# SUSTAINABILITY THE HEART OF PROGRESS

BUILDING A GREENER TOMORROW, ONE BRICK AT A TIME

SMART WATER MANAGEMENT: SUSTAIN, CONSERVE, THRIVE

RENEWABLE ENERGY: POWERING A BRIGHTER, CLEANER FUTURE

PRESERVING NATURE, PLANTING THE FUTURE

SHAPING PROGRESS WITH ENERGY EFFICIENCY

ZERO WASTE: REDEFINING RESOURCES, REDUCING FOOTPRINTS

**Section** Section Section 

\*\*Example 1.\*\*

\*\*Example 1.\*\*

\*\*Example 2.\*\*

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## ANNUAL REPORT 2023-24





# PAVIS THE WAY FOR A BETTER TOMORROW

# ONTENT

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# we are the pioneers of change



## BREAKIN BOUNDARIE

KDS is one of the most renowned business industries of Bangladesh, based mainly in the port city of Chittagong, with extensive operations in Dhaka and other major cities as well. It has also established its business in India, Hong Kong, UK and further expanding to North America, thereby making its wall to become a Bangladeshi based multinatio

From the house of KDS

Apparel

Textiles

Apparel Trims and Packaging

Private Port - Inland Container Depot

Steel

IT Training Services

Information and Communication Technologies

Banking and Insurance

Investment Management Shares and Securities Trading

Other Trading Operations

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ual Report 2023-2024

KDS Accessories Limited

#### KDS Accessories Limited

Is one of the country's leading

And largest garments

Accessories company

With comprehensive product range.

Having single largest capacity We are pioneer of packaging.

We believe in working closely with
Our clients to understand their needs
To design services accordingly
And align ourselves as
A strategic partner,
helping us to realize our vision
'To be a globally preferred trims
And packaging solutions company'

#### WHO WE ARE

STARTING ITS JOURNEY BACK TO THE 1991,

> KDS ACCESSORIES LIMITED

IS THE COUNTRY'S
LEADING AND LARGEST
ACCESSORIES
MANUFACTURER AND A
MAJOR PLAYER IN THE
BANGLADESH
READY-MADE
GARMENTS
(RMG) MARKET.

#### Our Strength

Our extensive experience in the industry has helped us acquire knowledge and information to design products and services that best suites requirements of our clients.

We offer flexibility, competitiveness and sharper lead-time to facilitate demanding sourcing requirement. Our national network supported by a dynamic team of professionals allows us to serve our clients as a strong supply chain partner providing production, consolidation and solution based services.

#### Comprehensive Products Range

We offer one of the most comprehensive ranges of apparel Trims & Packaging products and services. In Bangladesh we manufacture almost all the products in our IMS (ISO-9001: 2015, ISO-14001: 2015, BS OHSAS-18001: 2007) certified international standard facilities and our products meet global quality standards.

#### **Global Recognition**

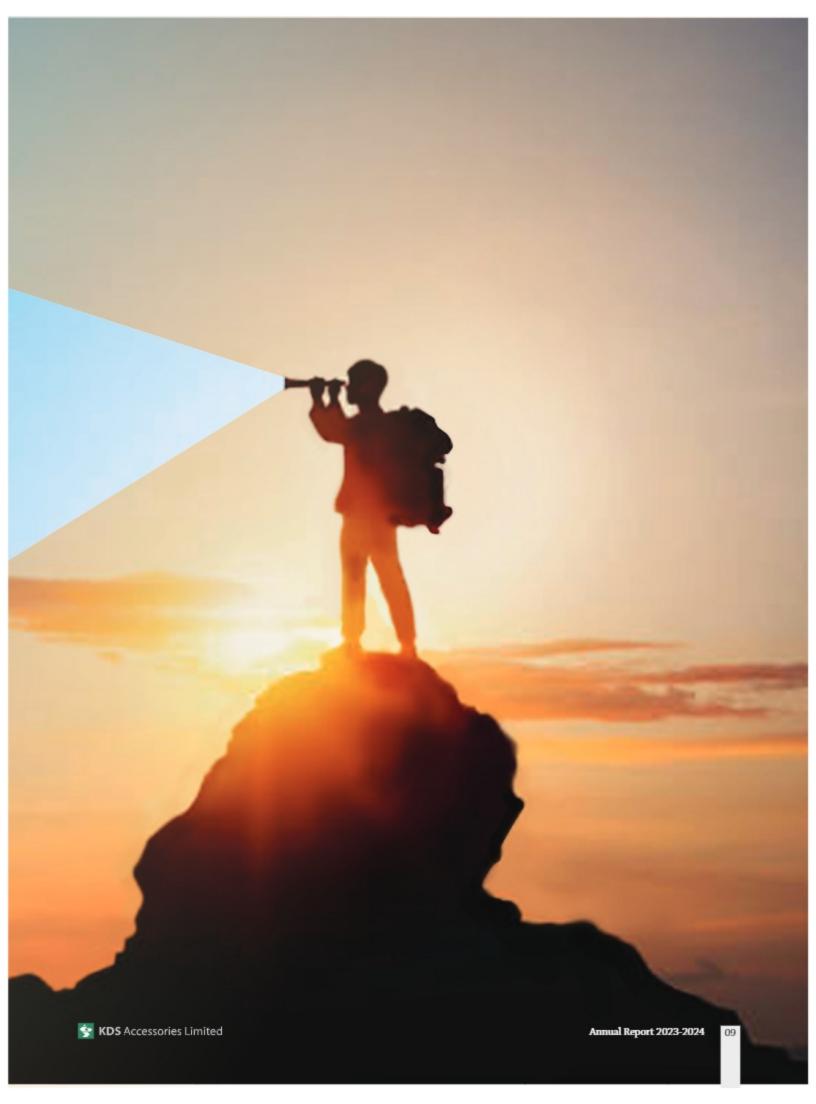
We are preferred by world most reputed brand for as reliable and quality supplier for their garment accessories.







# VISION | TO BE A GLOBALLY PREFERRED TRIMS & PACKAGING SOLUTIONS COMPANY



#### STRATEGIC OBJECTIVES

At KDS Accessories Ltd., our strategic objectives are focused on sustainable growth, operational excellence, and enhancing stakeholder value. These objectives guide our decision-making and ensure that we remain competitive in the dynamic garment accessories industry. Our primary strategic goals include:

- Strengthen Market Position: Expand our client base within Bangladesh's RMG sector and increase our presence with global brands by leveraging our reputation for quality and reliability. Recent nominations from brands like Kantoor and Timberland reflect our progress toward this goal.
- Drive Sustainable Practices: Continue to invest in renewable energy sources, waste reduction initiatives, and eco-friendly materials. These investments align with global sustainability trends and the expectations of our clients, strengthening our brand as a responsible, environmentally conscious supplier.
- Enhance Operational Efficiency: Integrate advanced technologies, including automation and data-driven decision-making tools, to streamline production and improve efficiency. This focus will help us meet the industry's growing demand for faster delivery and highquality products.
- 4. Develop Human Capital: Invest in employee training, welfare, and development programs to build a skilled and motivated workforce. Ensuring a positive work environment and fair wage practices is essential to retaining talent and supporting our long-term goals.
- Strengthen Financial Resilience: Maintain a balanced financial strategy that supports sustainable growth. We aim to manage risks effectively and use prudent financial planning to protect our profitability amidst economic fluctuations.

### CORE VALUES





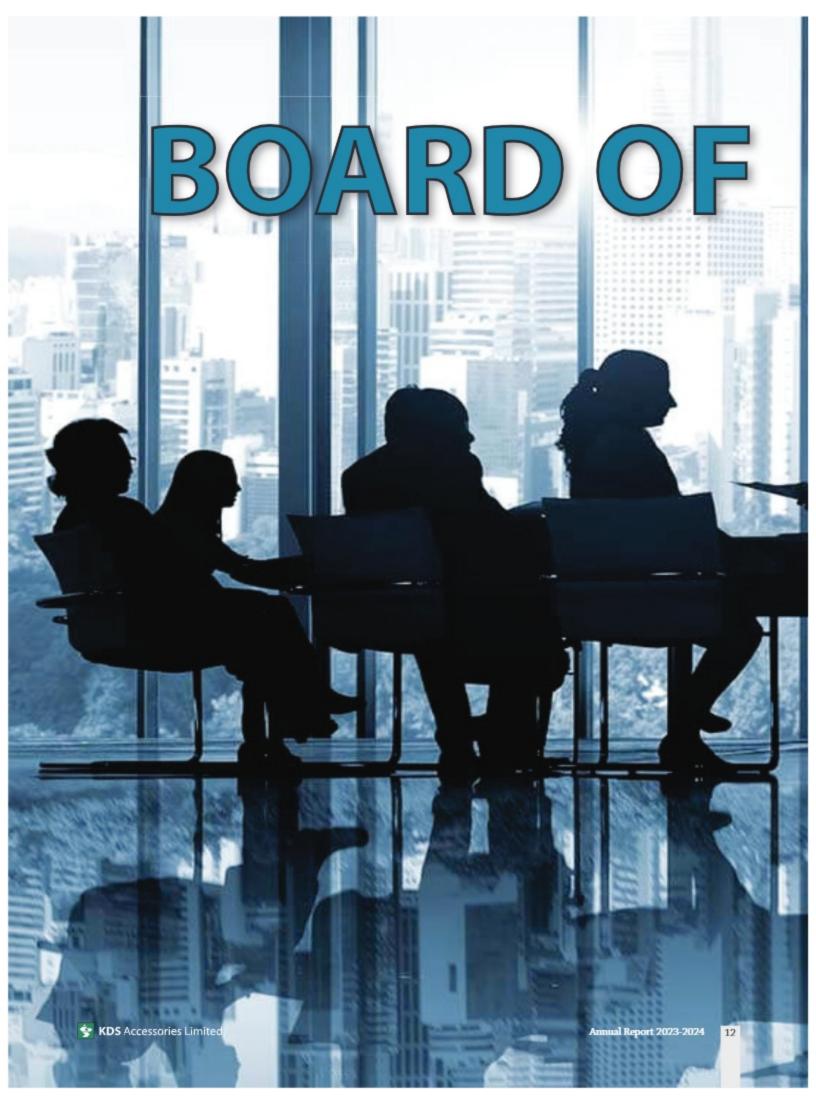
Nurture **Intelligence For** Human Capital Growth



Maintain Global Presence & Standards **Economically** 



Maximum Resource Utilization



# ❖ KDS Accessories Limited Annual Report 2023-2024 13



#### Mr. Khalilur Rahman Chairman

Mr. Khalilur Rahman is the Founder of the KDS group and Chairman of the Company.

Mr. Khalilur Rahman is a seasoned and highly experienced businessman & successful entrepreneur. Coming from a very humble background, he has been pioneer in kick starting several industries in the country.

Starting his journey in 1967 from a small-localized business, he kept on diversifying into many areas of his interests.

His love for the struggling people of his area inspired him to start exploring labour intensive ventures. Around 1983, he started his major scale garments manufacturing facility, KDS Garments, out of Chattogram.

A keen sense of determination had enabled Mr. Rahman to expand his empire to include many other large scale projects over the years such as textiles, garment accessories, steel, investment management, logistics, banking, insurance and education etc.

Today, KDS group is one of the largest business conglomerate in the country having business links with USA, Canada, Europe, Japan, South Asian Sub-Continent, India and China etc. and the group was awarded President Gold Trophy for export 9 times and got recognition of Quality Garments Exporter from foreign retailers 4 times.

Apart from being founding father of all Groups' business, Mr. Rahman has been truly the guiding force of business growth cutting across several business verticals within the group.

His energy and passion has been instrumental in not only he has guided the group into a large industrial behemoth, but also he metamorphosed the group into a closely-knit family of organizations, each complementing the need of others.

His inspirational leadership style has developed several leaders

within the group to undertake key business activities. He is also one of the few entrepreneurs of private banks and insurance business in the country.

He is one of the founding directors of National Bank Ltd.- a first generation private bank of the country.

He was also pioneer in the private sector insurance of the country and currently holding the position of director of Pragati Insurance Limited. and Chairman of Pragati Life Insurance Limited.

He is the chairman of AIBL Capital Market Services Ltd. ( a subsidiary of Al-Arafah Islami Bank Limited) Besides contributing to the industrial growth in the country, he has undertaken various social activities, which helps the marginalized section of the society in a large way. A large number of non-profit and entirely charitable educational institutions (School, College, Madrasha etc.) have been setup by Mr. Khalilur Rahman.

He is the founder chairman of Southern University, founder of Khalilur Rahman Mohila College, Khalil Mir Degree College, Khalilur Rahman Girls' High School, Khalil Mir Girls' High School, Ziri Khalil Mir High School and three Madrashas and one cultural academy in greater Patiya of Chattogram.

He was vice president of BGMEA (Bangladesh Garment Manufacturers & Exporters Association) & currently President of Chittagong Metropolitan Chamber of Commerce & Industries.

He is also involved with Bangladesh CR Coil Manufacturer & Exporters Association and Bangladesh Inland Container Depot Association (BICDA).

He was awarded EKUSHEY PADAK 2015 from Chattogram City Corporation for his contribution in Trade and commerce.

He is the Life Member of Bhatiary Golf & Country Club, Chittagong Boat Club, Chittagong Club Ltd., Chittagong Metropolitan Lions Club, Chittagong Press Club, Chittagong Institute Limited (Senior's Club), Chittagong Maa & Shishu Hospital & Ziri Janakollan Trust.



#### Mr. Salim Rahman Managing Director

Inheriting the rich legacy of his father,

Mr. Salim Rahman has made his own mark in taking the group to next level of business excellence through strategic expansion and organizational transformation through his passionate and dynamic leadership style. Educating in India and the US, Mr. Salim Rahman has joined the group in 1997.

Since then, he has actively involved with different sectors like Garments, Accessories, Steel, Textile, Shipping, Securities, Banking and Insurance.

Within few years of his joining in the group, he has been instrumental in capacity expansion of steel division, which strategically helped steel business to be a key player in the country's infrastructural growth. Apart from steel, he has been instrumental in setting up the country's largest "Dry-dock" or. Inland Container Depot (ICD) under KDS Logistics. He undertook similar expansion in other group businesses notably in Garments and Accessories.

Apart from business expansion, he has been instrumental with key organizational changes across the group to transform it a complete professional organization. Today KDS Group has been benchmarked as one of the true Bangladeshi professional organization. Setting up several industry-verticals led by competent CEOs, Mr. Rahman has helped the group perform more objectively and transparently.

Mr. Rahman has also injected operational excellence in key areas, which help the group business to grow several times in revenue & profitability. Mr. Rahman has also taken the group's footprint across various overseas locations including that of India, Hong Kong, the UK etc.

Besides manufacturing base he is also involved with investment and IT sector. He was director of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and current director of Chittagong Metropolitan Chamber of Commerce & Industries.

He is a life member of Bhatiary Golf & Country Club and member of Chittagong Club Limited, Chittagong Institute Limited (Senior's Club).

He is also involved with others social organizations and activities being associated with many organizations.



#### Ms. Tahsina Rahman Director

Ms. Tahsina Rahman obtained her BBA from University of Science and Technology, Chittagong (USTC) and completed MBA from Independent University Bangladesh (IUB).

She is a dynamic, results-oriented professional with experience and visible achievements in business development startup, strategic business partnerships and emerging markets including childcare arenas.

Ms. Tahsina Rahman is an Out-of-box thinker with visionary leadership strengths, resourceful team player characterized by innovative entrepreneurial spirit. She is also associated with number of Social Organizations and activities.



#### Professor Sarwar Jahan Independent Director

Professor Sarwar Jahan obtained his Bachelor in Information System and Master in Business Management from the Langston University of USA. He also completed his Diploma in Business Management from Dallas, Texas, USA in 1987.

He joined Southern University Bangladesh as Professor and Treasurer (In-charge) in May 2016. He was also an Associate and Assistant Professor at Southern University Bangladesh from January 2008 to April 2016 and December 2004 to December 2007 respectively.

He was the Executive Director of the Institute of Management & Information Technology, Chittagong. He served as Assistant Manager and Manager in various companies of the USA and had around 40 years of professional experience.

He is also a member of the Chittagong Chamber of Commerce and Association of Overseas Technical Scholarship (AOTS), Japan. He joined the Board on 24 August 2021 & his term will expire on 23 August 2027.



#### Mr. Kamrul Hasan Siddiqui

FCA, ACMA (UK), CGMA

Director (Representative of KDS Garments Industries Limited)

Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA is a Director at KDS Accessories Limited representing KDS Garments Industries Limited.

Apart from his fellow membership at the Institute of Chartered Accountants of Bangladesh (ICAB), he also qualified as a Chartered Management Accountant (CMA) and Chartered Global Management Accountant (CGMA) in 2016 and currently is an associate member of CIMA UK.

He has been in the role of CFO at KDS Garments Division since August 2021.

Being extensively trained on result-based leadership and international management and financial reporting standards at home and abroad, Kamrul has been matured as a young and promising finance professional in the apparel sector with more than 10 years experience.

He is involved in various social activities in various professional and social organizations.

#### Organizational Structure

#### **Board of Directors**

Mr. Khalilur Rahman

: Chairman

Mr. Salim Rahman

: Managing Director

Ms. Tahsina Rahman

: Director

Mr. Kamrul Hasan Siddiqui

FCA, ACMA (UK), CGMA (Representative of : Director

KDS Garments Industries Ltd.)

Professor Sarwar Jahan

: Independent Director

#### **Audit Committee**

Professor Sarwar Jahan

: Chairman

Ms. Tahsina Rahman

: Member

Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA

: Member

(Representative of KDS Garments Industries Ltd.)

: Member Secretary

Mr. Mohammad Ilias

#### **NRC Committee**

Professor Sarwar Jahan

: Chairman

Mr. Khalilur Rahman

: Member

Mr. Kamrul Hasan Siddiqui

: Member

FCA, ACMA (UK), CGMA (Representative of

KDS Garments Industries Ltd.)

: Member Secretary

Mr. Mohammad Ilias

#### **Senior Executives**

Mr. Debasis Daspal

: Chief Executive Officer

Mr. Shahab Uddin Mohd Jaffar

: Chief Operating Officer

Mr. Anwar-Ul-Azam

: VP-HR, Compliance & Operation

Mr. Biplob Kanti Banik FCA

: Chief Financial Officer

Mr. Mohammad Ilias

: Company Secretary

Mr. Abu Taher

: GM-Sales

Mr. Sarwar Hossain

: DGM-HR & Compliance

Mr. A.K.S. Parvez

: DGM-Packaging

Mr. Abdur Rouf Mollah

: DGM-Button

Mr. Md. Shafiqul Mowla

: AGM-SLP

Mr. Apu Sarwar

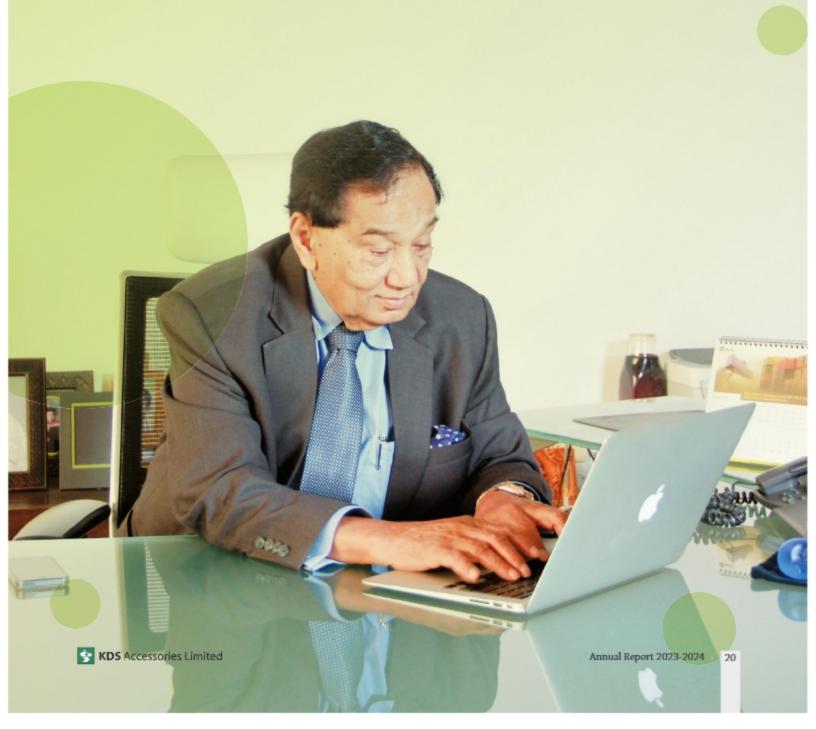
: Head of IT

Mr. Kongku Chakma

. I I Caa of II

: Head of Hanger Unit





#### Dear Fellow Shareholders,

It gives me great pride to present our Annual Report for 2023-2024, as we celebrate a remarkable milestone—33 years of KDS Accessories Ltd. (KDSA). Since our founding in 1991 as one of Bangladesh's first-generation garment accessories companies, KDSA has consistently contributed to the ready-made garment (RMG) industry through our commitment to quality, product diversity, and robust supply chain management. Over these years, we have grown our presence globally, earning recognition as a trusted and compliant manufacturer, setting benchmarks in the industry.

#### Our Journey and Achievements

Since our journey began, KDS Accessories has risen to become one of the country's leading providers of trims and packaging solutions, with a significant and growing reach across global markets. Our efforts have strengthened Bangladesh's position in the global RMG industry, making us a preferred partner to many international brands. This year, we reached shareholders' equity of BDT 1,942.70 million, underscoring our financial stability and growth. In line with our commitment to sustainable and responsible growth, we are pleased to declare a 5% stock dividend and a 5% cash dividend, totaling 10%, as part of our consistent dividend policy, aimed at rewarding and supporting all our valued stakeholders.

#### Challenges and Resilience

The global garment industry faced considerable headwinds this year, from inflationary pressures to supply chain disruptions. Despite these obstacles, we maintained our focus on growth and quality, ensuring our clients continue to receive the highest standard of products and service. Our strategic resilience has allowed us to thrive even amidst an unpredictable market environment.

#### Looking Ahead

With optimism for the future, we remain confident in the strength of the RMG sector and the broader consumer market's potential for recovery. Our priorities remain clear: to foster innovation, uphold the highest standards of quality, and support sustainable growth. As we navigate the path ahead, we remain dedicated to delivering value to all stakeholders.

Thank you to our Board, our employees, our business partners, and you, our valued shareholders, for your ongoing support. It is through your trust that KDS Accessories Ltd. continues to build a brighter, more resilient future.

I also want to thank our shareholders for your continued support, your confidence and above all for your trust.

I would like to express my gratitude to bankers, regulatory bodies (BSEC, DSE, CSE, CDBL, NBR, RJSC) and business associates for their cordial support in enabling KDS Accessories to achieve success.

I would like to take this opportunity to thank our Board for their contribution to the company.

In closing, while the global business environment remains competitive and unpredictable, our foundations are solid, and we are determined to emerge stronger from these challenges.

Khalilur Rahman Chairman.

### Message from the Managing Director



#### Dear Valued Shareholders,

Thank you. Gratitude is the first, last and most important thing that I would like to convey with this letter. We appreciate your confidence in our company. Celebrating 33 years of excellence and innovation, it is my absolute privilege to present our Annual Report for the fiscal year 2023-2024. This milestone reflects the strength, resilience, and adaptability that have defined KDS Accessories Ltd. since its inception. Over the past three decades, we have evolved alongside the global garment industry, solidifying our role as a trusted partner to renowned brands worldwide.

#### Performance Highlights

This year, despite a challenging global environment, we achieved commendable results:

- Revenue: BDT 2,531 million, demonstrating our stability in a fluctuating market.
- Gross Profit: BDT 458 million, accounting for 18% of revenue, highlighting our operational efficiency.
- Net Profit: Increased to BDT 153 million, a modest 0.3% rise over last year.
- Earnings Per Share (EPS): Steady at Taka 2.16, ensuring strong shareholder value.
- Net Asset Value (NAV) per share: Rose to Taka 27.29, a 4.4% increase from Taka 26.13 the previous year.

#### Innovation and Sustainability Initiatives

This year, we made significant strides in enhancing our environmental stewardship and operational efficiency. We implemented solar energy solutions in our manufacturing facilities to reduce our carbon footprint and align with global sustainability goals. This investment marks a key step in our commitment to cleaner energy and positions KDS Accessories as a forward-thinking industry leader.

We are also proud to have received nominations from respected industry leaders such as Kontoor and Timberland, highlighting the trust that global brands place in us. These accolades affirm our commitment to quality and reliability.

#### Navigating Supply Chain and Global Challenges

While we anticipated some challenges in key emerging markets, we did not foresee the magnitude of the economic deceleration, our industry faced substantial challenges, including supply chain disruptions, rising costs, and logistical delays. Economic factors such as inflation, volatile energy prices, and geopolitical tensions further compounded these issues. Additionally, we encountered significant increases in utility costs and labor wages, with higher minimum wages implemented to support our workforce fairly.

Despite these obstacles, we have adapted through careful planning and strong relationships with our suppliers, allowing us to continue delivering comprehensive trims and packaging solutions while focusing on sustainable growth and stakeholder value.

#### Outlook

With a robust operational foundation and a committed team, we are well-positioned to deliver lasting value to all our stake-holders. Going forward, we also remain dedicated to driving innovation, advancing sustainable practices, and developing new products that meet the evolving needs of our industry. The trust of our customers has been fundamental to our success, and we deeply appreciate their continued confidence. I would also like to extend my heartfelt thanks to our Board of Directors, valued business partners, and dedicated colleagues for their unwavering support.

We extend our appreciation to the officials of the Bangladesh Securities & Exchange Commission, Dhaka and Chittagong Stock Exchanges, Central Depository Bangladesh Limited, Registrar of Joint Stock Companies, all bankers, the National Board of Revenue, and other government bodies for their continuous support. We are also grateful to you, our shareholders, for your steadfast commitment to KDS Accessories.

It's exciting time to be with KDS Accessories. We're at an important strategic and financial inflection point. We remain committed to overcoming challenges, pursuing innovation, and delivering value to you, our esteemed shareholders. Your faith has been the driving force behind our achievements and I sincerely appreciate your trust in us. Thank you for the role you play.

Thank you,

Salim Rahman Managing Director

#### COMMENTS BY CEO

#### Dear Valued Shareholders,

As we close the fiscal year 2023-2024, it is my privilege to share with you the progress and milestones achieved by KDS Accessories Ltd. This year was one of both challenge and opportunity-a year where our resilience, adaptability, and strategic foresight stood out.

#### Operational Resilience and Performance

Despite a globally turbulent landscape marked by inflationary pressures, supply chain disruptions, and rising costs, we navigated these challenges with discipline and ingenuity.

#### Highlights of our performance include:

- · Revenue Stability: BDT 2,531 million, underscoring our ability to sustain operations amidst market fluctuations.
- Enhanced Operational Efficiency: A gross profit of BDT 458 million, demonstrating improvements in cost management and productivity.
- · Earnings Growth: A net profit of BDT 153 million, a testament to our commitment to shareholder value despite external pressures.

These achievements reflect not just numbers but the dedication of our talented teams and the strength of our partnerships with global brands.

#### Strategic Actions and Innovation

Our journey this year was defined by our commitment to innovation and sustainability. Key initiatives included:

- 1. Advancing Sustainability: By integrating solar energy into our manufacturing facilities, we reduced our carbon footprint, aligning with global sustainability benchmarks.
- 2. Strengthening Partnerships: Collaborations with renowned global brands like Kontoor and Timberland underscored our reputation for quality, reliability, and innovation.
- 3. Operational Excellence: Investments in technology and employee training have enabled us to enhance efficiency, safety, and productivity across our operations.

#### Focused on the Future

Looking ahead, our roadmap for growth is anchored in three key pillars:

- 1. Innovation: Continuously refining our product offerings to meet evolving market demands.
- 2. Sustainability: Further aligning our operations with global environmental standards.
- 3. Collaboration: Deepening our relationships with stakeholders, ensuring shared success in every endeavor.

#### Acknowledgements

I extend my heartfelt gratitude to our Board of Directors, the Managing Director, and our shareholders for their guidance and trust. To our employees—your dedication and creativity are the foundation of our success. And to our business partners and customers—thank you for your confidence in us. Together, we will continue to innovate, adapt, and lead with purpose.

