

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

Honorable Shareholders,

On behalf of the Board of Directors of your company I would like to welcome you all to the 27th 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 2018 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 2017-2018

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2017 to 30 June 2018. Among others, the major areas, affecting our business in last year were:

Meeting Global Compliance by Accord & Alliance:

As you are aware that entire garment 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:

Overall orders of RMG reduced compared to any time of the past and also for 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 30.58% sale growth and a steady result both in operation and financials areas.

Cost & Price Impact:

Price hike of Kraft paper continues which has been increased by 20 % 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.

Operational Challenges:

There has been a global crunch of raw materials in the paper industry which adversely affect our packaging revenue this year and also for continuation of retrofitting works, we could not maintain our operational efficiency fully.

New Product Development

As an ongoing effort to develop new value added product mixes in the market, we started production of Plastic Hangers of different styles as part of new value offerings to our Retailers and Customers.

ECONOMIC OUTLOOK

RMG sector is the driver for growth of Bangladesh's economy. It contributes 13% to national GDP (as per various industry related analysis). To achieve the \$50 billion export target Bangladesh will have to earn \$20 billion in the next four years 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.

SEGMENT & PRODUCTS' PERFORMANCE

Operational Performance

Particulars	Unit	Production Capacity	01 July 2017 to 30 June 2018		Production Capacity	01 July 2016 to 30 June 2017	
			Actual Production	Capacity Utilization in (%)		Actual Production	Capacity Utilization in (%)
Carton	Pcs	30,000,000	28,056,047	93.52%	30,000,000	29,271,182	97.57%
Label	Pcs	175,964,208	84,551,555	48.05%	175,964,208	71,691,494	40.74%
Elastic & Narrow Fabrics	Pcs	30,576,000	20,367,440	66.61%	30,576,000	22,089,283	72.24%
Offset Printing	Pcs	150,009,600	142,034,113	94.68%	150,009,600	120,989,750	80.65%
Heat Transfer Printing	Pcs	24,960,000	19,663,593	78.78%	24,960,000	8,336,303	33.40%
Button	GG	360,000	189,998	52.78%	360,000	186,545	51.82%
Gum Tape	Pcs	4,290,000	380,875	8.88%	4,290,000	234,602	5.47%
Hanger	Pcs	45,000,000	21,873,908	48.61%	-	-	-

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

Product wise Revenue

Particulars	01 July 2017 to 30 June 2018		01 July 2016 to 30 June 2017	
	Contribution to Revenue		Contribution to Revenue	
	In Taka	In (%)	In Taka	In (%)
Carton	1,596,128,495	77.07%	1,251,430,301	78.91%
Label	61,178,765	2.95%	50,661,298	3.19%
Elastic & Narrow Fabrics	119,909,951	5.79%	93,113,538	5.87%
Offset Printing	99,313,875	4.80%	81,887,656	5.16%
Heat Transfer Printing	20,484,094	0.99%	8,900,588	0.56%
Button	100,994,947	4.88%	92,209,901	5.81%
Gum Tape	15,867,839	0.77%	7,733,893	0.49%
Hanger	57,007,842	2.75%	-	-
Total	2,070,885,808	100.00%	1,585,937,175	100.00%

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 Bangladesh Accounting Standards (BAS).

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.

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 operations. Managing Director enjoys remuneration and festival bonus 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
Ms. Tahsina Rahman	Director	-
KDS Garment Industries Limited Represented by - Mr. Kamrul Hasan FCA	Director	-
Mr. Muhammad Jamaluddin	Independent Director	-
Total		2,500,000

This amount paid for reporting 12 months period from 01 July 2017 to 30 June 2018.

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.

Last 5 Years' Key Operating and Financial Performances:

Particulars	01 July 2017 to 30 June 2018	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
	Amount in BDT.					
Revenue	2,070,885,808	1,585,937,175	1,609,773,407	1,690,863,283	1,742,309,513	1,647,256,363
Gross Profit	377,208,994	333,360,520	359,206,753	357,126,456	358,347,035	368,325,511
Profit Before WPPF & Taxes	169,628,231	157,074,315	149,977,050	136,840,299	116,802,262	116,904,826
Net Profit After WPPF & Taxes	132,984,828	125,588,351	122,340,224	124,993,582	88,637,099	85,871,064
Earning Per Share (EPS)	2.21	2.20	2.14	2.86	2.22	2.14
Share Holder's Equity	1,494,530,552	1,418,745,724	1,319,157,373	1,238,800,999	873,807,417	785,170,317
Current Liabilities	2,012,391,304	1,347,796,367	1,048,769,357	1,368,690,014	1,283,512,624	1,463,067,029
Non-Current Liabilities	224,059,577	278,679,562	184,851,346	225,035,942	252,865,122	129,458,816
Addition to Fixed Assets & CWIP	98,940,650	169,045,295	264,744,459	104,454,683	91,365,813	153,085,631
NAV Per Share	24.88	24.80	25.37	23.82	21.85	19.63
Net Operating Cash Flow Per Share (NOCFPS)	3.08	2.81	2.50	3.44	4.67	0.41

* 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.

DIVIDEND

Our Policy is to offer consistent dividends that closely reflect business performance. As announced by the Company on 20 August 2018, the Board has recommend dividend for all shareholders 10% Cash and 5% Stock Dividend per share in respect of the year ended on 30 June 2018 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 18 September 2018.

Board of Directors confirm that no bonus share or stock dividend has been declared as interim dividend and shall not be declared any stock or bonus share as interim dividend in future.

BOARD OF DIRECTORS

i) Structure and size of the Board

On 30 June 2018, 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) Ms. Tahsina Rahman

ii) Mr. Kamrul Hasan FCA

Representative Director of KDS Garment Industries Limited

Board of Directors' in its meeting held on 20 August 2018 proposed their appointment. The brief bio-data of the said Directors are enclosed herewith in the section of Director's Profile in **Page: 39 & 41.**

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	06	06
Mr. Salim Rahman	Managing Director	06	06
Ms. Tahsina Rahman	Director	06	06
KDS Garment Industries Limited Represented by-Mr. Kamrul Hasan FCA	Director	06	06
Mr. Muhammad Jamaluddin	Independent Director	06	06

APPOINTMENT OF INDEPENDENT DIRECTOR

As per provision of Corporate Governance Guidelines notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 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, subject to the approval of shareholders in the AGM. Short bio-data of the said director is enclosed 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**.

CREDIT RATING

Credit Rating Information and Services Limited (CRISL) assigned rating for 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, 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
Mr. Khalilur Rahman	Member
Ms. Tahsina Rahman	Member
KDS Garment Industries Limited Represented by-Mr. Kamrul Hasan FCA	Member
Mr. Manjure Khuda	Member Secretary

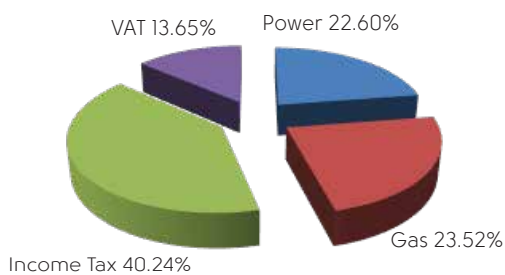
During the reporting period under review, the Committee held four meetings. A detailed of the roles and activities of the Audit Committee has been provided in "The Report of The Audit Committee". **Page: 86-87**.

NOMINATION AND REMUNERATION COMMITTEE (NRC):

Nomination and Remuneration Committee (NRC) will be formed as per provision of Corporate Governance Guidelines notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 by Bangladesh Securities and Exchange Commission (BSEC) within 31 December 2018.

