

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

Honorable Shareholders,

On behalf of the Board of Directors of your company I would like to welcome you to the 26th Annual General Meeting of the company and take the opportunity to present the report of the Board of Directors for the year ended on 30 June 2017 before all of you.

OUR BUSINESS

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

OVERVIEW 2016-2017

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2016 to 30 June 2017.

Among others, the major areas affecting our business in last year were:

Meeting Global Compliance by Accord & Alliance

As you are aware that entire garments industry in the country has been undergoing significant turmoil in order to meet the global compliance requirements. We had to struggle for the last few years to continue with the smooth and feasible operation of the company and finally your company was able to meet all compliance requirements – Fire Safety, Structural safety and Environmental Safety and has been rated as one of the global standard manufacturers in the country.

Global Order Flow

Due to some global changes such as US Election, Brexit and other, overall orders of RMG reduced compared to any time of the past and also for ongoing retrofitting and other compliance works,

a number of RMG factory had to close the operation and some other curtailed production and as such total RMG production reduced significantly. Nonetheless, your company tried to maintain steady result both in operation and financials areas.

Cost & Price Impact

Price hike of basic raw materials by 15 % in the last one year due to short supply was a major blow to corrugated carton manufacturers. But equivalent price compensation from user industries (RMG) was not possible due to stiff competition and also due to reduction of FoB for RMG by foreign retailers. Rate of utility cost has been increased by 15% than last year.

Operational Challenges

Our industry had experienced sever shortage of gas supply. Consequently total capacity utilization could not be achieved compared to the previous years. There has been a global crunch of raw materials in the paper industry which adversely affect our packaging revenue this year. Our business would have been much better, had we got uninterrupted supply of gas throughout the year. There had been significant gas shortage which significantly impact running time of our Gazipur factory and reduced revenue.

Now let me give you a summary of developments-

To meet growing market demand of the future, your company continued its endeavors to be ready with required infrastructures. Some of our developments, initiatives taken/implemented in the last year are appended below:

Capacity Expansion

We had successfully completed the capacity expansion of Packaging & also undertook some other projects expansion in Button. Company

also decided to set up a separate Hanger manufacturing unit at Gazipur which by this time has gone into production.

New Nomination

Several important nominations have been obtained this year which will boost our sales in next year. Buyers like Decathlon, Tommy Hilfiger, Sears, LPP, Pimkei, Puma have given us nominations on selected trims and packaging items.

New Product Development

As an ongoing effort to develop new value added product mixes in the market, we developed Simple Box, PDQ Box, Special Coated Carton as part of our new value offerings to our buyers and customers.

OUTLOOK

RMG sector is the driver for growth of Bangladesh's economy. It contributes 13% to national GDP.

To achieve the \$50 billion export target by 2021 Bangladesh will have to earn \$22 billion in the next five years, with a 12% growth as speculated by the industry insiders.

Still Bangladesh remains the world's second largest garment exporter.

As said earlier, we have invested huge to ensure that we are well positioned for continued long-term and profitable growth.

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.

Last 6 Years Financial Results:

Particulars	01 July 2016 to 30 June 2017	01 July 2015 to 30 June 2016	01 January 2015 to 31 December 2015	01 January 2014 to 31 December 2014	01 January 2013 to 31 December 2013	01 January 2012 to 31 December 2012
	Amount in BDT.					
Revenue	1,585,937,175	1,609,773,407	1,690,863,283	1,742,309,513	1,647,256,363	1,510,377,275
Gross Profit	333,360,520	359,206,753	357,126,456	358,347,035	368,325,511	369,339,520
Profit Before WPPF & Taxes	157,074,315	149,977,050	136,840,299	116,802,262	116,904,826	152,499,233
Net Profit After WPPF & Taxes	125,588,351	122,340,224	124,993,582	88,637,099	85,871,064	111,237,722
Earning Per Share (EPS)	2.20	2.14	2.86	2.22	2.14	2.78
Share Holder's Equity	1,418,745,724	1,319,157,373	1,238,800,999	873,807,417	785,170,317	699,299,253
Current Liabilities	1,347,796,367	1,048,769,357	1,368,690,014	1,283,512,624	1,463,067,029	1,312,710,678
Non-Current Liabilities	278,679,562	184,851,346	225,035,942	252,865,122	129,458,816	132,073,300
Addition to Fixed Assests & CWIP	169,045,295	264,744,459	104,454,683	91,365,813	153,085,631	109,075,217
NAV Per Share	24.80	25.37	23.82	21.85	19.63	17.48
Net Operating Cash Flow Per Share (NOCFPS)	2.80	2.50	3.44	4.67	0.41	5.90

* To comply with the requirement of sub-section 35 of section 2 of the Income Tax Ordinance 1984 for uniform income year, company's income/financial year has changed to July to June from January to December effecting from 01 July 2016.

ASSOCIATE COMPANY

SKYS Securities Ltd.

SKYS Securities Ltd. is dealing in stock brokerage for trading of shares in the stock exchanges. Your company holds 46.69% of paid-up capital of SKYS Securities Ltd. and during the reporting period till 30 June 2017, your company earned a profit share of Tk. 190,083 from the business of associate.

MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors reviews 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-C, Page : 72.**

SEGMENT & PRODUCTS' PERFORMANCE

Operational Performance

Particulars	Unit	Installed Capacity	01 July 2016 to 30 June 2017		Installed Capacity	01 July 2015 to 30 June 2016	
			Actual Production	Capacity Utilization in (%)		Actual Production	Capacity Utilization in (%)
Carton	Pcs	30,000,000	29,271,182	97.57%	25,500,000	19,451,619	76.28%
Label	Pcs	175,964,208	71,691,494	40.74%	175,964,208	88,698,751	50.41%
Elastic & Narrow Fabrics	Pcs	30,576,000	22,089,283	72.24%	30,576,000	23,506,568	76.88%
Offset Printing	Pcs	150,009,600	120,989,750	80.65%	150,009,600	137,840,273	91.89%
Heat Transfer Printing	Pcs	24,960,000	8,336,303	33.40%	24,960,000	9,029,061	36.17%
Button	GG	360,000	186,545	51.82%	360,000	170,489	47.36%
Gum Tape	Pcs	4,290,000	234,602	5.47%	4,290,000	89,397	2.08%

* For calculation of capacity utilization, weighted average of actual installed capacity has been considered.

