

নৈতিকতা বজায় রেখে ব্যবসা করাই হচ্ছে আমাদের ব্যবসায়ের প্রধান দর্শন। এ বিষয়ে আপনাদের কোম্পানী পরিচালনা পর্ষদের জন্য একটি Code of Conduct গ্রহন করেছে এবং প্রত্যেক পরিচালক তা মেনে চলার অঙ্গীকারে আবদ্ধ হয়েছে।

## নিরীক্ষক নিয়োগ

ক. বহিঃ নিরীক্ষক নিয়োগ :

কোম্পানীর বর্তমান বহিঃ নিরীক্ষক হুদা ভাসী চৌধুরী এন্ড কোং, চাটগাঁও একাউন্ট্যান্টস (দেলেওয়ার ভবন, ৪র্থ তলা, ১০৪, আখ্ৰাবাদ সি/এ, চট্টগ্রাম) কোম্পানীর ৩০তম বার্ষিক সাধারণ সভায় নিয়মানুযায়ী অবসর গ্রহন করবেন এবং পুনঃ নিয়োগের যোগ্য হওয়ায় আগামী হিসাব বছরের নিরীক্ষা কার্যক্রম পরিচালনার সম্মতি প্রদান করেছেন। এই পরিপ্রেক্ষিতে পরিচালনা পর্ষদ ২৫ অক্টোবর ২০২১ তারিখে অনুষ্ঠিত সভায় কোম্পানীর আগামী হিসাব বছরের (২০২০-২০২১) নিরীক্ষা পরিচালনার জন্য হুদা ভাসী চৌধুরী এন্ড কোং, চাটগাঁও একাউন্ট্যান্টসকে বহিঃ নিরীক্ষক হিসেবে নিয়োগের সুপারিশ করেছেন যা আগামী ৩০তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপিত হবে।

**খ. কর্পোরেট গভর্নেন্স সার্টিফিকেশন এর জন্য Professional নিয়োগ:**

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন দ্বারা ইস্যুকৃত কর্পোরেট গভর্নেন্স সার্টিফিকেশন এর জন্য Professional নিয়োগের পরিপ্রেক্ষিতে পরিচালনা পর্ষদ ২৫ অক্টোবর ২০২১ তারিখে অনুষ্ঠিত সভায় শফিক বসাক এন্ড কোম্পানী চার্টার্ড একাউন্ট্যান্টস (ন্যাশনাল হাউজ, দ্বিতীয় তলা, ১০৯, আগ্রাবাদ কমান্ডার্স এরিয়া, চট্টগ্রাম) এর পার্টনার জনাব এস কে বসাক এফসিএ কে আগামী হিসাব বছরের জন্য নিয়োগের সুপারিশ করেছেন যা আগামী ৩০তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপিত হবে।

**ব্যবসায়িক সুশাসন এবং প্রতিপালনের প্রতিবেদন**

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) কর্তৃক ইস্যুকৃত নোটিফিকেশন নং (বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০১৭/এডমি-ন/৮০ তারিখ ০৩ জুন ২০১৮) কর্পোরেট সুশাসন মেনে চলার নির্দেশিকার উপর নিরীক্ষকের সনদ এবং প্রতিবেদন এই রিপোর্টে বিস্তারিত দেয়া হয়েছে। এ সংক্রান্ত প্রতিবেদন **Annexure-B & C, Page-68-74** এ উল্লেখ করা হয়েছে।

**পরিচালকদের দায়িত্বের বিবৃতি :**

বিএসইসি নোটিফিকেশন নং বিএসইসি/সিএমআরআরসি-ডি/২০০৬-১৫৮/২০১৭/এডমি/৮০ তারিখ ০৩ জুন ২০১৮ অনুসারে পরিচালনা পর্ষদ এই বিষয়টি নিশ্চিত করেন যে,

১. কেডিএস এক্সেসরিজ লিঃ এর ব্যবস্থাপনা কর্তৃক তৈরীকৃত আর্থিক প্রতিবেদন কোম্পানীর সার্বিক অবস্থা, পরিচালনার ফলাফল সমূহ, নগদ প্রবাহ এবং সম্পদের পরিবর্তন ইত্যাদি যথাযথ ভাবে উপস্থাপন করা হয়েছে।

২. যথাযথ হিসাব বই সংরক্ষণ করা হয়েছে।

৩. আর্থিক প্রতিবেদন তৈরীতে যথাযথ একাউন্টিং পলিসি নিরবিচ্ছিন্নভাবে প্রয়োগ করা হয়েছে এবং হিসাবের প্রাক্কলনগুলো যুক্তিসংগত এবং যথোপযুক্ত বিচার বিশ্লেষণের উপর ভিত্তি করে করা হয়েছে।

৪. আর্থিক প্রতিবেদন তৈরীতে ইন্টারন্যাশনাল একাউন্টিং স্ট্যান্ডার্ডস (আইএএস)/ বাংলাদেশ একাউন্টিং স্ট্যান্ডার্ডস (বিএএস)/ ইন্টারন্যাশনাল ফিনেন্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস)/বাংলাদেশ ফিনেন্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (বিএফআরএস) যেকোনো প্রয়োজ্য সেভাবে অনুসরণ করা হয়েছে এবং যে কোন ধরনের পরিবর্তন পর্যাপ্তভাবে প্রকাশ করা হয়েছে।