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. 83,152,073 to the Government Exchequer along with utility bill which is presented below:



Contribution To National Exchequer

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:

- ISO 14001:2015 Certified.
- ISO 9001:2015 Certified.
- BS OHSAS 18001:2007 Certified.
- OEKO-TEX Standard 100 Certified for Woven Labels.
- OEKO-TEX Standard 100 Certified for Buttons.
- Achievement Award of Trim Qualification Program by Intertek.
- Gold Certificate of Compliance.
- 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) and Fixed Asset Management System (FAMS). 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 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 right and benefits. We establish and implement policies that promote a harmony and respectful workplace.

ASSOCIATE COMPANY

SKYS Securities Limited

SKYS Securities Limited, 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 Limited and during the reporting period till 30 June 2018, your company suffered a share of loss (Tk. 31,890) from the business of associate.

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:

Hussain Farhad & Co. Chartered Accountants, having its office at Yunusco City Center (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram will retire in the 27th AGM and being eligible, they offered themselves for re-appointment.

On their willingness and being eligible the Board in their meeting held on 20 August 2018, recommended re-appointment of Hussain Farhad & Co., Chartered Accountants for the year 2018-2019 subject to the approval by the shareholders in the 27th AGM.

B. Appointment of Professional for Corporate Governance Certificate:

On the willingness to be 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 20 August 2018, 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 2018-2019 subject to the approval by the shareholders in the 27th AGM.

COMPLIANCE OF CORPORATE GOVERNANCE

Pursuant to notification No: BSEC/CMRRCD/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/CMRRCD/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: 56**.

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**.

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
on behalf of Board



Khalilur Rahman
Chairman
20 August 2018

পরিচালকমন্ডলীর প্রতিবেদন

বিছমিল্লাহির রাহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ,
পরিচালনাপর্ষদের পক্ষ হতে আমি আপনাদের সকলকে কোম্পানীর ২৭তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি এবং ৩০ জুন ২০১৮ তারিখে সমাপ্ত আর্থিক বৎসরের উপর পরিচালনা পর্ষদের 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 (২০১৭-২০১৮)

বিগত বৎসরের (০১ জুলাই ২০১৭ হতে ৩০ জুন ২০১৮) 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 :

Accord & Alliance এর আর্থজাতিক নিরাপত্তার মান অর্জন :

আপনারা সকলে অবগত আছেন যে, আমাদের দেশের সকল তৈরী পোশাক কারখানা বৈশ্বিক কম্প্লায়েন্স অনুসারে নিরাপত্তা ব্যবস্থার মান অর্জনের জন্য একটি সংকটময় সময় পার করছে। নিরলস এবং কার্যকর উৎপাদন চালিয়ে নিতে আমাদেরকে বিগত কয়েক বৎসর একটি সংগ্রামের মধ্য দিয়ে যেতে হয়েছে এবং পরিশেষে আপনাদের কোম্পানী সব ধরনের যথা - অগ্নি, পরিবেশ এবং অবকাঠামোগত নিরাপত্তার মান (Standards) গুলো অনুসারে কাজ করে একটি কম্প্লায়েন্স কারখানার মর্যাদা অর্জন করতে সক্ষম হয়েছে।

বৈশ্বিক বাজার চাহিদা

অতীতের যেকোন সময়ের তুলনায় তৈরী পোশাক শিল্পের অর্ডারের পরিমাণ হ্রাস পেয়েছে এবং Retrofittings ও অন্যান্য Compliance কাজের

জন্য অনেকগুলো পোশাক কারখানা তাদের উৎপাদন কাজ বন্ধ এবং উৎপাদনের পরিমাণ কমিয়ে দিয়েছে। তথাপি বিগত বছরে আপনাদের কোম্পানীর বিক্রয় ৩০.৫৮% বৃদ্ধি পেয়েছে এবং একটি স্থিতিশীল ফলাফল বজায় রাখতে সক্ষম হয়েছে।

ব্যয় এবং দাম পরিবর্তনের প্রভাব

বিগত বছরের তুলনায় Corrugated Carton উৎপাদনকারী প্রতিষ্ঠান- সমূহে কাঁচামালের যোগান স্বল্পতা এবং বিশেষত Kraft Liner Paper এর প্রায় ২০% মূল্য বৃদ্ধি উৎপাদনে নেতিবাচক প্রভাব ফেলেছে। প্রতিযোগিতা- ময় টিকে থাকার এবং তৈরী পোশাকের রপ্তানী মূল্য কমে যাওয়ার কারণে Buyers বা Garment কারখানা হতে অতিরিক্ত উৎপাদন ব্যয় আদায় করা সম্ভব হয়নি।

পরিচালনগত প্রতিবন্ধকতা সমূহ

কাঁচামালের বৈশ্বিক ঘাটতির কারণে প্যাকেজিং তথা Carton এর উৎপাদন ও বিক্রয়ে বিরূপ প্রভাব পড়েছে। তাছাড়াও Retrofittings কাজের কারণে আমরা আমাদের উৎপাদনের শতভাগ দক্ষতা অর্জনে সক্ষম হয়নি।

নতুন পণ্যের প্রচলন / উদ্ভাবন :

নতুন নতুন পণ্য সংযোজনের ধারাবাহিক প্রচেষ্টার অংশ হিসেবে বিগত বৎসরে আমরা বিভিন্ন Style এর হ্যান্ডার প্রচলন / তৈরী করতে সক্ষম হয়েছি যা আমাদের ক্রেতাদের চাহিদা মেটাতে সক্ষম হবে।

ভবিষ্যত সম্ভাবনা

তৈরী পোশাক শিল্প বাংলাদেশের অর্থনীতির প্রধান চালিকা শক্তি। দেশের GDP তে এই শিল্পের অবদান প্রায় ১৩ শতাংশ। এই শিল্প সংশ্লিষ্টদের পরিসংখ্যান মতে, এই শিল্প (RMG) থেকে ৫০ বিলিয়ন মার্কিন ডলার রপ্তানীর লক্ষ্যমাত্রায় বাংলাদেশকে আগামী চার বছরে আরও প্রায় ২০ বিলিয়ন মার্কিন ডলার আয় করতে হবে।

বাংলাদেশ এখনো RMG রপ্তানীতে দ্বিতীয় সর্বোচ্চ অবস্থান বজায় রেখেছে।

উপরি উল্লিখিত সম্ভাবনার পথে নিজেদের অবস্থান সুদৃঢ় করার জন্য ইতিমধ্যে আমরা অনেক বিনিয়োগ করেছি এবং আশা করছি কোম্পানী দীর্ঘমেয়াদী প্রবৃদ্ধি অর্জনে সক্ষম হবে।

পন্যভিত্তিক ফলাফল

পরিচালন ফলাফলঃ

বিবরণ	ইউনিট	উৎপাদন ক্ষমতা	০১ জুলাই ২০১৭ হতে ৩০ জুন ২০১৮		০১ জুলাই ২০১৬ হতে ৩০ জুন ২০১৭	
			প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)	প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)
কার্টন	পিচ	৩০,০০০,০০০	২৮,০৫৬,০৪৭	৯৩.৫২%	২৯,২৭১,১৮২	৯৭.৫৭%
লেবেল	পিচ	১৭৫,৯৬৪,২০৮	৮৪,৫৫১,৫৫৫	৪৮.০৫%	৭১,৬৯১,৪৯৪	৪০.৭৪%
ইলাস্টিকস এবং ন্যাক ফ্যাব্রিক	পিচ	৩০,৫৭৬,০০০	২০,৩৬৭,৪৪০	৬৬.৬১%	২২,০৮৯,২৮০	৭২.২৪%
অফসেট প্রিন্টিং	পিচ	১৫০,০০৯,৬০০	১৪২,০০৪,১১০	৯৪.৬৮%	১২০,৯৮৯,৭৫০	৮০.৬৫%
হিট ট্রান্সফার	পিচ	২৪,৯৬০,০০০	১৯,৬৬০,৫৯০	৭৮.৭৮%	৮,০০৬,০০০	৩০.৪০%
বাটন	জিজি	৩৬০,০০০	১৮৯,৯৯৮	৫২.৭৮%	১৮৬,৫৪৫	৫১.৮২%
গামটেপ	পিচ	৪,২৯০,০০০	৩৮০,৮৭৫	৮.৮৮%	২০৪,৬০২	৫.৪৭%
হ্যান্ডার	পিচ	৪৫,০০০,০০০	২১,৮৭০,৯০৮	৪৮.৬১%		