Product wise Revenue

Particulars	01 July 2016 to 30 June 2017		01 July 2015 to 30 June 2016	
	Contribution to Revenue		Contribution to Revenue	
	In Taka	In (%)	In Taka	In (%)
Carton	1,251,430,301	78.91%	1,235,302,874	76.74%
Label	50,681,298	3.19%	69,737,256	4.33%
Elastic & Narrow Fabrics	93,113,538	5.87%	115,038,312	7.15%
Offset Printing	81,887,656	5.16%	85,730,605	5.33%
Heat Transfer Printing	8,900,588	0.56%	9,042,367	0.56%
Button	92,209,901	5.81%	92,377,610	5.74%
Gum Tape	7,733,893	0.49%	2,544,384	0.15%
Total	1,585,937,175	100.00%	1,609,773,407	100.00%

RISK FACTORS & MANAGEMENT PERCEPTION

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-G, Page : 76**.

CREDIT RATING

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

Long Term	Short Term
A+	ST-3

Above rating have been assigned on the basis of good fundamental such as good profitability, sound infrastructural arrangement with state-of-the art land, 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 "Positive Outlook".

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.

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 37** and in **Annexure-D, Page : 73** in accordance with relevant Bangladesh Accounting Standards (BAS).

EXTRA-ORDINARY GAIN / (LOSS)

There is no extra-ordinary gain or loss occurred during the reporting period.

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND PERIOD ENDED REPORT

There were no significant difference between quarterly performance and overall period ended performance of the Company. Throughout the period, the Company was able to maintain a judicious performance both in operational and financial perspective.

SIGNIFICANT DEVIATION IN OPERATING RESULTS COMPARED TO PREVIOUS PERIOD

There is no such deviation in operating results

except launching production of Packaging Line-3 compared to the previous period.

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.

BOARD OF DIRECTORS

i) Structure and size of Board

On 30 June 2017, 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-F, Page : 75.**

iii) Director's Retirement And Re-election

Accordance with the Article 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 meetings held 18 September 2017 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 8 times. The attendance record of the Directors is as follows:

Name	Position	No. of Meeting	Attendance
Mr. Khalilur Rahman	Chairman	08	08
Mr. Salim Rahman	Managing Director	08	08
Ms. Tahsina Rahman	Director	08	06
Mr. S.M. Shameem Iqbal*	Director	08	03
Mr. Kamrul Hasan FCA** Representative of KDS Garment Industries Limited	Director	08	05
Mr. Muhammad Jamaluddin	Independent Director	08	06

*Mr. S.M. Shameem Iqbal resigned from the Board of Directors at the 107th BOD Meeting held on 28 September 2016.

** After appointment of Mr. Kamrul Hasan FCA (representative of KDS Garment Industries Limited), five Board Meeting were held. The member who could not attend the meeting was in granted leave or was outside of the country.

APPOINTMENT OF INDEPENDENT DIRECTOR

As per provision of Corporate Governance Guidelines notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 by Bangladesh Securities and Exchange Commission (BSEC), Mr. Muhammad Jamaluddin was appointed as Independent Director of the Company for a period of 3 (three) years in last Annual General Meeting. Short bio-data of the said director is enclosed herewith in the section of **Director's Profile Page : 40**.

AUDIT COMMITTEE

The Board has constituted the Audit Committee as follows:

Name	Position
Mr. Muhammad Jamaluddin	Chairman & Independent Director
Mr. Khalilur Rahman	Member
Ms. Tahsina Rahman	Member
Mr. S.M. Shameem Iqbal*	Member
Mr. Kamrul Hasan FCA** Representative of KDS Garment Ind. Limited	Member
Mr. Manjure Khuda	Member Secretary

*Mr. S.M. Shameem Iqbal resigned from the Audit Committee at the 108th BOD Meeting held on 15 October 2016.

** Mr. Kamrul Hasan FCA (representative of KDS Garment Industries Limited) appointed as member of the audit committee at the 108th BOD Meeting held on 15 October 2016.

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: 85.

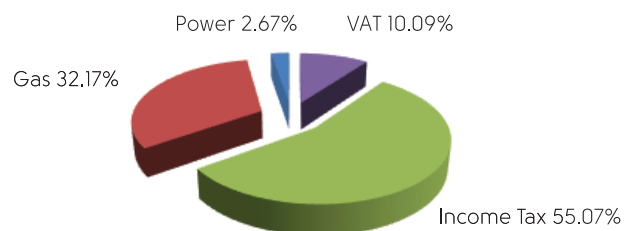
DIVIDEND

Our policy is to offer consistence dividends that closely reflect business performance.

As announced by the Company on 18 Sept. 2017 the Board has recommend dividend for all shareholders 10% Cash and 5% Stock Dividend per share in respect of the year ended 30 June 2017 which will be paid after approval in the Annual General Meeting of the Company as per respective shareholding position on Record Date i.e. 11 October 2017.

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 & deposited a significant amount of Tax, VAT and Duties. During the period of 12 months from 01 July 2016 to 30 June 2017, KDSAL contributed to Tk. 61,453,296 to the Government Exchequer along with utility bill which is presented below:



Contribution To National Exchequer

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 for his contribution to the Company, which are as under:

Name	Position	Amount In Taka
Mr. Khalilur Rahman	Chairman	-
Mr. Salim Rahman	Managing Director	2,500,000.00
Ms. Tahsina Rahman	Director	-
Mr. S.M. Shameem Iqbal	Director	-
Mr. Kamrul Hasan FCA Representative of KDS Garment Industries Limited	Director	-
Mr. Muhammand Jamaluddin	Independent Director	-
Total		2,500,000.00

This amount paid for reporting 12 months period from 01 July 2016 to 30 June 2017.

IPO PROCEEDS UTILIZATION STATUS

The remaining balance of IPO Proceeds of Tk. 5,266,533.00 available with IPO account no. 0002-0320003052 of Mutual Trust Bank Ltd., Principal Branch, 68 Motijheel, Dhaka-1000 and the said amount was utilized to pay off bank liabilities of the company on 08 September 2016 to reduce financial expenses according to the decision taken in the 25th Annual General Meeting of shareholders of the company held on 01 September 2016.

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:

- BS OHSAS 18001:2007 Certified.
- ISO 9001:2008 Certified.
- ISO 14001:2004 Certified.
- Oeko-Tex Standard 100 Certified.
- Achievement Award of Trim Qualification Program by Intertek.
- Gold Certificate of Compliance.

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 and Fixed Asset Management Software (FAMS). Through these applications management can view various reports for its review and decision from any location.

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' career progression. Through different training, staff's professional knowledge in corporate operations, occupational and management skills are enhanced. KDS Accessories is an equal opportunity employer 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' right and benefits. We establish and implement policies that promote a harmony and respectful workplace.

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.

AUDITORS

Hussain Farhad & Co. Chartered Accountants, having its office at House-15, Road-12, Block-F, Niketon, Gulshan-01, Dhaka-1212 will retire in the 26th Annual General Meeting Being eligible, they expressed their willingness for re-appointment.