৫. আভ্যন্তরীণ নিয়ন্ত্রন ব্যবস্থা যথাযথভাবে গ্রহন এবং প্রয়োগ করা হয়েছে।

৬. একটি চলমান প্রতিষ্ঠান হিসেবে যাত্রা অব্যাহত রাখতে কোম্পানীর সক্ষমতার উপর কোন সন্দেহ নাই এবং একটি চলমান প্রতিষ্ঠান নথির উপর ভিত্তি করে বার্ষিক হিসাব তৈরী করা হয়েছে।

৭. কোম্পানীর পরিচালনা গত ফলাফলে বিগত বৎসর থেকে গুরুত্বপূর্ণ পরিবর্তন প্রতিবেদনে আলোকপাত করা হয়েছে এবং যদি থাকে তার কারণ ব্যাখ্যা করা হয়েছে।

৮. বিগত পাঁচ বৎসরে মূল পরিচালনাগত এবং আর্থিক ফলাফল সমূহ **Annexure – D, Page:76** এ উল্লেখ করা হয়েছে।

৯. কোম্পানীর পরিচালক পর্ষদের সভার সংখ্যা এবং পরিচালকদের উপস্থিতি সংক্রান্ত তথ্য **Page:56** এ উল্লেখ করা হয়েছে।

১০. শেয়ার ধারণের পদ্ধতি **Annexure – H, Page:81** এ উল্লেখ করা হয়েছে।

১১. বিএসইসি এর চাহিদামত এবং কর্পোরেট গভর্নেন্সের নিয়মানুসারে কর্পোরেট গভর্নেন্সের কমপ্লাইয়েন্স স্ট্যাটাস নামে একটি প্রতিবেদন এবং সনদ **Annexure – C, Page:68-74** এ বর্ণনা করা হয়েছে।

১২. পরিচালকদের প্রোফাইল **Page:36-41** এবং অন্যান্য সংশ্লিষ্ট তাদের অংশিদারিত্ব এবং অবস্থান, ব্যবসায়িক স্বার্থ এই রিপোর্টের **Annexure – I, Page:83** এ বর্ণনা করা হয়েছে।

**ধন্যবাদ জ্ঞাপন :**

আমরা আমাদের গ্রাহক, সরবরাহকারী, বিনিয়োগকারী, ব্যবসায়িক সহযোগী এবং ব্যাংকারদেরকে তাঁদের সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি এবং সেই সাথে কোম্পানীর সকল কর্মকর্তা, কর্মচারীদেরকে তাঁদের অবদানের জন্য ধন্যবাদ জানাচ্ছি। পরিশেষে আমরা সরকারের সকল ধরনের নিয়ন্ত্রক সংস্থা যথা- বিএসইসি, ডিএসই, সিএসই, সিডিবিএল, আরজেএসসি, এনবিআর এবং সম্মানিত শেয়ারহোল্ডারবৃন্দকে তাঁদের বিগত দিনের সহযোগিতা এবং ভবিষ্যতে একই ধরনের সহযোগিতার প্রত্যাশায় ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছি।

আল্লাহ হাফেজ

নিরাপদ ও সুস্থ থাকুন।

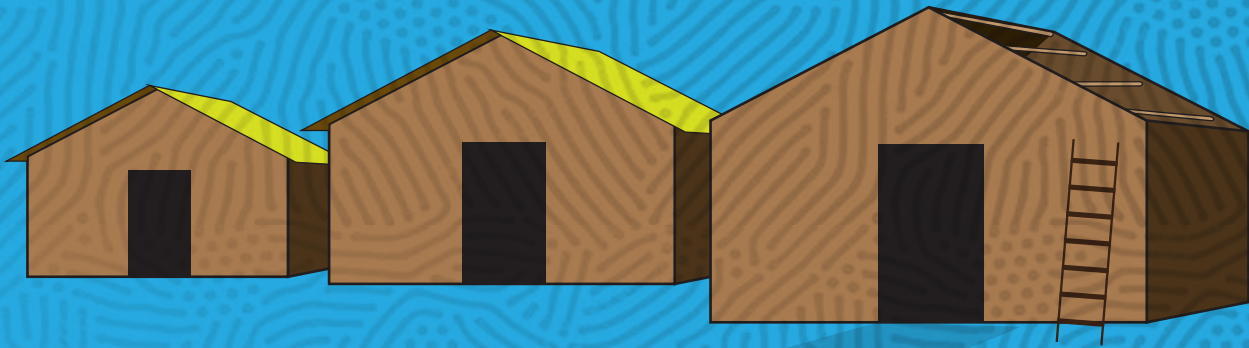
পরিচালকমন্ডলীর পক্ষে-



খলিলুর রহমান

চেয়ারম্যান

২৫ অক্টোবর ২০২১



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## KDS ACCESSORIES LIMITED DECLARATION BY CEO & CFO

ANNEXURE - A  
[As per condition No. 1(5)(xxvi)]

23 October 2021  
The Board of Directors  
KDS Accessories Limited  
191-192 Baizid Bostami Road Nasirabad I/A, Chattogram - 4210

Subject: Declaration on Financial Statements for the year ended on 30 June, 2021.