বিবরণ	২০১৭ - ২০১৮		২০১৬ - ২০১৭	
	বিক্রয়		বিক্রয়	
	টাকায়	(%)	টাকায়	(%)
কাটুন	১,৫৯৬,১২৮,৪৯৫	৭৭.০৭%	১,২৫১,৪০০,০০১	৭৮.৯১%
লেবেল	৬১,১৭৮,৭৬৫	২.৯৫%	৫০,৬৬১,২৯৮	৩.১৯%
ইলাস্টিকস এবং ন্যাক ফ্যাট্রিক্স	১১৯,৯০৯,৯৫১	৫.৭৯%	৯৩,১১৩,৫০৮	৫.৮৭%
অফসেট প্রিন্টিং	৯৯,০১৩,৮৭৫	৪.৮০%	৮১,৮৮৭,৬৫৬	৫.১৬%
হিট ট্রান্সফার	২০,৪৮৪,০৯৪	০.৯৯%	৮,৯০০,৫৮৮	০.৫৬%
বাটন	১০০,৯৯৪,৯৪৭	৪.৮৮%	৯২,২০৯,৯০১	৫.৮১%
গামটেপ	১৫,৮৬৭,৮০৯	০.৭৭%	৭,৭০৩,৮৯০	০.৪৯%
হ্যান্ডার	৫৭,০০৭,৮৪২	২.৭৫%		
সর্বমোট	২,০৭০,৮৮৫,৮০৮	১০০.০০%	১,৫৮৫,৯০৭,১৭৫	১০০.০০%

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

অস্বাভাবিক লাভ বা ক্ষতি

উল্লেখিত সময়ে কোম্পানীর কোন ধরনের অস্বাভাবিক লাভ বা ক্ষতি হয়নি।

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 :

পরিচালকের নাম	পদবী	টাকা
জনাব খলিলুর রহমান	চেয়ারম্যান	--
জনাব সেলিম রহমান	ব্যবস্থাপনা পরিচালক	২,৫০০,০০০
জনাবা তাহসিনা রহমান	পরিচালক	--
কেডিএস গার্মেন্টস ইন্ডাস্ট্রিজ লিমিটেড এর প্রতিনিধি জনাব কামরুল হাসান এফসিএ	পরিচালক	--
জনাব মোহাম্মদ জামালউদ্দিন	স্বাধীন পরিচালক	--
সর্বমোট		২,৫০০,০০০

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।

স্বার্থসংশ্লিষ্ট প্রতিষ্ঠানের সাথে লেনদেন

এ বিষয়ে কোম্পানীর নিরীক্ষিত আর্থিক প্রতিবেদনের নোট নং -৩৮ এবং Annexure - G, Page:81 এ বাংলাদেশ হিসাবমান (BAS) অনুসারে বিস্তারিত বর্ণনা করা হয়েছে। উক্ত লেনদেন ব্যতিত আর্থিক বৎসরে কোম্পানীর সাথে স্বার্থসংশ্লিষ্ট অন্যান্য কোম্পানীর উল্লেখযোগ্য কোন লেনদেন সংগঠিত হয়নি।

ত্রৈমাসিক এবং বার্ষিক আর্থিক ফলাফলে উল্লেখযোগ্য ব্যবধান

উল্লেখিত সময়ে কোম্পানীর ত্রৈমাসিক এবং বার্ষিক কার্যক্রমে উল্লেখযোগ্য কোন ব্যবধান নেই। ব্যবস্থাপনা পরিষদ এবং সংশ্লিষ্ট নির্বাহীদের পূর্বানুমান এবং সঠিক সিদ্ধান্ত গ্রহণের ফলে কোম্পানী বৎসরব্যাপী ভাল ফলাফল ধরে রাখতে সক্ষম হয়েছে।

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 ভবিষ্যত 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।

বিগত ৫ বৎসরের প্রধান আর্থিক অনুপাত ও ফলাফলঃ

বিবরণ	০১ জুলাই ২০১৭	০১ জুলাই ২০১৬	০১ জুলাই ২০১৫	০১ জানুয়ারী ২০১৫	০১ জানুয়ারী ২০১৪	০১ জানুয়ারী ২০১৩
	হতে ৩০ জুন ২০১৮	হতে ৩০ জুন ২০১৭	হতে ৩০ জুন ২০১৬	হতে ৩১ ডিসেম্বর ২০১৫	হতে ৩১ ডিসেম্বর ২০১৪	হতে ৩১ ডিসেম্বর ২০১৩
মূল্যায়ন টাকায়						
খিফা	২,০৭০,৮৮৫,৮০৮	১,৫৮৫,৯০৭,১৭৫	১,৬০৯,৭৭০,৪০৭	১,৬৯০,৮৬০,২৮০	১,৭৪২,০০৯,৫১০	১,৬৪৭,২৫৬,০৬০
মোট মূল্য	০৭৭,২০৮,৯৯৪	০০০,০৬০,৫২০	০৫৯,২০৬,৭৫০	০৫৭,১২৬,৪৫৬	০৫৮,০৪৭,০০৫	০৬৮,০২৫,৫১১
WPPF এবং Income Tax পূর্ববর্তী মূল্য	১৬৯,৬২৮,২০১	১৫৭,০৭৪,০১৫	১৪৯,৯৭৭,০৫০	১০৬,৮৪০,২৯৯	১১৬,৮০২,২৬২	১১৬,৯০৪,৮২৬
নেট মূল্য (Net Profit)	১০২,৯৮৪,৮২৮	১২৫,৫৮৮,০৫১	১২২,০৪০,২২৪	১২৪,৯৯০,৫৮২	৮৮,৬০৭,০৯৯	৮৫,৮৭১,০৬৪
শেয়ার প্রতি আয় (EPS)	২.২১	২.২০	২.১৪	২.৮৬	২.২২	২.১৪
শেয়ারহোল্ডারদের সম্পদ	১,৪৯৪,৫০০,৫৫২	১,৪১৮,৭৪৫,৭২৪	১,০১৯,১৫৭,০৭০	১,২০৮,৮০০,৯৯৯	৮৭০,৮০৭,৪১৭	৭৮৫,১৭০,০১৭
চলতি দায়	২,০১২,০৯১,০০৪	১,০৪৭,৭৯৬,০৬৭	১,০৪৮,৭৬৯,০৫৭	১,০৬৮,৬৯০,০১৪	১,২৮০,৫১২,৬২৪	১,৪৬০,০৬৭,০২৯
দীর্ঘমেয়াদী দায়সমূহ	২২৪,০৫৯,৫৭৭	২৭৮,৬৭৯,৫৬২	১৮৪,৮৫১,০৪৬	২২৫,০০৫,৯৪২	২৫২,৮৬৫,১২২	১২৯,৪৫৮,৮১৬
স্থায়ী সম্পদ এবং চলতি কার্যের সংযোজন	৯৮,৯৪০,৬৫০	১৬৯,০৪৫,২৯৫	২৬৪,৭৪৪,৪৫৯	১০৪,৪৫৪,৬৮০	৯১,০৬৫,৮১০	১৫০,০৮৫,৬০১
শেয়ার প্রতি নেট সম্পদ মূল্য (NAV)	২৪.৮৮	২৪.৮০	২৫.০৭	২০.৮২	২১.৮৫	১৯.৬০
শেয়ার প্রতি নগদ প্রবাহ	৩.০৮	২.৮১	২.৫০	৩.৪৪	৪.৬৭	০.৪১