Thank you for your trust in our organization.

Sincerel

Debasis Daspal Chief Executive Officer



#### STAFF CONTRIBUTION: HEALTH, SAFETY AND WELFARE

KDS Accessories Ltd. prioritizes the health, safety, and well-being of all employees. We believe that a healthy workforce is the foundation of a productive and resilient company. To support this, we have implemented various health and safety policies and welfare programs aimed at fostering a safe and supportive working environment.

- Health and Safety Standards: Our facilities follow stringent health and safety standards, including regular safety drills, emergency response training, and hazard identification procedures. We ensure that all employees receive the necessary training to operate safely in their roles.
- Welfare Programs: We offer employee welfare programs that include medical support, health insurance options, and access to wellness resources. These initiatives help promote both physical and mental well-being among our staff.
- Fair Wage Policy: In alignment with government regulations, we have implemented fair wage policies, including recent adjustments to minimum wage levels to support our employees' financial security.
- Workplace Ergonomics: To reduce physical strain, our facilities are designed with ergonomics in mind, providing safe and comfortable workstations, especially for our production team.

These initiatives reflect our commitment to maintaining a safe and supportive workplace, ensuring that our team remains healthy, motivated, and engaged.

#### **VALUE ADDED STATEMENT**

KDS Accessories Ltd. is proud to report on the value generated for and distributed among its key stakeholders in the fiscal year 2023-2024. Through careful management of resources and strategic initiatives, the company has created lasting value, supporting not only its shareholders but also the broader community and the national economy.

#### Distribution of Value Added

Government Contributions: This year, KDS Accessories Ltd. contributed significantly through tax payments and regulatory compliance costs, directly supporting national infrastructure and public service development.

Employee Benefits: Our workforce is our core strength. In addition to competitive salaries, we have invested in employee training, health, and safety initiatives, providing a supportive work environment that prioritizes their well-being and professional development.

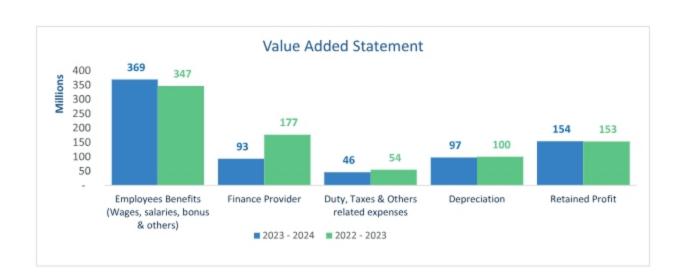
Dividend Payments to Shareholders: The company's commitment to returning value to shareholders is reflected in our dividend declaration, with a total payout of 10% (5% cash and 5% stock). This dividend approach balances rewarding investors while maintaining capital for sustainable growth.

Reinvested Earnings: A significant portion of profits has been reinvested in strategic growth areas, including our solar energy project, sustainable product innovation, and operational enhancements, to reinforce our financial stability and readiness for future challenges.

Economic Impact KDS Accessories Ltd. plays an active role in contributing to Bangladesh's economy. As a leading supplier to the RMG sector, our operations generate employment, stimulate local markets, and enhance Bangladesh's reputation as a reliable sourcing hub for garment accessories. By investing in local suppliers and community development, we aim to foster an ecosystem that benefits all stakeholders.

#### Value Added Statement

	2023 - 2024 Amount in Tk.	%	2022 - 2023 Amount in Tk.	%
Value Added:				
Revenue & Other Income	2,611,665,197		2,860,717,111	
Less: Paid to suppliers for materials & other services	1,852,981,294		2,029,737,822	
	758,683,903		830,979,289	
Distribution as follows:				
Employees Benefits (Wages, salaries, bonus & others)	368,818,462	49%	346,511,554	42%
Finance Provider	93,145,092	12%	177,113,467	21%
Duty, Taxes & Others related expenses	45,727,181	6%	54,360,891	7%
	507,690,734	67%	577,985,912	70%
Retained for Re-Investment & Future Growth				
Depreciation	97,233,482	13%	99,740,832	12%
Retained Profit	153,759,686	20%	153,252,545	18%
	250,993,168	33%	252,993,377	30%
	758,683,903	100%	830,979,289	100%



#### PERFORMANCE HIGHLIGHTS





## RENEWABLE ENERGY

**POWERING A BRIGHTER, CLEANER FUTURE** 

#### SUSTAINABILITY REPORT

#### Commitment to a Sustainable Future

As an integral part of Bangladesh's thriving ready-made garment (RMG) sector, KDS Accessories Ltd. is committed to sustainable growth that creates value for stakeholders and protects our environment. As part of KDS comprehensive sustainability we are implementing robust strategy, Environmental, Social, and Governance (ESG) practices across our operations, aligning with certifications like FSC® Chain of Custody and ISO 14001 standards for environmental management.

**Environmental Stewardship** 

- 1. Renewable Energy Expansion In FY 2023-24, KDS Accessories achieved significant milestones in renewable energy through solar power generation:
  - Chattogram Solar PV Project: Generating 511 MW annually and reducing carbon emissions by 342.37 tons CO2e.
  - Dhaka Solar PV Project: Designed with a capacity of 1.09 MW, projected to reduce 853 tons CO2e annually.

Together, these projects total 1195.36 tons CO₂e in carbon reduction, demonstrating our commitment to cleaner energy and aligning with national and international emissions targets.

2. Resource Efficiency and Waste Reduction

By enhancing resource efficiency and reducing waste, KDS Accessories follows KDS Group's commitment to sustainability. These efforts include:

- Water Conservation: We minimize water consumption in energy-intensive processes.
- Production: Efficient Advanced production technologies ensure minimal waste and optimized resource use.

Through FSC and ISO 14001 certification compliance, we continue to elevate sustainable operations, benefitting our clients, community, and environment.

Sustainable Product Development

Our dedication to sustainable product innovation has led to environmentally friendly materials for trims and accessories. with focus а on biodegradable and recvclable aligns with the components. This demand for eco-friendly products across the global supply chain, underscoring compliance with Group-level sustainability standards and ensuring a trustworthy and ethical supply chain.

#### Social Responsibility

- 1. Workforce Support and Development Our employees drive our mission, and we prioritize their safety, growth, and well-being. Initiatives include:
  - Skill Development: Continuous training opportunities across departments.

 Safe Working Conditions: Adherence to ISO 45001 standards, ensuring a safe and supportive workplace.

#### 2. Community Engagement and CSR Initiatives

Aligned with KDS Group's overarching CSR framework, our 2023-24 initiatives included:

- Educational Support: Contributions to local schools to foster education and skill-building.
- Environmental Projects: Launching tree plantation drives to enhance local ecosystems.

#### Governance and Transparency

#### 1. Strong Corporate Governance

We uphold the highest corporate governance standards, with our Board of Directors ensuring accountability and compliance. Our adherence to ISO 9001 for quality management reflects our focus on operational excellence, while strict supplier monitoring supports ethical sourcing, aligning with global best practices and BSCI standards.

#### 2. Compliance and Certifications

KDS Accessories is certified under FSC® Chain of Custody, ISO 9001, ISO 14001, and ISO 45001 standards, ensuring we meet both quality and environmental management benchmarks across our operations.

#### Integrated Reporting

In 2023-2024, KDS Accessories Ltd. made strides in integrating financial and sustainability reporting, creating a cohesive narrative that reflects our commitment to holistic value creation. We focused on linking financial outcomes with our our environmental, social, and governance (ESG) achievements to provide stakeholders with a complete view of our impact and strategic direction.

#### Key Highlights:

- ESG and Financial Impact: Our solar energy initiatives, implemented to offset energy costs and reduce emissions, contributed to operational savings and a lower carbon footprint, aligning with our commitment to sustainable growth. These efforts also provided cost stabilization amidst rising energy prices.
- Resource Optimization: Waste and water management initiatives directly supported our production efficiency goals, reducing costs and ensuring longterm resource sustainability, essential for the stability of our operations in the competitive garment accessory market.

#### **Future Sustainability Goals**

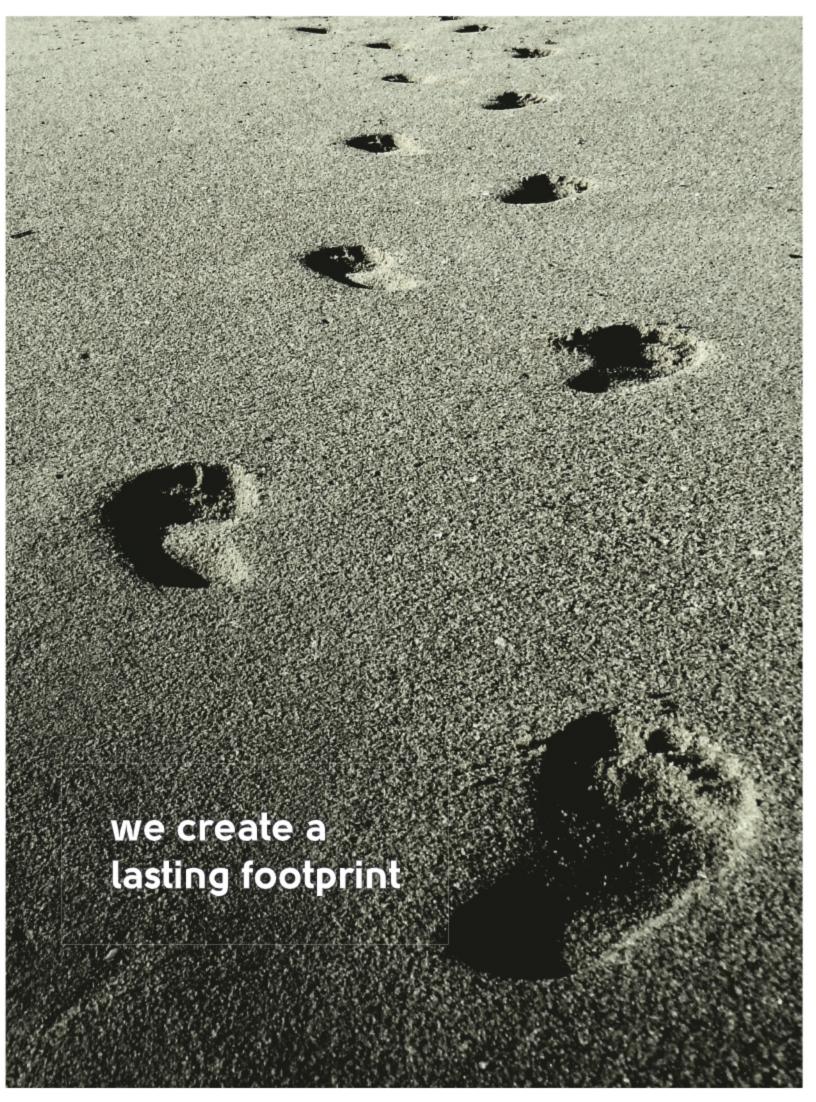
Looking ahead, we aim to expand our efforts, with specific goals that include:

Increased Solar Capacity: Expanding solar energy infrastructure to power a larger share of our operations and further reduce CO₂ emissions.

- Enhanced Sustainable Product
   Development: Pursuing materials innovation for biodegradable and recycled products.
- Community Development:
   Strengthening initiatives for education, health, and environmental sustainability.

#### Conclusion

Our commitment to sustainability reflects our belief that long-term success depends on responsible practices that benefit our environment, society, and stakeholders. **KDS Accessories Ltd.** is dedicated to pursuing sustainable growth and contributing positively to Bangladesh's RMG industry and beyond. We thank our employees, partners, and stakeholders for their support as we continue on this journey toward a sustainable future.



we serve the best quality of service







#### DIRECTORS' REPORT

#### Bismillahir Rahmanir Rahim Honorable Shareholders.

On behalf of the Board of Directors, it is a pleasure to present to you our annual report for the fiscal year ending 30 June 2024. This year holds special significance as we celebrate 33 years of dedicated service and growth at KDS Accessories Ltd. From humble beginnings, we have established ourselves as a trusted partner in Bangladesh's ready-made garment (RMG) industry, supporting global brands with high-quality trims and accessories. We are grateful for your continued trust and support as we pursue our vision of sustainable growth and innovation.

#### Our business and market position

KDS Accessories Ltd. is a key supplier in the garment accessories sector, providing comprehensive range of products, including corrugated cartons, buttons, soft line printing products (labels, elastics, offset printing), hangers, and gum tape. Serving global brands such as Walmart, Tesco, and Decathlon, we have developed a reputation for quality, reliability, and compliance with global standards. Our extensive product range and dedication to excellence have positioned us as a cornerstone of the RMG sector's supply chain in Bangladesh.

#### Performance Overview for FY 2023-2024 Revenue and Profit:

During the fiscal year, KDS Accessories Ltd. achieved a total revenue of BDT 2,530.68 million Although revenue faced challenges due to global market fluctuations, our focus on efficiency and cost control allowed us to maintain a gross profit margin of BDT 458.23 million. Our net profit for the year stood at BDT 153.76 million' underscoring our resilience and ability to adapt to changing conditions.

#### Earnings Per Share (EPS) and Net Asset Value (NAV):

Our EPS for the year was BDT 2.16, reflecting a consistent return for shareholders. Our NAV per share increased to BDT 27.29, further solidifying our financial foundation.

#### Cash Flow and Financial Stability:

We reported a net cash flow from operating activities of BDT 810.03 million, reflecting strong financial health. This robust cash flow enabled us to invest in key initiatives such as solar energy integration without impacting operational liquidity, ensuring a stable foundation for future growth.

#### **Key Initiatives and Developments:** Sustainability through Solar Energy

This year, we took a significant step toward sustainability by integrating solar energy into our manufacturing processes. This investment aligns with global standards and enhances operational efficiency, positioning KDS Accessories Ltd. as a leader in sustainable manufacturing practices within Bangladesh. Our commitment to renewable energy underscores our dedication to environmental responsibility, reducing our carbon footprint while maintaining production efficiency.

#### Strengthening Supply Chain Resilience

Last year has seen global supply chains disrupted by various factors, including inflation, rising energy costs, and geopolitical tensions. KDS Accessories Ltd. responded proactively by strengthening partnerships with local suppliers, optimizing logistics, and enhancing inventory management to ensure uninterrupted service to our clients. These efforts have reinforced our reputation for reliability and responsiveness, positioning us favorably within the industry.

#### Outlook

Celebrating 33 years in the garment accessories industry, KDS Accessories Ltd. stands resilient in the face of both challenges and opportunities. Global market volatility, rising costs, and supply disruptions present hurdles. chain Bangladesh's RMG sector continues to grow, fueled by global demand for sustainable, highquality garments. Our established reputation allows us to leverage this demand while navigating industry pressures. With investments in solar energy and eco-friendly materials, we are committed to sustainability, meeting the evolving expectations of international clients. Innovation

also remains a priority, as we integrate advanced technologies to enhance efficiency and quality. Strong partnerships with garment manufacturers, government agencies, and sustainability advocates further support our growth, positioning us well to serve stakeholders and drive the development of Bangladesh's RMG sector. As we look forward, our balance of experience, adaptability, and forward-thinking strategy ensures we are ready to build on our legacy and embrace a future of sustainable growth.

## Segment & Products' Performance Operational Performance

		01 July 2023 to 30 June 2024			01 July 2022 to 30 June 2023			
Particulars	Unit	Production Capacity (Pcs/GG)	Actual Production (Pcs/GG)	Capacity Utilization in (%)	Production Capacity (Pcs/GG)	Actual Production (Pcs/GG)	Capacity Utilization in (%)	
Carton	Pcs	31,750,000	21,184,985	66.72%	31,750,000	21,594,712	68.01%	
Label	Pcs	175,964,208	66,336,043	37.70%	175,964,208	59,660,775	33.91%	
Elastics and Narrow Fabrics	Yard	35,376,000	18,301,498	51.73%	35,376,000	21,895,399	61.89%	
Offset Printing	Pcs	150,009,600	38,618,859	25.74%	150,009,600	53,135,153	35.42%	
Heat Transfer Printing	Pcs	24,960,000	2,019,136	8.09%	24,960,000	4,277,042	17.14%	
Button	GG	360,000	211,782	58.83%	360,000	256,496	71.25%	
Gum Tape	Pcs	4,290,000	559,850	13.05%	4,290,000	543,888	12.68%	
Hanger	Pcs	45,000,000	4,200,711	9.33%	45,000,000	9,520,911	21.16%	

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

#### Product wise revenue:

	Contribution to Total Revenue					
Product name	Yr 2023-2	4	Yr 2022-23			
	In Taka	In %	In Taka	In %		
		, , , ,				
Carton	2,042,641,821	80.72%	2,260,540,588	80.89%		
Label	60,854,372	2.40%	79,536,326	2.85%		
Elastics and Narrow Fabrics	144,624,139	5.71%	121,752,582	4.36%		
Offset Printing	72,885,700	2.88%	70,589,967	2.53%		
Heat Transfer Printing	4,082,078	0.16%	10,715,614	0.38%		
Button	152,649,678	6.03%	169,576,735	6.07%		
Gum Tape	46,642,648	1.84%	40,359,726	1.44%		
Hanger	6,297,662	0.25%	41,498,210	1.48%		
Total	2,530,678,096	100%	2,794,569,748	100%		

#### 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: 117-118.

Analysis cost of goods sold, gross profit margin and net profit margin (Refer to Annexure-D, Page No: **60-62).** 

Last 5 Years' Key Operating and Financial Performance

2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
2,530,678,096	2,794,569,748	3,199,681,329	2,217,942,652	1,922,326,909
458,228,137	555,024,234	496,703,842	424,624,094	422,675,837
199,486,867	207,613,436	198,510,645	185,868,514	181,463,361
153,759,686	153,252,545	165,725,402	156,945,148	144,679,379
2.16	2.15	2.33	2.20	2.18
1,942,700,136	1,860,122,810	1,820,762,043	1,761,810,181	1,654,527,148
1,871,754,366	2,275,553,891	2,582,244,823	1,820,561,155	1,510,242,105
218,181,830	243,582,292	244,789,178	179,267,520	146,125,621
12,282,772	15,371,140	87,113,736	154,890,122	13,830,563
27.29	26.13	25.58	24.75	24.99
11.38	(8.97)	8.97	6.58	8.12
	2,530,678,096 458,228,137 199,486,867 153,759,686 2.16 1,942,700,136 1,871,754,366 218,181,830 12,282,772 27.29	2,530,678,096 2,794,569,748 458,228,137 555,024,234 199,486,867 207,613,436 153,759,686 153,252,545 2.16 2.15 1,942,700,136 1,860,122,810 1,871,754,366 2,275,553,891 218,181,830 243,582,292 12,282,772 15,371,140 27.29 26.13	2,530,678,096       2,794,569,748       3,199,681,329         458,228,137       555,024,234       496,703,842         199,486,867       207,613,436       198,510,645         153,759,686       153,252,545       165,725,402         2.16       2.15       2.33         1,942,700,136       1,860,122,810       1,820,762,043         1,871,754,366       2,275,553,891       2,582,244,823         218,181,830       243,582,292       244,789,178         12,282,772       15,371,140       87,113,736         27.29       26.13       25.58	2,530,678,096       2,794,569,748       3,199,681,329       2,217,942,652         458,228,137       555,024,234       496,703,842       424,624,094         199,486,867       207,613,436       198,510,645       185,868,514         153,759,686       153,252,545       165,725,402       156,945,148         2.16       2.15       2.33       2.20         1,942,700,136       1,860,122,810       1,820,762,043       1,761,810,181         1,871,754,366       2,275,553,891       2,582,244,823       1,820,561,155         218,181,830       243,582,292       244,789,178       179,267,520         12,282,772       15,371,140       87,113,736       154,890,122         27.29       26.13       25.58       24.75

## 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 37 and in Annexure-G, **Page: 65** in accordance with relevant International Accounting Standards (IAS).

# Utilization of proceeds raised through public issues, rights issues and/or any other instruments

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

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

# Explanation if the financial results deteriorate after the company goes for Initial Public

## Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing

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

## Significant variance between Quarterly and Annual Financial Statements

There was no significant difference between quarterly performance and overall period ended performance of the Company.

# Remuneration to directors including independent directors

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

Name of Directors	Designation	Amount
Mr. Khalilur Rahman	Chairman	-
Mr. Salim Rahman	Managing Director	6,100,000
Ms. Tahsina Rahman	Director	-
KDS Garments Ind. Limited. Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	Director	-
Professor Sarwar Jahan	Independent Director	-

#### Internal control system

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

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

#### Minority shareholders' protection

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

#### Going concern

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

## Significant deviation in operating results compared to previous period

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

#### Dividend Declaration

In recognition of our commitment to value creation, the Board of Directors is pleased to declare a 5% stock dividend and a 5% cash dividend, totaling 10% for the fiscal year 2023-2024. This dividend reflects our performance and dedication to rewarding our valued shareholders.

#### Board of directors'

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

On 30 June 2024, there were 5 members on the Board of the Company. The Board comprises Chairman, Managing Director, Two Directors and One Independent Director.

#### 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: 67.

#### iii) Director's Retirement and Re-election.

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

#### i) Mr. Khalilur Rahman

ii) Mr. Kamrul Hasan Siddiqui FCA,ACMA (UK), CGMA (Representative of KDS Garments Industries Limited)

Board of Directors' in its meeting held on 23 October 2024 proposed their appointment. The brief bio-data of the said Directors are enclosed herewith in the section of Director's Profile in **Page: 14 & 18.** 

#### iv) Board Meeting and Attendance

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

Name of Directors	Nos of Meeting	Nos of Meeting	Attendance
Mr. Khalilur Rahman	Chairman	6	6
Mr. Salim Rahman	Managing Director	6	6
Ms. Tahsina Rahman	Director	6	6
KDS Garments Ind. Ltd. Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	Director	6	6
Professor Sarwar Jahan	Independent Director	6	6

#### Appointment of independent director

As per provision of Corporate Governance Guidelines notification no: SEC/CMRRCD/2006-158/207/ADMIN/80 Dated 3rd June 2018 by Bangladesh Securities & Exchange Commission (BSEC) the NRC Committee proposed Professor Sarwar Jahan to re-appoint as Independent Director of the Company for a another tenor of 3 (Three) years and BSEC has also accorded their consent through ref no: BSEC/ICA/CG/2024/160/Part-1/321 dated: 24th October 2024 subject to appointment by the Board of Directors and approval of shareholders in next AGM. Shortbio data of the said director is enclosed herewith in the section of Director's Profile. Page: 17.

#### Shareholding pattern

(Refer to Annexure-H, Page: 65-66).

# Directors' involvement in other business (Refer to Annexure-I, Page: 67.

#### 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: 60-62.** 

#### Certification by the CEO & the CFO

Declaration of certificate by the CEO & the CFO to the Board as required under condition no. 3(3) of Corporate Governance Code is included in Annexure-A, Page: 49

#### Credit rating

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

Long Term	Short Term
AA-	ST-2

Above rating have been assigned on the basis of good fundamental such as good profitability, sound infrastructural arrangement with state-ofthe 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 of Directors	Nos of Meeting
Professor Sarwar Jahan	Chairman & Independent Director
Ms. Tahsina Rahman	Member
KDS Garments Inds. Ltd. Represented by Mr Kamrul Hasan Siddiqui FCA, ACMA (UK),CGMA	Member
Mr. Mohammad Ilias	Member Secretary

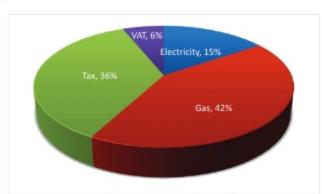
During the reporting period under review, the Committee held four meetings. A detailed of the roles and activities of the Audit Committee has been provided in "The Report of The Audit Committee". Page: 41-42.

## Nomination and remuneration committee (NRC):

KDS Accessories Limited has formed a Nomination and Remuneration Committee (NRC) on 3rd December,2018 as a sub-committee of the Board of Directors. This committee will assist the Board of Directors in formulation of the nomination criteria or policy to determine qualifications, experiences, remuneration and independence of directors and top level of executives. The NRC has three members including one Independent Director. A detailed roles and activities of the NRC has been provided in "The Report of The Nomination and Remuneration Committee (NRC)". Page: 44-46.

#### 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. 117,446,051 to the Government Exchequer along with utility bill which is presented below:



#### Corporate social responsibility (CSR)

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

initiatives of CSR of your company are mentioned below:

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

#### Awards & Recognition

Since starting your Company received the following awards and recognitions:

- ISO 14001:2015 Certified.
- ISO 9001:2015 Certified.
- BS OHSAS 18001:2007 Certified.
- FSC Chain of Custody Certification Standard & FSC CoC Certification of Multiple Sites Standard by Bureau Verities
- OEKO-TEX Standard 100 Certified for Woven Labels.
- OEKO-TEX Standard 100 Certified for Elastic Labels.
- OEKO-TEX Standard 100 Certified for Buttons.
- Achievement Award of Trim Qualification Program by Intertek.
- CAP Closure Verification Visit Results by Alliance.

#### Information technology

We, at KDS Accessories always strive for the innovation in business by adopting something different, smarter or better for bringing positive impact in terms of value, quality or productivity.

We believe that now accurate business planning, effective marketing, global sales, systematic management, real time monitoring, instant customer support and long-term business growth cannot be achieved at the optimum level without IT and we plan ahead of others to enable our operations process through IT.

Some of our IT enabled applications and systems are Accounting Management System (AMS), HRIS, Sales & Distribution Management System (SDMS), Production Management System (PMS), Inventory Management System (IMS), Inventory & Procurement Managing System (IPMS), Fixed Asset Management System (FAMS) and Fund Management System (FMS). Through these

applications management can view various reports for its review and decision from any location.

#### Website

Company maintains a website namely www.kdsaccessories.com 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.

Information in compliance to the condition No 4 of the commission's notification No. BSEC/CMRR D/2009-193/10/ADMIN/118, Dated 22 March 2021.

#### Lien or Pledge information:

During the period from July 2023 to June 2024, the following directors of the company has not availed any loan or credit facility by lien or pledge of their shares to the lenders at the time of borrowings. They also had not availed any margin loan from the stockholder or portfolio manager.

Name of the Director	Position in Company	No of Shareholding	% of shareholding
Mr. Khalilur Rahman	Chairman	30,599,237	42.99%
Mr. Salim Rahman	Managing Director	10,030,344	14.09%

#### 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 Centre (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram-4100, Bangladesh is recommended for appointment of external Auditor of the company for the next accounting year for the period from 01 July 2024 to 30 June 2025 and till the conclusion of 34th AGM subject to the approval of shareholders in next AGM and the remuneration to be fixed mutually by the Board of Directors of the Company and the said firm."

## 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 23 October 2024, 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 2024-2025 subject to the approval by the shareholders in the 33rd 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: 50-59. 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:

- 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.
- 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.
- 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: 61.
- ix) The number of Board Meeting held during the reporting period and the attendance by each director is disclosed in this report in Page: 37.
- x) The pattern of shareholding is disclosed in Annexure-H, Page: 65.
- 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: 51-59.
- xii) Directors' profile is attached in page no 14 -18 and their directorship and business interest in other organizations have been disclosed in Board of Directors segment and in Annexure-I, Page: 67.

#### 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 the Board

Khalilur Rahman

Chairman

23 October 2024

## REPORT OF THE AUDIT COMMITTEE

For the period from July 2023 to June 2024

The Audit Committee of KDS Accessories Limited is pleased to submit the following report on the activities of year 2023-2024:

According to the Notification on Corporate Governance of Bangladesh Securities & Exchange Com- mission (BSEC) dated June 03, 2018 the board has established Audit Committee as a sub-committee of the Board.

#### The Committee

The present committee members, nominated by the Board are as follows:

SI. No.	Name of Members	Designation	Position
0	Professor Sarwar Jahan	Independent Director	Chairman
02	Ms. Tahsina Rahman	Director	Member
03	KDS Garments Industries Limited Represented b -Mr. Kamul Hasan >ddigul FC& &CM& (UK) CGM&	Director	Member
04	Mr. Mohammad Ilias	Company Secretary	Member Secretary

#### Terms of References

The terms of reference of the Audit Committee have been determined by the Board as per BSEC notification. The Committee is responsible to the Board of Directors and reports on its activities regularly. The Committee assist the Board in its general oversight of financial reporting, internal controls and functions relating to internal audit as well as ensures compliance with the Corporate Governance Code of BSEC.