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the commission's Notification No. BSEC/CMRRC- D/2006-158/207/Admin/80 Dated 03 June, 2019 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of KDS Accessories Limited for the year ended on 30 June, 2021 have been prepared in compliance with Bangladesh Accounting Standards (BAS) or Bangladesh Financial Reporting Standards (BFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed;  
and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no materials uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- (i) We have reviewed the financial statements for the year ended on 30 June, 2021 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (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 in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



**Debasis Daspal**  
Chief Executive Officer



**Biplob Kanti Banik FCA**  
Chief Financial Officer





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Web : www.shafiqbasak.com  
E-mail : basak\_sbc@yahoo.com  
basak@shafiqbasak.com

**CHARTERED ACCOUNTANTS**

**Partners:**

Md. Shafiqul Islam, FCA  
Sampad Kumar Basak, FCA  
Late Md. Enayet Ullah, FCA  
Sarwar Mahmood, FCA  
Sheikh Zahidul Islam, MBA, FCA

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shafiq@shafiqbasak.com

*Ref. No -SB-CTG-1-29/1928-A/2021*

[Certificate as per condition No. 1(5) (xxvii)]

**Report to the Shareholders of KDS Accessories Limited on compliance on the Corporate Governance Code.**

We have examined the compliance status to the Corporate Governance Code by **KDS Accessories Limited** for the year ended on 30<sup>th</sup> June 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3<sup>rd</sup> June, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by The Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is highly satisfactory.

Place: Chattogram

Dated: November 11, 2021



*S.K. Basak*  
(SHAFIQ BASAK & CO.)  
CHARTERED ACCOUNTANTS  
SIGNED BY:  
S. K. BASAK, FCA (0625)  
PARTNER.



**DHAKA OFFICE -(2):** House - 42 (1st Floor), Road - 01, Blook - A, Niketan, Gulshan - 01, Dhaka.  
Phone : 88-02-99859602-3, 01819-285196, E-mail:mahmoods.bd@gmail.com

# CORPORATE GOVERNANCE COMPLIANCE REPORT

ANNEXURE - C  
[As per condition No. 1(5)(xxvii)]

Status of compliance with the condition imposed by the Commission's Notification No. BSEC/  
CMRRC/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1	<b>Board of Directors</b>			
1(1)	<b>Size of the Board of Directors</b> The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		
1(2)	<b>Independent Directors</b>			
	All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:-			
1(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	√		
1(2)(b)	For the purpose of this clause 'Independent directors' means a director-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	√		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2)(b)(vii)	Who is not a partner or an executive or was not a Partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	√		
1(2)(b)(viii)	Who shall not be an independent director in more than 5 (five) listed companies;	√		
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	√		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	√		
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
1(2)(d)	The post of independent director(s) can not remain vacant for more than 90 (ninety) days.	√		
1(2)(e)	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)	<b>Qualification of Independent Director (ID)</b>			
1(3)(a)	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)(b)	Independent director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of k. 100.00 million or of a listed company; or	√		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or			N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;			N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	√		
1(3)(d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			N/A

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(4)	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals.	√		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
1(5)	<b>The Directors' Report to Shareholders</b>			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-			
1(5)(i)	An industry outlook and possible future developments in the industry	√		
1(5)(ii)	The segment-wise or product-wise performance	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments			N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	A statement that 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	√		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii)(c)	Executives; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
1(5)(xxiv)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:			

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(5)(xxiv)(a)	A brief resume of the director	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per <b>Annexure-A</b> ; and	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per <b>Annexure-B</b> and <b>Annexure-C</b> .	√		
<b>1(6)</b>	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	√		
<b>1(7)</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company-</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			N/A
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)-</b>			
<b>3(1)</b>	<b>Appointment</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
<b>3(2)</b>	<b>Requirement to attend Board of Directors ' Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	√		
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	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;	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company 's Board or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
<b>4</b>	<b>Board of Directors ' Committee.-</b>			
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	√		
4(ii)	Nomination and Remuneration Committee.	√		
<b>5</b>	<b>Audit Committee.-</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors.</b>			
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board 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;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
<b>5(2)</b>	<b>Constitution of the Audit Committee.</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
<b>5(5)</b>	<b>Role of Audit Committee</b>			
	The Audit Committee shall:-			
5(5)(a)	oversee the financial reporting process;	√		
5(5)(b)	monitor choice of accounting policies and principles;	√		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	oversee hiring and performance of external auditors;	√		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	review the adequacy of internal audit function;	√		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	review statement of all related party transactions submitted by the management;	√		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;			N/A
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.			N/A

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(6)	<b>Reporting of the Audit Committee</b>			
5(6)(a)	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	report on conflicts of interests;			N/A
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			N/A
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			N/A
5(6)(b)	<b>Reporting to the Authorities</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			N/A
5(7)	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6	<b>Nomination and Remuneration Committee (NRC).</b>			
6(1)	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	√		
6(2)	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	√		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	√		
6(4)	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(5)	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7	<b>External or Statutory Auditors.</b>			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	financial information systems design and implementation;	√		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		
7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	any other service that creates conflict of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	<b>Maintaining a website by the Company.</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	<b>Reporting and Compliance of Corporate Governance-</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the <b>Annexure-C</b> attached, in the directors' report whether the company has complied with these conditions or not.	√		

## OVERVIEW 2020-2021

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2020 to 30 June 2021.

## INDUSTRY OUTLOOK

Garment industry has always been showing the need for different and attractive packaging.

Over the first half of FY21, factories reopened and exports rebounded. However, the economy faces elevated risks in the context of the ongoing COVID-19 pandemic.

Our prediction is that consumer economy, at least in the next 1/ 2 years, will perform better than the ongoing situation, we assume that rollout of Covid vaccine at mass level across the globe will result in positive business trend and with our strong base and innovation we will outperform in better ways in the coming year.