*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

লভ্যাংশ

নিয়মিত লভ্যাংশ (Consistent Dividend) পলিসির আওতায় কোম্পানীর ফলাফলের সাথে সামঞ্জস্যতা রেখে আমরা লভ্যাংশ ঘোষণা করে থাকি।

২০ আগস্ট ২০১৮ তারিখে অনুষ্ঠিত পরিচালনা পর্ষদের সভায় বিগত বৎসরের জন্য (৩০ জুন ২০১৮ তারিখের সমাপ্ত আর্থিক বৎসরের) কোম্পানীর সকল শেয়ারহোল্ডারদের ১০% নগদ এবং ৫% ষ্টক লভ্যাংশ বিতরণের সুপারিশ করা হয়েছে যাহা বার্ষিক সভায় অনুমোদন সাপেক্ষে Record Date- (১৮ সেপ্টেম্বর ২০১৮) এ শেয়ারধারীদের মধ্যে বিতরণ করা হবে।

পরিচালকমন্ডলী নিশ্চিত করছেন যে, বিগত বছরে কোন প্রকার অর্ন্তবর্তীকালীন Stock Dividend ঘোষণা এবং প্রদান করেননি এবং ভবিষ্যতেও কোন অর্ন্তবর্তীকালীন Stock Dividend প্রদান করা হবে না।

পরিচালক মন্ডলী

১. পরিচালনা পর্ষদের গঠন ও আকার

৩০ জুন ২০১৮ 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 পুনঃ নিয়োগ

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

১. জনাবা তাহসিনা রহমান
২. জনাব কামরুল হাসান এফসিএ
(কেডিএস গার্মেন্টস ইন্ডাস্ট্রিজ লিমিটেড এর প্রতিনিধি)

বিগত ২০ আগস্ট ২০১৮ তারিখে অনুষ্ঠিত কোম্পানীর পরিচালনা পর্ষদের সভায় তাদের পুনঃনিয়োগ প্রস্তাব সর্বসম্মতিক্রমে গৃহীত হয়েছে। উক্ত পরিচালকবৃন্দের জীবন বৃত্তান্ত Page-39 and 41 এ উল্লেখ করা হয়েছে।

৪. পরিচালনা পর্ষদের সভা ও উপস্থিতি

উল্লেখিত সময়ে পরিচালনা পর্ষদের মোট ৬টি সভা অনুষ্ঠিত হয়। উক্ত সভায় পর্ষদের সদস্যদের স্ব-স্ব উপস্থিতি নিম্নে উল্লেখ করা হল :-

পরিচালকের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	সভায় উপস্থিতি সংখ্যা
জনাব খলিলুর রহমান	চেয়ারম্যান	০৬	০৬
জনাব সেলিম রহমান	ব্যবস্থাপনা পরিচালক	০৬	০৬
জনাবা তাহসিনা রহমান	পরিচালক	০৬	০৬
কেডিএস গার্মেন্টস ইন্ডাস্ট্রিজ লিমিটেড এর প্রতিনিধি জনাব কামরুল হাসান এফসিএ	পরিচালক	০৬	০৬
জনাব মোহাম্মদ জামালউদ্দিন	স্বাধীন পরিচালক	০৬	০৬

স্বাধীন পরিচালক নিয়োগ

বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন (BSEC) কর্তৃক নির্দেশিত কর্পোরেট গভর্নেন্স নির্দেশিকা যাথ্য ০৩রা জুন ২০১৮ইং তারিখে ইস্যুকৃত নোটিফিকেশন নং (বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০) অনুযায়ী কোম্পানীর স্বতন্ত্র পরিচালক হিসেবে জনাব মোহাম্মদ জামালউদ্দিনকে পূর্ববর্তী সাধারণ সভায় পরবর্তী ৩ বৎসরের জন্য নিয়োগ দেয়া হয়েছে। জনাব জামাল উদ্দিন এর যোগ্যতা এবং দক্ষতা ডিরেক্টরস প্রোফাইলে Page No: 40 এ বিস্তারিত দেয়া হয়েছে।

শেয়ারহোল্ডিং Patterns

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

পরিচালকমন্ডলীর অন্যান্য ব্যবসায়িক কার্যক্রম

পরিচালকমন্ডলীর অন্যান্য ব্যবসায়িক কার্যক্রম Annexure – I, Page:83 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।

ক্রেডিট রেটিং

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

দীর্ঘকালীন	স্বল্পকালীন
A+	ST-3

উক্ত A+ রেটিং অনুসারে আপনাদের কোম্পানীর ঋণমান ভাল মৌলিক ভিত্তি সম্পন্ন এবং আয় অর্জনের সক্ষমতা নির্দেশ করে। ক্রেডিট রেটিং কোম্পানীর মূল্যমানে আপনাদের কোম্পানীর ভবিষ্যত অবস্থা 'Positive' 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 যাথ্য কোম্পানীর সংশ্লিষ্ট / আর্থিক প্রতিবেদন ব্যবহারকারীর সিদ্ধান্ত গ্রহণের মূল্যমানে প্রভাব ফেলতে পারে।

নিরীক্ষা কমিটি

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

সদস্যদের নাম	পদবী
জনাব মোহাম্মদ জামালউদ্দিন	চেয়ারম্যান এবং স্বাধীন পরিচালক
জনাব খলিলুর রহমান	সদস্য
জনাবা তাহসিনা রহমান	সদস্য
জনাব কামরুল হাসান এফসিএ	সদস্য
জনাব মন্জুরে খোন্দা	সদস্য সচিব

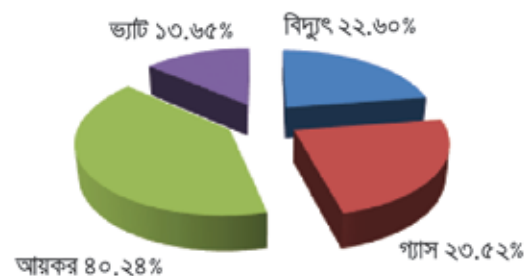
আর্থিক বৎসরে উক্ত নিরীক্ষা কমিটির ৪টি সভা অনুষ্ঠিত হয়। উক্ত কমিটির দায়-দায়িত্ব এবং কার্যবলী Page No: 86-87 এ বিস্তারিতভাবে বর্ণনা করা হয়েছে।

মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং (বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩ জুন ২০১৮) অনুযায়ী আগামী ৩১ ডিসেম্বর ২০১৮ তারিখে মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি নামে একটি কমিটি গঠন 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, গুফ, মুসক হিসেবে মোট ৮০,১৫২,০৭০/= টাকা রষ্টীয় কোষাগারে প্রদান করেছে। যাথ্য নিম্নে বর্ণিত চিত্রে দেখানো হলো :



ব্যবসায়িক সামাজিক দায়বদ্ধতা

প্রতিষ্ঠার শুরু থেকে আপনাদের কোম্পানী ব্যবসার পাশাপাশি সমাজ এবং এর সংশ্লিষ্ট কমিউনিটির উন্নয়নে সজ্জব সকল ধরনের সহযোগিতা এবং অনুদান অব্যাহত রেখেছে। এ কার্যক্রমের উল্লেখিত কয়েকটি কার্যাবলীর 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 উল্লেখযোগ্য অর্জন এবং স্বীকৃতিসমূহ নিম্নরূপঃ

- ISO 14001:2015 Certified.
- ISO 9001:2015 Certified.
- BS OHSAS 18001:2007 Certified.
- OEKO-TEX Standard 100 Certified for Woven Labels.
- OEKO-TEX Standard 100 Certified for Buttons.
- Achievement Award of Trim Qualification Program by Intertek.
- Gold Certificate of Compliance.
- CAP Closure Verification Visit Results by Alliance.