On their willingness and being eligible the Board in their meeting held on 18 September 2017, recommended re-appointment of Hussain Farhad & Co. Chartered Accountants as Auditor of the company for the year 2017-2018 subject to the approval by the shareholders in the 26th Annual General Meeting.

COMPLIANCE OF CORPORATE GOVERNANCE

Pursuant to notification No: SEC/CMRRCD/2006-158/134/Admin/44 date 07 August 2012 of 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-H, Page : 78 & Page : 89** respectively.

DIRECTORS' RESPONSIBILITIES STATEMENT

Pursuant to the BSEC notification No. BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 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)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS) 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 6 years is disclosed in **Annexure-A, Page : 69 & Annexure-B, Page : 70.**
- ix) The number of Board Meetings held during the reporting period and the attendance by each director is disclosed in this report in **Page : 56**
- x) The pattern of shareholding is disclosed in **Annexure-E, Page : 73.**
- xi) A compliance status report with requirements of Corporate Governance as required by BSEC is disclosed in Corporate Governance Compliance Report and is disclosed in **Annexure-H, Page : 78.**
- xii) Directors' profile is attached in page no 36 to 41 and their directorship and business interest in other organizations have been disclosed in Board of Directors segment and in **Annexure-F, Page : 75.**

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
on behalf of Board



Khalilur Rhaman
Chairman
18 September 2017

কম্পানির আর্থিক বছর ২০১৬-১৭ সালের ০১ জুলাই ২০১৬ হতে ৩০ জুন ২০১৭ পর্যন্ত।

কম্পানির আর্থিক বছর ২০১৭-১৮ সালের ০১ জানুয়ারি ২০১৭ হতে ৩১ ডিসেম্বর ২০১৮ পর্যন্ত।

কম্পানির আর্থিক বছর ২০১৮-১৯ সালের ০১ জুলাই ২০১৮ হতে ৩০ জুন ২০১৯ পর্যন্ত।

কম্পানির আর্থিক বছর ২০১৯-২০ সালের ০১ জানুয়ারি ২০১৯ হতে ৩১ ডিসেম্বর ২০১৯ পর্যন্ত।

কম্পানির আর্থিক বছর ২০২০-২১ সালের ০১ জুলাই ২০২০ হতে ৩০ জুন ২০২১ পর্যন্ত।

কম্পানির আর্থিক বছর ২০২১-২২ সালের ০১ জানুয়ারি ২০২১ হতে ৩১ ডিসেম্বর ২০২১ পর্যন্ত।

বিস্তৃত বছরের প্রচলিত আর্থিক ফলাফল:

বিবরণ	০১ জুলাই ২০১৬	০১ জুলাই ২০১৫	০১ জানুয়ারি ২০১৫	০১ জানুয়ারি ২০১৪	০১ জানুয়ারি ২০১৩	০১ জানুয়ারি ২০১২
	হতে ৩০ জুন ২০১৭	হতে ৩০ জুন ২০১৬	হতে ৩১ ডিসেম্বর ২০১৫	হতে ৩১ ডিসেম্বর ২০১৪	হতে ৩১ ডিসেম্বর ২০১৩	হতে ৩১ ডিসেম্বর ২০১২
	বৃদ্ধি/হ্রাস টিকায়					
বিক্রয়	১,৫৮৫,৯৩৭,১৭৫	১,৬০৯,৭৭৩,৪০৭	১,৬৯০,৮৬৩,৯৯০	১,৫১২,৩৩২,৫৩৩	১,৫২৬,৩৩৫,০০৩	১,৫৩০,৩৭৭,২৭৩
মোট মুনাফা	৩৩৩,৩৬০,৫২০	৩৫৯,২০৬,৭৫০	৩৫৭,১২৬,৪৫৬	৩৫৮,৩৪৭,০৩৫	৩৬৮,৩২৫,৫১১	৩৬৯,৩০৯,৫২০
WPPF এবং Income Tax পূর্ববর্তী মুনাফা	১৫৭,০৭৪,৩১৫	১৪৯,৯৭৭,০৫০	১৩৬,৮৪৭,৯৯৫	১৩৬,৩৭৫,২৬৬	১৩৬,৯৩৬,৩৯৬	১৩২,৪৯৯,০০০
নেট মুনাফা (Net Profit)	১৭৬,২৮৬,২০৫	১০৯,২২৯,৬৯০	১২০,২৭৮,৪৬১	১২২,০৭১,৭৬৯	১৩১,৩৮৯,১১৫	১৩৬,৮১০,৫২০
শেয়ার প্রতি আয় (EPS)	২.২০	২.১৪	২.১৫	২.১২	২.১৬	২.১৮
শেয়ারহোল্ডারদের সম্পদ	১,৪১৮,৭৪৫,৭২৪	১,৩১৯,১৫৭,৩৭৩	১,২৩৮,৮০০,৯৯৯	৮৭৩,৬০৭,৪২৭	৭৮৫,১৭০,৭১৭	৬৯৯,২৯৯,২৫৩
চলতি দায়	১,৩৪৭,৭৯৪,৩৬৭	১,০৪৮,৭৬৯,৩৫৭	১,৩৬৮,৬৯৩,৩৫৬	১,৩৩৩,৫০৩,৯৫৬	১,৩৩৩,৩৩৬,২২৫	১,৩৩৩,৭২৭,৯৯৬
দীর্ঘমেয়াদী দায়সমূহ	২৭৮,৬৭৯,৫৬২	১৮৮,৮৫১,৩৪৬	২২৫,০০৫,৯৪২	২৫২,৬৬৫,১২২	১২৯,৪৫৮,৮১৬	১৩২,০৭৩,০০০
স্থায়ী সম্পদ এবং চলতি কার্যের সংযোজন	১৬৯,০৪৫,২৯৫	২৬৪,৭৪৪,৪৫৯	১০৪,৪৫৪,৫১৯	১২৩,৬৬৫,৬৯৫	১৩৬,৬৮৭,৯০১	১৩৩,৬৫৬,০০৬
শেয়ার প্রতি নেট সম্পদ মূল্য (NAV)	২৪.৮০	২৫.৩৭	২৩.৮২	২১.৮৫	১৯.৬৩	১৭.৪৮
শেয়ার প্রতি নগদ প্রবাহ	২.৮০	২.৫০	২.৫৪	২.০৭	২.১৬	২.১৮

*To comply with the requirement of sub-section 35 of section 2 of the Income Tax Act, 1961, the financial year has changed to July to June from January to December.