#### Role of Audit Committee

Role of Audit Committee of KDS Accessories Limited are appended below:

- (a) Oversee the financial reporting process.
- (b) Monitor choice of accounting policies and principles.
- (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.
- (d) Oversee hiring and performance of external auditors.
- (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.

- (f) Review along with the management, the quarterly and half yearly & annual Financial Statements before submission to the Board for approval.
- (g) Review the adequacy of internal audit function.
- (h) Review the Management's Discussion and Analysis before disclosing in the Annual Report.
- Review statement of all related party transactions submitted by the management.
- Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.
- (k) 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.

## Activities of the Audit Committee for the year under report

The members of Audit Committee met four times during this reporting period. The Committee carried out the following activities among others:

- Reviewed the quarterly, half yearly and yearly Financial Statements of the company and recommended to the board for adoption and circulation.
- Reviewed the Management's Discussion and

Analysis before disclosing in the Annual Report.

- Reviewed the internal audit process and effectiveness of internal audit
- Reviewed the findings of inter audit team and its corrective actions
- Assessed the findings of external auditors and compliance of IAS/ IFRS for preparation of Financial Statements.
- Reviewed the adequate internal control system of the company are in place.
- Reviewed the compliance requirements of BSEC guidelines, notification and other laws.

#### Appointment of Auditors

The Audit Committee has recommended the Board to re-appoint existing external auditor of the Company Hussain Farhad & Co, Chartered Accountants, having its office at Yunusco City Centre (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram-4100, Bangladesh as company's statutory/external auditor for the accounting year from 01 July 2024 to 30 June 2025.

Audit Committee expressed their sincere thanks to all members of Board, team of internal audit, team of accounts & finance and management of the company for their support.

On behalf of the Audit Committee

Professor Sarwar Jahan

Independent Director

Somonfalron

& Chairman of the Committee



#### REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE (NRC)

For the period from July 01, 2023 to June 30, 2024

The Nomination and Remuneration Committee (NRC) of KDS Accessories Limited is pleased to submit the following report on the activities for the financial year 2023-24.

This Nomination and Remuneration Policy is being formulated in compliance with Notification No. BSEC/CMRR D/ 2006-158/ 207/Admin /80, Date: June 03, 2018 on Corporate Governance Code of Bangladesh Securities & Exchange Commission (BSEC). This policy on nomination and remuneration of Directors and top level executives of the company has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors. This is a sub-committee of the Board.

The Nomination and Remuneration Committee (NRC) of KDS Accessories Limited is Comprised of the following members:

Name & Designation	Position
Professor Sarwar Jahan Independent Director	Chairman
Mr. Khalilur Rahman Chairman	Member
KDS Garmenta Industries Ltd. Represented by-Mr. Kamrul Hasan Siddiqui FCA, ADMA (UK), CGMA Director	Member
Mr. Mohammad Ilias Company Secretary	Secretary

#### Terms of Reference

The terms of reference of the Nomination and Remuneration Committee (NRC) have been determined by the Board as per BSEC notification. The NRC 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 policy for formal process of considering remuneration of director, top level executive.

#### Role of the NRC

- NRC Shall be independent and responsible or accountable to the Board and to the shareholders;
- To oversee, among others, the following matters and

make report with recommendation to the Board:

- (i) formulation the criteria for determining qualification, 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:
- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
- (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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;
- (ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background.
- (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:
- (iv) formulating the criteria for evaluation of performance of independent director (s) and the Board
- (v) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- (vi) developing, recommending and reviewing annually the company's human resources and training policies;

#### Meeting of NRC:

During this reporting period, one NRC meeting was held. The NRC of KDS Accessories Limited carried out the following activities during the year 2023-24.

Members of the Nomination and Remuneration Committee (NRC) have elaborately discussed about the Nomination and Remuneration Policy of the Company.

Members of NRC have also reviewed the following activities of the Company:

- Set up a organization structure where reporting line is clearly defined for the directors and top management team along with standard manpower planning exercise for each and every position for identifying the total requirement.
- Set up standard pay structure for each job level based on education, experience and competency.
- A target based on-line performance Management System to evaluate performance of employees. This KPI based PMS leads to Yearly Increment, Promotion of individual.
- 4. Employee Benefit policy to attract the job seekers and retain internal talents. Succession planning of the company to have our future leaders ready according to the requirements. Ensuring extensive training and development plant for the individual or group of people.
- A transparent recruitment and selection policy where competent candidates get hired.
- Practicing a clear career path system for employees which reflect in organization structure

#### Objective and Policy of the NRC

#### Objective:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/top management team required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- · remuneration to directors, top level executives

reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

## Appointment and Removal of Director, Top Level Executives and Senior Management

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, top level executives or at Senior Management level and recommend his/her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the position.

#### Term /tenure Of Independent Director

All companies shall have effective representation of independent directors on their Boards. At least two (one female) or one-fifth (1/5) of the total number of directors in the company's Board whichever is higher shall be independent directors. Qualifications, experience and position of Independent Director shall be as per notification on Corporate Governance Code of Bangladesh Securities & Exchange Commission.

The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM). The post of independent director(s) cannot remain vacant for more than 90 (ninety) days and the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one ) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]:

#### Evaluation

The Committee shall carry out evaluation of performance of Director and top level executives yearly or at such intervals as may be considered necessary.

#### Removal

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).

Retirement

The Director or top level executives shall retire as per policy of the Company. The Board will have the discretion to retain the Director of any top level executive even after attaining the retirement age, for the benefit of the Company.

## Policy For Remuneration To Directors/top Level Executives:

- a) The Remuneration to be paid to Managing Director
   / Other directors as approved by the NRC Committee.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director and other Directors.
- c) The Non-Executive / Independent Director may receive meeting fees and such other remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- d) The remuneration to top level executives shall be fixed consideration their performances and in

accordance with the Company's Policy.

#### Implementation

 The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this Policy as considered appropriate.

Nomination and Remuneration Committee (NRC) expressed their sincere thanks to the members of the Board of Directors, management of the Company for their outstanding support and Co-operation.

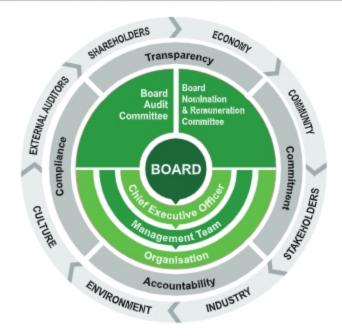
#### Professor Sarwar Jahan

Sowandelier

Chairman

of Nomination and Remuneration Committee & Independent Director

## CORPORATE GOVERNANCE REPORT



Corporate governance refers to the structures and processes for the direction and control of companies. Sound corporate governance is a fundamental part of the culture of the company and ensures long-term success. Corporate governance concerns the relationships among the management, Board of Directors, controlling shareholders, minority shareholders and other stakeholders. Good corporate governance contributes to sustainable economic development by enhancing the performance of companies. The Board of Directors of KDS Accessories Limited is firmly committed to upholding principles of sound corporate governance. The main objective of corporate governance is a creation of lasting value for stakeholders.

Transparency in the business transaction and disclosure of information to regulatory bodies as part of its legal obligations constitute sound corporate governance. Good corporate governance also means conformity to sound ethical principles and a code of conduct in business dealings.

**Board of Directors** 

Board of Directors is the representative and trustee of the shareholders of the company. The Board of Directors of KDS Accessories Limited comprises of five members including Chairman, Managing

Director, two Directors and one Independent Director in compliance with the Corporate Governance Guide-

lines of BSEC. Board of Directors is performing the responsibilities, among others, setting the company's strategic objectives, providing leadership, supervision and safeguarding shareholders interest.

#### **Audit Committee**

KDS Accessories Limited has an Audit Committee as a sub-committee of the Board of Directors. This committee is assisting the Board of Director sin ensuring that the financial statements reflect the true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The committee submit their reports to the Board of Directors. Its duties and responsibilities are clearly outlined in writing. Audit Committee is reconstituted as per the guidelines of BSEC.

Audit Committee holds regular meetings on the following major issues:

- To review the financial statements and reporting process and monitor the choice of accounting polices and principles;
- To review the business risk management;
   To review the internal audit assessment;
- To oversee the good corporate practices;
   To review the adequacy or internal audit function etc.

A separate report of the audit committee is included in this Annual Report in Page: 86-87.

#### Nomination and Remuneration Committee (NRC):

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

A separate report of the NRC committee is included in this Annual Report in Page: 88-90.

#### Chairman of the Board, Managing Director & CEO

In KDS Accessories Limited, Chairman and Managing Director are two separate individuals selected from the Board of Directors. Both are performing defined responsibilities and focusing on the strategic value addition of the company. Managing Director is regularly reviewing the operation & guides the Chief Executive Officer (CEO) on strategic issues.

#### Directors' Report to Shareholders

Board of Directors is reporting the performance annual achievements and status of the company's activities to the shareholders. They are also conveying the plan and outlook of the industry and company in their report.

#### Chief Financial Officer, Company Secretary and Head of Internal Audit

The company has appointed a qualified Chartered Accountant as Chief Financial Officer and he is the Fellow Member of the Institute of Chartered Accountants of Bangladesh. The Company Secretary is also an experienced accounting professional have completed Chartered Accountancy Course and Post- Graduation. The CFO & Company Secretary regularly advise and assist the Board on financial strategy and compliance issues of the regulatory bodies. Chief Financial Officer and Company Secretary are also attending Board Meetings as per Corporate Governance Notification of the BSEC. Company's internal audit department is also headed by a professional expertise having experiences in the field of internal audit. Board of Directors clearly defined respective roles, responsibilities and duties of the CFO, Company Secretary and in-charge of Internal Audit and Compliance Department.

#### Internal Audit and Control

KDS Accessories Limited established an Internal Audit Department consisting of professional and knowledgeable employees. Internal Audit Department directly reports to the Board of Directors.

Internal Audit department regularly conducts their audit based on a yearly Internal Audit Plan and checks, verifies and reviews the compliance of Internal Control Procedure and other regulatory requirements.

#### **External Auditors**

External Auditors of KDS Accessories Limited is appointed in every Annual General Meeting (AGM) by the Shareholders of the company as per Companies Act 1994. The company also conforms to the requirement of Bangladesh Securities and Exchange Commission in appointing external auditors. External Auditors are not engaged to perform any of the tasks other than external/ statutory audit.

#### Key Management Committee

There are other sub-committees to the Board of Directors to assist the Board of Directors in making and formulating company's strategic objectives and policies. These committee members regularly sit for discussing and reviewing the activities of the company.

#### Certification on the Compliance of Corporate Governance Code of BSEC

A certificate regarding compliance of conditions of Corporate Governance Code of the Bangladesh Securi- ties and Exchange Commission issued by Shafiq Basak & Co., Chartered Accountants is included in the Annual Report in Annexure -B, Page: 68. 21 October 2024 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, 2024.

#### Dear Sirs,

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

- (1) The Financial Statements of KDS Accessories Limited for the year ended on 30 June, 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), 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, 2024 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

S KDS Accessories Limited





CHARTERED ACCOUNTANTS

#### CHATTOGRAM OFFICE:

National House (1st Floor), 109, Agrabad Commercial Area, Chattogram-4100, Bangladesh. Phone: 02333311561

: 02333323680 Web : www.shafiqbasak.com Email : basak\_sbc@yahoo.com

basak@shafiqbasak.com

Partners:

Md. Shafiqul Islam, FCA Sampad Kumar Basak, FCA Sarwar Mahmood, FCA Sheikh Zahidul Islam, MBA, FCA Md. Ashraful Hoque, FCA DHAKA OFFICE- (1):

Shatabdi Centre (6th Floor & 8th Flo 292, Inner Circular Road, Fakirpool, Motijheel, Dhaka, Banglades

Phone : 02224401504 : 02224400480

Web : www.shafiqbasak.com Email : shafiq\_basak@yahoo.com shafiq@shafiqbasak.com

#### Ref: No -SB-CTG-1-32/0401-A/2024

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

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

We have examined the compliance status to the Corporate Governance Code by KDS Accessories Limited for the year ended on 30<sup>th</sup> June 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3<sup>rd</sup> June 2018; BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October, 2023 and BSEC/CMRRCD/2009-193/76/PRD/151, dated 04 April, 2024 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:

- a) 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 no. -1(2)(a).
- b) 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.
- c) 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
- d) The Governance of the company is highly satisfactory.

S.K. Bacak S. K. BASAK, FCA (0625) PARTNER SHAFIQ BASAK & CO. CHARTERED ACCOUNTANTS



Dated: November 17, 2024. Place: Chattogram



DHAKA OFFICE-(2): House - 42 (1st Floor), Road -01, Block - A, Niketan, Gulshan - 01, Dhaka.

Phone: 88-02-9859602-3, 01819-285196, E-mail: mahmoods.bd@gmail.com.

## Corporate Governance Compliance Report

Status of compliance with the condition imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018; BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October, 2023 and BSEC/CMRRCD/2009-193/76/PRD/151, dated 04 April, 2024 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

Condition		Complian	ce Status	
No.	Title	Complied	Not Complied	Remarks
1	Board of Directors			
1(1)	Size of the Board of Directors  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).	٧		
1(2)	Independent Directors			
	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 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s):  Provided that the Board shall appoint at least 1 (one) female independent director in the Bard of Directors of the conpnay;		4	Allowed up to one year (April 2025) to appoint a female independent director
1(2)(b)	Without contravention of any provision of any other laws, for the purpose of thi a director—"	s clause,an "	independent	director" means
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		
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;	<b>√</b>		
1(2)(b)(viii)	Who shall not be an independent director in more than 5 (five) listed companies;	√		
1(2)(b)(ix)	"(ix) who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and"	٧		
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): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	√		
1(2)(d)	The post of independent director(s) can not remain more than 90 (ninety) days.	4		

Condition		Compliance Status			
Condition No.	Title	Complied	Not Complied	Remarks	
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	√			
1(3)	Qualification of Independent Director (ID)				
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.				
1(3)(b)	Independent director shall have following qualifications:				
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or <b>registered business</b> 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			N/A	
1(3)(b)(iii)	Former or existing 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:  Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or			N/A	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	١			
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)	١			
1(3)(d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			N/A	
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	١			
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;	٦			
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	٧			
1(5)(ii)	The segment-wise or product-wise performance	٦			
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	4			
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	١			

	Complian		
Title	Complied	Not Complied	Remarks
A discussion on continuity of any extraordinary activities and their implications (gain or loss);	7		
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;			
A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	4		
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
An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	4		
A statement of remuneration paid to the directors including independent directors;	4		
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;	7		
A statement that proper books of account of the issuer company have been maintained;	4		
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	4		
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;	4		
A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	4		
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;	4		
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;	4		
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;	4		
A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	4		
An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			N/A.
Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	4		
The total number of Board meetings held during the year and attendance by each director;	4		
A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	4		
Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	4		
Executives; and	- √		
Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	4		
disclose the following information to the shareholders:			
Nature of his/her expertise in specific functional areas;	√		
Names of companies in which the person also holds the directorship and the membership of committees of the board.	- √		
	A discussion on continuity of any extraordinary activities and their implications (gain or loss);  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;  A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments  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.;  An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;  A statement of remuneration paid to the directors including independent directors;  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;  A statement that proper books of account of the issuer company have been maintained;  A statement that proper books of accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment  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;  A statement that the system of internal control is sound in design and has been effectively implemented and monitored;  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;  An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and th	A discussion on continuity of any extraordinary activities and their implications (gain or loss):  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.  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Condition			ce Status	
No.	Title	Complied	Not Complied	Remarks
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:		Compiled	
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;	<b>√</b>		
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	4		
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;	4		
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 <i>Annexure-A</i>	√		
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;	4		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	√		
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		
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;	4		
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.	4		
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)			

Condition		Compliance Status			
No.	Title	Complied	Not Complied	Remarks	
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:  Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission:  Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;			Approved by Ministry of Commerce for MD (Exemption of U/S 109)	
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	4			
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;				
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;	-J			
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual	√			
4	Report.  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.	√			
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;	٧			
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;	4			
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;				
	O BASA				

Condition			Compliance Status	
No.	Title	Complied	Not Complied	Remarks
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 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			N/A
5(2)(e)	The company secretary shall act as the secretary of the Committee;	4		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	4		
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.	4		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	4		
5(4)	Meeting of the Audit Committee  The Audit Committee shall conduct at least its four meetings in a financial			
5(4)(a)	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.	4		
5(5)	Role of Audit Committee			
	The Audit Committee shall:-	,		
5(5)(a)	oversee the financial reporting process;	√ √		
5(5)(b) 5(5)(c)	monitor choice of accounting policies and principles;  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;	4		
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;	4		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	4		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	4		
5(5)(h)	review the adequacy of internal audit function; review the Management's Discussion and Analysis before disclosing in the	٧		
5(5)(i)	Annual Report;	√		
5(5)(j)	review statement of all related party transactions submitted by the management;	4		
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 the external auditors; and	4		
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
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors	1.		
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.  The Audit Committee shall immediately report to the Board on the following fin	√ dinge if any:		
5(6)(a)(ii) 5(6)(a)(ii)		unigs, ir arry:		N/A
5(6)(a)(ii)(a)	report on conflicts of interests;			N/A

Condition		Complian		
No.	Title	Complied	Not Complied	Remarks
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;	٦		
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;	4		
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).	٦		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	4		
6(2)(b)	"(b) At least 02 (two) members of the Committee shall be non-executive directors;"	٧		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	٦		
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;	1		
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;	١		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	٦		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	٧		
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.	4		
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;	١		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	``		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.			

Condition			ce Status	_
No.	Title	Complied	Not Complied	Remarks
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	1		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	1		
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);	١		
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			
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	4		
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;	4		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	1		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	``		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	4		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	٧.		
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.	١		
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;	٧		
7(1)(iv)	broker-dealer services;	-√		
7(1)(v)	actuarial services;	√		
7(1)(vi)	internal audit services or special audit services;	1		
7(1)(vii)	any service that the Audit Committee determines;	1		
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 an shares in the said company:	al.		

Condition			Compliance Status		
No.	Title	Complied	Not Complied	Remarks	
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.	4			
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).	4			
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.	٧			
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.				



#### Overview 2023-2024

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2023 to 30 June 2024. Among others, the major areas, of our business in last year were:

#### **Industry Outlook**

Though demand has fallen than all predictions due to ongoing Russia-Ukraine war, Escalating Tension in Middle East Country and also aiming global economic recession in major RMG market, we hope to maintain a steady results with our strong base.

Predications show that Bangladesh will be counted as the preferred sourcing destination for readymade garment (RMG) items as we have substantially improved in respect of compliance and production facilities.

Bangladesh's ready-made garment (RMG) exports for the fiscal year 2023-24 are estimated to be around \$43.85 billion from July 2023 to May 2024. This is a 2.86% increase from the same period of the previous fiscal year

We will have challenges and profound crisis due to destabilize energy markets and supply chain over the world but we hope to outperform in better ways in the coming year.

#### Accounting Policies And Changes

No:3 (Page-81)

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier periods. For a proper understanding, these accounting

#### FY 2023-2024 Financial Performance And Position

policies are set out in a detailed statement in Note

The discussions in this section relate to the consolidated, BDT-denominated financial results pertaining to the year that ended June 30, 2024. The financial statements of KDS Accessories Limited has been prepared in accordance with the International Accounting Standards (referred to as "IAS"), as per the Companies Act, 1994, read with the Companies (International Accounting Standards) Rules as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the financial statements - 3. The following table gives an overview of the financial results of the Company:

Particulars	FY 2023-2024 (Million)	% of Revenue	% Growth	FY 2022-2023 (Million)	% of Revenue
Revenue from Operations	2,530.67	100	(0.10)	2,794.57	100
Earnings before interest, tax, depreciation and amortization (EBITDA) (before other Income)	298.90	11.81	(0.27)	407.94	14.60
Profit Before Tax (PBT)	189.51	7.49	(0.04)	197.23	7.0
Profit After Tax (PAT)	153.76	6.08	0.003	153.25	5.4
Earnings Per Share (EPS)-in BDT	2.16			2.15	
Net Assets Value (NAV)	27.29			26.13	
Net Operating Cash Flow Per Share (NOCFPS)	11.38			(8.97)	

#### 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 2023 to 30 June 2024, Gross Profit Margin was 18.11% against 19.86% from 01 July 2022 to 30 June 2023. Gross profit has increased as the price of raw material was lower in this period due to improved inventory balancing, enhanced management of raw

material procurement & other cost control measures.

#### **Net Profit Margin Ratio**

Net Profit is calculated by subtracting expenses including Tax and WPPF & 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 & WPPF & WF The Net Profit Margin Ratio is 6.08% against 5.48% in the previous twelve months. In this period Company has earned net profit of Tk. 153.76 million.

#### Last 5 Years Financial Results

The summarized operational and financial performances are presented below:

Last 5 Years' Key Operating and Financial Performance

Amount in BDT.

Particulars	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Revenue	2,530,678,096	2,794,569,748	3,199,681,329	2,217,942,652	1,922,326,909
Gross Profit	458,228,137	555,024,234	496,703,842	424,624,094	422,675,837
Profit before WPPF &Tax	199,486,867	207,613,436	198,510,645	185,868,514	181,463,361
Profit after WPPF &Tax	153,759,686	153,252,545	165,725,402	156,945,148	144,679,379
Earnings Per Share (EPS)	2.16	2.15	2.33	2.20	2.18
Shareholders' Equity	1,942,700,136	1,860,122,810	1,820,762,043	1,761,810,181	1,654,527,148
Current Liabilities	1,871,754,366	2,275,553,891	2,582,244,823	1,820,561,155	1,510,242,105
Non-Current Liabilities	218,181,830	243,582,292	244,789,178	179,267,520	146,125,621
Addition to Fixed Assets & CWIP	12,282,772	15,371,140	87,113,736	154,890,122	13,830,563
NAV Per Share	27.29	26.13	25.58	24.75	24.99
Net Operating Cash Flow Per Share (NOCFPS)	11.38	-8.97	8.97	6.58	8.12

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

Darticulars	KDS Accessories Limited	Tosrifa Industries Limited	Olympic Accessories Limited
Particulars	Audited till 30 June 2024	Un-Audited till 31 March 2024	Un-Audited till 31 March 2024
Revenue	2,530,678,096	3,418,377,875	15,712,147
Gross Profit	458,228,137	359,335,994	(61,872,487)
Gross Profit (in %)	18.11%	10.51%	-393.79%
Net Profit/ (Loss) before WPPF & Taxes (in Taka)	199,486,867	86,081,935	(86,840,045)
Net Profit/ (Loss) before WPPF & Taxes (in %)	7.88%	2.52%	-552.69%
Net Profit/ (Loss) after WPPF & Taxes (in Taka)	153,759,686	36,682,882	(90,886,166)
Net Profit/ (Loss) after WPPF & Taxes (in %)	6.08%	1.07%	-578.45%
EPS	2.16	0.54	-0.54
NAV per Share	27.29	30.93	10.52
NOCFPS	11.38	10.53	-0.05

#### Risk And Concerns

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

#### Forward-looking Statements

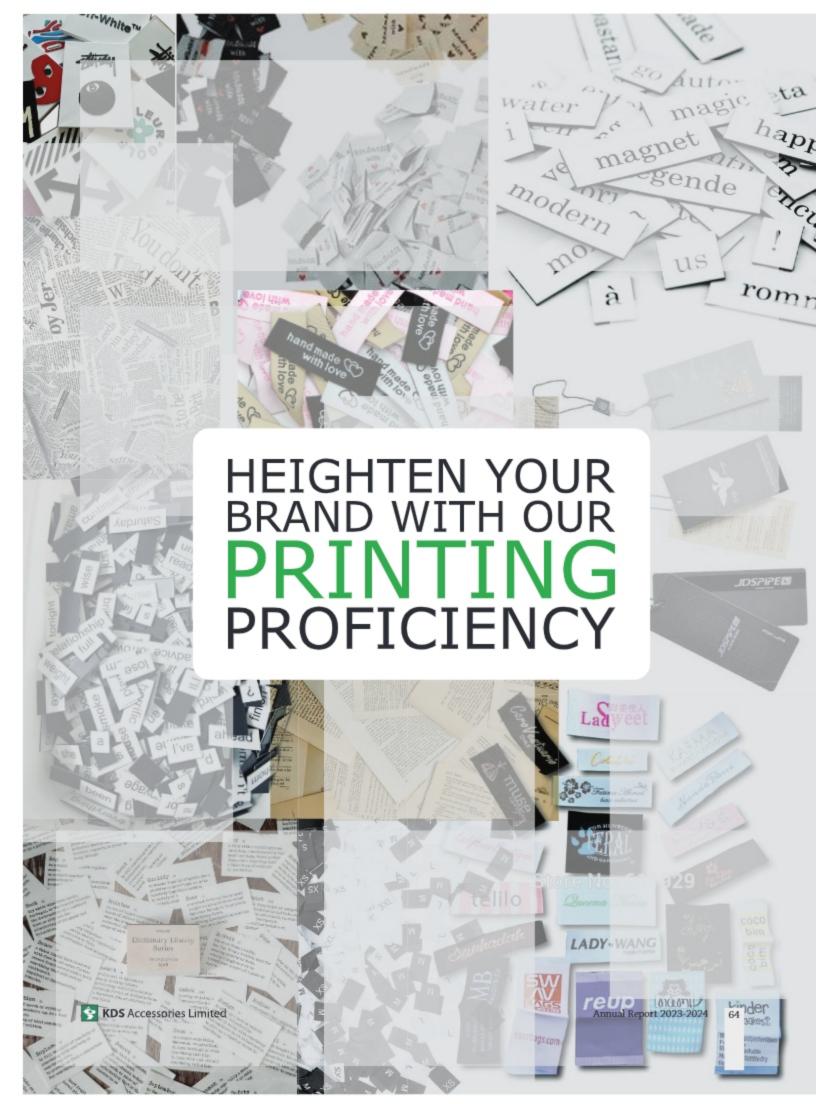
Board of Directors and management of the company are looking forward to keep its progress in alignment with industry's growth and have made all preparation to this end. We also undertook diversifying risk by horizontal product line expansion in order to galvanize our product demands. New nomination and market penetration to non-apparel segment also helped us to compensate revenue loss from existing customer bases in the fag-end of the year.