তথ্য প্রযুক্তি

তথ্য প্রযুক্তির ব্যবহারে আপনাদের কোম্পানী সবসময় একধাপ এগিয়ে, কারণ আমরা বিশ্বাস করি, সঠিক সময়ে সঠিক বাজার বিপণন ব্যবস্থা, বৈশ্বিক 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 বিপণন, উৎপাদন, মজুদ ব্যবস্থাপনা, মজুদ ও যোগান ব্যবস্থাপনা, এবং স্থায়ী সম্পদ ব্যবস্থাপনায় অটোমেশন পদ্ধতি চালু করেছি যাঁহর মাধ্যমে ব্যবস্থাপনা কর্তৃপক্ষ যেকোন সময়ে যেকোন স্থান হতে এ সংক্রান্ত রিপোর্ট দেখতে এবং সিদ্ধান্ত গ্রহণ করতে পারে।

ওয়েবসাইট (Website)

কোম্পানী 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 গ্রহণ করা হয়েছে যাঁহ প্রতিক্রিানে কর্মরত প্রত্যেকের দক্ষতা এবং সক্ষমতা বৃদ্ধিতে অবদান রাখছে। আমরা আমাদের প্রতিষ্ঠানে কর্মরত কর্মকর্তা ও কর্মচারীদের নিয়মিত প্রশিক্ষণের ব্যবস্থা করে থাকি এবং আমরা নিয়োগের ক্ষেত্রে Equal Opportunity এবং ক্ষমতায়ন নিশ্চিত করে থাকি।

সহযোগী কোম্পানীর ফলাফল

আপনাদের কোম্পানী SKYS Securities Ltd. নামে (যাঁহ Stock Brokerage এর ব্যবসা পরিচালনা করে) একটি কোম্পানীতে ৪৬.৬৯ শতাংশ শেয়ারে বিনিয়োগ রয়েছে। ব্যবসায়িক মন্দার কারণে বিগত বৎসরে সহযোগী কোম্পানীর লোকসানের পরিমাণ ছিল ৩১,৮৯০ টাকা।

আচরন বিধি

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

নিরীক্ষক ও প্রফেশনাল নিয়োগ

ক. বহিঃ নিরীক্ষক নিয়োগ

কোম্পানীর বর্তমান বহিঃ নিরীক্ষক হোসাইন ফরহাদ এন্ড কোং, চাটার্ড একাউন্ট্যান্টস (ইউনেকো সেন্টার, নবম তলা, ৮৭০, সিডিএ এভেনিউ, নাসিরাবাদ, চট্টগ্রাম) কোম্পানীর ২৭তম বার্ষিক সাধারণ সভায় নিয়মানুযায়ী অবসর গ্রহণ করবেন এবং পুনঃ নিয়োগের জন্য যোগ্য হওয়ায় আগামী হিসাব বছরের নিরীক্ষা কার্যক্রম পরিচালনার সম্মতি প্রদান করেছেন। এই পরিপ্রেক্ষিতে পরিচালনা পর্ষদ ২০ আগস্ট ২০১৮ তারিখে অনুষ্ঠিত সভায় কোম্পানীর আগামী হিসাব বছরের নিরীক্ষা পরিচালনার জন্য হোসাইন ফরহাদ এন্ড কোং, চাটার্ড একাউন্ট্যান্টসকে বহিঃ নিরীক্ষক হিসেবে নিয়োগের সুপারিশ করেছেন যা আগামী ২৭তম 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 ২০ আগস্ট ২০১৮ তারিখে অনুষ্ঠিত সভায় শফিক বসাক এন্ড কোম্পানী চাটার্ড একাউন্ট্যান্টসকে (ন্যাশনাল হাউজ, দ্বিতীয় তলা, ১০৯, অগ্রাবাদ কমার্শিয়াল এরিয়া, চট্টগ্রাম) আগামী হিসাব বছরের জন্য নিয়োগের সুপারিশ করেছেন যা আগামী ২৭তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপিত হবে।

ব্যবসায়িক সুশাসন এবং প্রতিপালনের প্রতিবেদন

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) কর্তৃক ইস্যুকৃত নোটিফিকেশন নং (বিএসইসি/সিএমআরআরসি-ডি/২০০৬-১৫৮/২০৭/এডমিন/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/২০০৬-১৫৮/২০৭/এডমিন/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)/ ইন্টারন্যাশনাল ফিনেন্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস) যেভাবে বাংলাদেশে প্রযোজ্য সেভাবে অনুসরণ করা হয়েছে এবং যে কোন ধরণের পরিবর্তন পর্যাপ্তভাবে প্রকাশ করা হয়েছে।

৫. আভ্যন্তরীণ নিয়ন্ত্রন ব্যবস্থা যথাযথভাবে গ্রহণ 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 পত ফলাফলে বিগত বৎসর থেকে গুরুত্বপূর্ণ পরিবর্তন প্রতিবেদনে আলোকপাত করা হয়েছে এবং যদি থাকে তার কারণ ব্যাখ্যা করা হয়েছে।

৮. বিগত পাঁচ বৎসরে মূল পরিচালনাপত 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:69 এ বর্ণনা করা হয়েছে।

১২. পরিচালকদের প্রোফাইল Page:36-41 এবং অন্যান্য সংস্থায় 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 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।

আব্দুল হাফিজ
পরিচালকমণ্ডলীর পক্ষে-



খলিলুর রহমান
চেয়ারম্যান
২০ আগষ্ট ২০১৮

**Think Strength
& Robustness
KDS Carton**



ANNEXURE - A

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

KDS Accessories Limited

Declaration by CEO & CFO

19 August 2018

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, 2018

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, 2018 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, 2018 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, 2018 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

ANNEXURE - B

CORPORATE GOVERNANCE CERTIFICATE

শফিক বসাক এন্ড কোং SHAFIQ BASAK & CO.

CHATTOGRAM OFFICE :

National House (1st Floor)
109, Agrabad Commercial Area
Chattogram-4100, Bangladesh.
Phone : +880-31-711561
Fax : +880-31-723680
Email : basak_sbc@yahoo.com

CHARTERED ACCOUNTANTS

Partners :

Md. Shafiqul Islam, FCA
Sampad Kumar Basak, FCA
Md. Enayet Ullah, FCA
Sarwar Mahmood, FCA

DHAKA OFFICE :

Shatabdi Centre (6th Floor)
292, Inner Circular Road,
Fakirapool, Motijheel, Dhaka.
Phone : +880-2-7192098
Tel/Fax : +880-2-7194870
E-mail : shafiq_basak@yahoo.com

Ref. No-SB-26/8079-A/2018

[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 30th June 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd 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 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 except condition 1(7)(a), 1(7)(b), 3(1)(c), 4(ii) and 6(1)(a) to 6(5)(c) and explanation is given in Annexure-C.
- 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 satisfactory.