কম্পানির আর্থিক বছর ২০২১-২২ সালের ০১ জানুয়ারি ২০২১ হতে ৩১ ডিসেম্বর ২০২১ পর্যন্ত।

কম্পানির আর্থিক বছর ২০২২-২৩ সালের ০১ জানুয়ারি ২০২২ হতে ৩১ ডিসেম্বর ২০২২ পর্যন্ত।

পন্যভিত্তিক ফলাফল

পরিচালন ফলাফল:

বিবরণ	ইউনিট	ধারণক্ষমতা	০১ জুলাই ২০১৬ হতে ৩০ জুন ২০১৭		ধারণক্ষমতা	০১ জুলাই ২০১৫ হতে ৩০ জুন ২০১৬	
			প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)		প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)
কার্টন	পিচ	৩০,০০০,০০০	২৯,২৭১,১৮২	৯৭.৫৭%	২৭,৩০০,০০০	১৯,৫৫১,০১৯	৭১.২৮%
লেবেল	পিচ	১৭৫,৯৬৪,২০৮	৭১,৬৯১,৪৯৪	৪০.৭৪%	১৭৫,৯৬৪,২০৮	৮৮,৬৯৮,৭৫২	৫০.৪১%
ইলাস্টিক এবং ন্যার ফ্যাব্রিক্স	পিচ	৩০,৫৭৬,০০০	২২,০৮৯,২৮০	৭২.২৪%	৩০,৫৭৬,০০০	২০,৫০০,৫৮৮	৬৭.০৮%
অফসেট প্রিন্টিং	পিচ	১৫০,০০৯,৬০০	১২০,৯৮৯,৭৫০	৮০.৬৫%	১৫০,০০৯,৬০০	১৩৭,৮৪০,২৭০	৯১.৮৯%
হিট ট্রান্সফার	পিচ	২৪,৯৬০,০০০	৮,৩৩৬,৩০৩	৩৩.৪০%	২৪,৯৬০,০০০	২,০২৯,০০১	৮.১৭%
বাটন	জিজি	৩৬০,০০০	১৮৬,৫৪৫	৫১.৮২%	৩৬০,০০০	১৭০,৪৮৯	৪৭.৩৬%
গামটেপ	পিচ	৪,২৯০,০০০	২৩৪,৬০২	৫.৪৭%	৪,২৯০,০০০	৮৯,৩৬৭	২.০৮%

পণ্যভিত্তিক বিক্রয়:

বিবরণ	০১ জুলাই ২০১৬ হতে ৩০ জুন ২০১৭		০১ জুলাই ২০১৫ হতে ৩০ জুন ২০১৬	
	বিক্রয়		বিক্রয়	
	টাকায়	(%)	টাকায়	(%)
কার্টন	১,২৫১,৪৩০,৩০১	৭৮.৯০%	১,২৩৩,০০০,০০০	৭৬.৭৪%
লেবেল	৫০,৬৮১,২৯৮	৩.১৯%	৩৯,৭৩৭,১৫৫	৪.৩০%
ইলাস্টিক এবং ন্যার ফ্যাব্রিক্স	৯৩,১১৩,৫৩৮	৫.৮৭%	১০৫,০০৮,০০১	৭.১৫%
অফসেট প্রিন্টিং	৮১,৮৮৭,৬৫৬	৫.১৬%	৮৫,৭৩০,৬০৫	৫.৩০%
হিট ট্রান্সফার	৮,৯০০,৫৮৮	০.৫৬%	৯,৩৫৯,৩৯৭	০.৫৬%
বাটন	৯২,২০৯,৯০১	৫.৮১%	৯২,৩৭৭,৬২০	৫.৭৪%
গামটেপ	৭,৭৩৩,৮৯৩	০.৪৮%	২,৪৩৪,৩০৮	০.৩৫%
সর্বমোট	১,৫৮৫,৯৩৭,১৭৫	১০০.০০%	১,৬০৯,৭৭৩,৪০৭	১০০.০০%

ঝুঁকি ও উদ্বেগ

ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক ঝুঁকি ব্যবস্থাপনা, ঝুঁকির ফলাফল নির্ধারণ, পর্যবেক্ষণ, হ্রাসকরণ এবং প্রতিবেদন কোম্পানীর পরিচালনা পর্ষদ সময়ে সময়ে পর্যালোচনা করে থাকেন। কোম্পানীর পরিচালনায় ব্যবসায়িক ঝুঁকি ব্যবস্থাপনা সংক্রান্ত একটি বিস্তারিত প্রতিবেদন Annexure -G, Page:76 এ উপস্থাপন করা হয়েছে।

ক্রেডিট রেটিং

ক্রেডিট রেটিং ইনফরমেশন এন্ড সার্ভিসেস লিমিটেড (CRISL)

দীর্ঘকালীন	স্বল্পকালীন
A+	ST-3

যেহেতু কোম্পানীর ঝুঁকি পরিচালনা পর্ষদ কর্তৃক ঝুঁকি ব্যবস্থাপনা, ঝুঁকির ফলাফল নির্ধারণ, পর্যবেক্ষণ, হ্রাসকরণ এবং প্রতিবেদন কোম্পানীর পরিচালনা পর্ষদ সময়ে সময়ে পর্যালোচনা করে থাকেন। কোম্পানীর পরিচালনায় ব্যবসায়িক ঝুঁকি ব্যবস্থাপনা সংক্রান্ত একটি বিস্তারিত প্রতিবেদন Annexure -G, Page:76 এ উপস্থাপন করা হয়েছে।

আর্থিক ঝুঁকি পরিচালনা পর্ষদ কর্তৃক ঝুঁকি ব্যবস্থাপনা, ঝুঁকির ফলাফল নির্ধারণ, পর্যবেক্ষণ, হ্রাসকরণ এবং প্রতিবেদন কোম্পানীর পরিচালনা পর্ষদ সময়ে সময়ে পর্যালোচনা করে থাকেন। কোম্পানীর পরিচালনায় ব্যবসায়িক ঝুঁকি ব্যবস্থাপনা সংক্রান্ত একটি বিস্তারিত প্রতিবেদন Annexure -G, Page:76 এ উপস্থাপন করা হয়েছে।

ক্রেডিট রেটিং ইনফরমেশন এন্ড সার্ভিসেস লিমিটেড (CRISL) কোম্পানীর দীর্ঘকালীন ঝুঁকি পরিচালনা পর্ষদ কর্তৃক ঝুঁকি ব্যবস্থাপনা, ঝুঁকির ফলাফল নির্ধারণ, পর্যবেক্ষণ, হ্রাসকরণ এবং প্রতিবেদন কোম্পানীর পরিচালনা পর্ষদ সময়ে সময়ে পর্যালোচনা করে থাকেন। কোম্পানীর পরিচালনায় ব্যবসায়িক ঝুঁকি ব্যবস্থাপনা সংক্রান্ত একটি বিস্তারিত প্রতিবেদন Annexure -G, Page:76 এ উপস্থাপন করা হয়েছে।