Debasis Daspal Chief Executive Officer

#### Amount in BDT. Million

	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Assets Employed					
Non Current Assets	1,122.68	1,207.47	1,291.25	1,308.18	1,267.65
Net Current Assets (Current Assets - Current Liabilities)	1,038.20	896.24	774.30	632.90	533.00
Total Assets Employed	2,160.88	2,103.71	2,065.55	1,941.08	1,800.65
Financed by					
Share Capital	711.82	711.82	711.82	711.82	662.16
Share Premium	120.00	120.00	120.00	120.00	120.00
Revaluation Reserve	214.39	214.39	214.39	214.39	214.39
Retained Earnings	896.48	813.91	774.55	715.59	657.97
Shareholders' Equity	1,942.70	1,860.12	1,820.76	1,761.81	1,654.53
Long Torm Borrowings	53.77	82.56	101 60	46.31	14.61
Long Term Borrowings Defined benefit obligations - Gratuity	145.06	137.30	101.68 119.46	103.34	90.80
Deferred Tax Liabilities	19.35	23.73	23.66	29.61	40.72
Total Capital Employed	2,160.88	2,103.71	2,065.55	1,941.08	1,800.65
rotar capitar Employed	2,100.00	2,103.71	2,003.33	1,541.00	1,000.03
Operational Result					
Revenue	2,530.68	2,794.57	3,199.68	2,217.94	1,922.33
Gross Profit	458.23	555.02	496.70	424.62	422.68
Profit from Operations	211.64	318.58	243.88	213.80	237.25
Profit before Interest, Taxes & Depreciation Allowances	298.90	407.94	335.04	302.41	330.62
Profit before Income Tax	189.51	197.23	188.59	176.58	172.39
Profit after Income Tax	153.76	153.25	165.73	156.95	144.68
Ratios					
Gross Profit Ratio - %	18.11%	19.86%	15.52%	19.14%	21.99%
Net Profit Ratio - %	6.08%	5.48%	5.18%	7.08%	7.53%
EBITDA Margin to Sales - %	11.81%	14.60%	10.47%	13.63%	17.20%
Return on Shareholders Equity - %	7.91%	8.24%	9.10%	8.91%	8.74%
Return on Capital Employed - %	7.12%	7.28%	8.02%	8.09%	8.03%
Current Ratio - Times	1.55	1.39	1.30	1.35	1.35
Quick Ratio - Times	1.25	1.05	0.96	0.96	0.98
Inventory Turnover Ratio - Times	3.06	2.72	3.46	2.83	2.89
Assets Turnover Ratio - Times	0.60	0.62	0.76	0.63	0.58
Debt Equity Ratio - Times	1.08	1.35	1.55	1.14	1.00
Interest Coverage Raito - Times	11.66	1.72	3.97	11.79	3.08
Price/Earning (P/E) Ratio - Times	17.55	35.76	25.77	22.41	17.67
Earning Per Share (EPS) - Taka*	2.16	2.15	2.33	2.20	2.18
Net Operating Cash Flow Per Share (NOCFPS) - Taka	11.38	(8.97)	8.97	6.58	8.12
Dividend Per Share (DPS) - Taka	1.00	1.00	1.60	1.50	1.50
Net Assets Value (NAV) Per Share - Taka	27.29	26.13	25.58	24.75	24.99
Market Price per share as on 30 June - Taka	37.90	77.00	60.00	49.40	38.60
Market Capitalization at 30 June - Taka (mn)	2,697.81	5,481.04	4,270.94	3,516.41	2,555.94
**Weighted Average Number of Share - in mn (to determine	71,182,361	71,182,361	71,182,361	71,182,361	66,216,150
**Number of Share - in mn (to determine NAVPS & OCFPS)	71,182,361	71,182,361	71,182,361	71,182,361	66,216,150



## RELATED PARTY TRANSACTIONS

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

SI No.	Name of Related Parties	Relationship	Nature of Transactions	Balance as on 01 July 2023	Transaction during the year (Net)	Balance as on 30 June 2024
01	KDS Fashion Limited	Common Directorship	Receivable Against Sales	95,294,235	(7,319,010)	87,975,225
02	KDS Garments Industries Limited	Common Directorship	Receivable Against Sales	26,954,550	17,936,244	44,890,794
03	KDS IDR Limited	Common Directorship	Receivable Against Sales	154.333,665	(30,181,806)	124,151,859
04	KDS Apparels Limited	Common Directorship	Receivable Against Sales	-	12,784,239	12,784,239
05	KDS Poly Industries Limited	Common Directorship	Short Term Loan	68,090,697	(21,760,141)	46,330,556
06	KDS Thread Limited	Common Directorship	Short Term Loan	794,828,250	(22,780,337)	772,047,913

## SHAREHOLDING PATTERN

ANNEXURE - H

AS ON 30 JUNE 2024

a) Shareholding Pattern of the Company as on 30 June 2024 was as below:

Name/Particulars of Shareholders	Number of Shares	% of total Shareholding
i) Directors & Sponsors		
Mr. Khalilur Rahman	30,599,237	42.99%
Mr. Salim Rahman	10,030,344	14.09%
Ms. Tahsina Rahman	2,736,475	3.84%
KDS Garments Industries Limited Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	1,431,917	2.01%
Ms. Hasina Iqbal	734,389	1.03%
Ms. Tahmina Rahman	433	0.00%
Total of Directors & Sponsors	45,532,795	63.97%
ii) General Public	17,523,843	24.62%
iii) Institutions	8,125,723	11.42%
Grand Total (i+ii+iii)	71,182,361	100.00%

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

Name	Relation	No. of Shares Hold
KDS Garments Industries Limited	Group Company	1,431,917
Total		1,431,917

## 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	30,599,237
Mr. Salim Rahman	Managing Director	10,030,344
Ms. Tahsina Rahman	Director	2,736,475
KDS Garments Industries Limited Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	Director	1,431,917
Professor Sarwar Jahan	Independent Director	-
Ms. Hasina Iqbal	Sponsor	734,389
Ms. Tahmina Rahman	Sponsor	433
Mr. Debasis Daspal	CEO	340
Mr. Biplob Kanti Banik FCA	CFO	-
Mr. Mohammad Ilias	Company Secretary	-
Mr. H M Morshed Jahan	Incharge, Internal Audit & Compliance	

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

Name	Relation	No. of Shares Hold
Shahab Uddin Mohd Jaffar	C00	
Mr. Anwar-Ul-Azam	VP-HR, Compliance & Operation	-
Mr. Abu Taher	GM-Sales	
Mr. Abdur Rouf Mollah	DGM-Button	-
Mr. A.K.S Parvez	DGM-Packaging	

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

Name	Relation	No. of Shares Hold
Mr. Khalilur Rahman	Chairman	30,599,237
Mr. Salim Rahman	Managing Director	10,030,344

		Name of the Directors				
Name of Companies	Mr. Khalilur Rahman	Mr. Salim Rahman	Ms. Tehsina Rahman	KDS Garments Industries Limited (Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	Professor Sarwar Jahan	
KDS Garments Industries Limited	Chairman	Managing Director	-			
KDS Apparels Limited	Chairman	Managing Director	-		9	
KDS IDR Limited	Chairman	Managing Director	-	, <del>-</del> ,		
KDS Fashion Limited	Chairman	Managing Director	-	7.		
KDS Textile Mills Limited	Chairman & Managing Director	Director	-	7.	4	
KDS Thread Limited	Chairman	Managing Director	-	1,-0		
KDS Poly Industries Limited	Chairman	Managing Director	-	-		
KDS Logistics Limited	Chairman	Managing Director	-			
KY Steel Mills Limited	Managing Director	-	Chairman	, <del>-</del> ,	•	
KYCR Coil Industries Limited	Managing Director	Chairman	Director	7.0		
Steel Accessories Limited	Chairman	Managing Director			٠.	
SKYS Securities Limited	Chairman	Managing Director	-	1,-1		
Pragati Life Insurance Limited	Chairman	-	-	-		
Pragati Insurance Limited	Director	-	2	· .	2	
National Bank PLC	Director	-	-			
AIBL Capital Market Services Limited	Chairman	-	-			
Al-Arafah Islami Bank PLC		Director	-		-	

## STAKEHOLDER ENGAGEMENT AND COMMUNICATION

At KDS Accessories Ltd., we recognize that strong relationships with our stakeholders are essential for sustainable growth and success. We are committed to maintaining open, transparent, and regular communication with all our stakeholders, which include shareholders, employees, clients, suppliers, regulatory bodies, and the communities we operate in. Our stakeholder engagement strategies are designed to ensure that we address stakeholder concerns, align with their expectations, and build lasting trust.

- Shareholders: We prioritize transparency in our communication with shareholders. Through regular updates, annual reports, and the Annual General Meeting (AGM), we provide comprehensive insights into our financial performance, direction. and strategic sustainability initiatives. Our Investor Relations portal is a key resource for shareholders to access timely information and raise queries.
- Employees: Engagement with employees is fostered through internal communication channels, regular feedback sessions, training programs, and welfare initiatives.
   We ensure that our workforce is informed about company goals, safety measures, and development opportunities, promoting a sense of ownership and belonging.

- Clients and Partners: We maintain close relationships with our clients and partners, providing consistent quality, timely delivery, and responsive service. Regular meetings, performance reviews, and feedback channels ensure that we continue to meet the expectations of our valued clients, including those like Kantoor and Timberland.
- Suppliers: Our suppliers are essential to our supply chain integrity. We work closely with them, establishing long-term partnerships based on trust, quality, and compliance with our ethical standards.
- Community Engagement: As part of our corporate social responsibility, we actively engage with local communities through educational support, health programs, and environmental initiatives. Our community outreach reflects our commitment to creating a positive social impact.

Through these engagement practices, KDS Accessories Ltd. fosters meaningful relationships that contribute to long-term growth and mutual success. Independent Auditors' Report & Financials 2023-2024

KDS ACCESSORIES LIMITED



#### Chattogram Office:

Yunusco City Centre (9th Floor), 807 CDA Avenue, Nasirabad, Chattogram-4000 :+88 01810-030701 🚾 : ctg@hfc-bd.com

: www.hfc-bd-com

# INDEPENDENT AUDITORS' REPORT to the Shareholders of KDS ACCESSORIES LIMITED

#### Opinion

We have audited the financial statements of KDS ACCESSORIES LIMITED (the Company), which comprise the Statement of Financial Position as at 30 June 2024, the Statement of Profit or loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations.

#### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requiements that are relevent to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that in our professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

1.	Inventory	How our audit addressed the key audit matter
	The Company has closing inventory BDT 571.56 million. Inventory is carried in the financial statements at the lower of cost and net realisable value.	Verified a sample of inventory items to ensure that costs have been appropriately recorded.      Tested on a sample basis the net realisable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items.













Annual Report 2023-2024



1.	Inventory (Continued)	How our audit addressed the key audit matter
	The exercise for the assessment of the net realisable value involves the use of judgement and assumptions that may vary depending on technological and socio-economical conditions and is therefore considered a significant key audit	<ul> <li>Performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting period.</li> <li>Confirmed physical existence and completeness by performing annual</li> </ul>
2.	Revenue Recognition	How our audit addressed the key audit matter
	disclosures has significant and wide influence on financial statements.  As described in the accounting policy note 3.15 to the financial statements, the Company recognises revenue upon transfer of control as per IFRS 15: Revenue from Contracts with Customers. The Company has reported total revenue of BDT 2,530.68 million. Refer to note 25 to the financial statements.  This material item is subject to considerable inherent risk due to the complexity and identifying revenue and the high number of transactions from which revenue is being recognised. In this regard, the proper application of the accounting standards and assumptions made by management are considered to be complex.	<ul> <li>Performed walkthrough test to understand the adequacy and the design of the revenue cycle.</li> <li>Assessed the invoicing and measurement systems up to entries in the general ledger.</li> <li>Examined customer contracts, invoices and receipts of payment on a test basis.</li> <li>Conducted analytical procedures such as trend analysis, ratio analysis, and variance analysis on a sample basis.</li> <li>Obtained and reviewed supporting documents for sales transactions recorded.</li> <li>Tested the timing of revenue recognition as well as cut off checked.</li> <li>Tested the revenue charging model against the regulatory guidelines and accounting standards, on a sample basis.</li> <li>Assessed whether the sufficient disclosure has been given.</li> </ul>
3.	Identification and completeness of disclosure of related party transactions	How our audit addressed the key audit matter
	completeness of disclosure of related party transactions as set out in respective notes to the financial statements as a key audit matter due to high volume of business transactions with related parties during the year ended 30 June 2024.	in respect of feeting fing related parties, approved and recording of





3.	. IAS-24 Identification and completeness of disclosure of related party transactions (Continued)		How our audit addressed the key audit matter
		Ш	Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with transaction with related parties effected during the year.
			Evaluated the completeness of the disclosures through reading of statutory information, books and records and other documents

#### Reporting on other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The draft annual report is expected to be made available to us after the date of this auditor's report but before finalization of the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report before finalization, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance of the Company so that the matter is duly addressed in the annual report.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

# Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.





As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We communicate with those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We determine those matters, from the matters communicated with those charged with governance, that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





## Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules, 2020, we also report the following:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books and;
- iii) the statement of financial position and statement of Profit or Loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.
- iv) the expenditure incurred was for the purposes of the Company's business.

: Hussain Farhad & Co., Chartered Accountants Firm Name : 4/452/ICAB-84 Registration No. Signature of the auditor : Sarwar Uddin FCA, Partner/ICAB Enrollment No: 0779 Name of the auditor FRC Enrollment No: CA-001-136 DVC No. 2410240779AS559561 : Chattogram Place : 2 4 DCT 2024

Date



# KDS ACCESSORIES LIMITED Statement of Financial Position

## As at 30 June 2024

		30 June 2024	30 June 2023
	Note(s)	Taka	Taka
ASSETS		Taka	rana
Non-current Assets			
Property, plant and equipment	4	1,086,803,946	1,170,535,016
Intangible assets	5	283,750	438,520
Capital work-in-progress	6	31,400	1,105,171
Investment in SKYS Securities Limited	7	30,377,066	30,377,066
Other investment	8	5,182,233	5,013,936
Total Non-current Assets		1,122,678,395	1,207,469,709
Current Assets			
Inventories	9	571,558,128	782,223,348
Trade receivables	10	1,381,908,079	1,417,250,223
Other receivables	11	438,324	375,233
Advances, deposits and prepayments	12	76,827,477	87,806,414
Due from affiliated companies	13	818,378,469	862,918,947
Short term investment	14	-	2,374,677
Cash and cash equivalents	15	60,847,460	18,840,442
Total Current Assets		2,909,957,937	3,171,789,284
Total Assets		4,032,636,332	4,379,258,993
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	16	711,823,610	711,823,610
Share premium		120,000,000	120,000,000
Revaluation reserve		214,391,703	214,391,703
Retained earnings		896,484,823	813,907,497
Total Shareholders' Equity		1,942,700,136	1,860,122,810
Non-current Liabilities			
Long term borrowings-non-current portion	17.01	53,773,284	82,556,471
Defined benefit obligation- gratuity	18	145,062,096	137,297,430
Deferred tax liability	19	19,346,450	23,728,391
Total Non-current Liabilities		218,181,830	243,582,292
Current Liabilities			
Trade and other payables	20	1,436,346,441	1,137,795,473
Long term borrowings-current portion	17.01	37,150,404	33,422,964
Unclaimed dividend	21	1,179,379	820,459
Provision for Income Tax	22	61,953,667	54,281,545
Short term bank loan	23	243,441,484	958,350,954
Provision for WPPF and Welfare Fund	24	91,682,991	90,882,496
Total Current Liabilities		1,871,754,366	2,275,553,891
Total Equity and Liabilities		4,032,636,332	4,379,258,993
Net Assets Value Per Share	33.03	27.29	26.13

The annexed notes 1 to 43 form an integral part of these financial statements.

eu

Managing Director

**Company Secretary** 

Signed in terms of our annexed report of same date

Place : Chattogram

Dated : 2 4 0 CT 2024

DVC : 2410240779AS559561



# Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2024

	Note(s)	01 July 2023 to 30 June 2024 Taka	01 July 2022 to 30 June 2023 Taka
Revenue	25	2,530,678,096	2,794,569,748
Cost of goods sold	26	(2,072,449,960)	(2,239,545,514)
Gross Profit		458,228,137	555,024,234
Administrative Expenses	27	(186,677,993)	(182,491,231)
Selling and distribution expenses	28	(59,905,285)	(53,953,463)
Operating Profit		211,644,859	318,579,540
Finance cost	29	(93,145,092)	(177,113,467)
Finance income	30	76,886,283	62,774,832
Profit before other income		195,386,050	204,240,905
Other Income	31	4,100,817	3,372,531
Profit before income tax and distribution of WPPF and Welfare Fund	d	199,486,867	207,613,436
Workers' Profit Participation and Welfare Fund	24	(9,974,343)	(10,380,672)
Profit before income tax		189,512,524	197,232,764
Provision for income tax:			
-Current tax	22	(40,134,779)	(43,907,869)
-Deferred tax	19	4,381,941	(72,350)
Profit after Income Tax		153,759,686	153,252,545
Other Comprehensive Income			
Items that will never be reclassified to profit or loss			
Items that are or may be reclassified to profit or loss			-
Other Comprehensive Income - net of tax		-	-
Total Comprehensive Income		153,759,686	153,252,545
Earnings Per Share (Basic)	33.01	2.16	2.15

The annexed notes 1 to 43 form an integral part of these financial statements.

**Managing Director** 

Company Secretary

Signed in terms of our annexed report of same date

Place : Chattogram

2 4 OCT 2024 Dated :

2410240779AS559561 DVC



Statement of Changes in Equity For the year ended 30 June 2024

					Amount in Taka
Particulars	Share	Share	Revaluation	Retained	Total
Particulars	Capital	Premium	Reserve	Earnings	Equity
Balance as on 01 July 2022	711,823,610	120,000,000	214,391,703	774,546,730	1,820,762,043
Cash dividend for the year 2021-2022	-		-	(113,891,778)	(113,891,778)
Net Profit after tax for the year	-		-	153,252,545	153,252,545
Balance as at 30 June 2023	711,823,610	120,000,000	214,391,703	813,907,497	1,860,122,810
Balance as on 01 July 2023	711,823,610	120,000,000	214,391,703	813,907,497	1,860,122,810
Cash dividend for the year 2022-2023	-	-	-	(71,182,361)	(71,182,361)
Net Profit after tax for the year		-	-	153,759,686	153,759,686
Balance as at 30 June 2024	711,823,610	120,000,000	214,391,703	896,484,823	1,942,700,136

**Managing Director** 

Signed in terms of our annexed report of same date

Place : Chattogram

Dated : 2 4 0 CT 2024

DVC : 2410240779AS559561





# Statement of Cash Flows For the year ended 30 June 2024

	Note(s)	01 July 2023 to 30 June 2024 Taka	01 July 2022 to 30 June 2023 Taka
A. Operating activities			
Received from customers		2,672,312,445	3,086,559,689
Received from other sources		3,558,829	3,364,532
Paid to suppliers		(1,587,694,298)	(3,514,949,012)
Paid for operating expenses		(244,880,993)	(169,891,361)
Cash provided by/(used in) operations	32.00	843,295,984	(594,916,152)
Interest paid (net)		(8,157,610)	(10,871,908)
Income Tax Paid		(25,111,861)	(32,462,657)
Net cash generated by operating activities		810,026,513	(638,250,717)
B. Investing activities			
Acquisition of property, plant and equipment		(12,282,772)	(15,371,140)
Addition to intangible assets			(464,310)
Proceed from sale of non-current assets		550,889	19,115
Increase/(Decrease) in investments		2,206,380	(207,781)
Net cash provided by/(used in) investing activities	•	(9,525,503)	(16,024,116)
C. Financing activities			
Dividend Paid		(70,823,441)	(113,932,974)
Receipt /(Repayment)of long term loans		(25,055,747)	(19,567,416)
Receipt/(Repayment) of short term borrowings		(714,909,470)	882,252,698
Short term loan receipt/(paid) to affiliated compan	ies	44,540,478	(348,397,974)
Net cash provided by/(used in) financing activities	•	(766,248,180)	400,354,334
D. Net increase/(decrease) of cash and cash equivale	ents (A+B+C)	34,252,830	(253,920,499)
E. Cash and cash equivalents at the beginning of the	/ear	18,840,442	270,139,607
F. Effect of foreign exchange rate changes on cash an	d cash equivalents	7,754,188	2,621,333
G. Cash and cash equivalents at the end of the year	D+E+F)	60,847,460	18,840,442
Net operating cash flows per share	33.04	11.38	(8.97)
			(5.57)

**Managing Director** 

Signed in terms of our annexed report of same date

Place : Chattogram

Chairman

Dated : 2 4 DCT 2024

DVC

2410240779AS559561





## Notes to the Financial Statements

## As at and for the year ended 30 June 2024

#### 1.00 REPORTING ENTITY

#### 1.01 Formation and Legal Status

KDS Accessories Limited (formerly KDS Packaging Industries Ltd.) was incorporated on 21 April 1991 as a private limited company by shares (Registration no- C-H-C-862/154 of 1991) under Companies Act 1913 (since replaced and substituted by the Companies Act 1994) with the Registrar of Joint Stock Companies & Firms. The Company was converted from Private Limited Company to Public Limited Company through an Extra-Ordinary General Meeting held on 17 April 2012 and was subsequently approved by RJSC on 26 November 2012. The Company commenced its commercial production on 01 July 1991. Its Head Office is located at 255, Nasirabad I/A, Chattogram and factory is located at 191-192 Baizid Bostami Road, Nasirabad I/A, Chattogram and the Company established its 2nd unit at Mirzapur, Gazipur at Dhaka in the year 2009. The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a publicly quoted company. Trading of the shares of the company started in two stock exchanges from 15 October 2015.

The name KDS Packaging Industries Ltd. was changed to KDS Accessories Limited pursuant to the Special Resolution in the Extra Ordinary General Meeting held on 22 April 2010. The change of name was certified by the Registrar of Joint Stock Companies and Firms on 11 May 2010 pursuant to the provision of section 11, sub-section (7) of the Companies Act 1994 (Act XVIII of 1994). The company refixed the face value of its shares from Tk. 100 to Tk. 10 each and enhanced its Authorized Share Capital from Tk. 200,000,000 to Tk. 2,000,000,000 with approval of the shareholders through an Extra-Ordinary General Meeting held on 10 August 2010.

## 1.02 Nature of Business

The principal activities of the Company are producing different types of standard cartons, display cartons, woven labels, smart labels, offset, silk screen, web thermal printing, button, cold peel, hot peel, puff, glitter, hanger, image and sublimation transfers and marketing thereof.

## 2.00 BASIS OF FINANCIAL STATEMENT PREPARATION AND PRESENTATION

## 2.01 Statement of Compliance

The financial statements have been prepared in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 2020.

#### 2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the Company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – "Presentation of Financial Statements". The financial statements comprise of:

- a) A statement of Financial Position as at 30 June 2024
- b) A statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2024
- c) A statement of Changes in Equity for the year ended 30 June 2024
- d) A statement of Cash Flows for the year ended 30 June 2024
- e) Notes, comprising a summary of significant accounting policies and explanatory information.





## 2.03 Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

- a) The Income Tax Act, 2023 and applicable Income Tax Rules
- b) The Value Added Tax and Supplementary Duty Act, 2012
- The Value Added Tax and Supplementary Duty Rule, 2016
- d) The Securities and Exchange Rules, 2020
- e) The Customs Act, 1969 & The Customs Act, 2023
- f) Bangladesh Labour Law, 2006

#### 2.04 Authorization for Issue

The financial statements were authorized for issue by the Board of Directors on 23 october 2024

#### 2.05 Basis of Measurement

The financial statements have been prepared on going concern basis under the historical cost convention except for land and land development under property, plant and equipment which is measured at revalued amount and inventories which are measured at lower of cost and net realisable value.

## 2.06 Functional and Presentation Currency

The financial statements are expressed in Bangladesh Taka which is both functional currency and reporting currency of the Company. The figures of financial statements have been rounded off to the nearest Taka.

#### 2.07 Cash Flows Statement

Statement of cash flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules, 2020.

## 2.08 Going Concern

The Company has adequate resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management's assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

# 2.09 Reporting Period

The financial statements of the company covers one year from 01 July to 30 June and is followed consistently.

## 2.10 Application of Accounting Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and International Financial Reporting Standards (IFRSs) adopted by the Financial Reporting Council, Bangladesh, the Company Act 1994, the Securities and Exchange Rules 2020, and other applicable laws and regulations in Bangladesh. The following IASs and IFRSs are applied to preparation of the financial statements for the year under report:

## **Accounting Standards**

- IAS-1 Presentation of Financial Statements IAS-2 Inventories
- IAS-7 Statement of Cash Flows
- IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS-10 Events after the Reporting Period
- IAS-12 Income Taxes
- IAS-16 Property, Plant and Equipment
- IAS -19 Employee Benefits
- IAS-21 The Effects of Changes in Foreign Exchange Rate
- IAS-23 Borrowing Costs
- IAS-24 Related Party Disclosures
- IAS-26 Accounting and Reporting by Retirement Benefit Plans
- IAS-33 Earnings Per Share





IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-38	Intangible Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS- 13	Fair Value Measurement
IFRS- 15	Revenue from Contract with Customers

#### 2.11 Use of Estimates and Judgements

Leases

IFRS-16

The preparation of financial statements in conformity with IAS & IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

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The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of

assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Note: 4	Property,	plant and	equipment
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Note: 5	Intangible assets
Note: 9	Inventories
Note: 10	Trade receivables

Note: 18 Defined benefit obligation- gratuity

Note: 19 Deferred tax liability Note: 20 Trade and other payables Note: 22 Provision for Income Tax

## 2.12 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of KDS Accessories Limited is responsible for the preparation and presentation of financial statements of the Company.

## 2.13 Comparative Information

The financial statements provide comparative information in respect of the previous year for all amount reported in the current year's financial statements. Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

# 2.14 Consistency of presentation

Unless otherwise stated, the accounting policies and methods of computation used in preparation of the financial statements as at and for the year ended 30 June 2024 are consistent with those policies and methods applied in preparing the financial statements for the year ended 30 June 2023.

# 3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier periods.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

3.01 Property, Plant and Equipment

3.02 Intangible Assets





5.05	copital Work III Logicus
3.04	Investment
3.05	Inventories
3.06	Leasehold Assets
3.07	Financial Instruments
3.08	Impairment
3.09	Share Capital
3.10	Revaluation Reserve
3.11	Employee Benefits
3.12	Taxation
3.13	Loans and Borrowings
3.14	Provisions, Contingent Liabilities and Contingent Assets
3.15	Revenue Recognition
3.16	Other Income
3.17	Finance Income and Cost
3.18	Foreign Currency Transaction / Translation
3.19	Related Party Transactions
3.20	Earnings Per Share (EPS)
3.21	Measurement of Fair Values
3.22	Events after the Reporting Period

## 3.01 Property, Plant and Equipment

## i) Recognition and Measurement

Property, plant and equipment are stated at cost less accumulated depreciation except land and land development which are carried at revalued amount and subsequent impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

## ii) Pre-Operating Expenses and Borrowing Costs

Interest and other incurred by the company in respect of borrowing of fund are recognized as expenses in the year in which they incurred unless the activities that are necessary to prepare the qualifying assets for its intended use are in progress. Expenses capitalized also include applicable borrowing cost considering the requirement of IAS-23 "Borrowing Costs".

## iii) Subsequent Costs and Maintenance Activities

The company recognizes in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when the cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the year in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the profit and loss account as expenses if incurred. All upgradation /enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.





## iv) Revaluation of Property, Plant and Equipment

Financial statement of the company has been prepared on historical cost price basis. However, the prices of land have been increased substantially during the last few years due to high inflationary trend. In this circumstance, management of KDS Accessories Limited had decided to determine fair market value of the land through revaluation. Syful Shamsul Alam & Co, Chartered Accountants had revalued the lands of the company as on 31 December 2012, following "current cost method". Such revaluation resulted in a valuation surplus aggregating Tk. 214,391,703.

#### v) Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in the statement of profit or loss and other comprehensive income on straight line method over the estimated useful lives of property, plant and equipment.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at earlier of the date that the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognised. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. After considering the useful life of assets as per IAS-16 "Property, plant and equipment", the annual depreciation have been applied equal allocation of total cost over useful life of assets which is considered reasonable by the management.

Depreciation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

#### vi) Impairment of Assets

The company reviews the recoverable amount of its assets at each reporting date. If there exists any indication that the carrying amount of assets exceeds the recoverable amount, the company recognizes such impairment loss in accordance with IAS-36 "Impairment of Assets".

## vii) Retirement and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. On disposal of property, plant & equipment, the cost and accumulated depreciation are eliminated. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

## 3.02 Intangible Assets

## i) Recognition and Measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition as per IAS 38: Intangible assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

## ii) Amortization

Amortization is recognized in the statement of profit or loss and other comprehensive income on straight line method at the rate of 20% to 33.33% per annum. Amortization is charged on an asset when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortization of an asset ceases at earlier of the date that the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognised.

## iii) Subsequent Cost

Subsequent cost is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss and other comprehensive income as incurred.





#### 3.03 Capital Work-in-Progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use at the end of 30 June 2024 and these are stated at cost.

#### 3.04 Investment

SKYS Securities Limited is a common directorship company having 23,405 no. of shares @ Tk. 1,000 per share ie. 46.69% holding in paid up capital. It was incorporated on 17 June 1997, vide the certificate CH-2675 of 1997 and commenced operation on 01 January 2006. Paid up capital at the reporting date stands at Tk. 150,132,000 (150,132 shares @ Tk. 1,000 each). From 29 October 2020 KDS Accessories Limited's share holding percentage is reduced to 15.59%.

As criteria for considering an investment as "Investment in Associate" is no longer exists, Investment in SKYS Securities Limited is no longer required to report as Investment in Associate under IAS-28. Hence, as stipulated in IAS-28, recognition of Investment under Equity Method is discontinued and the fair value of the investment in SKYS Securities Limited is recognized on initial recognition as a financial asset in accordance with IFRS 9.