Place: Chattogram
Dated: 17 September, 2018



Shafiq Basak
(SHAFIQ BASAK & CO.)
CHARTERED ACCOUNTANTS

S. K. Basak, FCA
Partner.

Branch Office :

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

ANNEXURE - C

Corporate Governance Compliance Report

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

Status of compliance with the condition imposed by the Commission's Notification No. BSEC/CMRRCD/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	Board of Directors			
	Size of the Board of Directors			
1(1)	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).	✓		
	Independent Directors			
1(2)	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 (NBF);	✓		
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.	✓		
	Qualification of Independent Director (ID)			
1(3)	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)(a)	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)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-			
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)	The Directors' Report to Shareholders			
	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;			N/A
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;	√		
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			N/A
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:			
1(5)(xxiv)(a)	A brief resume of the director	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
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 Annexure-A ; 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 Annexure-B and Annexure-C .	✓		
1(6)	Meetings of the Board of Directors			
	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	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
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;		✓	To be complied within 31 December 2018
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.		✓	To be complied within 31 December 2018
2	Governance of Board of Directors of Subsidiary Company.-			
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
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).-			
3(1)	Appointment			
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).	✓		
3(2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board;	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
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.	✓		
4	Board of Directors' Committee.-			
	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.		✓	To be complied within 31 December 2018
5	Audit Committee.-			
5(1)	Responsibility to the Board of Directors.			
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.	✓		
5(2)	Constitution of the Audit Committee.			
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.	✓		
5(3)	Chairperson of the Audit Committee			
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).	✓		
5(4)	Meeting of the Audit Committee			
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.	✓		
5(5)	Role of Audit Committee			
	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)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
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)	Reporting to the Authorities			
	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)	Reporting to the Shareholders and General Investors			
	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	Nomination and Remuneration Committee (NRC).			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;		√	To be complied within 31 December 2018
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;		√	To be complied within 31 December 2018
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).		√	To be complied within 31 December 2018
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;		√	To be complied within 31 December 2018
6(2)(b)	All members of the Committee shall be non-executive directors;		√	To be complied within 31 December 2018
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;		√	To be complied within 31 December 2018
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;		√	To be complied within 31 December 2018
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;		√	To be complied within 31 December 2018
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;		√	To be complied within 31 December 2018
6(2)(g)	The company secretary shall act as the secretary of the Committee;		√	To be complied within 31 December 2018
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;		√	To be complied within 31 December 2018
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.		√	To be complied within 31 December 2018
6(3)	Chairperson of the NRC			
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;		√	To be complied within 31 December 2018
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;		√	To be complied within 31 December 2018
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.		√	To be complied within 31 December 2018
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;		√	To be complied within 31 December 2018
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;		√	To be complied within 31 December 2018
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);		√	To be complied within 31 December 2018
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.		√	To be complied within 31 December 2018

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;		√	To be complied within 31 December 2018
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;		√	To be complied within 31 December 2018
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and		√	To be complied within 31 December 2018
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;		√	To be complied within 31 December 2018
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;		√	To be complied within 31 December 2018
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;		√	To be complied within 31 December 2018
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;		√	To be complied within 31 December 2018
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		√	To be complied within 31 December 2018
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;		√	To be complied within 31 December 2018
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.		√	To be complied within 31 December 2018
7	External or Statutory Auditors.			
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	Maintaining a website by the Company.			
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	Reporting and Compliance of Corporate Governance.-			
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 Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.		√	

ANNEXURE - D

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW 2017-2018

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2017 to 30 June 2018.

ECONOMIC OUTLOOK

RMG sector is the driver for growth of Bangladesh's economy. It contributes 13% to national GDP (as per various industry related analysis). To achieve the \$50 billion export target Bangladesh will have to earn \$20 billion in the next four years 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.

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 BAS-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-110)**

FY 2018 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, 2018. The financial statements of KDS Accessories Limited has been prepared in accordance with the Bangladesh Accounting Standards (referred to as "BAS"), as per the Companies Act, 1994, read with the Companies (Bangladesh 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 2017-2018 (Million)	% of Revenue	% Growth	FY 2016-2017 (Million)	% of Revenue
Revenue from Operations	2,070.88	100	30.58	1,585.93	100
Earnings before interest, tax, depreciation and amortization (EBITDA) (before other Income)	300.57	14.51	10.52	270.82	17.08
Profit Before Tax (PBT)	161.14	7.78	7.99	149.22	9.40
Profit After Tax (PAT)	132.98	6.42	5.89	125.58	7.92
Earnings Per Share (EPS)-in BDT	2.21		0.45	2.20	
Net Assets Value (NAV)	24.88			24.80	
Net Operating Cash Flow Per Share (NOCFPS)	3.08			2.81	

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 2017 to 30 June 2018, Gross Profit Margin was 18.21% against 21.02% from 01 July 2016 to 30 June 2017. Gross profit has decreased as the price of raw material was higher 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 6.42% against 7.92% in the previous twelve months. In this period Company has earned net profit of Tk. 132.98 million. Share of loss of associates of Tk. (0.03) million has been included herewith.

Last 5 Years Financial Results

The summarized operational and financial performances are presented below:

Particulars	01 July 2017 to 30 June 2018	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
	Amount in BDT.					
Revenue	2,070,885,808	1,585,937,175	1,609,773,407	1,690,863,283	1,742,309,513	1,647,256,363
Gross Profit	377,208,994	333,360,520	359,206,753	357,126,456	358,347,035	368,325,511
Profit Before WPPF & Taxes	169,628,231	157,074,315	149,977,050	136,840,299	116,802,262	116,904,826
Net Profit After WPPF & Taxes	132,984,828	125,588,351	122,340,224	124,993,582	88,637,099	85,871,064
Earning Per Share (EPS)	2.21	2.20	2.14	2.86	2.22	2.14
Share Holder's Equity	1,494,530,552	1,418,745,724	1,319,157,373	1,238,800,999	873,807,417	785,170,317
Current Liabilities	2,012,391,304	1,347,796,367	1,048,769,357	1,368,690,014	1,283,512,624	1,463,067,029
Non-Current Liabilities	224,059,577	278,679,562	184,851,346	225,035,942	252,865,122	129,458,816
Addition to Fixed Assets & CWIP	98,940,650	169,045,295	264,744,459	104,454,683	91,365,813	153,085,631
Net Assets Value (NAV) per share	24.88	24.80	25.37	23.82	21.85	19.63
Net Operating Cash Flow Per Share (NOCFPS)	3.08	2.81	2.50	3.44	4.67	0.41

* 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.

COMPARATIVE FINANCIAL PERFORMANCE BETWEEN KDS ACCESSORIES LIMITED & PEER COMPANIES

Particulars	KDS Accessories Limited (Audited till 30 June 2018)	Tosrifa Industries Limited (Un-audited till 31 March 2018)	Khulna Printing & Packaging Limited (Un-audited till 31 March 2018)	Olympic Accessories Limited (Un-audited till 31 March 2018)
	12 Months	9 Months	9 Months	9 Months
Revenue	2,070,885,808	874,216,421	-	1,032,217,311
Gross Profit (in Taka)	377,208,994	124,566,367	-	215,488,836
Gross Profit (in %)	18.21	14.25	-	20.88
Net Profit before WPPF & taxes (in Taka)	169,628,231	55,433,611	-	128,168,769
Net Profit before WPPF & taxes (in %)	8.19	6.34	-	12.42
Net Profit after WPPF & taxes (in Taka)	132,984,828	32,509,926	-	128,168,769
Net Profit after WPPF & taxes (in %)	6.42	3.72	-	12.42
EPS	2.21	0.51	(1.13)	0.73
NAV per share	24.88	32.89	14.76	15.44
NOCFPS	3.08	0.78	0.01	1.50

*Financial information of peer companies are based on the data available in their website.

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. Overall industry is projected to grow in a steady way in next couple of years and your company will be in forefront to be one of the major player in the future booming market.