পূর্ববর্তী বার্ষিক সাধারণ সভায় পরবর্তী ৩ বৎসরের জন্য নিয়োগ দেয়া হয়েছে। জনাব জামালউদ্দিন এর যোগ্যতা এবং দক্ষতা ডিরেক্টরস প্রোফাইলে Page No: 40 এ বিস্তারিত দেয়া হয়েছে।

নিরীক্ষা কমিটি

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

পরিচালকের নাম	পদবী
জনাব মোহাম্মদ জামালউদ্দিন	চেয়ারম্যান এবং স্বাধীন পরিচালক
জনাব খলিলুর রহমান	সদস্য
জনাবা তাহসিনা রহমান	সদস্য
জনাব এস.এম. শামীম ইকবাল*	সদস্য
জনাব কামরুল হাসান এফসিএ** প্রতিনিধি - কেডিএস গার্মেন্ট ইন্ডাস্ট্রিজ লিমিটেড	সদস্য
জনাব মনজুরে খোদা	সদস্য সচিব

* জনাব এস.এম. শামীম ইকবাল ১৫ অক্টোবর ২০১৬ এ অনুষ্ঠিত পরিচালনাপর্ষদের ১০৮তম সভায় নিরীক্ষা কমিটির সদস্যপদ হতে পদত্যাগ করেন।

** পরিচালনাপর্ষদ ১৫ অক্টোবর ২০১৬ এ অনুষ্ঠিত পরিচালনাপর্ষদের ১০৮তম সভায় কেডিএস গার্মেন্টস ইন্ডাস্ট্রিজ লিমিটেড (প্রতিনিধি জনাব কামরুল হাসান এফসিএ) কে নিরীক্ষা কমিটির সদস্য হিসেবে নিয়োগ প্রদান করেন।

আর্থিক বৎসরে উক্ত নিরীক্ষা কমিটির ৪টি সভা অনুষ্ঠিত হয়। উক্ত কমিটির দায়-দায়িত্ব এবং কার্যাবলী Page No: 85 এ বিস্তারিতভাবে বর্ণনা করা হয়েছে।

লভ্যাংশ

নিয়মিত লভ্যাংশ (Consistance Dividend) পলিসির আওতায় কোম্পানীর ফলাফলের সাথে সামঞ্জস্যতা রেখে আমরা লভ্যাংশ

পরিচালকের নাম	পদবী	টাকা
জনাব খলিলুর রহমান	চেয়ারম্যান	--
জনাব সেলিম রহমান	ব্যবস্থাপনা পরিচালক	২,৫০০,০০০.০০
জনাবা তাহসিনা রহমান	পরিচালক	--
জনাব এস.এম. শামীম ইকবাল	পরিচালক	--
জনাব কামরুল হাসান এফসিএ প্রতিনিধি - কেডিএস গার্মেন্ট ইন্ডাস্ট্রিজ লিমিটেড	পরিচালক	--
জনাব মোহাম্মদ জামালউদ্দিন	স্বাধীন পরিচালক	--
		২,৫০০,০০০.০০

দেয়া হয়েছে।

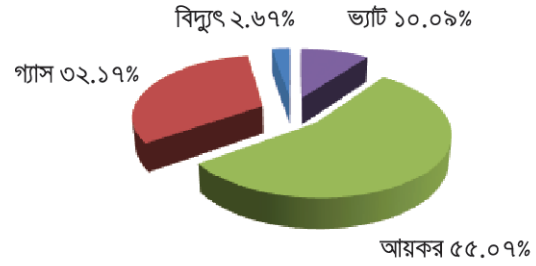
জনাবা তাহসিনা রহমান

ঘোষণা করে থাকি।

১৮ সেপ্টেম্বর ২০১৭ তারিখে অনুষ্ঠিত পরিচালনা পর্ষদের সভায় ৩০ জুন ২০১৭ তারিখের সমাপ্ত আর্থিক বৎসরের জন্য কোম্পানীর সকল শেয়ারহোল্ডারদের ১০% নগদ এবং ৫% ষ্টক লভ্যাংশ বিতরণের সুপারিশ করা হয়েছে যাহা আগামী বার্ষিক সাধারণ সভায় অনুমোদন সাপেক্ষে Record Date - ১১ অক্টোবর ২০১৭ এ শেয়ারধারীদের মধ্যে বিতরণ করা হবে।

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 ৬১,৪৫৩,২৯৬/= টাকা রাষ্ট্রীয় কোষাগারে প্রদান করেছে। যাহা নিম্নে বর্ণিত চিত্রে দেখানো হলো:



রাজস্ব কোষাগারে অবদান

পরিচালকপর্ষদের ভাতা / সম্মানী

কোম্পানীর ব্যবস্থাপনা পরিচালক ব্যতিত 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 :

জনাবা তাহসিনা রহমান

(আইএফআরএস)/বাংলাদেশ ফিনেন্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (বিএফআরএস) যেভাবে বাংলাদেশে প্রযোজ্য সেভাবে অনুসরণ করা হয়েছে এবং যে কোন ধরনের পরিবর্তন পর্যাণ্ডভাবে 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 পরিচালনাগত ফলাফলে বিগত বৎসর থেকে গুরুত্বপূর্ণ পরিবর্তন প্রতিবেদনে আলোকপাত করা হয়েছে এবং যদি থাকে তার কারণ ব্যাখ্যা করা হয়েছে।
৮. বিগত ছয় বৎসরে মূল পরিচালনাগত এবং আর্থিক ফলাফল সমূহ Annexure – A, Page:69 & Annexure – B, Page:70 এ উল্লেখ করা হয়েছে।
৯. কোম্পানীর পরিচালক পর্ষদের সভার সংখ্যা এবং পরিচালকদের উপস্থিতি সংক্রান্ত তথ্য Page:63 এ উল্লেখ করা হয়েছে।
১০. শেয়ার ধারণের বিবরণ Annexure – E, Page:73 উল্লেখ করা হয়েছে।
১১. বিএসইসি এর চাহিদামত এবং কর্পোরেট গভর্নেন্সের নিয়মানুসারে কর্পোরেট গভর্নেন্সের কমপ্লাইয়েন্স স্ট্যাটাস

নামে একটি প্রতিবেদন এবং সনদ Annexure – H, Page:78 এ বর্ণনা করা হয়েছে।

১২. পরিচালকদের প্রোফাইল Page:36-41 এবং অন্যান্য সংস্থায় তাদের অংশিদারিত্ব এবং অবস্থান, ব্যবসায়িক স্বার্থ এই রিপোর্টের Annexure – F, Page:75 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 শ্রমিক, কর্মচারী, কর্মকর্তাদেরকে তাদের অবদানের জন্য ধন্যবাদ জানাচ্ছি।