#### 3.05 Inventories

## i) Nature of Inventories

Inventories comprise of raw materials, work-in-process, finished goods, stores & spares and goods in transit.

#### ii) Valuation of Inventories

Inventories are measured at lower of cost or net realizable value in accordance with IAS-2 "Inventories" after making due allowance for any obsolete or slow moving item and details of valuation are as follows:

	Category	Valuation method
i)	Raw materials	Valued at Cost or Net Realisable Value whichever is lower.
ii)	Finished goods	Valued at Cost or Net Realisable Value whichever is lower.
iii)	Goods-in-transit	Valued at Cost.
iv)	Stores and spares	Based on weighted average method.
v)	Work in process	Valued at Cost or Net Realisable Value whichever is lower.

# 3.06 Leasehold Assets

The objective of IFRS 16 is to report information that (a) faithfully represents lease transactions and (b) Provides a basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. To meet that objective, a lessee should recognise assets and liabilities arising from a lease.

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required or recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

During the year the Company (KDS Accessories Limited) has no lease obligation.

#### 3.07 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### 3.07.01 Financial Assets

The Company initially recognizes loan to others, receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

Financial assets include Trade Receivables, Others Receivables, Advances, Deposits and Prepayments , Short Term Investments, and Cash and cash equivalents.





#### Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost.

Loans and receivables comprise cash and cash equivalents, loans, trade receivables, other receivables and deposits.

#### a) Trade and Other Receivables

Trade receivable consists of due proceeds against sales through L/C with a tenure of 30 days to 180 days and realizable at the maturity date. Trade receivable is initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectability of any amount so recognized.

Other receivables is initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognized.

## b) Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.

## c) Cash and Cash Equivalents

According to IAS-7 "Statement of Cash Flows" cash comprises cash in hand and bank deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that cash and cash equivalent are not restricted in use. Considering the provision of IAS 7 and IAS 1, cash in hand and bank balances have been considered as cash and cash equivalents.

## Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognized initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein other than impairment losses are recognized in other comprehensive income and presented in the fair value reserve in equity. Financial assets which are not traded in the market have been valued at cost unless any indication of impairment in value of such financial assets exist. Cumulative gain/losses recognized in the other comprehensive income are reclassified from equity to profit or loss upon derecognition or reclassification.

## 3.07.02 Financial Liabilities

The company initially recognizes all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.

Other financial liabilities comprise loans and borrowings, bank overdrafts and trade and other payables.

## a) Trade and Other Payables

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

#### b) Interest-bearing borrowings

Interest-bearing borrowings comprise loans and operational overdraft.





## 3.08 Impairment

#### i) Financial Assets

Financial assets are not carried at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

#### ii) Non-financial Assets

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of the asset is estimated. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

#### 3.09 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders will be ranked after all other shareholders. Creditors are fully entitled to obtain any proceeds of liquidation before all shareholders.

#### 3.10 Revaluation Reserve

Revaluation reserve relates to the revaluation of land and land development.

## 3.11 Employee Benefits

## i) Short Term Employee Benefits

Salaries, bonuses and allowances are accrued in the financial year in which the associated services are rendered by the employees of the Company.

## ii) Workers' Profit Participation and Welfare Fund

The Company maintains a Worker's profit participation and welfare fund at 5% of net profit before tax as per the requirement of The Companies Profit (worker's participation) (amendment) ordinance 1985 & Labour Act 2006.

## iii) Defined Contribution Plan

The company maintains an unrecognized provident fund for its officers only. Both the employees and company contribute 10% of basic salary to the fund.

## iv) Defined Benefit Plan - Gratuity

The company maintains a Gratuity scheme for its officers only. Officers are entitled to gratuity when their length of service reaches five years. Provision has been made in the books on monthly basis based on the rules of the scheme.

## 3.12 Taxation

#### i) Current Tax

Income Tax is calculated and provision is made in accordance with IAS 12 'Income taxes'. As per SRO 44-ACT/IT-25/2024 of dated 4 March 2024, KDS Accessories Limited Pays 12% tax on Business Income for being export oriented company. Besides this, the company charged tax at a rate of 20% on other income of this company.





#### ii) Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the Statement of Financial Position date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the statement of profit or loss and other comprehensive income as per IAS-12 "Income Taxes".

The deferred tax asset/income or liability/expenses does not create a legal liability/recoverability to and from the income tax authority.

Deferred tax on revaluation surplus of lands has not been recognized in the financial statements on the ground that entity will continue for forseable period and entity has no intention to sale the land. Hence, possibility of having any income tax implications on land is remote.

## 3.13 Loans and Borrowings

Principal amount of the loans and borrowings are stated at their outstanding amount. Borrowings repayable within twelve months from the balance sheet date are classified as current liabilities whereas borrowings repayable after twelve months from the balance sheet date are classified as non-current liabilities. Accrued interest and other charges are classified as current liabilities.

## 3.14 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized in the statement of financial position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", contingent liabilities and commitments are disclosed in the financial statements.

# 3.15 Revenue Recognition

Revenue is recognized as per IFRS-15: Revenue from Contracts with Customers, when invoice for products are made and the control is transferred to the customers, recovery of the consideration is probable, associated costs and possible return of goods can be estimated reliably. There is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The five step model has been complied in case of revenue recognition.

Specific policies regarding the recognition of revenue are as follows:

## Revenue from sales of goods

Revenue from the sale of goods shall be recognized when all the following conditions have been satisfied:

- the entity has transferred to the buyer the significant risks and rewards of ownership of the goods and customer obtains control of the goods;
- b) it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur;
- the amount of revenue can be measured reliably;
- d) it is probable that the economic benefits associated with the transaction will flow to the entity.

## 3.16 Other Income

Other income includes gain /(loss) on sale of property, plant and equipment and rental income, wastage sales and forfeiture of Provident fund.

## 3.17 Finance Income and Cost

## 3.17.01 Finance Income

Interest income on Fixed Deposit Receipts (FDR), Short Term Deposits (STD) and amounts due from affiliated companies is accrued on a time proportion basis by reference to the principal outstanding at the effective rate of interest applicable.





## 3.17.02 Finance Cost

Interest expenses comprise interest expense on operational overdraft, LATR, term loan, short term borrowings except expenses related to acquisition/construction of assets, incurred during the period are charged to Statement of Profit or Loss and Other Comprehensive Income on accrual basis.

## 3.18 Foreign Currency Transaction / Translation

Transactions in foreign currencies are translated into Bangladesh Taka at the Exchange rate prevailing on the date of transactions in accordance with IAS - 21 "The Effects of Changes in Foreign Exchange Rate." Monetary assets and liabilities in foreign currencies at the Statement of Financial Position date are translated into Bangladesh Taka at the rate of exchange prevailing at the Statement of Financial Position date. All exchange differences are recognized in the Statement of Profit or Loss and Other Comprehensive Income.

## 3.19 Related Party Transactions

The objective of IAS-24 "Related Party Disclosure" is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

Interest income/expenses on amount due to/due from affiliated companies has been recognized periodically.

#### 3.20 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with International Accounting Standard IAS-33 "Earnings Per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

## i) Basic Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

## ii) Diluted Earnings Per Share:

No diluted earnings per share was required to be calculated for the year under review as there was no scope for dilution of Earnings Per Share for the year.

#### 3.21 Measurement of Fair Values

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## 3.22 Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.



4.00 Property, plant and equipment - at revalued model

										Amount in Taka
	Land and Land development	Plant and Machineries	Administrative Building	Factory Building	Office Equipment	Electric Installation	Furniture & Fixture	Computer Equipment	Motor Vehicle	Total
At cost Balance as on 01 July 2022 Addition during the year Disposal/Adjustment during the year	431,214,704	1,030,555,341	50,817,030	3,894,848	31,363,727 1,164,700 (39,999)	97,504,712 4,451,430	16,554,104	32,888,877 848,221 (193.350)	68,156,088 2,530,092	2,263,617,559 39,412,754 (233,349)
Balance as at 30 June 2023	431,214,704	1,056,815,801	50,817,030	508,457,824	32,488,428	101,956,142	16,817,107	33,543,748	70,686,180	2,302,796,964
Balance as on 01 July 2023 Addition during the year Discoval/Adjustment during the year	431,214,704	1,056,815,801	50,817,030	508,457,824	32,488,428 517,695 (70,000)	101,956,142 1,268,276 (20,084)	16,817,107 155,009	33,543,748 1,740,209 (168,705)	70,686,180	2,302,796,964 13,356,543 (2,421,800)
Balance as at 30 June 2024	431,214,704	1,063,725,952	51,029,030	511,011,027	32,936,123	103,204,334	16,956,696	35,115,252	68,538,589	2,313,731,707
Accumulated depreciation Balance as on 01 July 2022 Charged for the year Adjustment for disposal during the year		572,945,706 60,555,489	23,344,016	235,221,510	26,934,375 1,605,805 (28.886)	69,615,241 7,380,367	14,654,382	28,894,219 1,420,276 (193.347)	61,254,570	1,032,864,019 99,620,162
Balance as at 30 June 2023		633,501,195	25,011,953	259,253,347	28,511,294	76,995,608	15,427,681	30,121,148	63,439,722	1,132,261,948
Balance as on 01 July 2023 Charged for the year		633,501,195	25,011,953	259,253,347 24,091,285	28,511,294 1,532,214	76,995,608 7,115,979	15,427,681	30,121,148	63,439,722	1,132,261,948
Adjustment for disposal during the year Balance as at 30 June 2024		691,412,166	26,686,957	283,344,632	(61,109)	(20,083)	(15,415) 16,142,199	(168,702)	(2,147,590) 63,563,677	(2,412,899)
Carrying amount As at 30 June 2023 As at 30 June 2024	431,214,704	423,314,606	25,805,077	249,204,477	3,977,134	24,960,534	1,389,426	3,422,600	7,246,458	1,170,535,016
Depreciation allocated to:	Note(s)	Allocation Basis	01 Jul 2023 to 30 Jun 2024 Taka	01 Jul 2022 to 30 Jun 2023 Taka						
Factory Overhead Administrative Expenses	26.02 27.00	80%	77,662,970 19,415,742 97,078,712	79,696,130 19,924,032 99,620,162						

# 4.01 Property, plant and equipment - at cost model

LC	HUSSAIN FARHAD & CHARTERED ACCOUNTANTS	CO.
	CHARTERED ACCOUNTANTS	

										Amount in Taka
	Land and Land development	Plant and Machineries	Administrative Building	Factory Building	Office Equipment	Electric	Furniture & Fixture	Computer Equipment	Motor Vehicle	Total
At cost	216 822 001	1 030 555 341	50 817 030	SOA 562 976	21 362 777	97 50d 717	16 554 104	27 888 877	981 156 088	2 0.49 225 856
benefice as off or strip about	400,050,013	410000000	20,011,000	and the same	24,000,161	341/100/10	107010101	26,000,017	000,000,000	2,012,442,000
Addition during the year		26,260,460	,	3,894,848	1,164,700	4,451,430	263,003	848,221	2,530,092	39,412,754
Disposal/Adjustment during the year					(39,999)			(193,350)		(233,349)
Balance as at 30 June 2023	216,823,001	1,056,815,801	50,817,030	508,457,824	32,488,428	101,956,142	16,817,107	33,543,748	70,686,180	2,088,405,261
Ralance as on 01 luly 2023	216 823 001	1.056.815.801	50.817.030	SOR 457 874	32 A88 A78	101 956 107	16.817.107	33 5.03 7.08	70 686 180	2 088 405 261
A Little		100,010,010	000 010	200 000	200,000	4 000 000	000 111	4 440 000	20110000	100000000000000000000000000000000000000
Addition during the year		6,910,151	212,000	2,553,203	517,695	1,268,276	155,009	1,740,209		13,355,543
Disposal/Adjustment during the year					(70,000)	(20,084)	(15,420)	(168,705)	(2,147,591)	(2,421,800)
Balance as at 30 June 2024	216,823,001	1,063,725,952	51,029,030	511,011,027	32,936,123	103,204,334	16,956,696	35,115,252	68,538,589	2,099,340,004
Accumulated depreciation										
Balance as on 01 July 2022		572,945,706	23,344,016	235,221,510	26,934,376	69,615,241	14,654,382	28,894,219	61,254,570	1,032,864,020
Charged for the year		60,555,489	1,667,937	24,031,837	1,605,805	7,380,367	773,299	1,420,276	2,185,152	99,620,162
Adjustment for disposal during the year					(28,886)		,	(193,347)		(222,233)
Balance as at 30 June 2023		633,501,195	25,011,953	259,253,347	28,511,295	76,995,608	15,427,681	30,121,148	63,439,722	1,132,261,949
Balance as on 01 July 2023		633,501,195	25,011,953	259,253,347	28,511,295	76,995,608	15,427,681	30,121,148	63,439,722	1,132,261,949
Charged for the year		57,910,971	1,675,004	24,091,285	1,532,214	7,115,979	729,933	1,751,781	2,271,545	97,078,712
Adjustment for disposal during the year					(61,109)	(20,083)	(15,415)	(168,702)	(2,147,590)	(2,412,899)
Balance as at 30 June 2024		691,412,166	26,686,957	283,344,632	29,982,400	84,091,504	16,142,199	31,704,227	63,563,677	1,226,927,762
Carrying amount										
As at 30 June 2023	216,823,001	423,314,606	25,805,077	249,204,477	3,977,133	24,960,534	1,389,426	3,422,600	7,246,458	956,143,312
As at 30 June 2024	216,823,001	372,313,786	24,342,073	227,666,395	2,953,723	19,112,830	814,497	3,411,025	4,974,912	872,412,242





					30 June 2024	30 June 2023
				Note(s)	Taka	Taka
5.00	Intangible assets					
	Software			5.01	283,750	438,520
				-	283,750	438,520
5.01	Intangible assets schedule					
5.02						
	Cost Opening balance				7,199,703	6 725 202
	Add: Addition during the year				7,155,705	6,735,393 464,310
	Closing balance			-	7,199,703	7,199,703
	crossing buttinee				,,255,,105	,,,,,,,,,,
	Accumulated amortization					
	Opening balance				6,761,183	6,640,513
	Add: Charged during the year				154,770	120,670
	Closing balance				6,915,953	6,761,183
	Carrying amount				283,750	438,520
6.00	Capital work in progress					
6.00	Capital work-in-progress Opening balance				1,105,171	25,146,785
	Add: Expenditure incurred during the year			6.01	1,340,119	1,379,225
	ried Experience interned during the year			-	2,445,290	26,526,010
	Less: Capitalized during the year			6.01	(2,413,890)	(25,420,839)
	Closing balance			_	31,400	1,105,171
				-		
6.01	Details of capital work-in -progress					
		Opening	Additions	Capitalized	Balance as on	Balance as on
	Particulars	Balance	during the	during the Year	30 June 2024	30 June 2023
	Factory Building	1 105 171	year			1 105 171
	Factory Building Administrative building	1,105,171	1,096,719 212,000	(2,201,890) (212,000)		1,105,171
	Plant & machinery	-	31,400	(212,000)	31,400	
	Traine or mountainty	1 105 171		(2.412.900)	31,400	1,105,171
		1,105,171	1,340,119	(2,413,890)	31,400	1,105,171
				-	30 June 2024	30 June 2023
				-	Taka	Taka
7.00	Investment in SKYS Securities Limited			_		
	SKYS Securities Limited				30,377,066	30,377,066
					30,377,066	30,377,066
	Out it					
8.00	Other investment Investment in Fixed Deposit Receipts				E 102 222	5,013,936
	investment in Fixed Deposit Receipts			-	5,182,233 <b>5,182,233</b>	5,013,936
					-,,	-,,
	Name of Banks	Purpose	Period	Interest rate		
	Bank Asia Limited	Bank Guarantee	1 year	6.75%	3,740,778	3,578,002
	Exim Bank Limited	Bank Guarantee	1-3 years	5.5-6.5%	1,441,455	1,435,934
					5,182,233	5,013,936
9.00	Inventories					
	Raw materials				365,350,950	664,794,182
	Work-in-process				13,777,608	18,870,386
	Finished goods				7,649,654	7,454,366
	Stores & spares				89,610,577	84,944,671
	Goods in transit			1	95,169,339	6,159,743
		(3)	FARMAS	-	571,558,128	782,223,348
		( <u> </u> §(	CIC )[8]			



# 9.01 Quantitative movement of raw materials and finished goods

## A. Raw Materials

Product name	Unit	Opening balance	Procurement	Available for consumption	Consumption	Closing balance
Liner Paper	Kg	2,414,408	8,381,837	10,796,245	(8,716,925)	2,079,320
Medium Paper	Kg	2,327,888	6,899,534	9,227,422	(7,915,749)	1,311,673
Duplex Board	Kg	67,649	98,067	165,716	(125,966)	39,750
Art Card	Kg	-	24,344	24,344	(762)	23,582
Yarn	Kg	127,195	70,000	197,195	(62,196)	134,999
Starch	Kg	655	18,000	18,655	(1,989)	16,666
Styrene Monomer	Kg	-	24,120	24,120	(15,565)	8,555
Corrugel	Kg		414,000	414,000	(363,957)	50,043
Chemical	Ltr	4,538	-	4,538	(3,882)	656
Resin	Kg	78,846	229,320	308,166	(281,806)	26,360
Rubber Thread	Kg	84,852	18,500	103,352	(81,287)	22,065
Cobalt PT-121	Kg		464	464	(336)	128
Printing Ink	Kg	3,708	12,270	15,978	(11,678)	4,300
Pigment	Kg	446	17,145	17,591	(15,971)	1,620
Ribbon	Kg	4,700	1,608	6,308	(4,929)	1,379
OPP Gum Tape	Kg	45,107	127,921	173,028	(126,645)	46,383
GPPS/PP/HIPS	Kg	69,527	49,500	119,027	(85,573)	33,454
		5,229,519	16,386,630	21,616,149	(17,815,216)	3,800,933

## B. Finished goods

Product name	Unit	Opening balance	Production	Available for sale	Sales	Closing balance
Carton	Pcs	53,180	21,184,985	21,238,165	(21,154,291)	83,874
Label	Pcs	152,665	66,336,043	66,488,708	(66,177,691)	311,017
Elastics and Narrow Fabrics	Yards	67,186	18,301,498	18,368,684	(18,368,684)	
Offset Printing	Pcs	22,450	38,618,859	38,641,309	(38,634,909)	6,400
Heat Transfer Printing	Pcs	-	2,019,136	2,019,136	(2,019,136)	-
Button	GG	-	211,782	211,782	(211,782)	-
Gum Tape	Rolls	-	559,850	559,850	(559,850)	-
Hanger	Pcs	69,094	4,200,711	4,269,805	(4,269,805)	-
		364,575	151,432,864	151,797,439	(151,396,148)	401,291

			30 June 2024	30 June 2023
		Note(s)	Taka	Taka
10.00	Trade receivables			
	Opening balance		1,417,250,223	1,614,767,904
	Add: Addition during the year	25.00	2,530,678,096	2,794,569,748
	Add: Adjustment for foreign currency translation gain	10.02	106,292,204	94,472,260
			4,054,220,524	4,503,809,912
	Less: Realized during the year		(2,672,312,445)	(3,086,559,689)
	Closing Balance		1,381,908,079	1,417,250,223

10.01 Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business. These are carried at invoice amount. All receivables are secured by Letter of Credit (L/C) and have been considered as good and realizable. Therefore, no amount was written off as bad debt and no debt was considered as doubtful to provide for.

10.02 Foreign currency translation gain arises due to translation of foreign currency denominated trade receivables at the reporting date.

## 10.03 Trade receivables include affiliated companies

KDS Fashion Limited KDS Garment Industries Limited KDS IDR Limited KDS Apparels Limited



30 June 2024	30 June 2023
Taka	Taka
87,975,225	95,294,235
44,890,794	26,954,550
124,151,859	154,333,665
12,784,239	-
269,802,117	276,582,450



			30 June 2024	30 June 2023
			Taka	Taka
10.04	Ageing of trade receivables			
	Dues within 3 Months		586,176,363	594,024,881
	Dues over 3 Months		795,731,716	823,225,342
			1,381,908,079	1,417,250,223
10.05	Trade receivables - classification by security and related party:		4 704 000 070	4 447 250 222
	Receivable considered good and secured		1,381,908,079	1,417,250,223
	Receivable considered good without security Receivable considered doubtful or bad debt			- 1
	Receivable due by directors or other officers		·	-
	Receivable due from companies under same management		269,802,117	276,582,450
	Maximum receivable due by directors or officers at any time		209,802,117	270,362,430
11.00				
11.00	Other receivables Accrued interest income on FDR		438.324	375,233
	Accided interest income on FDN		438,324	375,233
				373,233
			30 June 2024	30 June 2023
	19 6 9 1	Note(s)	Taka	Taka
12.00	Advances, deposits and prepayments	0.2523	120122342	200000000
	Advances	12.01	59,533,237	71,281,735
	Security deposits	12.02	14,757,554	13,592,262
	Prepayments	12.03	2,536,686	2,932,417
			76,827,477	87,806,414
12.01	Advances			
	Against salary and allowances		3,038,536	1,610,331
	Against income tax	12.01.01	28,324,180	35,674,976
	Advance against Land		12,847,598	12,847,598
	Others		15,322,923	21,148,830
			59,533,237	71,281,735
12.01.01	Advance income tax		25 674 076	24 022 050
	Opening balance		35,674,976	31,933,050
	Add: Paid/deducted during the year		25,111,861	32,462,657
	Less: Adjusted during the year		(32,462,657)	(28,720,731)
	Closing balance		28,324,180	35,674,976
12.02	Security deposits			
	T&T		20,000	20,000
	Titas Gas Transmission & Distribution Company Limited		2,429,000	2,429,000
	Gazipur Palli Bidyut Samity		9,065,088	9,065,088
	Karnaphuli Gas Transmission Limited		1,462,983	549,161
	Central Depository Bangladesh Limited (CDBL)		500,000	500,000
	Chattogram Port Authority & Shipping Agent		980,483	729,013
	Gulshan Club Limited		300,000	300,000
			14,757,554	13,592,262
12.03	Prepayments			
	Insurance premium		2,536,686	2,932,417
			2,536,686	2,932,417
12.04	The directors consider that all the above advances, deposits and prepay	ments are either adio	istable or recoverable	in cash or in kind
12.04	and for that no provision against them are required at this stage.	ments are entirer adju	astable of recoverable	iii casii oi iii kiiia
	and the first man about the state of an an are also and be			
13.00	Due from affiliated companies			
	KDS Poly Industries Limited		46,330,556	68,090,697
	KDS Thread Limited		772,047,913	794,828,250
			818,378,469	862,918,947

The above amounts represent transactions with KDS Poly Industries Limited and KDS Thread Limited during the period and all the transactions were made through banking channel.





		30 June 2024	30 June 2023
	Note(s)	Taka	Taka
14.00 Short term investment			
Investment in Fixed Deposit Receipts			2,374,677
		-	2,374,677
		20 1 2024	20 1 2022
		30 June 2024	30 June 2023
	Note(s)	Taka	Taka
15.00 Cash and cash equivalents			
Cash in hand	15.01	986,009	530,396
Cash at bank	15.02	59,861,451	18,310,046
		60,847,460	18,840,442
15.01 Cash in hand			
Head office		291,169	159,499
Dhaka office		331,772	141,321
Gazipur factory office		363,068	229,576
		986,009	530,396





15.02	Cash at Bank				30 June 2024	30 June 2023
	Name of Banks	Account No	Branch	Account Type	Taka	Taka
	Bank Asia Limited	01236050518	MCB Banani	SND	1,361	1,337
	Bank Asia Limited	00542000114	Agrabad	Retention Quota		30,768
	Bank Asia Limited	00547000033	Agrabad	USD	705,649	5,082,237
	Bank Asia Limited	00533007874	Agrabad	Current Deposit	19,269	19,959
	Bank Asia Limited	01242000049	MCB Banani	Retention Quota	3,849,993	1,080,345
	Bank Asia Limited	01247000009	MCB Banani	USD	1,026	943
	Bank Asia Limited	00542000136	Agrabad	USD	2,255	2,072
	Bank Asia Limited	01247000030	MCB Banani	RAD	44,804,101	4,824,183
	Bank Asia Limited	01236050569	MCB Banani	SND	80,946	266,921
	Bank Asia Limited	01233054918	MCB Banani	Current Deposit	4,808	140,810
	Dutch Bangla Bank Limited	1421100015883	Jubilee Road	Current Deposit	663,504	326,844
	Eastern Bank Limited	0011060000176	Agrabad	Current Deposit	43,277	45,325
	HSBC	004-046140-011	Agrabad	Current Deposit	22,337	288,259
	Mutual Trust Bank Limited	0002-0320003052	Motijheel	Escrow	102,054	102,459
	NCC Bank Limited	0107-0210001284	Baridhara	Current Deposit	2,306	2,594
	NRB Bank Limited	2012010105606	Agrabad	Current Deposit	64,004	210
	Standard Chartered Bank	01 3979660 01	Agrabad	Current Deposit	64,882	1,215,560
	Standard Chartered Bank	013979660-02	Agrabad	Current Deposit	1,173,520	824,071
	Standard Chartered Bank	01 3979660 03	Agrabad	Current Deposit	95,355	479,911
	Standard Chartered Bank	46397966002	Agrabad	USD	4,666,278	2,599,630
	Southeast Bank Limited	15400000112	Agrabad	USD	3,491,434	970,452
	Southeast Bank Limited	11100026308	Agrabad	Current Deposit	3,015	4,734
	Trust Bank Limited	0210002272	Dewan Bazar	Current Deposit	77	422
					59,861,451	18,310,046
16.00	Share capital					
	Authorized Capital					
	200,000,000 Ordinary Shares of	of Tk. 10 each			2,000,000,000	2,000,000,000
					2,000,000,000	2,000,000,000
	Issued, subscribed and paid-u	ıp Capital			2,000,000,000	2,000,000,000
	1,000 Ordinary Shares		21 April 1001		10,000	10,000
	2,100,000 Ordinary Shares				21,000,000	21,000,000
	10,505,000 Ordinary Shares				105,050,000	105,050,000
					175,223,400	
	17,522,340 Ordinary Shares					175,223,400
	9,871,660 Ordinary Shares				98,716,600 120,000,000	98,716,600
	12,000,000 Ordinary Shares 5,200,000 Ordinary Shares		_	(Danus share)	, ,	120,000,000
					52,000,000	52,000,000
	2,860,000 Ordinary Shares				28,600,000	28,600,000
	3,003,000 Ordinary Shares				30,030,000	30,030,000
	3,153,150 Ordinary Shares				31,531,500	31,531,500
	4,966,211 Ordinary Shares		30 November 2	(Bonus share)	49,662,110	49,662,110
	71,182,361 Ordinary Shares	or ik. 10 each			711,823,610	711,823,610





# 16.01 Shareholding position

Name of the shareholders         holding         shares         holding           Mr. Khalilur Rahman         42.99%         30,599,237         42.99%         30,599,23           Mr. Salim Rahman         14.09%         10,030,344         14.09%         10,030,34           Ms. Hasina Iqbal         1.03%         734,389         1.03%         734,38           Ms. Tahsina Rahman         3.84%         2,736,475         3.84%         2,736,47           Ms. Tahmina Rahman         0.001%         433         0.001%         43           KDS Garments Inds. Limited         2.01%         1,431,917         2.01%         1,431,91           General Public (IPO)         36.03%         25,649,566         36.03%         25,649,566		30 Jur	ne 2024	30 Ju	ne 2023
Mr. Salim Rahman     14.09%     10,030,344     14.09%     10,030,344       Ms. Hasina Iqbal     1.03%     734,389     1.03%     734,389       Ms. Tahsina Rahman     3.84%     2,736,475     3.84%     2,736,475       Ms. Tahmina Rahman     0.001%     433     0.001%     43       KDS Garments Inds. Limited     2.01%     1,431,917     2.01%     1,431,91       General Public (IPO)     36.03%     25,649,566     36.03%     25,649,566	Name of the shareholders				Number of shares
Ms. Hasina Iqbal     1.03%     734,389     1.03%     734,389       Ms. Tahsina Rahman     3.84%     2,736,475     3.84%     2,736,475       Ms. Tahmina Rahman     0.001%     433     0.001%     43       KDS Garments Inds. Limited     2.01%     1,431,917     2.01%     1,431,91       General Public (IPO)     36.03%     25,649,566     36.03%     25,649,566	Mr. Khalilur Rahman	42.99%	30,599,237	42.99%	30,599,237
Ms. Tahsina Rahman     3.84%     2,736,475     3.84%     2,736,475       Ms. Tahmina Rahman     0.001%     433     0.001%     43       KDS Garments Inds. Limited     2.01%     1,431,917     2.01%     1,431,91       General Public (IPO)     36.03%     25,649,566     36.03%     25,649,566	Mr. Salim Rahman	14.09%	10,030,344	14.09%	10,030,344
Ms. Tahmina Rahman     0.001%     433     0.001%     43       KDS Garments Inds. Limited     2.01%     1,431,917     2.01%     1,431,91       General Public (IPO)     36.03%     25,649,566     36.03%     25,649,56	Ms. Hasina Iqbal	1.03%	734,389	1.03%	734,389
KDS Garments Inds. Limited         2.01%         1,431,917         2.01%         1,431,91           General Public (IPO)         36.03%         25,649,566         36.03%         25,649,566	Ms. Tahsina Rahman	3.84%	2,736,475	3.84%	2,736,475
General Public (IPO) 36.03% 25,649,566 36.03% 25,649,56	Ms. Tahmina Rahman	0.001%	433	0.001%	433
	KDS Garments Inds. Limited	2.01%	1,431,917	2.01%	1,431,917
100% 71,182,361 100% 71,182,36	General Public (IPO)	36.03%	25,649,566	36.03%	25,649,566
		100%	71,182,361	100%	71,182,361

16.02	Classification of shares by holding	No. of		
	Slab by number of shares	Shareholders	No. of Shares	Holding (%)
	Less than 500	2,861	524,210	0.74%
	From 500 to 5,000	1,965	3,671,631	5.16%
	From 5,001 to 10,000	269	2,027,867	2.85%
	From 10,001 to 20,000	178	2,626,362	3.69%
	From 20,001 to 30,000	63	1,551,046	2.18%
	From 30,001 to 40,000	33	1,134,975	1.59%
	From 40,001 to 50,000	19	869,389	1.22%
	From 50,001 to 100,000	29	2,030,330	2.85%
	From 100,001 to 1,000,000	39	10,468,416	14.71%
	Above 1,000,000	6	46,278,135	65.01%
		5,462	71,182,361	100%
			30 June 2024	30 June 2023
		Note(s)	Taka	Taka
17.00	Long term borrowings			
	Opening balance		115,979,435	135,546,851
	Add: Received during the year		-	-
	Add: Interest applied		8,598,141	10,099,295
	Add: Bank charges		21,000	48,000
	Add: Adjustment for foreign currency translation Loss		1,377,958	9,040,711
			125,976,534	154,734,857
	Less: Paid during the year		(35,052,846)	(38,755,422)
	Closing balance		90,923,688	115,979,435
17.01	Current/non-current classification			
	Due within one year		37,150,404	33,422,964
	Due after one year		53,773,284	82,556,471
		1	90,923,688	115,979,435
17.02	Details of long term borrowings			
	Bank Asia Limited - Agrabad	17.03	90,923,688	111,848,535
	Bank Asia Limited - MCB Banani	17.04		4,130,900
			90,923,688	115,979,435

## 17.03 A. Bank Asia Limited, Agrabad, Chattogram.

Tk. 3.50 Crore Total sanctioned amount

2021 Year

Purpose Construction of two storied shed 9%-13.55% (Revised from time to time) Interest rate

Seven years Tenure

Payment method The loan is repayable in equal monthly installment (EMI).