## ACCOUNTING POLICIES AND CHANGES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect

within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier periods. For a proper understanding, these accounting policies are set out in a detailed statement in Note No:3 (Page-115)

## FY 2020-2021 FINANCIAL PERFORMANCE AND POSITION

The discussions in this section relate to the consolidated, BDT-denominated financial results pertaining to the year that ended June 30, 2021. The financial statements of KDS Accessories Limited has been prepared in accordance with the International Accounting Standards (referred to as "IAS"), as per the Companies Act, 1994, read with the Companies (International Accounting Standards) Rules as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the financial statements - 3. The following table gives an overview of the financial results of the Company:

Particulars	FY 2020-2021 (Million)	% of Revenue	% Growth	FY 2019-2020 (Million)	% of Revenue
Revenue from Operations	2,217.94	100	15.38	1,922.33	100
Earnings before interest, tax, depreciation and amortization (EBITDA) (before other Income)	276.51	12.47	(16.36)	330.62	17.20
Profit Before Tax (PBT)	176.57	7.96	2.42	172.39	8.97
Profit After Tax (PAT)	156.94	7.07	8.47	144.68	7.53
Earnings Per Share (EPS)-in BDT	2.20		8.37	2.03	
Net Assets Value (NAV)	24.75			24.99	
Net Operating Cash Flow Per Share (NOCFPS)	6.58			8.12	

## COST OF GOODS SOLD (COGS)

Cost of Goods Sold (COGS) is the expenses a company incurred in order to manufacture, create or to sell a product. It includes the purchase price of the raw materials as well as the expenses of turning it into a finished product.

## GROSS PROFIT MARGIN RATIO

Gross Profit is the difference between sales and the cost of goods sold

Gross Profit = (Sales-Cost of Goods Sold)

The Gross Profit margin is one indicator to diagnose



the financial health of a business. Larger gross profit margins are better for business-the higher the percentage, the more the business retains of each Taka of sales for other expenses and net profit.

Gross Profit Margin % = (Gross Profit+ Sales) X 100  
During the reporting period of 12 months from 01 July 2020 to 30 June 2021, Gross Profit Margin was 19.14% against 21.99% from 01 July 2019 to 30 June 2020. Gross profit has increased as the price of raw material was lower in this period.

## NET PROFIT MARGIN RATIO

Net Profit is calculated by subtracting expenses including Tax and WPP & WF from the gross profit, showing what the business has earned (or lost) in a given period of time.

Net Profit= Gross Profit-Expenses with Tax & WPP & WF  
The Net Profit Margin Ratio is 7.08% against 7.53% in the previous twelve months. In this period Company has earned net profit of Tk. 156.94 million.

## LAST 5 YEARS FINANCIAL RESULTS

The summarized operational and financial performances are presented below:

Particulars	Amount in BDT.				
	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
Revenue	2,217,942,652	1,922,326,909	2,302,159,637	2,070,885,808	1,585,937,175
Gross Profit	424,624,094	422,675,837	418,004,019	377,208,994	333,360,520
Profit Before WPPF & Taxes	185,868,514	181,463,361	180,605,877	169,628,231	157,074,315
Net Profit After WPPF & Taxes	156,945,148	144,679,379	138,440,217	132,984,828	125,588,351
Earning Per Share (EPS)	2.20	2.03	1.94	1.87	1.76
Share Holder's Equity	1,761,810,181	1,654,527,148	1,572,910,769	1,494,530,552	1,418,745,724
Current Liabilities	1,820,561,156	1,510,242,105	1,417,325,234	2,012,391,304	1,347,796,367
Non-Current Liabilities	179,267,520	146,125,621	287,926,972	224,059,577	278,679,562
Addition to Fixed Assests & CWIP	154,890,122	13,830,563	35,179,286	98,940,650	169,045,295
NAV Per Share	24.75	24.99	24.94	24.88	24.80
Net Operating Cash Flow Per Share (NOCFPS)	6.58	8.12	2.02	3.08	2.81

## COMPARATIVE FINANCIAL PERFORMANCE BETWEEN KDS ACCESSORIES LIMITED & PEER COMPANIES

Particulars	KDS Accessories Limited (Audited till 30 June 2021)	Tosrifa Industries Limited (Un-audited till 31 March 2021)	Khulna Printing & Packaging Limited (Un-audited till 31 March 2021)	Olympic Accessories Limited (Un-audited till 31 March 2021)
Revenue	2,217,942,652	2,198,243,407	375,663,810	322,285,608
Gross Profit (in Taka)	424,624,094	255,709,798	34,107,860	(6,559,055)
Gross Profit (in %)	19.14	11.63	9.08	(2.03)
Net Profit/(Loss) before WPPF & taxes (in Taka)	185,868,514	53,445,777	(7,628,295)	(48,047,040)
Net Profit/(Loss) before WPPF & taxes (in %)	8.38	2.43	(2.03)	(14.91)
Net Profit/(Loss) after WPPF & taxes (in Taka)	156,945,148	23,888,343	(10,362,152)	(56,621,478)
Net Profit/(Loss) after WPPF & taxes (in %)	7.08	1.09	(2.76)	(17.57)
EPS	2.20	0.36	(0.14)	(0.33)
NAV per share	24.75	29.07	9.75	13.64
NOCFPS	6.58	3.66	(0.49)	0.27

## **RISK AND CONCERNS**

Board of Directors reviews the risk management practices and actions deployed by the Management with respect to identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives. A detailed report on Risk & Concerns are given in Annexure-J, Page: 84.