পরিশেষে আমরা সরকারের সকল ধরনের নিয়ন্ত্রক সংস্থা যথা- বিএসইসি, ডিএসই, সিএসই, সিডিবিএল, আরজেএসসি, এনবিআর এবং সম্মানিত শেয়ারহোল্ডারবৃন্দকে তাদের বিগত দিনের সহযোগিতা এবং ভবিষ্যতে একই ধরনের সহযোগিতার প্রত্যাশায় ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছি।

আল্লাহ হাফেজ

পরিচালকমন্ডলীর পক্ষে—



খলিলুর রহমান

চেয়ারম্যান

১৮ সেপ্টেম্বর ২০১৭

Think *Strength*
& *Robustness*
think **KDS Carton**





Attach your *fashion*
with our finest
collection of *button*

ANNEXURE - A

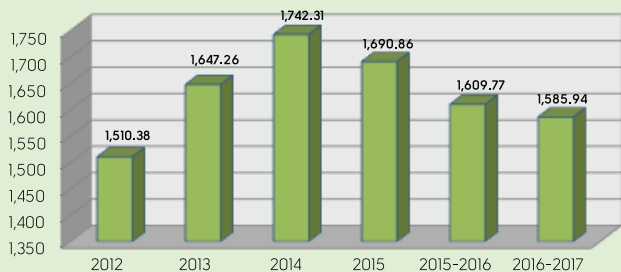
FINANCIAL HIGHLIGHTS

	Amount in BDT. Million					
	2016-2017	2015-2016	2015	2014	2013	2012
Assets Employed						
Non Current Assets	1,439.53	1,346.66	1,132.96	1,092.55	1,059.01	958.74
Net Current Assets	257.89	157.35	330.88	34.13	(153.29)	(134.32)
Total Assets Employed	1,697.43	1,504.01	1,463.84	1,126.67	905.71	824.42
Financed by						
Share Capital	572.00	520.00	520.00	400.00	400.00	301.28
Share Premium	120.00	120.00	120.00	-	-	-
Revaluation Reserve	214.39	214.39	214.39	214.39	214.39	214.39
Retained Earnings	512.35	464.77	384.41	259.42	170.78	183.62
Shareholders' Equity	1,418.75	1,319.16	1,238.80	873.81	785.17	699.30
Long Term Borrowings	178.54	99.08	152.77	184.21	77.28	92.88
Lease Finance	-	1.62	2.69	2.15	2.65	0.73
Defined benefit obligations - Gratuity	59.72	49.20	38.17	22.91	-	-
Deferred Tax Liabilities	40.42	34.95	31.40	43.59	40.61	31.51
Total Capital Employed	1,697.43	1,504.01	1,463.84	1,126.67	905.71	824.42
Operational Result						
Revenue	1,585.94	1,609.77	1,690.86	1,742.31	1,647.26	1,510.38
Gross Profit	333.36	359.21	357.13	358.35	368.33	369.34
Profit from operations	205.73	224.86	227.47	252.55	286.48	288.35
Profit before Interest, Taxes & Depreciation Allowances	270.82	286.55	285.17	300.96	332.38	324.57
Profit before Income Tax	149.22	142.48	130.00	110.96	111.34	145.24
Net Profit after Income Tax	125.59	122.34	124.99	88.64	85.87	111.24
Financial Ratios						
Gross Profit Ratio - %	21.02%	22.31%	21.12%	20.57%	22.36%	24.45%
Net Profit Ratio - %	7.92%	7.60%	7.39%	5.09%	5.21%	7.36%
EBITDA Margin to Sales - %	17.08%	17.80%	16.87%	17.27%	20.18%	21.50%
Return on Shareholders Equity - %	8.85%	9.27%	10.09%	10.14%	10.94%	15.91%
Return on Capital Employed - %	7.40%	8.13%	8.54%	7.87%	9.48%	13.49%
Current Ratio - Times	1.19	1.15	1.24	1.03	0.90	0.90
Quick Ratio - Times	0.85	0.79	0.88	0.66	0.40	0.32
Inventory Turnover Ratio - Times	3.03	3.36	2.77	2.31	1.70	1.57
Assets Turnover Ratio - Times	0.57	0.63	0.65	0.73	0.73	0.77
Debt Equity Ratio-Times	1.15	0.94	1.29	1.76	2.03	2.07
Interest Coverage Ratio -Times	2.95	1.82	1.20	0.75	0.69	1.01
Price/Earning (P/E) Ratio - Times	34.66	26.46	29.73	-	-	-
Earnings Per Share (EPS) - Taka	2.20	2.14	2.86	2.22	2.14	2.78
Net Operating Cash Flow Per Share (NOCFPS) - Taka	2.80	2.50	3.44	4.67	0.41	5.90
Dividend Per Share (DPS) - Taka	1.50	1.50	-	-	-	3.28
Net Assets Value (NAV) Per Share -Taka	24.80	25.37	23.82	21.85	19.63	17.48
Market Price Per share on Year Ending Date - Taka	76.10	56.70	85.00	-	-	-
Market Capitalization on Year Ending Date - Taka (mn)	4,352.92	2,948.40	4,420.00	-	-	-

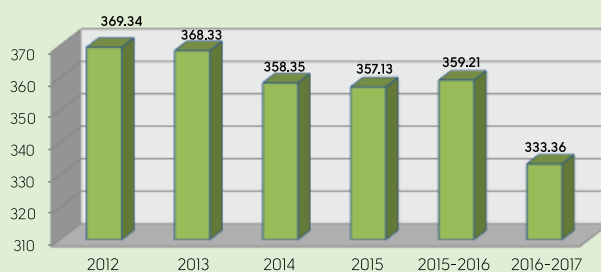
ANNEXURE - B

PERFORMANCE INDICATOR

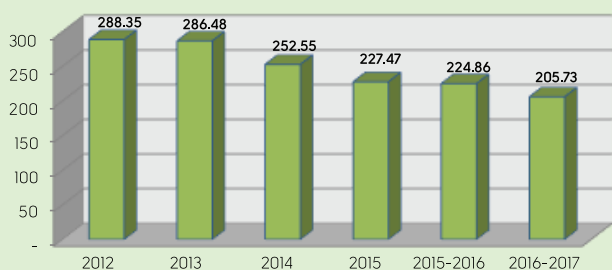
Revenue (in BDT. mn)



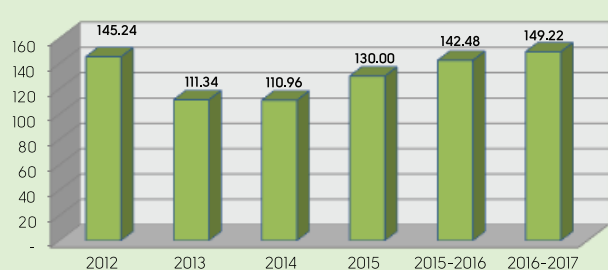
Gross Profit (in BDT. mn)