Debasis Daspal
Chief Executive Officer

ANNEXURE - E

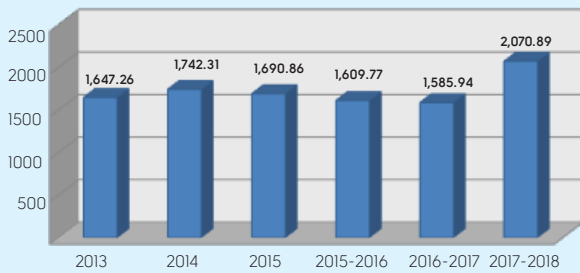
FINANCIAL HIGHLIGHTS

	Amount in BDT. Million					
	2017-2018	2016-2017	2015-2016	2015	2014	2013
Assets Employed						
Non Current Assets	1,440.80	1,439.53	1,346.66	1,132.96	1,092.55	1,059.01
Net Current Assets	277.79	257.89	157.35	330.88	34.13	(153.29)
Total Assets Employed	1,718.59	1,697.43	1,504.01	1,463.84	1,126.67	905.71
Financed by						
Share Capital	600.60	572.00	520.00	520.00	400.00	400.00
Share Premium	120.00	120.00	120.00	120.00	-	-
Revaluation Reserve	214.39	214.39	214.39	214.39	214.39	214.39
Retained Earnings	559.54	512.35	464.77	384.41	259.42	170.78
Shareholders' Equity	1,494.53	1,418.75	1,319.16	1,238.80	873.81	785.17
Long Term Borrowings	113.58	178.54	99.08	152.77	184.21	77.28
Lease Finance	-	-	1.62	2.69	2.15	2.65
Defined benefit obligations - Gratuity	66.48	59.72	49.20	38.17	22.91	-
Deferred Tax Liabilities	44.00	40.42	34.95	31.40	43.59	40.61
Total Capital Employed	1,718.59	1,697.43	1,504.01	1,463.84	1,126.67	905.71
Operational Result						
Revenue	2,070.89	1,585.94	1,609.77	1,690.86	1,742.31	1,647.26
Gross Profit	377.21	333.36	359.21	357.13	358.35	368.33
Profit from operations	211.75	205.73	224.86	227.47	252.55	286.48
Profit before Interest, Taxes & Depreciation	300.57	270.82	286.55	285.17	300.96	332.38
Profit before Income Tax	161.15	149.22	142.48	130.00	110.96	111.34
Net Profit after Income Tax	132.98	125.59	122.34	124.99	88.64	85.87
Financial Ratios						
Gross Profit Ratio - %	18.21%	21.02%	22.31%	21.12%	20.57%	22.36%
Net Profit Ratio - %	6.42%	7.92%	7.60%	7.39%	5.09%	5.21%
EBITDA Margin to Sales - %	14.51%	17.08%	17.80%	16.87%	17.27%	20.18%
Return on Shareholders Equity - %	8.90%	8.85%	9.27%	10.09%	10.14%	10.94%
Return on Capital Employed - %	7.74%	7.40%	8.13%	8.54%	7.87%	9.48%
Current Ratio - Times	1.14	1.19	1.15	1.24	1.03	0.90
Quick Ratio - Times	0.81	0.85	0.79	0.88	0.66	0.40
Inventory Turnover Ratio - Times	3.02	3.03	3.36	2.77	2.31	1.70
Assets Turnover Ratio - Times	0.61	0.57	0.63	0.65	0.73	0.73
Debt Equity Ratio-Times	1.50	1.15	0.94	1.29	1.76	2.03
Interest Coverage Ratio -Times	3.67	2.95	1.82	1.20	0.75	0.69
Price/Earning (P/E) Ratio - Times	28.05	34.66	26.46	29.73	-	-
Earnings Per Share (EPS) - Taka	2.21	2.20	2.14	2.86	2.22	2.14
Net Operating Cash Flow Per Share (NOCFPS) - Taka	3.08	2.81	2.50	3.44	4.67	0.41
Dividend Per Share (DPS) - Taka	1.50	1.50	1.50	-	-	-
Net Assets Value (NAV) Per Share -Taka	24.88	24.80	25.37	23.82	21.85	19.63
Market Price Per share on Year Ending Date - Taka	62.10	76.10	56.70	85.00	-	-
Market Capitalization on Year Ending Date - Taka (mn)	3,729.73	4,352.92	2,948.40	4,420.00	-	-

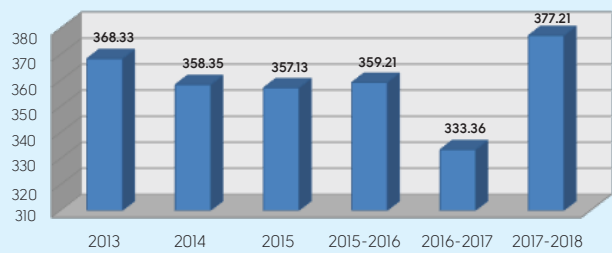
ANNEXURE - F

PERFORMANCE INDICATOR

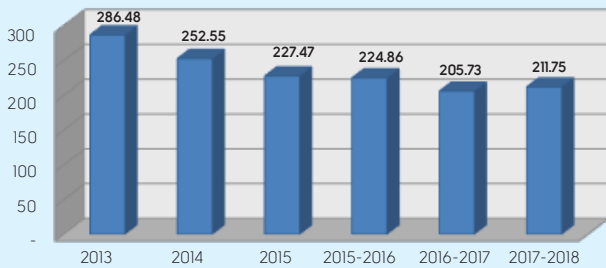
Revenue (in BDT. mn)



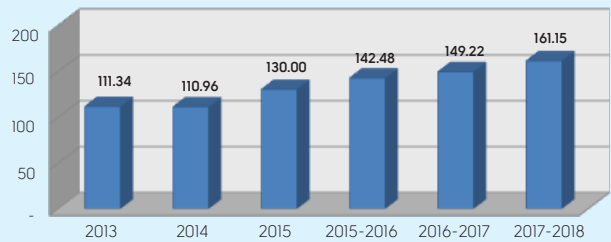
Gross Profit (in BDT. mn)



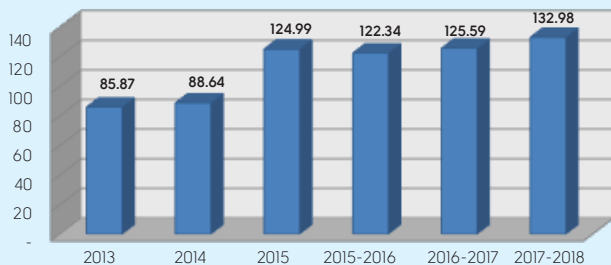
Operating Profit (in BDT. mn)



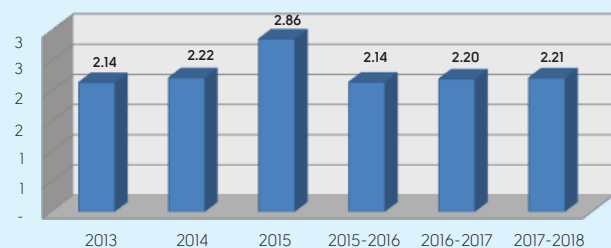
Profit before Tax (in BDT. mn)



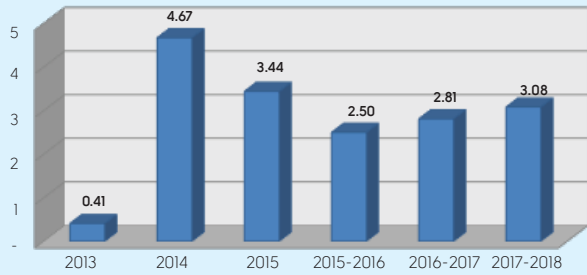
Net Profit after Tax (in BDT. mn)



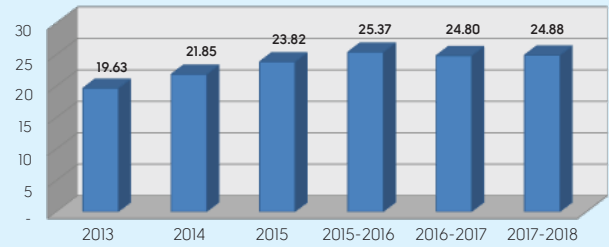
Earnings Per Share - EPS (in BDT.)