## **FORWARD-LOOKING STATEMENTS**

Board of Directors and management of the company are looking forward to keep its progress in alignment with industry's growth and have made all preparation to this end.

We also undertook diversifying risk by horizontal product line expansion in order to galvanize our product demands. New nomination and market penetration to non-apparel segment also helped us to compensate revenue loss from existing customer bases in the fag-end of the year.

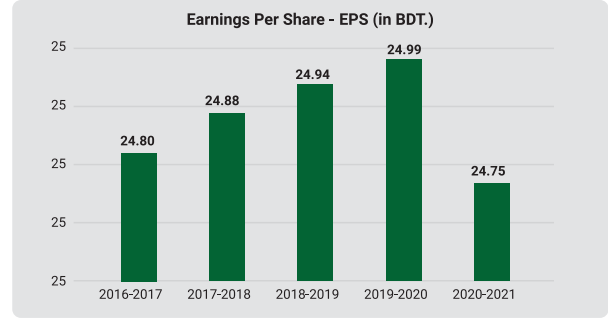
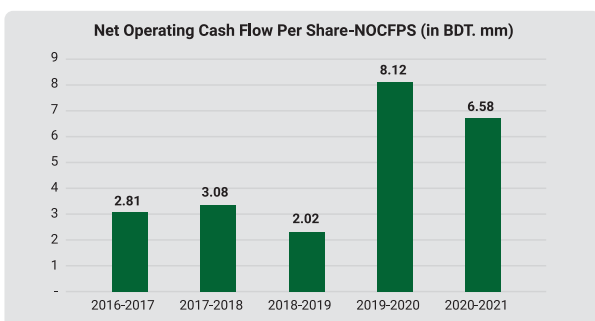
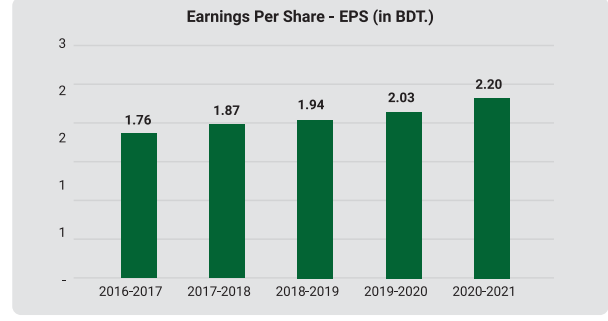
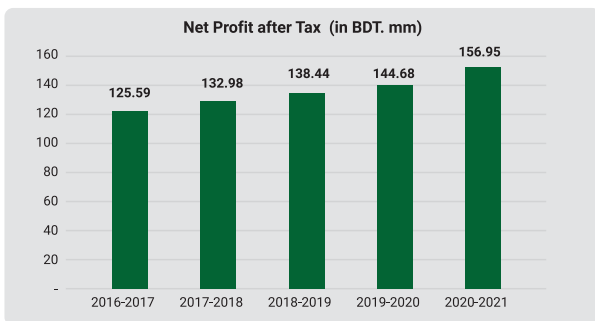
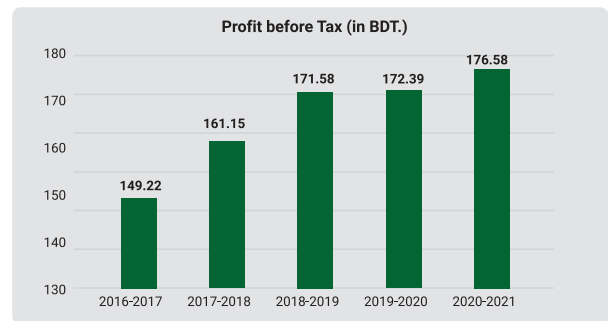
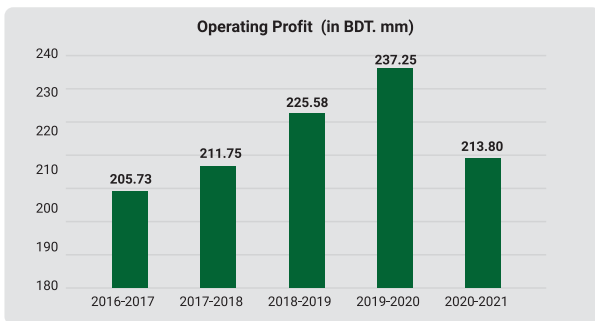
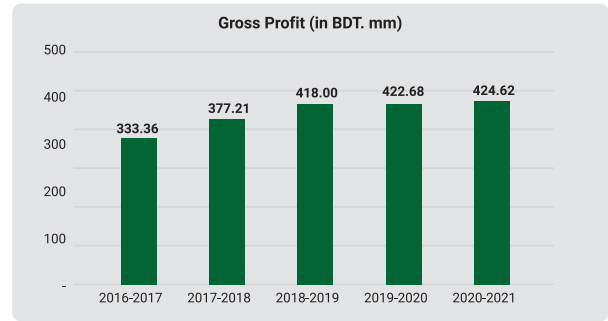
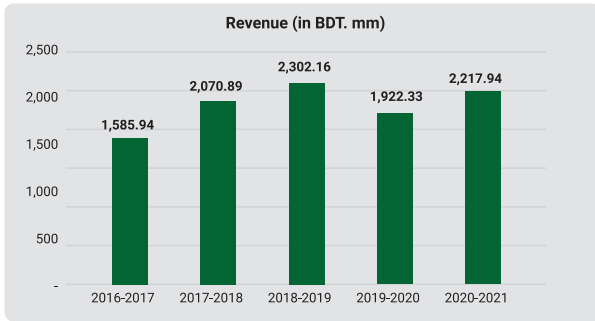