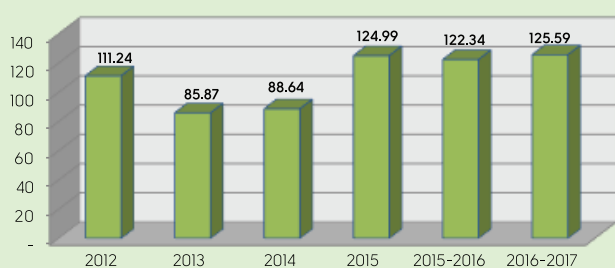
Operating Profit (in BDT. mn)



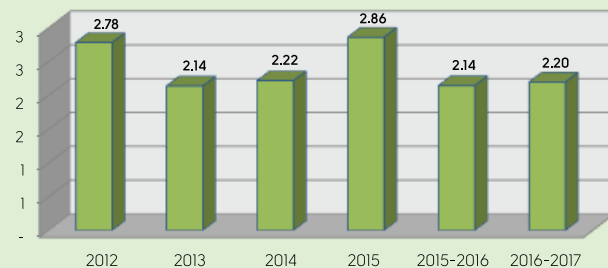
Profit before Tax (in BDT. mn)



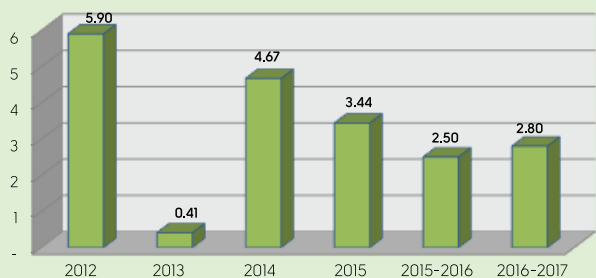
Net Profit after Tax (in BDT. mn)



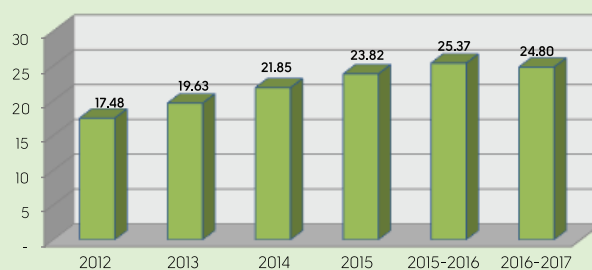
Earnings Per Share - EPS (in BDT.)



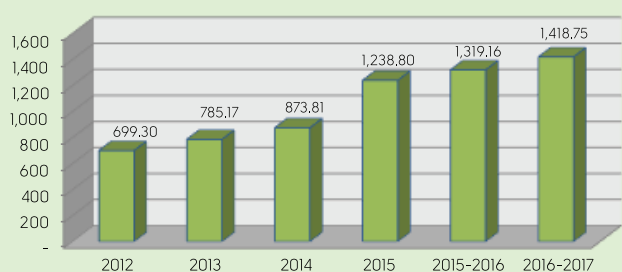
Net Operating Cash Flow Per Share - NOCFPS (in BDT.)



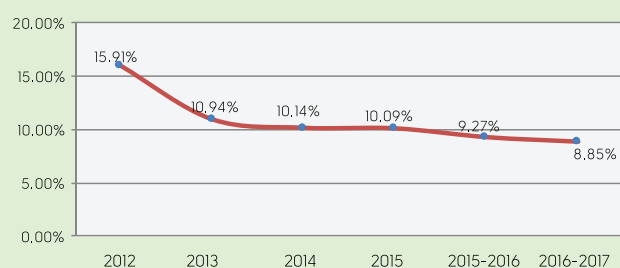
Net Asset Value Per Share-NAV (in BDT.)



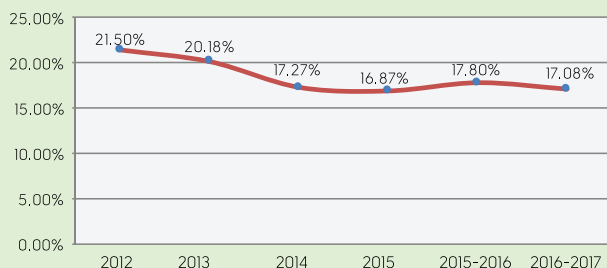
Shareholders' Equity (in BDT. mn)



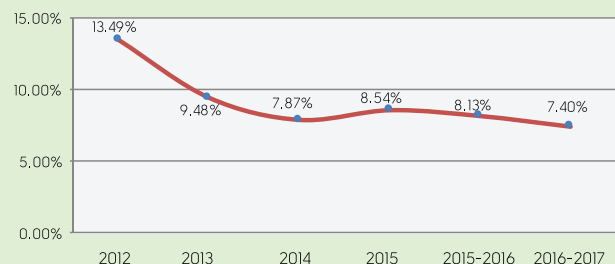
Return on Shareholders Equity (in %)



EBITDA Margin to Sales (in %)



Return on Capital Employed (in %)



ANNEXURE - C

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis are designed to provide readers with an overview of the business and an Cost of Goods Sold, Gross & Net Profit Margin.

FINALCIAL PERFORMANCE

Particulars	01 July 2016 to 30 June 2017	01 July 2015 to 30 June 2016
	In Taka	In Taka
Cost of Goods Sold (COGS)	1,252,576,655	1,250,566,654
Gross Pofit (GP)	333,360,520	359,206,753
Net Profit (NP)	125,588,351	122,340,224

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 2016 to 30 June 2017, Gross Profit Margin was 21.02% against 22.31% from 01 July 2015 to 30 June 2016. Gross profit has decreased as the price of raw material was higher than that of last year.

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 7.92% against 7.60% in the previous twelve months. In this period Company has earned net profit of Tk. 125.59 million. Share of Profit of Associates of Tk. 0.19 million has been included herewith.