Securities i) Hypothecation on movable assets.





# 17.03 B. Bank Asia Limited, Agrabad, Chattogram.

Total sanctioned amount Tk. 8 Crore Year

Purpose Import of Plant & Machinery Interest rate 6%-10% (Revised from time to time)

Tenure Five Years Six Months

Payment method The loan is repayable in equal monthly installment (EMI).

Securities i) Personal Guarantee of directors.

ii) Hypothecation on movable assets.

18.00 Defined benefit obligation- gratuity Opening balance  Note(s) Taka Taka  18.00 137,297,430 119,456,5	
Opening balance 137,297,430 119,456,5	
	,593
Add: Provision made during the year 26.02 & 27 12,755,541 21,267,1	142
150,052,971 140,723,7	,735
Less: Paid during the year (4,990,875) (3,426,3	,305)
Closing balance 145,062,096 137,297,4	,430
19.00 Deferred tax liability	
	.3
Opening balance 23,728,391 23,656,0	041
Provided during the year	
Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land) (3,450,181) 4,602,3	
Provision for Gratuity (931,760) (4,530,0	,033)
Investment	-
	,350
Closing balance <u>19,346,450</u> 23,728,3	391
December of deferred to the little of control are as follows	
Reconciliation of deferred tax liabilities /(assets) are as follows :  Taxable /	
Carrying Tax Base Tax Bate (Deductible) Deferred tax	
Tax Base Tax Rate	
Amount Temporary liabilities/ (asse	ecsj
As on 30 June 2024 Taka Taka Percentage Taka Taka	
Property, plant & equipment 655,872,992 358,747,682 12.00% 297,125,310 35,655,0	,037
(Excluding Land)	
Gratuity (145,062,096) - 12.00% (145,062,096) (17,407,4	
Investment 30,377,066 23,405,000 15% - 20% 6,972,066 1,098,8	
Net taxable temporary difference 159,035,280 19,346,4	450
Taxable /	
Carrying Tax Base Tax Rate (Deductible) Deferred tax	X
Amount Tax Base Tax Rate Temporary liabilities/ (asset	ets)
Difference	
As on 30 June 2023 Taka Taka Percentage Taka Taka	
Property, plant & equipment	
(Excluding Land) 739,758,832 413,882,019 12.00% 325,876,812 39,105,2	,218
Gratuity (137,297,430) - 12.00% (137,297,430) (16,475,6	,692)
Investment 30,377,066 23,405,000 15% - 20% 6,972,066 1,098,8	,865
Net taxable temporary difference 195,551,449 23,728,3	391





			30 June 2024	30 June 2023
		Note(s)	Taka	Taka
20.00	Trade and other payables			
	Trade payable	20.01	1,237,821,783	919,183,629
	For revenue expenses	20.02	197,195,152	218,054,152
	For other finance	20.03	1,329,506	557,692
			1,436,346,441	1,137,795,473
			30 June 2024	30 June 2023
		Note(s)	Taka	Taka
20.01	Trade payable			
	Liability for imported goods		1,209,477,496	900,647,603
	Liability for local goods & Expenses		28,344,287	18,536,026
			1,237,821,783	919,183,629

Liability for imported goods includes foreign currency translation loss of Tk. 95,920,282 (foreign currency translation loss for the corresponding year 2022-2023 was of Tk. 48,045,223) arising due to translation of trade payables in foreign currency at the reporting date.

			30 June 2024	30 June 2023
		Note(s)	Taka	Taka
20.02	For revenue expenses			
	Audit fee		625,500	546,500
	C & F charges		9,270,427	8,559,029
	Commission on sales		2,002,150	4,013,524
	Electricity bill		2,675,180	105,172
	Employee salaries and director's remuneration		34,238,944	30,674,772
	Gas charges		4,344,849	5,666,224
	Insurance expenses		3,550,058	3,168,326
	Provident fund		138,752,836	130,210,017
	Rent expenses		1,443,266	34,818,646
	Telephone & mobile bill		291,942	291,942
			197,195,152	218,054,152
20.03	For other Finance			
	Staff income tax		351,617	110,451
	Supplier income tax		816,027	125,323
	VAT on audit fee		93,825	77,250
	VAT payable-others		68,037	244,668
			1,329,506	557,692
21.00	Unclaimed Dividend			
	Opening Balance		820,459	861,655
	Add: Cash dividend declared during the year		71,182,361	113,891,778
	Less: Paid/adjusted during the year		(70,823,441)	(113,932,974)
			1,179,379	820,459
21.01	Dividend unclaimed for the years			
	For year ended on			
	30 June 2023 (Final)		475,694	
	30 June 2022 (Final)		173,872	174,354
	30 June 2021 (Final)		529,813	530,265
	30 June 2020 (Final)		-	115,840
			1,179,379	820,459

An Amount Tk. 115,840 was transferred to Capital Market Stabilization Fund, on 20 November 2023 through CQ No 2092356, Standard Chartered Bank as per Letter No: KDSA/CTG/F&A/1385/23.

# 22.00 Provision for Income Tax

Opening balance

Add: Provision during the year Add/(Less): Prior Year's Adjustment

Less: Paid/adjusted during the year



61,953,667	54,281,545
(32,462,657)	(28,720,731)
40,134,779	43,907,869
	(93,600)
40,134,779	44,001,469
54,281,545	39,094,407



22.01	Reconciliation of effective tax rate	30 J	30 June 2024		30 June 2023	
		Rate	Taka	Rate	Taka	
	Profit before Tax		189,512,524		197,232,764	
	Total Income Tax Expenses	18.87%	35,752,838	22.30%	43,980,219	
	Factors affecting the tax charge:					
	Tax using the applicable rate	20.00%	37,902,505	20.00%	39,446,553	
	Difference between accounting & fiscal Depreciation	3.03%	5,750,301	13.23%	26,101,053	
	Inadmissible Expenses	0.64%	1,207,143	2.65%	5,220,211	
	Difference Between WPPF & WF Provision & Payment	3.56%	6,738,781	1.83%	3,599,624	
	Difference Between Gratuity Provision & Payment	1.87%	3,549,283	2.16%	4,253,428	
	Rebate on export sales	-10.23%	(19,395,175)	-17.56%	(34,640,650)	
		18.87%	35,752,838	22.30%	43,980,219	
				30 June 2024	30 June 2023	
			Note(s)	Taka	Taka	
23.00	Short term bank loan					
	Bank Overdraft		23.01	67,261,086	115,259,940	
	Local Documentary Bill Purchase (LDBP)		23.02	-	319,879,580	
	Demand Loan and Time Loan		23.03	176,180,398	523,211,434	
				243,441,484	958,350,954	
23.01	Bank Overdraft					
	Bank Asia Limited			41,770,770	72,249,385	
	Southeast Bank Limited			25,490,316	43,010,555	
				67,261,086	115,259,940	
23.02	Local Documentary Bill Purchase (LDBP)					
	Bank Asia Limited				121,916,939	
	Southeast Bank Limited				42,326,608	
	Standard Chartered Bank			-	155,636,033	
				-	319,879,580	
23.03	Demand Loan and Time Loan Bank Asia Limited			89,689,797	384,558,794	
	Southeast Bank Limited			17,171,181	87,743,750	
	Standard Chartered Bank			50,313,542	50,908,890	
	NRB Bank Limited			19,005,878	30,300,030	
	THE DATE CHITCH			176,180,398	523,211,434	
24.00	Provision for WPPF and Welfare Fund					
	Opening balance			90,882,496	72,884,376	
	Add: Provision made during the year		27.22	9,974,343	10,380,672	
	Add: Interest during the year		27.00	7,272,857	7,617,448	
	Less: Paid during the year			(16,446,705)		
				91,682,991	90,882,496	

As per provision of Workers' Profit Participation Fund (WPPF) and Welfare Fund (WF) of Labor Act 2006, the company has been maintaining provision of WPPF & WF since 2010. Meantime, the company has credited interest on the non-distributed WPPF & WF fund till 30 June 2024 with a view to protecting the interest of the workers.

			01 July 2023 to 30 June 2024		01 July 2023 to 30 June 2024		01 July 2022 to 3	0 June 2023
		Notes	USD	Taka	USD	Taka		
25.00	Revenue							
	Export sales	25.01	23,537,671	2,530,678,096	28,390,351	2,794,569,748		
			23,537,671	2,530,678,096	28,390,351	2,794,569,748		





# 25.01 Details of export sales during the year are as follows:

		01 July 2023	to 30 June 2024	01 July 2022 to	30 June 2023
	Product name	(%)	Taka	(%)	Taka
	Carton	80.72%	2,042,641,821	80.89%	2,260,540,588
	Label	2.40%	60,854,372	2.85%	79,536,326
	Elastics and Narrow Fabrics	5.71%	144,624,139	4.36%	121,752,582
	Offset Printing	2.88%	72,885,700	2.53%	70,589,967
	Heat Transfer Printing	0.16%	4,082,078	0.38%	10,715,614
	Button	6.03%	152,649,678	6.07%	169,576,735
	Gum Tape	1.84%	46,642,648	1.44%	40,359,726
	Hanger	0.25%	6,297,662	1.48%	41,498,210
		100%	2,530,678,096	100%	2,794,569,748
				01 July 2023	01 July 2022
				to 30 June 2024	to 30 June 2023
			Note(s)	Taka	Taka
26.00			25.04	4 605 450 630	4 007 074 507
	Raw materials consumed		26.01	1,605,458,639	1,807,974,597
	Factory overhead		26.02	462,602,973	414,175,821
	Cost of Production			2,068,061,612	2,222,150,418
	Add: Opening work-in-process			18,870,386	30,519,075
	Less: Closing work-in-process		9.00	(13,777,608)	(18,870,386)
	Cost of goods manufactured			2,073,154,390	2,233,799,107
	Goods used for sample making		28.00	(509,142)	(659,886)
	1011101 2019101 1			2,072,645,248	2,233,139,221
	Opening finished goods			7,454,366	13,860,659
	Cost of goods available for sale			2,080,099,614	2,246,999,880
	Closing finished goods		9.00	(7,649,654)	(7,454,366)
				2,072,449,960	2,239,545,514
26.01	Raw materials consumed				
	Opening inventory			664,794,182	665,996,119
	Add: Purchases during the year			1,306,015,407	1,806,772,660
	Total materials available			1,970,809,589	2,472,768,779
	Less: Closing inventory		9.00	(365,350,950)	(664,794,182)
				1,605,458,639	1,807,974,597
				01 July 2023	01 July 2022
				to 30 June 2024	to 30 June 2023
			Note(s)	Taka	Taka
26.02	Factory overhead				
	Salaries, wages and others			232,176,647	208,727,624
	Ansar/security cost			3,859,322	3,650,989
	Depreciation		4.00	77,662,970	79,696,130
	Electricity expenses			15,462,968	7,178,443
	Fuel expenses			17,363,509	18,864,959
	Gas Expenses			49,733,785	35,459,762
	Generator running expenses			1,791,849	2,081,943
	Gratuity		18.00	2,551,108	4,253,428
	Insurance premium			3,531,411	4,663,362
	Labour charges			1,964,513	2,483,406
	Printing and processing charges			3,561,822	2,895,850
	Repair and maintenance	SUN FARA	TO STATE OF THE ST	9,143,747	11,468,993
		E CTG	(8)		



			01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
		Note(s)	Taka	Taka
	Stores and spares consumption	26.03	28,877,591	18,382,578
	Telephone expenses		1,544,007	1,533,194
	Testing fee		6,382,528	4,057,089
	Uniform and liveries		687,613	545,741
	Vehicle maintenance expenses		5,958,356	7,774,540
	Water and sanitation expenses		349,227	457,790
			462,602,973	414,175,821
			01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
		Note (a)		Taka
26.02	Stores and spares consumption	Note(s)	Taka	Така
20.03	Opening inventory		84,944,671	82,471,375
	Add: Purchases during the year		33,543,497	20,855,874
	Total spare parts available		118,488,168	103,327,249
	Less: Closing inventory	9.00	(89,610,577)	(84,944,671)
	and the state of t	3.00	28,877,591	18,382,578
			01 July 2023	01 July 2022
			to 30 June 2024	to 30 June 2023
		Note(s)	Taka	Taka
27.00	Administrative Expenses			
	Salaries and Allowances		97,425,330	90,764,489
	Director's remuneration		6,100,000	6,100,000
	Audit fee		677,850	693,550
	AGM Expenses		795,299	927,677
	Amortization	5.00	154,770	120,670
	Depreciation	4.00	19,415,742	19,924,032
	Electricity expenses		2,728,759	1,266,784
	Entertainment		1,169,677	981,518





			01 July 2023	01 July 2022
		Note(s)	to 30 June 2024 Taka	to 30 June 2023 Taka
	Fuel expenses	Note(s)	2,110,642	2,307,371
	Gratuity	18.00	10,204,433	17,013,714
	Group insurance	20.00	614,407	601,177
	Guest house expenses		457,342	663,773
	Insurance expenses		1,513,462	1,998,584
	Interest on WPPF	24.00	7,272,857	7,617,448
	Internet expenses		1,849,195	1,845,293
	Medical expenses		203,823	346,435
	Miscellaneous expenses		6,072,200	6,121,613
	Periodicals expenses		32,347	32,529
	Office maintenance		423,142	499,190
	Postage and parcel expenses		1,200,343	394,254
	Printing and stationeries		2,463,586	2,002,956
	Professional fees		67,033	53,750
	Rent expenses - Dhaka office		11,307,861	10,496,562
	Rent, rates, license, renewal and others fee		2,750,343	1,964,902
	Repair and maintenance		1,201,233	1,506,705
	Security cost - Ansar cost		681,057	644,292
	Fooding expenses		3,427,046	2,060,641
	Training expenses		22,796	10,000
	Telephone		1,887,119	1,873,903
	Travelling and conveyance		1,786,259	793,581
	Vehicle maintenance expenses		662,040	863,838
			186,677,993	182,491,231
28.00	Selling and distribution expenses			
	Salaries and allowances		26,460,944	25,752,299
	Advertisement expenses		1,044,090	1,095,607
	Carriage outward		20,982,603	20,200,174
	Sales promotion and commission expenses		10,908,506	6,245,497
	Sample expenses	26.00	509,142 59,905,285	659,886 <b>53,953,463</b>
			55,505,285	53,553,463
29.00	Finance cost		72 200 405	61 742 500
	Interest on bank loan and others Bank charges and commission		73,398,495 11,582,307	61,742,590 11,827,412
	Gain/(Loss) on currency fluctuation			
	Gailly (Loss) oil currency fluctuation		8,164,290	103,543,465
			93,145,092	177,113,467
30.00	Finance income		222222	2237232
	Interest earned from FDR		326,719	373,516
	Interest earned from STD		31,809	46,943
	Interest income from inter-company receivable		76,527,755 <b>76,886,283</b>	62,354,373 <b>62,774,832</b>
			70,000,203	02,774,032
31.00	Other Income Rental income		1 550 000	1,560,000
	Gain/(Loss) on sale of assets		1,560,000 541,988	7,999
	Forfeiture of Provident Fund		1,076,455	821,271
	Wastage Sales		922,374	983,261
	Trastage sales	CAIN VARIAGE	4,100,817	3,372,531
		₹( cтg. )8	4,200,027	5,572,551



		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
32.00	Reconciliation of cash generated by operations	Taka	Taka
	Profit before income tax	189,512,524	197,232,764
	Depreciation charged	97,078,712	99,620,162
	Amortization charged	154,770	120,670
	(Gain)/loss on sale of property, plant and equipment	(541,988)	(7,999)
	Finance Income	(76,886,283)	(62,774,832)
	Finance Cost	93,145,092	177,113,467
	(Increase)/Decrease in Inventory	210,665,220	84,058,016
	(Increase)/Decrease in Trade Receivables (after adj. foreign currency fluctuation gain)	141,634,349	291,989,941
	(Increase) / Decrease in Advances, Deposits and Pre-payments	3,628,141	4,170,110
	Increase/(Decrease) in Trade and Other payables	176,340,286	(1,422,277,408)
	Increase in provision of WPPF and WF	800,495	17,998,120
	Increase in the provision of gratuity	7,764,666	17,840,837
	Cash generated by operations	843,295,984	(594,916,152)
	Interest paid (net)	(8,157,610)	(10,871,908)
	Income Tax Paid	(25,111,861)	(32,462,657)
	Net cash flows from operating activities	810,026,513	(638,250,717)
33.00	Earnings Per Share (EPS)		
33.01	Basic Earnings Per Share		
	The computation of EPS is given below:		
	Total earnings attributable to the ordinary shareholders	153,759,686	153,252,545
	Number of ordinary shares outstanding during the year	71,182,361	71,182,361
	Weighted average number of ordinary shares outstanding during the year	71,182,361	71,182,361
	Basic Earnings Per Share	2.16	2.15

## 33.02 Diluted EPS

No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.

	30 June 2024	30 June 2023
33.03 Net Asset Value Per Share (NAV)	Taka	Taka
Total Assets	4,032,636,332	4,379,258,993
Less: Liabilities	2,089,936,196	2,519,136,183
Net Asset Value (NAV)	1,942,700,136	1,860,122,810
Number of ordinary shares outstanding during the year	71,182,361	71,182,361
Net Assets Value (NAV) per share	27.29	26.13
	01 July 2023	01 July 2022
	to 30 June 2024	to 30 June 2023
33.04 Net operating cash flow per share	Taka	Taka
Net operating cash flows (from statement of cash flows)	810,026,513	(638,250,717)
Number of ordinary shares outstanding during the year	71,182,361	71,182,361
Net operating cash flow per share	11.38	(8.97)
34.00 Contingent liabilities and commitment		
Contingent liabilities and commitment at the reporting date are as follows:		
	30 June 2024	30 June 2023
34.01 Bank guarantee	Taka	Taka
Bank Asia Limited	11,197,208	9,369,565
	11,197,208	9,369,565
34.02 L/C liabilities		
Bank Asia Limited	235,563,840	97,555,783
Standard Chartered Bank	110,786,296	1,152,586
Southeast Bank Limited	17,195,600	86,830,730
NYARHA	363,545,736	185,539,099





## 34.03 Capital expenditure commitment

There is no capital expenditure commitment as at 30 June 2024.

#### 35.00 Directors' interest in contracts with the company

There was no transaction resulting in Directors' interest with the company.

## 36.00 Credit facility not availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2024 other than trade credit available in the ordinary course of business.

#### 37.00 Related Party Transactions

In accordance with IAS-24: Related Party Disclosures, Key Management Personnel of the company are those persons having the authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly.

		30 June 2024	30 June 2023
37.01	Key Management Personnel Compensation	Taka	Taka
	Short term employee Benefits	6,100,000	6,100,000
		6,100,000	6,100,000

Key Management Personnel compensation includes benefits for employees of the rank of director and above.

Director's Remuneration and festival bonus is given to the managing director only. Board Meeting attendance fees are given to all the directors. During the year 2023-2024, managing director's remuneration is BDT 60,00,000 and festival bonus is BDT 1,00,000. In the year 2022-2023 managing director remuneration was BDT 60,00,000 and festival bonus was BDT 1,00,000. Attendence fees in connection with Board of Directors Meeting is BDT 1,25,000 during the year 2023-2024, It was 100,000 in the year 2022-2023.

# 37.02 Related party transactions

During the year the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures.

SL No.	Name of the Related Parties	Relationship	Nature of Transactions	Ba	lance as on 01 July 2023	Transaction during the year (Net)		Balance as on 30 June 2024
1	KDS Fashion Limited	Common directorship	Receivable against Sales	Dr.	95,294,235	(7,319,010)	Dr.	87,975,225
2	KDS Garment Inds. Ltd.	Common directorship	Receivable against Sales	Dr.	26,954,550	17,936,244	Dr.	44,890,794
3	KDS IDR Limited	Common directorship	Receivable against Sales	Dr.	154,333,665	(30,181,806)	Dr.	124,151,859
4	KDS Apparels Limited	Common directorship	Receivable against Sales	Dr.	-	12,784,239	Dr.	12,784,239
5	KDS Poly Ind. Limited	Common directorship	Short Term Loan	Dr.	68,090,697	(21,760,141)	Dr.	46,330,556
6	KDS Thread Limited	Common directorship	Short Term Loan	Dr.	794,828,250	(22,780,337)	Dr.	772,047,913

## 38.00 Board of Directors (BOD) meetings & attendance:

Name of the Directors	Designation	Number of Meetings Held	Attendance	
Mr. Khalilur Rahman	Chairman	6	6	
Mr. Salim Rahman	Managing Director	6	6	
Ms. Tahsina Rahman	Director	6	6	
KDS Garment Industries Limited (Represented by Mr. Kamrul Hasan, FCA)	Director	6	6	
Professor Sarwar Jahan	Independent Director	6	6	





## 39.00 Events after the reporting period

#### 39.01 Proposed Dividend:

The Board of Directors of KDS Accessories Limited at its 153rd meeting held on 23 October 2024 recommended a final cash dividend 5% and stock dividend 5% amounting to BDT 71,182,361 being 10% of the paid up capital (i.e. BDT 1.00 per share) for the year 30 June 2024. These dividends are subject to final approval by the shareholders at the forthcoming annual general meeting of the company

#### 39.02 Minimum amount to be distributed as dividend

As per Section 22 of ITA 2023, as a listed company, KDS Accessories Limited shall declare and distribute at least 30% of its net profit after tax as dividend to its shareholders otherwise 10% tax shall be imposed on the amount of retained earnings, fund, reserve or surplus transferred during the period.

		01 July 2023	01 July 2022
		to 30 June 2024	to 30 June 2023
		Taka	Taka
	Distributable Income	153,759,686	153,252,545
	Minimum Dividend Percentage as per Section 22	30%	30%
	Amount to be Distributed as Dividend	46,127,906	45,975,764
	Net Profit Before Tax	189,512,524	197,232,764
	Less: Income Tax	(35,752,838)	(43,980,219)
	Distributable Income	153,759,686	153,252,545
		30 June 2024	30 June 2023
40.00	Employee position of KDS Accessories Limited	30 Julie 2024	30 Julie 2023
	Number of employees whose monthly salary was below Tk. 8,000		
	Number of employees whose monthly salary was above Tk. 8,000	1,303	1,316
		1,303	1,316
40.00	Employee position of KDS Accessories Limited  Number of employees whose monthly salary was below Tk. 8,000	30 June 2024  1,303	<b>30 June 202</b>

## 41.00 Quantitative information of production capacity for the year ended 30 June 2024

		01 July 2023 to 30 June 2024		01 July 2022 to 30 June 2023			
Particulars	Unit	Production Capacity (Pcs/GG)	Actual Production (Pcs/GG)	Capacity Utilization in (%)	Production Capacity (Pcs/GG)	Actual Production (Pcs/GG)	Capacity Utilization in (%)
Carton	Pcs	31,750,000	21,184,985	66.72%	31,750,000	21,594,712	68.01%
Label	Pcs	175,964,208	66,336,043	37.70%	175,964,208	59,660,775	33.91%
Elastics and Narrow Fabrics	Yard	35,376,000	18,301,498	51.73%	35,376,000	21,895,399	61.89%
Offset Printing	Pcs	150,009,600	38,618,859	25.74%	150,009,600	53,135,153	35.42%
Heat Transfer Printing	Pcs	24,960,000	2,019,136	8.09%	24,960,000	4,277,042	17.14%
Button	GG	360,000	211,782	58.83%	360,000	256,496	71.25%
Gum Tape	Pcs	4,290,000	559,850	13.05%	4,290,000	543,888	12.68%
Hanger	Pcs	45,000,000	4,200,711	9.33%	45,000,000	9,520,911	21.16%

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

## 42.00 Financial instruments- Financial risk management

International Financial Reporting Standard IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk





### 42.01 Credit risk

Credit risk is risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations which arises principally from the Company's receivables and investments.

# (a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	30 June 2024	30 June 2023
	Taka	Taka
Investments in FDRs (Short term & long term)	5,182,233	7,388,613
Advances, deposits and prepayments	76,827,477	87,806,414
Trade and other receivables	1,382,346,403	1,417,625,456
Due from affiliated companies	818,378,469	862,918,947
Cash at bank	59,861,451	18,310,046
	2,342,596,033	2,394,049,476

### (I) Trade and other receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate. However, based on the company's operations there is no concentration of credit risk.

### Ageing of trade receivables

The ageing of gross value at the reporting date that was not impaired was as follows:

	30 June 2024 Taka	30 June 2023 Taka
Dues within 3 Months	586,176,363	594,024,881
Dues over 3 Months	795,731,716 1,381,908,079	823,225,342 1,417,250,223

The management believes that the amounts are collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

### (ii) Due from affiliated companies

The carrying amount represents amount paid to two of the inter companies to meet its operational finance from time to time. The outstanding balance is redeemable including 9-9.5% (30 June 2023; 7.5%) interest per annum and has no prescribed repayment schedule.