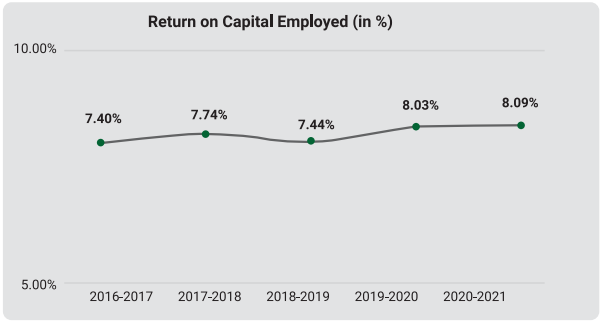
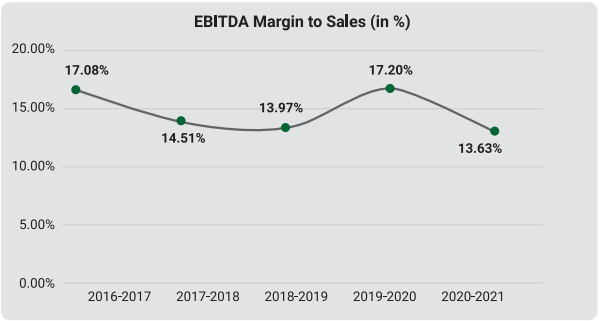
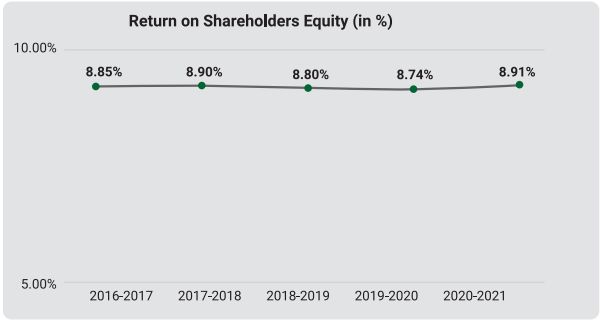
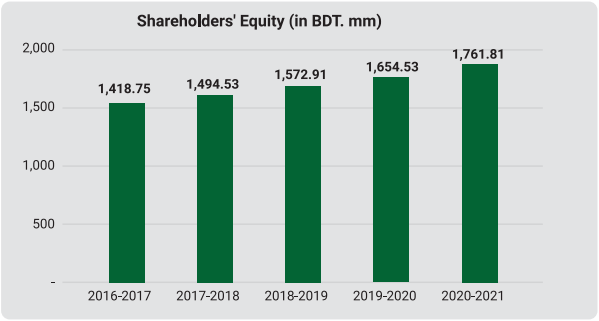
Debasis Daspal  
Chief Executive Officer

Amount in BDT. Million

	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
<b>Assets Employed</b>					
Non Current Assets	1,308.18	1,267.65	1,371.33	1,440.80	1,439.53
Net Current Assets	632.90	533.00	489.51	277.79	257.89
Total Assets Employed	1,941.08	1,800.65	1,860.84	1,718.59	1,697.43
<b>Financed by</b>					
Share Capital	711.82	662.16	630.63	600.60	572.00
Share Premium	120.00	120.00	120.00	120.00	120.00
Revaluation Reserve	214.39	214.39	214.39	214.39	214.39
Retained Earnings	715.59	657.97	607.89	559.54	512.35
Shareholders' Equity	1,761.81	1,654.53	1,572.91	1,494.53	1,418.75
Long Term Borrowings	46.31	14.61	167.83	113.58	178.54
Lease Finance	-	-	-	-	-
Defined benefit obligations - Gratuity	103.34	90.80	76.08	66.48	59.72
Deferred Tax Liabilities	29.61	40.72	44.01	44.00	40.42
Total Capital Employed	1,941.08	1,800.65	1,860.84	1,718.59	1,697.43
<b>Operational Result</b>					
Revenue	2,217.94	1,922.33	2,302.16	2,070.89	1,585.94
Gross Profit	424.62	422.68	418.00	377.21	333.36
Profit from operations	213.80	237.25	225.58	211.75	205.73
Profit before Interest, Taxes & Depreciation	302.41	330.62	321.58	300.57	270.82
Profit before Income Tax	176.58	172.39	171.58	161.15	149.22
Net Profit after Income Tax	156.95	144.68	138.44	132.98	125.59
<b>Financial Ratios</b>					
Gross Profit Ratio - %	19.14%	21.99%	18.16%	18.21%	21.02%
Net Profit Ratio - %	7.08%	7.53%	6.01%	6.42%	7.92%
EBITDA Margin to Sales - %	13.63%	17.20%	13.97%	14.51%	17.08%
Return on Shareholders Equity - %	8.91%	8.74%	8.80%	8.90%	8.85%
Return on Capital Employed - %	8.09%	8.03%	7.44%	7.74%	7.40%
Current Ratio - Times	1.35	1.35	1.35	1.14	1.19
Quick Ratio - Times	0.96	0.98	1.01	0.81	0.85
Inventory Turnover Ratio - Times	2.83	2.89	3.32	3.02	3.03
Assets Turnover Ratio - Times	0.63	0.58	0.66	0.61	0.57
Debt Equity Ratio-Times	1.14	1.00	1.08	1.50	1.15
Interest Coverage Ratio -Times	11.79	3.08	3.42	3.67	2.95
Price/Earning (P/E) Ratio - Times	22.41	17.67	26.28	28.05	34.66
Earnings Per Share (EPS)* - Taka	2.20	2.03	1.94	1.87	1.76
Net Operating Cash Flow Per Share (NOCFPS) - Taka	6.58	8.12	2.02	3.08	2.81
Dividend Per Share (DPS) - Taka	1.50	1.50	1.50	1.50	1.50
Net Assets Value (NAV) Per Share -Taka	24.75	24.99	24.94	24.88	24.80
Market Price Per share on Year Ending Date - Taka	49.40	38.60	57.70	62.10	76.10
Market Capitalization on Year Ending Date - Taka (mn)	3,516.41	2,555.94	3,638.74	3,729.73	4,352.9