ANNEXURE - D

RELATED PARTY TRANSACTIONS

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:

Sl No.	Name of the Related Parties	Relationship	Nature of Transactions	Balance as on 01 July 2016	Transaction during the period (Net)	Balance as on 30 June 2017
1	KDS Apparels Limited	Common Directorship	Receivable Against Sales	4,329,931	(216,287)	4,113,645
2	KDS Fashion Limited	Common Directorship	Receivable Against Sales	13,648,961	7,970,692	21,619,653
3	KDS Garment Inds. Ltd.	Common Directorship	Receivable Against Sales	46,034,019	(1,694,335)	44,339,684
4	KDS Logistics Limited	Common Directorship	Receivable Against Sales	228,404	(89,286)	139,118
5	KDS IDR Limited	Common Directorship	Receivable Against Sales	4,473,125	(1,592,664)	2,880,461
6	KDS Textile Mills Ltd.	Common Directorship	Receivable Against Sales	247,379	385,372	632,750
7	KDS Poly Industries Ltd.	Common Directorship	Short Term Loan	191,197,758	396,568,425	205,370,667
8	KDS Thread Limited	Common Directorship	Short Term Loan	25,299,855	455,962	455,962

ANNEXURE - E

SHAREHOLDING STRUCTURE AS ON 30 JUNE 2017

a) Shareholding Structure of the Company as on 30 June 2017 was as below:

Name/Particulars of Shareholders	Number of Shares	% of total Shareholding
i) Directors & Sponsors		
Mr. Khalilur Rahman	26,839,092	46.921%
Mr. Salim Rahman	9,241,186	16.156%
Ms. Tahsina Rahman	2,198,952	3.844%
KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	1,150,648	2.012%
Mr. S.M. Shameem Iqbal	3,079,929	5.384%
Ms. Hasina Iqbal	2,640,138	4.616%
Ms. Tahmina Rahman	349	0.001%
Total of Directors & Sponsors	45,150,294	78.93%
ii) General Public	8,218,823	14.37%
iii) Institutions	3,830,883	6.70%
Grand Total (i+ii+iii)	57,200,000	100.00%

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

Name	Relation	No. of Shares Hold
KDS Garment Industries Limited	Group Company	1,150,648
Total		1,150,648

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	26,839,092
Mr. Salim Rahman	Managing Director	9,241,186
Ms. Tahsina Rahman	Director	2,198,952
KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	Director	1,150,648
Mr. Muhammad Jamaluddin	Independent Director	-
Mr. S.M. Shameem Iqbal	Sponsor	3,079,929
Ms. Hasina Iqbal	Daughter of Mr. Khalilur Rahman	2,640,138
Ms. Tahmina Rahman	Daughter of Mr. Khalilur Rahman	349
Mr. Debasis Daspal	CEO	275
Mr. Biplob Kanti Banik FCA	CFO	-
Mr. Manjure Khuda	CS	-
Mr. H M Morshed Jahan	Incharge, Internal Audit Dept.	-

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

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

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

Name	Relation	No. of Shares Hold
Mr. Khalilur Rahman	Chairman	26,839,092
Mr. Salim Rahman	Managing Director	9,241,186

ANNEXURE - F

DIRECTORS' BUSINESS INTEREST IN OTHER ORGANIZATIONS

Sl No.	Name of Directors	Position at KDS Accessories Limited	Entitles where they have interests	Position in other Companies
1	Mr. Khalilur Rahman	Chairman	KDS Garment Industries Limited	Chairman
			KDS Apparels Limited	Chairman
			KDS IDR Limited	Chairman
			KDS Fashion Ltd.	Chairman
			KDS Textile Mills Limited	Chairman
			KDS Thread Limited	Chairman
			KDS Poly Industries Limited	Chairman
			KY Steel Mills Limited	Chairman
			KYCR Coil Industries Ltd.	Managing Director
			Steel Accessories Limited	Chairman
			KDS Logistics Ltd.	Chairman
			Vortex Multi Industries Ltd	Chairman
			SKYS Securities Ltd	Chairman
			Pragati Life Insurance Limited	Chairman
Pragati General Insurance Limited	Director			
National Bank Limited	Director			
2	Mr. Salim Rahman	Managing Director	KDS Garment Industries Limited	Managing Director
			KDS Apparels Limited	Managing Director
			KDS IDR Limited	Managing Director
			KDS Fashion Ltd.	Managing Director
			KDS Textile Mills Limited	Director
			KDS Poly Industries Limited	Managing Director
			KDS Thread Limited	Managing Director
			KYCR Coil Industries Ltd.	Chairman
			Steel Accessories Limited	Managing Director
			KDS Logistics Ltd.	Managing Director
			Vortex Multi Industries Ltd.	Director
Al-Arafah Islami Bank Ltd.	Director			
3	Ms. Tahsina Rahman	Director	KYCR Coil Industries Ltd	Director
			Pragati General Insurance Limited	Director
4	KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	Director	-	-
5	Mr. Muhammad Jamaluddin	Independent Director	Center for Mass Education in Science (CMES)	Director
			Pragati Life Insurance Limited	Independent Director

ANNEXURE - G

RISK FACTORS & MANAGEMENT PERCEPTION

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.

Annexure - 1: Details of the conditions identified during the audit of the financial statements for the year ended 31st March 2017.

Condition No.	Title	Compliance Status (Put 'X' in the appropriate column)		Remarks (if Any)
		Complied	Not Complied	
1	...			
2	...			
3	...			
4	...			
5	...			
6	...			
7	...			
8	...			
9	...			
10	...			
11	...			
12	...			
13	...			
14	...			
15	...			
16	...			
17	...			
18	...			
19	...			
20	...			
21	...			
22	...			
23	...			
24	...			
25	...			
26	...			
27	...			
28	...			
29	...			
30	...			
31	...			
32	...			
33	...			
34	...			
35	...			
36	...			
37	...			
38	...			
39	...			
40	...			
41	...			
42	...			
43	...			
44	...			
45	...			
46	...			
47	...			
48	...			
49	...			
50	...			
51	...			
52	...			
53	...			
54	...			
55	...			
56	...			
57	...			
58	...			
59	...			
60	...			
61	...			
62	...			
63	...			
64	...			
65	...			
66	...			
67	...			
68	...			
69	...			
70	...			
71	...			
72	...			
73	...			
74	...			
75	...			
76	...			
77	...			
78	...			
79	...			
80	...			
81	...			
82	...			
83	...			
84	...			
85	...			
86	...			
87	...			
88	...			
89	...			
90	...			
91	...			
92	...			
93	...			
94	...			
95	...			
96	...			
97	...			
98	...			
99	...			
100	...			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate Column)		Remarks (if Any)
		Complied	Not Complied	
1	...	✓		
2	...	✓		
3	...			
4	...			
5	...			
6	...			
7	...			
8	...			
9	...			
10	...			
11	...			
12	...			
13	...			
14	...			
15	...			
16	...			
17	...			
18	...			
19	...			
20	...			
21	...			
22	...			
23	...			
24	...			
25	...			
26	...			
27	...			
28	...			
29	...			
30	...			
31	...			
32	...			
33	...			
34	...			
35	...			
36	...			
37	...			
38	...			
39	...			
40	...			
41	...			
42	...			
43	...			
44	...			
45	...			
46	...			
47	...			
48	...			
49	...			
50	...			

Condition No.	Title	Compliance Status (Put 'X' in the appropriate Column)		Remarks (if Any)
		Complied	Not Complied	
1	...			
2	...	X		
3	...	X		
4	...	X		
5	...	X		
6	...			
7	...	X		