# (iii) Cash and cash equivalents

The company held cash at bank of Tk. 59,861,451 at 30 June 2024 (2023: Tk. 18,310,046), which represents its maximum credit exposure on these assets. The balance with banks are maintained with both local branch of International banks and domestic scheduled banks.





### (b) Credit exposure by credit rating

	As at 30 June 2024	
	Amount in Taka	(%)
rade receivables	1,381,908,079	90.91%
Other receivables	438,324	0.03%
dvances, deposits and prepayments	76,827,477	5.05%
ash and cash equivalents		
ash in hand	986,009	0.06%
ash at Banks	59,861,451	3.94%
ank Asia Limited	49,469,408	82.64%
utch Bangla Bank Limited	663,504	1.11%
stern Bank Limited	43,277	0.07%
SBC	22,337	0.04%
lutual Trust Bank Limited	102,054	0.17%
ational Credit & Commerce Bank	2,306	0.00%
RB Bank Limited	64,004	0.11%
andard Chartered Bank	6,000,035	10.02%
rust Bank Limited	77	0.00%
outheast Bank Limited	3,494,449	5.84%

### 42.02 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

### Exposure to Liquidity risk

The following are the contractual maturities of financial liabilities:

Non-derivative financial	Carrying			Contractu	ial cash flows	
liabilities	amount	Interest rate	Within	1 to 5	More than	Total
- Habilities	amount		12 months	years	5 years	Total
As at 30 June 2024	Taka	Percentage	Taka	Taka	Taka	Taka
Long term borrowings	90,923,688	6.07%-13.55%	37,150,404	53,773,284	-	90,923,688
Trade and other payable	1,436,346,441	N/A	1,436,346,441	-	-	1,436,346,441
Unclaimed Dividend	1,179,379	N/A	1,179,379	-	-	1,179,379
Short term bank loan	243,441,484	9%-10%	243,441,484	-	-	243,441,484
Provision for WPPF and	91,682,991	7 500/ 130/	01 602 001			01 602 001
Welfare Fund	91,082,991	7.50%-12%	91,682,991	-	-	91,682,991
	1,863,573,983		1,809,800,699	53,773,284	-	1,863,573,983
As at 30 June 2023		-				
Long term borrowings	115,979,435	8.50%-9.5%	33,422,964	82,556,471	-	115,979,435
Trade and other payable	1,137,795,473	N/A	1,137,795,473	-	-	1,137,795,473
Unclaimed Dividend	820,459	N/A	820,459	-	-	820,459
Short term bank loan	958,350,954	8-9%	958,350,954	-	-	958,350,954
Provision for WPPF and	00 992 406	12.00%	00 992 406			00 883 406
Welfare Fund	90,882,496	12.00%	90,882,496	-	-	90,882,496
	2,303,828,817		2,221,272,346	82,556,471	-	2,303,828,817

### 42.03 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### (a) Currency risk exposure and its management

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.

curren

As at 30 June 2024, the Company was exposed to following currencies:

risk in respect of financial liabilities denominated in the



(i) Exposure to currency risk				
As at 30 June 2024	Euro	GBP	USD	Taka
Foreign currency denominated assets				
Cash and cash equivalents	-	-	491,630	57,520,736
Trade receivables	-	-	11,811,180	1,381,908,079
	-	-	12,302,810	1,439,428,815
Foreign currency denominated liabilities				
Liability for Local Documentary Bill Purchase (LDBP)	-	-	-	-
Liability for Accepted Bills for Payment (ABP)		-	10,249,809	1,209,477,496
	-	-	10,249,809	1,209,477,496
Net exposure	-	-	2,053,001	229,951,319
As at 30 June 2023	Euro	GBP	USD	Taka
Foreign currency denominated assets				
Cash and cash equivalents	-	-	135,727	14,590,630
Trade receivables	-	-	13,183,723	1,417,250,223
	-	-	13,319,450	1,431,840,853
Foreign currency denominated liabilities				
Liability for Local Documentary Bill Purchase (LDBP)		-	2,961,574	319,879,580
Liability for Accepted Bills for Payment (ABP)	227,590	-	8,110,967	900,647,603
	227,590	-	11,072,541	1,220,527,183
Net exposure	(227,590)		2,246,909	211,313,670

The company has translated all of its monetary items in foreign currency at the end of its accounting period by using two different rates since the bank offering two different rates for settling its assets and liabilities in foreign currency.

The following significant exchange rate is applied during the year:

	30 June 2024	30 June 2023
US Dollar		
For denoting asset in foreign currency	117	107.50
For denoting liabilities in foreign currency	118	108.01
Euro		
For denoting asset in foreign currency	2	-
For denoting liabilities in foreign currency	2	108.01

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

# (ii) Sensitivity analysis

A reasonably possible strengthening (weakening) of the GBP, US Dollar and Euro against BD Taka at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

		30 Jun	e 2024	30 June	2023
		Profit	or loss	Profit o	or loss
		Strengthening	Weakening	Strengthening	Weakening
		Taka	Taka	Taka	Taka
USD	(2% movement)	4,824,553	(4,824,553)	4,842,314	(4,842,314)
EURO	(2% movement)	-	-	491,641	(491,641)

# (b) Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the home currency.



# (c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company.

# (d) Interest risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to repay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

### Exposure to interest rate risk

The interest rate profile of the company's interest- bearing financial instruments as reported to the management of the company is as follows.

	30 June 2024	30 June 2023
Fixed- rate instruments	Taka	Taka
Financial assets	823,560,702	870,307,560
Financial liabilities	(334,365,172)	(1,074,330,389)
	489,195,530	(204,022,829)
Variable- rate instruments		
Financial assets		-
Financial liabilities		

# (e) Other market price risk

The company is exposed to equity price risk, which arises from available for sale equity and debt securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.



# 43.00 Financial Instruments- Accounting classifications and fair values

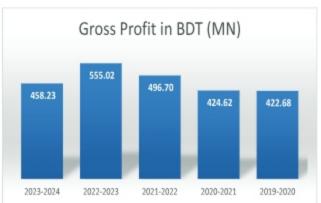
The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

				Carr	Carrying amount		
		Fair value through	Held to	Loans and	Available for sale	Other financial	Total
		profit or loss	maturity	receivables		liabilities	
30 June 2024	Note ref.	Taka	Taka	Taka	Taka	Taka	Taka
Financial assets not measured at fair value							
Trade and other receivables	10 & 11		1	1,382,346,403	,		1,382,346,403
Due from affiliated companies	13		,	818,378,469	,		818,378,469
Investments in FDR	8 & 14		•	,	5,182,233	,	5,182,233
Cash at bank	15.02		•	59,861,451			59,861,451
				2,260,586,323	5,182,233		2,265,768,556
Financial liabilities not measured at fair value							
Long term borrowings	17					(90,923,688)	(90,923,688
Trade and other payables	20					(1,436,346,441)	(1,436,346,441)
Unclaimed Dividend	21					(1,179,379)	(1,179,379
Short term liabilities	23					(243,441,484)	(243,441,484)
						(1,771,890,992)	(1,771,890,992)
30 June 2023							
Financial assets not measured at fair value							
Trade and other receivables	10 & 11			1,417,625,456			1,417,625,456
Due from affiliated companies	13		•	862,918,947			862,918,947
Investments in FDR	8 & 14				7,388,613		7,388,613
Cash at bank	15.02			18,310,046			18,310,046
				2,298,854,449	7,388,613		2,306,243,062
Financial liabilities not measured at fair value							
Long term borrowings	17		٠			(115,979,435)	(115,979,435)
Trade and other payables	20		٠			(1,137,795,473)	(1,137,795,473)
Unclaimed Dividend	21		٠			(820,459)	(820,459)
Short term liabilities	23					(958,350,954)	(958,350,954
						(2,212,946,321)	(2,212,946,321)

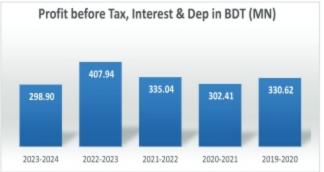
















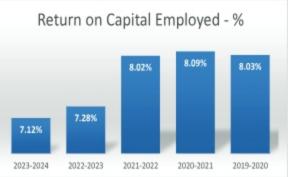












# ZERO WASTE



REDEFINING RESOURCES, REDUCING FOOTPRINTS

# Risk Management Framework

Operating in a dynamic industry, KDS Accessories Ltd. has developed a robust risk management framework to proactively identify, assess, and mitigate risks that could impact our business. Our risk management approach is integrated into every aspect of our operations, ensuring resilience and adaptability in the face of challenges.

- Financial Risks: We monitor market fluctuations, inflation, and foreign exchange risks closely. Mitigating strategies include hedging against currency fluctuations and optimizing financial structures to protect profitability.
- Operational Risks: Supply chain disruptions, logistical delays, and resource availability are continuously assessed. Our strong relationships with local suppliers and strategic sourcing initiatives help maintain supply chain continuity.
- Compliance and Regulatory Risks: We adhere to national and international regulations, ensuring compliance through regular audits and updates to company policies. Our Quality Control and Compliance team oversees adherence to all regulatory requirements, especially in health, safety, and environmental standards.
- Environmental Risks: To manage environmental impact, we invest in sustainable practices, including solar energy adoption and waste reduction. These initiatives reduce our carbon footprint and align us with global sustainability expectations.
- Reputational Risks: Maintaining our reputation as a trusted supplier is crucial. We prioritize high-quality standards and timely delivery to sustain client satisfaction, managing any potential reputational risks proactively.

Our risk management framework is regularly reviewed by the Audit Committee to ensure it remains effective and responsive to emerging risks.

# Internal Control System and Processes

KDS Accessories Ltd. upholds a strong internal control system designed to safeguard assets, enhance operational efficiency, and ensure the accuracy of our financial reporting. Our internal control processes are fundamental to maintaining trust with stakeholders, supporting compliance, and protecting the integrity of our operations.

- Control Environment: We foster a culture of integrity, accountability, and ethical behavior. Our internal control framework is built on a solid foundation of policies and standards that guide employee conduct and decisionmaking.
- Risk Assessment: Regular risk assessments identify and prioritize potential risks across all business areas. These assessments allow us to allocate resources effectively to manage and mitigate identified risks.
- Control Activities: Our control activities include segregation of duties, authorization protocols, and verification procedures. These measures ensure that transactions are accurate, legitimate, and compliant with regulatory requirements.
- Information and Communication: KDS Accessories Ltd. ensures timely and reliable information flows across all levels of the organization. This includes regular reporting and communication channels that keep stakeholders informed of key developments.
- Monitoring and Auditing: Our internal audit department monitors control processes and reports findings directly to the Audit Committee. Regular audits, both internal and external, provide assurance that our controls are effective and aligned with industry standards.

This internal control system enables KDS Accessories Ltd. to operate transparently and responsibly, building stakeholder confidence and ensuring that our operational and financial processes remain robust.

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 p oducts 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.





# NOTICE OF THE 33<sup>RD</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Shareholders of **KDS Accessories Limited** will be held on **Thursday, 12 December 2024** at **11:00 AM** by using **Digital Platform** as per BSEC's directive, to transact the following business and adopt necessary resolutions.

### Agenda

- To receive, consider and adopt the Audited Financial Statements, report of the Board of Directors and Auditors Report on Financial Statements for the year ended 30 June 2024.
- 2. To approve dividend for the year ended 30 June 2024.
- To confirm the reappointment of Independent Director.
- 4. To elect/re-elect the Director(s) of the company.
- To appoint Statutory Auditor and fix their remuneration.
- 6. To appoint professional Accountant to certify compliance status of Corporate Governance code.
- To approve the Inter Company Loan/business transactions for the year ended June 30, 2024 as per notification No-SEC/CMMRRCD/2006-159/Admin/02-10, dated: September 10, 2006.

By order of the Board

Mohammad Ilias Company Secretary

Chattogram, November 20, 2024

### Notes:

- Shareholders, whose name appears in the Depository Register as on the "Record Date" i.e. November 14, 2024, are entitled to attend/participate and vote in the Annual General Meeting (AGM) and receive the dividend.
- The shareholders will join the virtual AGM through the link http://kdsaccessories.bdvirtualagm.com.
   The shareholders will be able to submit the questions/comments electronically before 24 hours of commencement of the AGM through this link and also during the Annual General Meeting. Please contact at 01777 775389 for any queries in accessing the virtual meeting.
- A shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies in his/her stead
  and scanned copy of the proxy form, duly stamped must be mailed to the email at
  kdsaltdshareinfo@kdsgroup.net not later than 72 hours before the AGM.
- The annual Report 2023-24 and Proxy Form will be available at the Company's Website www.kdsaccessories.com.
- Soft copy of the Annual Report will be sent to the individual email address of the shareholder's mentioned in their respective BO account.

# LETTER OF TRANSMITTAL

Date: 27 November 2024

To Valued Shareholders of KDS Accessories Limited Bangladesh Securities and Exchange Commission Registrar of Joint Stock Companies & Firms

Dhaka Stock Exchange PLC

Chittagong Stock Exchange PLC

Annual Report for the year ended 30 June 2024.

Dear Sir (s),

The undersigned on behalf of the Board of Directors and Management of **KDS** Accessories Limited is pleased to enclose the notice of the 33<sup>rd</sup> Annual General Meeting, a copy of the Annual Report together with the Audited Financial Statements, Report of the Board of Directors and Auditors' Report thereon for the year ended 30 June 2024 for your information and record.

Thank You.

Yours Sincerely,

Mohammad Ilias

Company Secretary

# DIVIDEND DISTRIBUTION POLICY

### BACKGROUND AND APPLICABILITY

KDS Accessories Limited maintains a dividend distribution policy for its own purpose. After Bangladesh Securities and Exchange Commission (BSEC) directive dated BSEC/CMRRCD/2021-386/03 dated January 14, 2021, it becomes mandatory for the listed companies to have a Dividend Distribution Policy and also to disclose in the Company's website and in the Annual Report.

The Board of Directors (the Board) of KDS
Accessories Limited (the Company) has adopted this
Dividend Distribution Policy to comply with the
requirements. The Policy shall apply to the ordinary
equity shares issued and outstanding since the
Company has issued only one class of equity shares.

# DEFINITION

### Dividend

Dividend means distribution of profits, earned in the current year or earlier years, by the Company, to its shareholders in proportion to the amount paid-up on shares held by them. Dividend can be cash or stock in types and can also be final or interim. Dividend to be declared on the basis of audited financial statements regardless of interim or final.

# Final Dividend

The Company can declare dividend after the end of financial year, which is called final dividend. Final dividend shall be declared on the basis of recommendations of the Board and shareholders shall approved at the Annual General Meeting (AGM) of the Company.

### Interim Dividend

The Company can also declare dividend from current year profits, which will be called interim dividend and the Board may, at the discretion, declare an interim dividend out of current profit.

### **OBJECTIVES**

The Policy in line with the Company's medium and long-term strategies, investment and financial plans, the state of the Country's economy and the industry and keeping the balance between the expectations of our company into consideration in accordance with

the provisions of the relevant legal laws and regulations, is determined with the proposal of the Board of Directors and the decision taken in the annual general meeting.

The Board will consider the Policy while proposing dividend on behalf of the Company. The Policy is not an alternative to the decision of the Board for proposing dividend, which takes into consideration all the relevant circumstances enumerated hereunder of other factors as may be decided by the Board.

### PARAMETERS FOR DECLARATION OF DIVIDEND

The Policy depends on the financial position of the company, other funding needs related to the investments to be made, conditions in the sector, conditions in the economic environment, Company's present and future performance for declaration and payment of dividend. The Board of Directors shall consider the factors affecting the dividend proposal while arriving at the dividend amount:

- · Financial Parameters
- Availability of profits;
- Financial feasibility of the Company;
- Favorable debt equity ratio;
- Company's liquidity position and future cash flow requirements for operations;
- Profits earned during the financial year,
- Profit growth.
- · Internal Factors
- Growth rate of past earnings;
- Growth rate of predicted profits;
- Earnings stability;
- Accumulated reserves;
- History of dividends distributed by the Company;
- Working capital requirements;
- Mergers and acquisitions.
- · External Factors
- Shareholders' expectations;
- Macroeconomic and business conditions;
- Sectorial performance;
- Cost and availability of alternative sources of financing;

- Industry outlook for the future years;
- Changes in the government policies or changes in regulatory provisions;
- Other relevant factors that the Board may deem fit.
- · Utilisation of retained earnings
- The Company may utilize its retained earnings in the manner which is beneficial to the interest of the Company and its stakeholders. Retained earnings helps in maintaining a healthy capital adequacy ration and supports the future growth.
- Acquisition/diversification of business;
- Capital expenditure requirements;
- Investment in new business and/or additional investment in existing business;
- Market of Product development/expansion plan;
- Increase in production capacity;
- Expansion and modernization of existing business;
- High cost of debt.

Apart from the above, the Board may consider not declaring dividend of may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as financial environment.

The portion of profits not distributed among the shareholders as dividends will be used for the business activities of the Company.

# · Entitlement of Dividend

The Company shall determine the record date or date of closure of the register of members. The Company shall give notice in advance of at least 14 working days (excluding the date of intimation and the record date) to stock exchange(S) of record date specifying the purpose of the record date.

Members whose names shall appear in the Members'/Depository Register on the Record Date will be eligible to receive dividend.

# **DISCLOSURES**

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company.

### MODIFICATION OF THIS POLICY

The Board is authorized to change or modify this Policy from time to time at its sole discretion and/or in pursuance of any amendments made by any relevant law for the time being in force.

### DISCLAIMER

The Policy shall not be construed as a solicitation for investments in the Company's securities/shares and shall neither act as an assurance of guaranteed returns (in any form), on investment in the Company's securities.

# Unclaimed Dividend

Particulars	Amount in Taka
Cash Dividend for the year 2022-2023	475,694.00
Cash Dividend for the year 2021-2022	173,872.00
Cash Dividend for the year 2020-2021	529,813.00
Total at 30 June 2024	1,179,379.00

# **Human Resource Accounting**

At KDS Accessories Ltd., our employees are invaluable assets who drive our growth and innovation. Human Resource Accounting (HRA) reflects our commitment to investing in our workforce by recognizing the value they bring to the organization. Our HRA approach includes tracking investments in recruitment, training, development, and employee welfare, ensuring that our human capital is aligned with the company's long-term strategic goals.

- Recruitment and Retention: We strive to attract and retain talented individuals who contribute to our success. Our competitive recruitment process ensures that we hire individuals with the skills, values, and dedication needed to excel in the garment accessories industry
- **Training and Development**: Employee development is prioritized through continuous training programs, leadership development, and skills enhancement initiatives. This investment enhances productivity, job satisfaction, and career growth, contributing to a motivated and skilled workforce.
- Employee Welfare and Benefits: Our employee welfare programs include health benefits, safety measures, and fair wage policies. These initiatives not only support the well-being of our employees but also create a positive, supportive work environment that promotes engagement and loyalty.
- **Performance and Productivity Tracking:** We evaluate employee performance regularly to ensure that goals align with company objectives. Our HRA framework tracks the impact of employee contributions on productivity, allowing us to make data-driven decisions on workforce planning and development.

By recognizing the value of our human resources, KDS Accessories Ltd. emphasizes the importance of a well-trained, healthy, and motivated workforce, which is critical to our sustainable growth and competitive advantage.

# MAJOR EVENTS

IIIII

April 21, 1991 Incorporation

IIII

July 08, 2015 Approval for IPO

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September 10, 2015 IPO Lottery IIIII

July 01, 1991 Commencement of Business

August 09-20, 2015 IPO Subscription

11111

October 15, 2015 Trade Opening IIIII

April 17, 2012 Private to Public

30000

October 07, 2015 Listing with Stock Exchanges

----

August 10, 2017 Expansion of Button & Addition of Hanger Project

----

September 22, 2016
Implementation of Packaging Line-3

S KDS Accessories Limited

11111

October 24, 2021 Corrugated Packaging Finishing Line Automation





# **PRODUCT SEGMENT**

# THINK STRENGTH & ROBUSTNESS KDS CARTON



BDT. 2,042.64 mn

- 100,000 AVERAGE SIZE BOXES/ DAY.
- HIGHEST SINGLE PLANT CAPACITY.
- HIGH SPEED DIE CUTTING MACHINES TO PRODUCE COMPLEX DESIGN.
- AUTOMATIC PRINTING AND GLUING MACHINES.
- IMS (ISO-9001:2015, ISO-14001:2015, BS OHSAS-18001: 2007) CERTIFIED.
- IN HOUSE TESTING LAB.
- OVER 30 YEARS OF PLANT ENGINEERING EXPERIENCE.



# BUTTON

BDT. 152.65 mn



Free from any RSL-substance like lead,
cadmium, nickel and chromium or
any Azo-Compound and phthalate.
Using world branded Machineries.

Full Scale testing laboratories.

laser with turning machines.

(with color logo/side logo machine).

All types of plastic button, Specially hom and sheet buttons.

button size started from 13L to 60L.

Usig imported Raw Materials from Europe.





# WE WEAVE YOUR DREAMS ON OUR FINE WOVEN LABEL



# WOVEN LABEL

BDT. 60.85 mn

- HIGH SPEED ALIRJET LOOMS-REDUCED LEAD TIME PER BOOKING.
- ULTRASONIC SLITTING-SOFT EDGE WOVEN REQUIREMENTS
- UPDATED TEXTILE CAD SYSTEMS-WEAVING ACCURACY
- HIGH SKILLED TECHNICIANS & PRODUCT DEVELOPMENT TEAM.
- 100% QC SYSTEM FOR ALL PRODUCTIONS & RAW MATERIALS
- NEEDLE LOOMS-WOVEN EDGE LABEL REQUIREMENTS
- HIGH COLOR ACCURACY THROUGH SPECTROPHOTOMETER MEASURING.
- IN-HOUSE COLOR FASTNESS TESTING CAPABILITIES
- OEKO-TEX@ STANDARD 100 CERTIFIED FOR HUMAN-ECOLOGICAL REQUIREMENTS/BABY ARTICLES.





# ELASTIC & NARROW FABRIC

# BDT. 144.62 mn

- IN-HOUSE WARPING FACILITIES.
- IN-HOUSE STARCHING AND FINISHING REQUIREMENTS.
- HIGH PRESSURE RIBBON CALENDARING MACHINE.
- ABILITY TO WEAVE JACQUARD DESIGN WOVEN ELASTICS OF BOTH NYLON AND POLYESTER.
- CAN WEAVE COTTON, NYLON AND POLYESTER RIBBONS



# OFFSET PRINTING

# BDT. 72.89 mn

- COMPLETE PRE-PRESS CAPABILITIES.
- USING FSC CERTIFIED PAPER SOURCE.
- IN-HOUSE PRINT QUALITY TESTING EQUIPMENT'S.
- 100% QC SYSTEM FOR ALL PRODUCTION
   RAW MATERIALS.
- GRAPHIC DESIGN DEPT. WITH LATEST MAC OS & WINDOWS OS.
- SECURED DATA TRANSFER SYSTEM FOR GRAPHIC DESIGNS/VARIABLE DATA.
- COLOR QUALITY MANAGEMENT BY SPECTROPHOTOMETER AND I-COLOR SOFTWARE.



# HEIGHTEN YOUR BRAND WITH OUR PRINTING PROFICIENCY



# HEAT TRANSFER

# BDT. 04.08 mn

- COMPLETE PRE-PRESS CAPABILITIES.
- A RANGE OF MODERN HEAT TRANSFER SYSTEMS.
- ECO-FRIENDLY, AZO, APEO, PVC, DOP FREE
- STICKER TRANSFER (CARCINOGENIC ITEMS).
- SUPER QUALITY PRODUCTION WITH HIGHER PRODUCTION CAPACITY.
- CAN PRODUCE IMAGE TRANSFER, SUBLIMATION PRINTING.
- OVERALL SATISFACTION







# TAG FREE LABELING WITH OUR HEAT TRANSFER PRINTING FACILITY











# **GUM TAPE**

BDT. 46.64 mn

- A COMPLETE BARRIER TO EXECUTE DUST AND DIRT
- PRESERVES THE HYGIENIC INTEGRITY OF THE CONTENTS
- TOTAL PROTECTION AGAINST VERMIN SUCH AS RODENTS
- TAMPER EVIDENCE, TAPE BONDS TO CARTON.
- COST EFFECTIVE, SHORTER LENGTHS ARE REQUIRED
- EASILY AND SECURELY PRINTED OR CODED

# HANGER

# BDT. 06.30 mn

- MORE THAN 150,000 HANGERS A DAY
- PRIMARY MATERIALS: PP, PS & CLEAR [POLYSTYRENE]
- 7 INJECTION MOLDING MACHINES, CAPACITY RANGING FROM 150 TO 500 TONS
- PANTONE COLOR CODE SIZE TAB COLOR MATCHING SYSTEM
- TOOLING DESIGN & PRODUCTION FACILITIES
- IMS CERTIFIED (ISO 9001:2015, ISO 14001:2015 & BS OHSAS 18001:2007) SYSTEM



# PRINTED FABRIC LABEL

- HIGH SPEED FLEXO PRINTING MACHINES-REDUCED LEAD TIME PER BOOKING.
- PRINTED CLINDER AVAILABILITY TO PRINT ANY LENGTH IOMMTO 340MM.
- VERY HIGH PRINT ACCURACY USING DILFFERENT ANILOX
- FULL IN-HOUSE PRE-PRESS CAPABILTIES.
- IN-HOUSE RIBBON PRODUCTION FACILITY.
- ADDITIONAL INK CURING FACILITY TO ASSURE WASH FASTNESS
- OEKO-TEX@ STANDARD 100 CERTIFIED FOR HUMAN-ECOLOGICAL REQUIREMENTS/BABY ARTICLES.





# Bureau Veritas **Certification**

### KDS ACCESSORIES

(Represented by KDS Accessories Limited, KDS Thread Limited & KDS Poly Industries Limited)



181, 191-192 Balzid Bostami Roed, Nasinabad I/A, Chittagong - 4210, Bangladesh.

This is a multi-alla cartificatia, additional situla) are falled on the next page(s)

Bureau Vertige Certification Holding SAS – UK Branch certifies that the Management Syste of the above Ceganisation has been audited and found to be in accentance with the requirements of the Management System Standards detailed below.

Stendards

### ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018

MANUFACTURE OF CORRUGATED CARTON BOXES, OFFSET PRINTING AND ELASTICS, TWILL TAPES, DROWCORD, DYENG OF SEWING THREADS. MANUFACTURE OF POLY BAGS AND PLASTIC HANGESF FOR 100°, EXPORT. SALES, SOURCING, CUSTOMER SERVICE OF GARMENTS PACKAGING ITEMS

Original cycle start date for ISO 9001 & ISO 14001; 26 August 2015 Original cycle start date for ISO 45001: 05 June 2021

Expiry date of previous cycle: Nucurification Audit date: 25 August 2024 04 September 2024 Recertification cycle start date: 99 October 2024

Subject to the cretinued satisfactory operation of the Organisation's Management System, this certificate is valid until 25 August 2827 Conflicate No. IND.24.1282AWIU Version: 1 Issue date: 99 October 200

WKAS

76-Stoned on better of BVCH SAS UK Stones

1300°0700: Aurita Verito (Margintero) PM, LM. Spinatory 50h Place, PSO: 301°91, Place PSI South domon, Globorovi, Dinder (212 Amplioted



Bureau Veritas C**ertification** 

### KDS ACCESSORIES

(Represented by KDS Accessories Limited, KDS Thread Limited & KDS Poly Industries Limited)



# ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018

SITE	ADDRESS	SCORE
HEAD OFFICE	191-192 BAZZID BOGITANII ROAD, NASIRABAD IAL CHATTIDORAM - 4210, BANGLADORI.	SALES, SOURCING, DUSTONER SERVICE OF GARMENTS PACKAGING ITEMS
HDS ACCESSORES UN FED	191-192 BAZED BOSTANI RDAD, NASIRABAD EX; CHATTDGRAM - 4510, BAYOLADESH.	MANUFACTURE OF CORRUGATED CARTON BOXES, DEFSET PRINTING AND CLASTICS, TWILL TAPES, DROWCORD
KDS THREAD LIN TKD	191-192 DAIZID BOSTANI ROAD, NASIMASAD IX, CHATTOSHAN - 4210, BANGLADESH.	DYCING OF SERING THREADS
KDS POLY INCUSTRIES LIMITED	161 BAZZIZ BÖSTAMI HÖND, NASIRABAD UR. CHATTDGRAM - 4210, BANGLADESH.	MANUFACTURE OF POLYBAGS AND PLASTIC HANGERS FOR 180% EXPORT

Certificate No. IND 24.1282596/U Version: 1 Issue date: 09 October 2024



Bureau Veritas **Certification** 

# KDS ACCESSORIES

(Represented by KDS Accessories Limited, KDS Thread Limited & KDS Poly Industries Limited)



Bureau Verities Cardification Holioling SAS – UK Branch certify that the Management System of the above arganisation has been auctived and found to be in accordance with the requirements of the Management System Standards strained below Standards

### ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018

The following site is part of the Management System of the above organization:

# KDS ACCESSORIES LIMITED

191-192 BAIZID BOSTAWI ROAD, NASIRABAD IIA; CHATTOGRAM - 4210, BANGLADESH.