\*Total number of shares 7,11,82,361 is considered to calculate EPS.





## RELATED PARTY TRANSACTIONS

ANNEXURE - G

During the period the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. The details discloser of related party transactions is presented below:

SI No.	Name of Related Parties	Relationship	Nature of Transactions	Balance as on 01 July 2020	Transaction during the year (Net)	Balance as on 30 June 2021
01	KDS Apparels Limited	Common Directorship	Receivable Against Sales	2,988,079	(2,988,079)	-
02	KDS Fashion Limited	Common Directorship	Receivable Against Sales	61,067,452	6,900,147	67,967,599
03	KDS Garment Industries Limited	Common Directorship	Receivable Against Sales	10,636,540	30,756,518	41,393,059
04	KDS IDR Limited	Common Directorship	Receivable Against Sales	40,163,395	47,226,204	87,389,599
05	KDS Poly Industries Limited	Common Directorship	Short Term Loan	5,719,370	(5,904,611)	(185,241)
06	KDS Thread Limited	Common Directorship	Short Term Loan	268,084,300	125,991,668	394,075,968

## SHAREHOLDING PATTERN AS ON 30 JUNE 2021

ANNEXURE - H

a) Shareholding Pattern of the Company as on 30 June 2021 was as below:

Name/Particulars of Shareholders	Number of Shares	% of total Shareholding
<b>i) Directors &amp; Sponsors</b>		
Mr. Khalilur Rahman	36,938,452	51.89%
Mr. Salim Rahman	10,030,344	14.09%
Ms. Tahsina Rahman	2,736,475	3.84%
KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	1,431,917	2.01%
Ms. Hasina Iqbal	734,389	1.03%
Ms. Tahmina Rahman	433	0.00%
<b>Total of Directors &amp; Sponsors</b>	<b>51,872,010</b>	<b>72.87%</b>
<b>ii) General Public</b>	<b>13,687,459</b>	<b>19.23%</b>
<b>iii) Institutions</b>	<b>5,622,892</b>	<b>7.90%</b>
<b>Grand Total (i+ii+iii)</b>	<b>71,182,361</b>	<b>100.00%</b>

b) Parent Subsidiary/Associated Companies and other related parties:

Name	Relation	No. of Shares Hold
KDS Garment Industries Limited	Group Company	1,431,917
<b>Total</b>		<b>1,431,917</b>

c) Directors/Sponsors/CEO/CFO/CS/Head of Internal Audit and their spouses and minor children:

Name	Relation	No. of Shares Hold
Mr. Khalilur Rahman	Chairman	36,938,452
Mr. Salim Rahman	Managing Director	10,030,344
Ms. Tahsina Rahman	Director	2,736,475
KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	Director	1,431,917
Mr. Muhammad Jamaluddin	Independent Director	-
Ms. Hasina Iqbal	Sponsor	734,389
Ms. Tahmina Rahman	Sponsor	433
Mr. Debasis Daspal	CEO	340
Mr. Biplob Kanti Banik FCA	CFO	-
Mr. Manjure Khuda	CS	-
Mr. H M Morshed Jahan	Incharge, Internal Audit & Compliance	-

d) Shareholding status of top 5 employees other than CEO, CFO, CS & HIA:

Name	Relation	No. of Shares Hold
Mr. Anwar-Ul-Azam	EVP-HR, Compliance & Operation	-
Mr. Natesan Srinivasan	GM-SLP	-
Mr. Abu Taher	GM-Sales	-
Mr. Abdur Rouf Mollah	DGM-Button	-
Mr. A.K.S Parvez	DGM-Packaging	-

e) Shareholders holding 10% or more voting interest in the company:

Name	Relation	No. of Shares Hold
Mr. Khalilur Rahman	Chairman	36,938,452
Mr. Salim Rahman	Managing Director	10,030,344