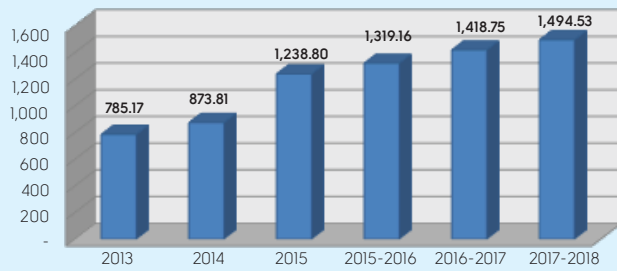
Net Operating Cash Flow Per Share - NOCFPS (in BDT.)



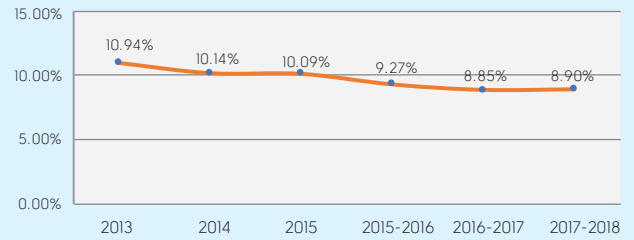
Net Asset Value Per Share-NAV (in BDT.)



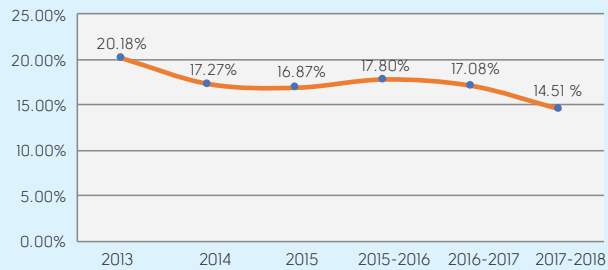
Shareholders' Equity (in BDT. mn)



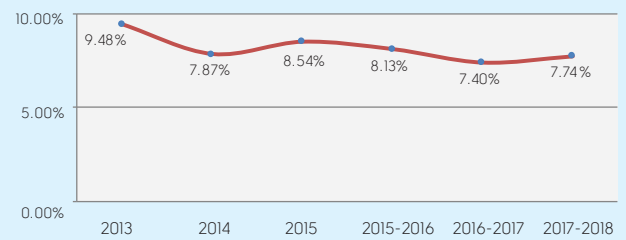
Return on Shareholders Equity (in %)



EBITDA Margin to Sales (in %)



Return on Capital Employed (in %)



ANNEXURE - G

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 disclosure of related party transactions is presented below:

Sl No.	Name of the Related Parties	Relationship	Nature of Transactions	Balance as on 01 July 2017	Transaction during the year (Net)	Balance as on 30 June 2018
1	KDS Apparels Limited	Common Directorship	Receivable Against Sales	Dr. 7,708,594	(7,058,471)	Dr. 650,123
2	KDS Fashion Limited	Common Directorship	Receivable Against Sales	Dr. 27,772,260	13,701,875	Dr. 41,474,135
3	KDS Garment Inds. Ltd.	Common Directorship	Receivable Against Sales	Dr. 40,443,299	(25,666,291)	Dr. 14,777,008
4	KDS Logistics Limited	Common Directorship	Receivable Against Sales	Dr. 137,503	603,325	Dr. 740,828
5	KDS IDR Limited	Common Directorship	Receivable Against Sales	Dr. 9,748,232	25,766,598	Dr. 35,514,830
6	KDS Textile Mills Ltd	Common Directorship	Receivable Against Sales	Dr. 81,863	(81,863)	Dr. -
7	KYCR Coil Ind. Limited	Common Directorship	Receivable Against Sales	Dr. 164,864	7,587	Dr. 172,451
8	KDS Poly Industries Ltd.	Common Directorship	Short Term Loan	Dr. 205,370,667	215,741,709	Dr. 421,112,376
9	KDS Thread Limited	Common Directorship	Short Term Loan	Dr. 455,962	40,374,254	Cr. 39,918,292

ANNEXURE - H

SHAREHOLDING STRUCTURE AS ON 30 JUNE 2018

a) Shareholding Structure of the Company as on 30 June 2018 was as below:

Name/Particulars of Shareholders	Number of Shares	% of total Shareholding
i) Directors & Sponsors		
Mr. Khalilur Rahman	28,181,046	46.92%
Mr. Salim Rahman	9,703,245	16.16%
Ms. Tahsina Rahman	2,308,899	3.84%
KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	1,208,180	2.01%
Mr. S.M. Shameem Iqbal	3,233,925	5.38%
Ms. Hasina Iqbal	2,772,144	4.62%
Ms. Tahmina Rahman	366	0.00%
Total of Directors & Sponsors	47,407,805	78.93%
ii) General Public	8,452,213	14.08%
iii) Institutions	4,199,982	6.99%
Grand Total (i+ii+iii)	60,060,000	100.00%

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

Name	Relation	No. of Shares Hold
KDS Garment Industries Limited	Group Company	1,208,180
Total		1,208,180

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	28,181,046
Mr. Salim Rahman	Managing Director	9,703,245
Ms. Tahsina Rahman	Director	2,308,899
KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	Director	1,208,180
Mr. Muhammad Jamaluddin	Independent Director	-
Mr. S.M. Shameem Iqbal	Spouse of Ms. Hasina Iqbal	3,233,925
Ms. Hasina Iqbal	Sponsor	2,772,144
Ms. Tahmina Rahman	Sponsor	366
Mr. Debasis Daspal	CEO	288
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 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	GM-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	28,181,046
Mr. Salim Rahman	Managing Director	9,703,245

ANNEXURE - I

DIRECTORSHIP IN OTHER COMPANIES

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 KDS Apparels Limited KDS IDR Limited KDS Fashion Limited KDS Textile Mills Limited KDS Thread Limited KDS Poly Industries Limited KY Steel Mills Limited KYCR Coil Industries Limited Steel Accessories Limited KDS Logistics Limited SKYS Securities Limited Pragati Life Insurance Limited Pragati Insurance Limited National Bank Limited AIBL Capital Market Services Limited	Chairman Chairman Chairman Chairman Chairman & MD Chairman Chairman Managing Director Managing Director Chairman Chairman Chairman Chairman Director Director Chairman
2	Mr. Salim Rahman	Managing Director	KDS Garment Industries Limited KDS Apparels Limited KDS IDR Limited KDS Fashion Limited KDS Textile Mills Limited KDS Poly Industries Limited KDS Thread Limited KYCR Coil Industries Limited Steel Accessories Limited KDS Logistics Limited Al-Arafah Islami Bank Limited	Managing Director Managing Director Managing Director Managing Director Director Managing Director Managing Director Chairman Managing Director Managing Director Director
3	Ms. Tahsina Rahman	Director	KY Steel Mills Limited KYCR Coil Industries Limited Pragati Insurance Limited	Chairman Director 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) Pragati Life Insurance Limited	Independent Director

ANNEXURE - J

RISK AND CONCERNS

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.