Scope of certification

MANUFACTURE OF CORRUGATED CARTON BOXES, OFFSET PRINTING AND ELASTICS, TWILL TAPES, DROWCORD

Cortificate No. IND.24.1282/IM/U f al-2 Version: 1 Issue date: 69 October 2024 The velicity of four certificate depends on the validity of the main certificate, which valid until: 25 August 2027

FOR BUCH SAS UK Branch

Josefulfice: (Bureau Verlar (Bargladest) Pst. LM. Symphony Str. Foot, 14th -552°19, Spari 140 South Avenue, Cultifor C. Shake-1212, Surgicket

Fuller startfastions regarding the range of this sertificate and the approximity of the management system many landstated by remarking the organization. To shock this particular unitary places and + 60-00; MIROVS, OR E-mail: partiminal forcessmention com-





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# KDS ACCESSORIES

(Represented by KDS Accessories Limited, KDS Thread Limited & KDS Poly Industries Limited)



Bureau Verities Cortification Holding SAS — UK Branch certify that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the Management System Standards detailed below

# ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018

The following site is part of the Management System of the above organisation:

# KDS THREAD LIMITED

191-192 BAIZID BOSTAMI ROAD, NASIRABAD IVA; CHATTOGRAM - 4210, BANGLADESH.

Scope of certification

DYEING OF SEWING THREADS

Certificate No. IND.24.1282/IM/U z of 5 Version: 1 Issue date: 89 October 2024 The validity of this curtificate depends on the validity of the main pertitions, which valid until 27 August 2027.

OF BUCH SAS ON BORDO

# AWARD & RECOGNITION



SCS Global Services does hereby certify that an independent audit has been completed and conformity to the applicable

# KDS ACCESSORIES LIMITED

140-192 Baltid Bostami Road, Nasirabad IVA, Chattsonam, 4219, Baneladesh

This Multi-Site certificate covers the production of printed and packaging materials using the percentage system.

The facility(s) are hereby Chain of Custody certified to sell products are

FSC Mix, FSC Recycled

The assessment has been conducted by SCS Global Services in accordance with the protocols of the Ferest Stewardship Council® A.C. (FSC®).

FSC Standard: FSC-STD-40-004, FSC-STD-50-001, FSC-STD-40-003.

Certificate Code: SCS-CDC-700293

Trademark License Code: FSC-C200284

Valid from: 2024-03-18 Expiry date: 2029-03-17



















# Certificate

OEKO-TEX® STANDARD 100

KDS Accessories Ltd. (Unit 2)

is granted the OEKO-TEX\* STANDARD 100 certification and the right to use the trade

SCOPE Moven lobels made of 100 % polyecter, white and you would lobels on white 100 % Wowen labels made of 100% polymeter, white and your dop date will as agreent primate dobes on white 100 % polymeter write ribbins and of T-white 100 % polymeter write ribbins and of T-white 100 % or the analysis are sell on heart from the 100 % or polymeter in the constitution of the 100 months of t

PRODUCT CLASS
Update or ficing - Annex 6







This certificate 08.KA.58544 is valid a 31.05.2025.

SUPPORTING DOCUMENTS

\*/ Test report, 24.TR/547

\*/ Declaration of conformity in accordance with 8/1150/1560- has required by OBXO-TEX\*

\*/ OBXO-TEX\* Terms of Use (ToU)

GEACH, SWIK, POP, GREWON

圆

(in white and block); exclusively produced using components pre-certified according to OEXC-TEXT STANDARD 100. PRODUCT CLASS (Obby pricks) - Ann







KDS Accessories Ltd. (PKG) FFC ID 9441 191-192 Beizid Bootsmi Roed, Nasirebed 1/A, Chittagong Chittagong, Bangladesh 4210

27 December 2017

Subject: CAP Closure Verification Visit (CCVV) Results

Dear Mr. Salim Rahman, Managing Director

Congratulations! On behalf of the Alliance for Bangladesh Worker Safety, I am writing regarding the results of the CAP Closure Verification Visit of KDS Accessories Ltd. (PKG) FFC ID 9441 conducted by Alliance on 31 October 2017. A second onsite visit was conducted on 26 December to verify completion of remediation non-compliances noted during the first inspection. Your CAP Closure Verification Visit Final Training Assessment was completed on 25 September 2017. Based on the findings of that visit, your factory's status has been rated as "Substantial Completion". This mean that your factory has substantially completed the initial Corrective Action Plan (CAP) and currently is in good standing with respect to required training. This also represents the starting point for creating a sustainable culture of safety within your factory.

The CAP Closure Verification Visit was conducted to confirm the completion of corrective actions to remediate noncompliance fritin the Alliance Standard in each of three critical areas: structural integrity electrical safety and fine safety that were identified during initial inspections: the structural integrity inspection was conducted on 26 March 2014, the fire and electrical safety inspections were conducted on 24 May 2014 by Bureau Verifas. Additionally, during this visit an assessment of implementation and impact of Basic Fire Safety and Heipline training to all workers was performed. This was documented in the Corrective Action Plan (CAP) for your factory approved by the Alliance on CI March 2015.

Remodiation Verification Visits (RVV) to assess your progress addressing items in the CAP were conducted by the Alliance on the following dates:

Visit Type	Date
EVV 1	20 May 2015
RVV 2	24 December 2015
RVV3	07 August 2016
PCCVV	20 September 2017
CCVV-1	31 October 2017
CCVV-2	26 December 2017

#### Training:

Total Employees trained on the date of Final Training Assessment (CCVV):

Training Type	Number of Employees received training	Completion Date
laitínl	464	28 December 2014
Refresher	320	24 November 2016

Visit Type	Date
Final Training Assessment (CCVV)	25 September 2017

The CAP Closure verification visit results apply to of KDS Accessories Ltd. (PKG) FFC ID 9441 as it our ently exists with the following details:

Building Area (sq.	<ol> <li>Building-01 (Office Building): 22,498 sq. ft.</li> </ol>
ft.J	<ol><li>Building-02 (Parkaging Warehouse Building): 31,860 sq. ft.</li></ol>
	<ol><li>Building-03 &amp; Building-04 (Peckaging Building): 12,716 sq. ft.</li></ol>
	4. Bullding-05 (HR Bullding): 6,345 sq. ft.
	<ol><li>Building-06 &amp; Building-07 (Thread &amp; Store Building): 19,500 sq. ft.</li></ol>
	<ol><li>Shed-01A (Packaging Store): 3,800 sq. ft.</li></ol>
	7. Shed-01B (Packaging Store): 3,900 sq. ft.
	<ol> <li>Shed-02A (Boiler Shed): 2,240 sq. ft.</li> </ol>
	<ol> <li>Shed-028 (Warehouse Shed): 4,800 sq. ft.</li> </ol>
	10. Shed-03 (Packaging Shed): 27,710 sq. ft.
	11. Shed-04 (Utility Shed): 4,430 sq. ft.
	12. Shed-06 (Thread Production Shed): 12,950 sq. ft.
	13. Shed-07 (Storage Shed): 2,250 sq. ft.
Building Height	1. Building-01 (Office Building): 57'-0"
(ft.)	<ol> <li>Building-02 (Packaging Warehouse Building): 56'-0"</li> </ol>
	3. Bullding-03 & Bullding-04 (Packaging Bullding): 51'-10"
	4. Building-05 (HR Building): 30'-0"
	<ol><li>Bullding-06 &amp; Bullding-07 (Thread &amp; Store Building): 33'-6"</li></ol>
	6. Shed-01A (Packaging Store): 17'-1"
	7. Shed-01B (Packaging Store): 15'-6"
	8. Shed-02A (Boiler Shed): 16'-6"
	9. Shed-02B (Warehouse Shed): 16'-3"
	10. Shed-03 (Packaging Shed): 35'-0"
	11. Shed-04 (Utility Shed): 16'-0"
	12. Shed-06 (Thread Production Shed): 18'-10'
	13. Shed-07 (Storage Shed): 25'-5"

Construction Type (Material)	Bullding-OI (Office Building): 5-Storled RCC building     Building-O2 (Packaging Mannhouse Building): 5-Storled RCC building     Building-O3 - Building-O6 (Packaging Building): 4-Storled RCC building     Building-O5 (HII Building): 2-Storled RCC building     Building-O5 - Building-O7 (Thread & Store Building): 2-Storled RCC building     Shed-O1A (Packaging Store): Single Storied Shed
	7. Shed-018 (Pockeging Store): Single Stored Shed 8. Shed-02A (Boiler Shed): Single Storied Shed 9. Shed-02B (Worshouse Shed): Single Storied Shed 10. Shed-03 (Packeging Shed): Single Storied Shed 11. Shed-04 (Utility Shed): Single Storied Shed 12. Shed-05 (Thread Production Shed): Single Storied Shed
Occupancy Description	13. Shed-07 (Storage Shed): Single Storied Shed Industrial building (GZ)

The CAP Closure Verification Visit of KDS Accessories Ltd. (PKG) FFC ID 9441 reveiled that all NC's listed in the CAP have been remediated.

For details of the Allience Follow-up Spot Check (after CCVV report) refer to Appendix B.

This remediation assessment does not establish the extent to which the fectory complies with all relevant provisions of the Ready-made Garment Industry Guidelines and Harmonized Standard, the Bangladesh National Bulkiling Code, Fire Service Rules, labor law, or other regulatory mandates. Your factory remains responsible for compliance with all relevant laws and regulations adopted and enforced by the Government of Bengladesh.

The Alliance is focused on systemic and sustainable improvements in fire, structural and electrical safety along with the maintenance of worker training within Bangladash's garment fectories. The Alliance commends you on completing all critical items listed in your approved CAP. This completion required a great deal of effort and you should be proud of your accomplishment.

Your investments have helped create a safer workplace for your employees. These efforts also help build a positive image of the Bangladesh apparel industry that benefits your business.

CAP completion is only the first step in building a sustainable culture of continuous improvement of workplace safety.

The Affaince expects all factories to sustain their commitment to safety through ongoing efforts to maintain the investments already made. Appendix C, ALLIANCE FACTORY MAINTENANCE EXPECTATIONS outline these expectations.

Please note that if your factory undergoes either a vertical or horizontal expansion, all documentation must be updated with accurate information and a new inspection must be conducted. Our team is here to assist you with any questions you may have about the CAP Closure verification visit results or requirements for continued complience.

- . Remediation Coordinator Name: Mehdi Haran Khan
- Remediation Coordinator E-mail: mhithan@allows.org
- Remediation Coordinator Phone Number: 01938886910

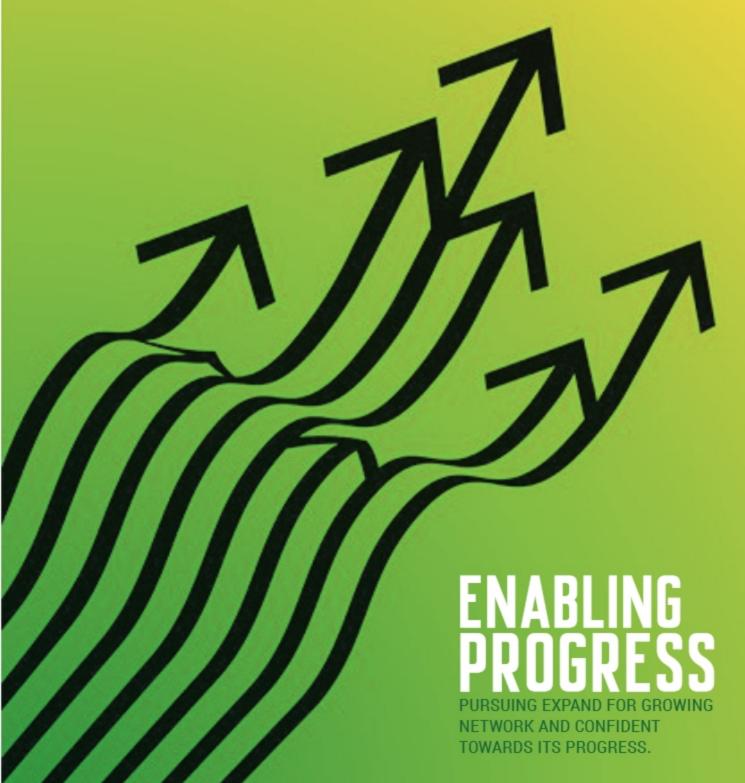
Again, thank you for your commitment to the Alliance mission and your efforts to complete remediation. Sincerely,

Paul Rigby

Deputy Director & CSD

Allience for Bengladesh Worker Safety





# Some Snapshort of 32<sup>nd</sup> AGM Proceedings











ইমানৰ কলেট বিশেষ সংখ্যা

বলিক-বার্চা

प्रकारात, काकारत ३३, २०३**० व क**ांडिक ७, ३८०३

পোশাক ও বস্ত্র খাত



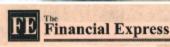
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ভাগত ভাগতি কৰবলৈ টুটাৰাই কোনবালো গৰাকৰ পুৰুষ্ঠান কিছেব কুলাই কুলাই কৰবলৈ কৰব

টেক, প্রাক্তগারিকার পোনার বালে নামের ক্রিকার প্রাক্ত বালে নামের ক্রেকিল প্রাক্তিনার প্রাক্তর বালে বার্কিকার প্রাক্ত বিভাগ সংখ্যান কর্মন বিজ্ঞানী কর্মন করে বার্কিকারিত ইয়ার্কার তা প্রকাশীক ক্রেকার্যকর করে বারকার প্রাক্ত নামের ব্রিকার ক্রাক্তর ক

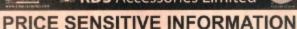


Friday | December 22, 2023 Page 1

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# **KDS** Accessories Limited



This is for information of all concerned that Board of Directors of KDS Accessories Limited in its 149th Meeting held on 21 December 2023 at 3:00 pm has given its approval for an agreement to purchase power generated by Rooftop Solar photovoltaic systems, utilizing company premise in

collaboration with OMERA Renewable Energy Limited and operates on a usage basis billing system.

This strategic move towards integrating solar power into our operations is a testament to our commitment to sustainability and responsibility. By harnessing energy from Rooftop Solar, we are not only diversifying our power sources but also contributing to a cleaner, greener environment. This aligns perfectly with our company's broader goal of adopting eco-friendly practices and reducing our carbon footprint.

By order of the Board

(Marketine) Mohammad Ilias

Chattogram Company Secretary esh. Tel: 880 31 681701-3, 685202

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# Financial Express

Thursday | October 24, 2024 Page J



# KDS Accessories Limited



Price Sensitive Information This is for information of all concerned that the Board of Directors of KDS Accessories Limited, in its 153 meeting held on 23 Dictaber 2024 at 4:00 P.M. through digital platform pursuant to the Notification N SECSRMIC/95 2312/S dated 3<sup>22</sup> ally 2600 island by the Bangladesh Securities and Exchange Commission (BSC), has approved the Audited Financial Statements of the Company for the year ended 50 June 2024 for adoption in the next Annual General Meeting (ACM) and took the following decisions:

Dividend, Record Date and AGM () Recommended Dividend (i) Record Date (ii) Date & Time of 33<sup>rd</sup> AGM (v) Venue of the 31<sup>rd</sup> AGM

Net Profit after Tax Net Operating Cash Flow Per Share (NOCFPS)

14 November 2024 12 December 2024 at 11:00 A.M. The ASM will be held virtually by using digital platform as per BSEC's order

01 July 2023 to 30 June 2024 2.16 Tk. Tk. 27.29 26.13

 Disclosure on recommendation of Stock Dividend (Bonus Shares)
 a) Stock dividend has been recommended in view to utilize its retained amount as capital for improving the capital adequacy of the company:

b) Stock dividend has been declared out of the accumulated profit

d) Stock dividend has not been declared from capital reserve or revaluation reserve or any unrealized gain or out of profit earned prior to incorporation of the company or through reducing poid up capital or through doing anything so that the post dividend retained earnings become negative or a debit balance;

Callering-

Dated: 23 October 2024

191-102 Battid Bustarri Road, Nas rabad NA, Chitagong - 4210, Bangladesh, Tet. 693 31 661701-3, 605207-9

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21 December 2023





KDS Accessories Ltd Chairman Khalilur Rahman presides over the 32nd AGM of the company held on a virtual platform on Thursday.

# KDS Accessories approves 10pc cash dividend

The 32nd Annual General Meeting (AGM) of KDS Accessories Ltd was held on a virtual platform on Thursday, said a press

per cent cash dividend for the shareholders for the year 2022-2023.

Chairman of the compa-ny Khalilur Rahman presided over the meeting. The other activities of the

AGM were adoption of the Audited Financial Audited Financial Statements of the year 2022-2023, re-appointment of Managing Director, re-elec-tion of the Directors and

# dailyobserver 19

Dhaka, Friday December 15, 2023

# **KDS** Accessories approve 10pc cash dividend

**Business Correspondent** 

KDS Accessories Ltd approved the 10% Cash Dividend for the year 2022-2023 for the shareholders who hold shares on the record date as on 20 November 2023.

The approval was given at the 32nd Annual General Meeting (AGM) of the company held at Virtual Platform on

Professor Sarwar Jahan, Auditor's Representative and KDS Accessories's CEO Debasis Daspal, CPO-Biplob Kanti Banik FCA, Company Secretary Mohammad Illas & Secretary Mohammad Ilias & Independent Scrutinizer were also pres-

ent in the meeting.

A large number of shareholders were present in the AGM through Virtual Platform



The other activities of the AGM were adoption of the Audited Financial Statements of the year 2022-2023, reappointment of Managing Director, reelection of the Directors and appointment of Auditors.

The AGM was presided over by Khalilur Rahman- Chairman of the company. Among others, Representative Kamrul Hasan Siddiqui FCA, Independent

The Chairman of the meeting expressed his gratitude to the stakeholders for their contribution towards Anniversary of their company and thanked the shareholders for their trust on the company and briefly talked about growth potential of the company, international competition. KDS Accessories ambition to become strong backward linkage industry etc.





পটিয়ায় যাকাতের নগদ অর্থ বিতরণ করছেন কেভিএস গ্রুপের চেয়ারম্যান খলিলুর রহমান –প্রতিনিধি

# পটিয়ায় ২৫ হাজার দরিদ্র মানুষের মাঝে কৌডএস গ্রুপের যাকাতের অর্থ বিতরণ

পটিয়া প্রতিনিধি 🎚

পট্যায় ২৫ হাজার হত দরিদ্র নারী পুরুষের মাঝে যাকাতের নগদ অর্থ দিলেন কেডিএস গ্রাপের চেয়ারম্যান ও চট্টগ্রাম মেট্রোপলিটন চেম্বারের প্রেসিডেন্ট খলিলুর রহমান ও কেডিএস গ্রুপের ব্যবস্থাপনা পরিচালক সেলিম রহমান। এর আগে গ্রুপের পক্ষ থেকে চলতি রয়জান মাসের প্রথম দশদিন ১০ হাজার মানুষের মাঝে ইফতার সাম্ম্যী ও দ্বিতীয় দকায় ১০ হাজার মানুষের মাঝে চাল বিতরণ করেছেন। গত ৭ এপ্রিল সকালে জিরি ইউনিয়নের *৫ম পৃষ্ঠার ১ম কলাম* 

# পটিয়ায় ২৫ হাজার দরিদ্র মানুষের মাঝে

জিরি খলিল মীর ভিত্রি কলেজ মাঠে কেভিএস গ্রুপের পক্ষ থেকে যাকাতের এ নগদ অর্থ বিভরণ করা হয়। পটিয়া উপজেলার সাইদাঁইর, জিরি, কুসুমপুরা, কাশিয়াইশ, আশিয়া ও বড়লিয়া ইউনিয়নের ২৫ হাজার হত দরিদ্র নারী পুরুষদের মাঝে যাকাতের এ অর্থ বিতরণ করেন।

এই সময় আরো উপস্থিত ছিলেন আল-আরাফাহ ইসলামী ব্যাংকের পরিচালক আহমেদুল হক, ফল্লদে ওয়াগী আহম্মেদ তামজীদ, কেতিএস গ্রুপের প্রটোকুল মানেজার সুমন চৌধুরী, বাংলাদেশ মেখার কল্যাণ এসোসিয়েশনের কেন্দ্রীয় সাধারণ সম্পাদক মোহাম্মদ হাসেম, এবিটস'র প্রতিষ্ঠাতা সভাপতি ইন্রিস অপু, কুসুমপুরা ইউপির প্যানেল চেয়ারম্যান শুকুত আকবর, ছানীয় সমাজসেবক অবিদুর রহমান ও মোহাম্মদ এরফানসহ স্থানীয় গণ্যমান্য ব্যক্তি উপস্থিত ছিলেন। যাকাতের অর্থ বিতরণকালে খলিলুর রহমান বলেন, রমজান আমাদের সামনে আসে তাক্তরা নীতি শিক্ষা দেওয়ার জন্য। অক্সাহ ধনী-পুরীবের পার্থকা দূর করে একটি অর্থনৈতিক ভারসাম্যপূর্ণ সমাজ প্রতিষ্ঠা এবং ধনী-গরীবের মধ্যে একটি সৌহার্দ্যপূর্ণ সম্পর্ক স্থাপন করার জন্য যাকাতের প্রচলন করেছেন। তিনি আরো বলেন, ভারসাম্যপূর্ণ সমাজ প্রতিষ্ঠা করার শক্ষ্যে সমাজের বিভবানদের এগিয়ে আসা উচিত বলে আমি মনে করি। এ যাকাতের মাধ্যমে ধনীদের পাশাপাশি দরিদ্ররা হাসি খুশি ও আনন্দের মাঝে তাদের ঈদ উদযাপনের সূযোগ পায়।

# THE 33rd ANNUAL GENERAL MEETING

Date : 12 December 2024, Time 11:00 AM

Venue : The AGM will be held virtually by using digital platform through

the following link: https://kdsaccessories.bdvirtualagm.com

### FINANCIAL RESULTS

Reporting period of 12 months from 01 July 2023 to 30 June 2024. During the period operational result of the company were announced as

below:					B : 1 1 1
					Period ended result
Particulars	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	(2023-2024)
	09 November 2023	29 January 2024	29 April 2024	23 October 2024	23 October 2024
Reporting Date	July-2023	October-2023	January-2024	April-2024	July-2023
	August-2023	November-2023	February-2024	May-2024	to
	September-2023	December-2023	March-2024	June-2024	June-2024
Turnover in BDT (mn)	589.77	642.05	631.16	667.70	2,530.68
Net Profit in BDT (mn)	35.48	32.79	36.53	48.96	153.76
EPS in BDT	0.50	0.46	0.51	0,69	2.16
NAV per share in BDT	26.63	26.09	26.60	27.29	27.29
NOCFPS per share in BDT	4.69	7.76	10.97	11.38	11.38

### RECORD DATE

The record date was 14 November 2024

### DIVIDEND

5% cash and 5% stock Dividend has been recommended on 23 October 2024 in the 153<sup>rd</sup> BOD Meeting and after having approval of the shareholders at the 33<sup>rd</sup> AGM, dividend will be distributed within 30 days from the date of AGM.

# LISTING

The company's shares are listed at the Stock Exchanges at Dhaka and Chittagong of Bangladesh.

FACE VALUE PER SHARE: TK. 10.00

# INVESTOR CORRESPONDENCE

191-192 Baizid Boastami Road, Nasirabad I/A, Chattogram, Bangladesh.

T: +880 31 681701-3, 685207-9, Ext: 152, F: +880 31 682137, W: www.kdsaccessories.com

# CORPORATE INFORMATION

Company Name **KDS Accessories Limited** Company Registration No : C-H-C-862/154 of 1991

: Public Limited Company Status of the Company

: 21 April 1991 Date of Incorporation

 Registered Office- 255, Nasirabad I/A, Chattogram, Bangladesh. Offices

Corporate Head Office

191-192, Baizid Bostami Road Nasirabad I/A, Chattogram-4210

Bangladesh.

Dhaka Office

Road 4, House 63, Block C. Banani Dhaka-1213,

Bangladesh

Unit-02 Unit-01 Plant Location

> 191-192. Baizid Bostami Road Nasirabad I/A, Chattogram-4210

Bangladesh

6, West Dogory, Mirzapur Gazipur Sadar, Dhaka

Bangladesh.

+880 2 9821665 +880 31 681701-3 Phone No +880 2 9821682

: +880 31 682137 Fax

E-mail accessories@kdsgroup.net Website

: Bank Asia PLC Bankers

**HSBC** 

Mutual Trust Bank PLC Trust Bank PLC NRB Bank PLC

Standard Chartered Bank Southeast Bank PLC

Dutch Bangla Bank Limited Eastern Bank PLC

: Pragati Insurance Limited Insurers

Northern General Insurance Company Limited

Auditors : Statutory Auditor

Hussain Farhad & Co. Chartered Accountants Yunusco City Center (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram, Bangladesh.

Internal Auditor Rahman Rahman Hug Chartered Accountants 78 Agrabad Commercial Area

Makkah Madina Trade Centre (13th floor) Sabadar Ali Road, Chattogram- 4100.

Auditor For Corporate Governance

Shafiq Basak & Co. Chartered Accountants National House (1st Floor) 109 Agrabad Commercial Area Chattogram-4100, Bangladesh.

Credit Rating Agency

: Credit Rating Information and Services Limited (CRISL)

: Dhaka Stock Exchange PLC Listing with

Chittagong Stock Exchange PLC

# **\$ KDS** Accessories Limited

# Corporate Office: 191-192, Baizid Bostami Road, Nasirabad I/A, Chattogram-4210 PROXY FORM

I/We	of
being a shareholder o	of KDS Accessories Limited, do hereby appoint Mr./Ms.
vote in my/our behalf at the $33^{\rm rd}$ Annual General Meeting (AGM) of the Company to be	
by using digital platform through the following link: https://kdsaccessories.bdvirtualag may be taken in	gm.com and at any adjourment thereof or any poll that
consequence thereof and to vote on my/our behalf as he/she thinks appropriat	te on all resolutions. As witness my/our hand this
day of2024.	
	Affix Revenue
	Stamp of Tk. 20.00
(Signature of Shareholder)	(Signature of Proxy)
Shareholders BO ID No:	
No. of Shares held:	
Note:	
1. The proxy form, duly filled and stamped must be mailed to te email at kdsaltdshar	reinfo@kdsgroup.net not later than 72 (Seventy Two)
hours before the time fixed for the meeting.	
2. Signature of the shareholder should agree with the specimen signature registered w	ith the Company of BO Account/CDBL Record.
(Authorized Signature)	(Signature Verified)
KDS Accessories Limited	
S KDS Accessories Limited	
Corporate Office : 191-192, Baizid Bostami Road, Nasirab	ad I/A. Chattogram-4210.
SHAREHOLDERS' ATTENDENCE S	•
I/We do heredy record my/our presence at the 33rd Annual General Meeting of KDS Acce	essories Limited to be held on 12 December 2024, Time
11:00 AM virtually by using digital platform through the following link: https://kdsacce	
Name of the Shareholder/Proxy:	
Shareholders BO ID No:	
(Authorized Signature)	(Signature Verified)
KDS Accessories Limited	