## DIRECTORSHIP IN OTHER COMPANIES

ANNEXURE - I

Name of Companies	Name of the Directors				
	Mr. Khalilur Rahman	Mr. Salim Rahman	Ms. Tahsina Rahman	KDS Garment Industries Limited (Represented by Mr. Kamrul Hasan FCA)	Professor Mr. Sarwar Jahan
KDS Garment Industries Limited	Chairman	Managing Director	-	-	-
KDS Apparels Limited	Chairman	Managing Director	-	-	-
KDS IDR Limited	Chairman	Managing Director	-	-	-
KDS Fashion Limited	Chairman	Managing Director	-	-	-
KDS Textile Mills Limited	Chairman & Managing Director	Director	-	-	-
KDS Thread Limited	Chairman	Managing Director	-	-	-
KDS Poly Industries Limited	Chairman	Managing Director	-	-	-
KDS Logistics Limited	Chairman	Managing Director	-	-	-
KY Steel Mills Limited	Managing Director	-	Chairman	-	-
KYCR Coil Industries Limited	Managing Director	Chairman	Director	-	-
Steel Accessories Limited	Chairman	Managing Director	-	-	-
SKYS Securities Limited	Chairman	Managing Director	-	-	-
Pragati Life Insurance Limited	Chairman	-	-	-	-
Pragati Insurance Limited	Director	-	-	-	-
National Bank Limited	Director	-	-	-	-
AH-Arafah Islami Bank Limited	-	Chairman	-	-	-
AIBL Capital Market Services Limited	Chairman	-	-	-	-



An investment in equity carries risks. Investors should carefully consider all the information in this Annual Report including the risks and uncertainties described below, before making an investment in equity shares of KDS Accessories Limited. Any of the following risks as well as other risks and uncertainties discussed in the Annual Report could have a material adverse effect on business, financial condition and results of operations of KDSAL and could cause the trading price of Equity Shares to decline, which could result in the loss of all or part of one's investment. In addition, the risks set out may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein:

**A. INTEREST RATE RISK**

Change in interest rates and banking policies resulting in an increase in financial expenses may have an adverse effect in Company's profitability. The company is dependent on bank (s) for working capital requirements. Therefore any change in the existing banking policies or increase in the interest rates may reduce profit of the company.

**MANAGEMENT PERCEPTION**

The Management of the Company is always aware of the interest rates at which the debts of the company are being financed. Management finances both long-term & short-term funds at competitive rates. The company has been repaying borrowed funds on a continuous basis to reduce such interest risk.

**b. Exchange Rate Risk**

The company carries foreign exchange rate fluctuation risk as it imports raw materials against payment of foreign currency. Unfavorable volatility or currency fluctuation of foreign currency to BDT exchange rate may have negative impact on the cost structure and profitability of the company.

**MANAGEMENT PERCEPTION**

The risk of foreign exchange cannot be eliminated fully as we would have to import raw materials. However the management is always alert in minimizing the negative impact of currency fluctuation cost by identifying new sources of raw materials and constantly negotiating with suppliers for reducing price. Furthermore as a natural hedge, this 100% export oriented company enjoys the benefits of any further devaluation of BDT in against foreign currency.

**C. INDUSTRY RISKS**

Due to lower barriers to entry in this sector, competition may increase with too many new players. If economic growths as well as development activities of the country are not up to the mark, market will be more competitive due to excess capacity in the industry.

**MANAGEMENT PERCEPTION**

KDS Accessories Limited is the largest export oriented carton box producing company in Bangladesh. Since inception, the company has tried and accomplishes to provide the best quality of its products to its valuable clients without any topsy-turvy state of affairs as being a partner of this fraternity. These made the company pioneer in accessories sector. Moreover at the end of the third quarter of 2013 the company has introduced three more products in their product line i.e. Label, Narrow Fabrics, Elastics etc.

**D. MARKET AND TECHNOLOGY-RELATED RISKS**

Change/up gradation in technology is one of the key factors for the sustainable growth of business operations. Inability to adapt required changes/ up gradation in technology may place the competitors at an advantage in terms of costs, efficiency and delivery of products and consequently would have an adverse impact on business operations and financial condition of the company.

**MANAGEMENT PERCEPTION**

KDSAL owns modern technology with R & D infrastructure and able to adapt any new Inventions

with moderate investments as it had been doing in the past. As part of this philosophy KDSAL is the first who has comprehensive Heat Transfer, Label printing facility in Bangladesh with the most advanced line of equipment & material meeting global standards & safety compliances.

The Company is aware of technological changes and has adopted new technology according to its needs. Furthermore, routine and proper maintenance of equipment carried out by the company ensures longer service life for the existing equipment and facilities.

#### **E. LABOR UNREST**

Smooth production is dependent on good relationship of the management with the factory workers and their ability to provide high-quality services. In the event of disagreements with the workers, the company may experience adverse impact.

#### **MANAGEMENT PERCEPTION**

KDSAL maintains good atmosphere at the work place and provides all sort of facilities to the workers as per law of the land as well as Service Rules. Moreover the company has satisfactory compensation and welfare policies for its human resources, which reduces the risk of labor unrest.

#### **F. OPERATIONAL RISKS**

Rise in Input Costs may affect profitability  
Costs of the products of the company may increase due to various reasons, such as increased cost of raw materials and other variable costs that adversely affect the input costs. In case the company is unable to pass on such increase to the consumers because of competition or otherwise, it may affect the profitability of the Company.

#### **MANAGEMENT PERCEPTION**

The company constantly endeavors to procure raw materials at competitive prices using its long association with the suppliers and constant development of new sources for the same. Moreover it follows prudent pricing policy to keep the costs under check. Usually the burden of price fluctuation is reduced by increasing the prices of finished products. Profitability will depend upon the company's ability to pass on the burden of rise in the price of raw material to the consumers.

#### **G. CURRENCY FLUCTUATION RISKS**

The company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the company.

#### **MANAGEMENT PERCEPTION**

Being a 100% export oriented company, the company can directly mitigate foreign currency risk exposure by tradeoff between import and export.