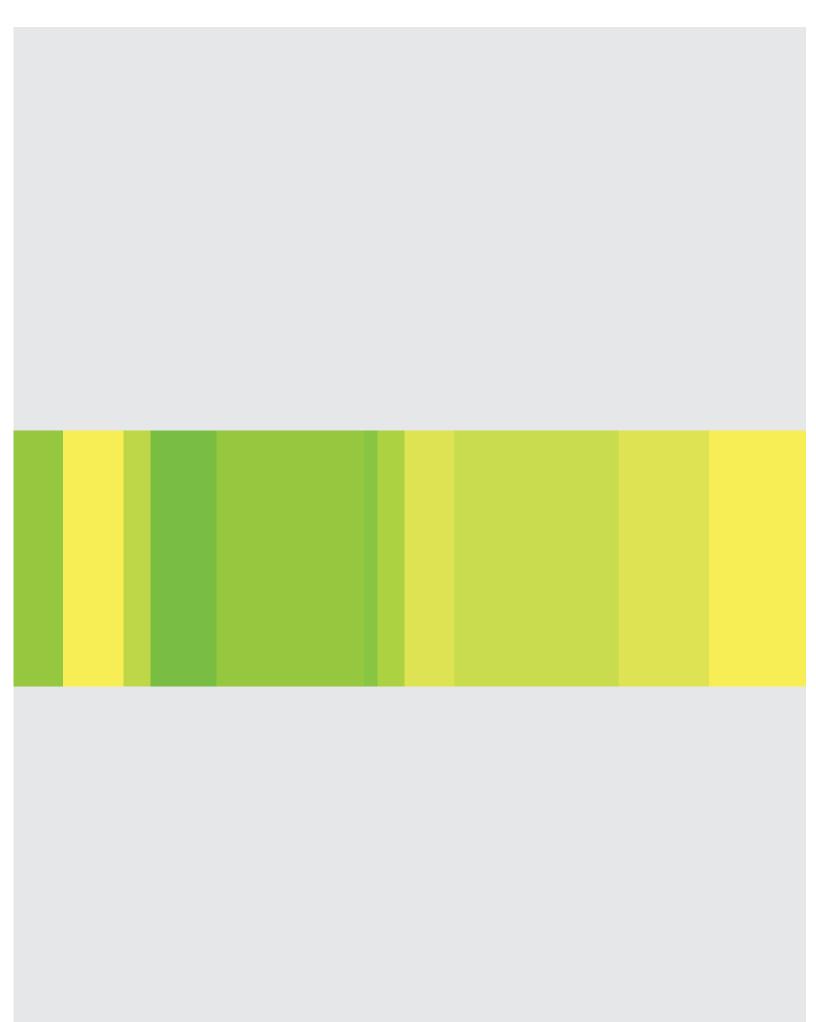
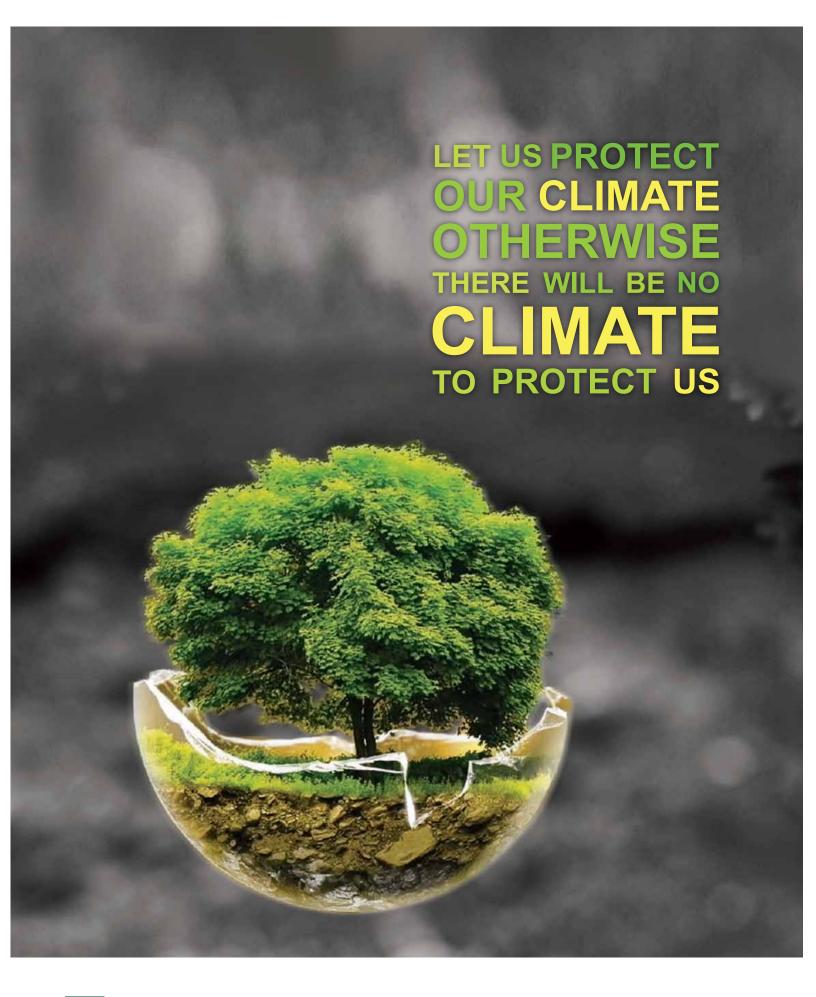
ANNUAL REPORT 2015-2016



ANNUAL REPORT 2015-2016









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KDS ACCESSORIES LIMITED

IS ONE OF THE COUNTRY'S LEADING AND LARGEST GARMENT ACCESSORIES COMPANY WITH COMPRESHENSIVE PRODUCT RANGE.

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'

WE ARE PIONEER OF
PACKAGING HAVING SINGLE LARGEST
CAPACITY

FINANCIAL SYNOPSIS

Earnings Per Share in reporting 18 Months

2015-2016 is BDT. 4.00

+ 22.32 %

2013-2014 BDT. 3.27

2015 - BDT. 2.86

2014 - BDT. 2.22

2013 - BDT. 2.14

2012 - BDT. 2.78

2011 - BDT. 2.39

Net Assets Value in reporting 18 Months

2015-2016 is BDT. 24.99

+ 14.37%

2013-2014 BDT. 21.85

2015 - BDT. 23.82

2014 - BDT. 21.85

2013 - BDT. 19.63

2012 - BDT. 17.48

2011 - BDT. 29.64

12 Months

ended

12 Months

ended

Net Operating Cash Flow in reporting 18 Months

2015-2016 is BDT. 5.83

-1.69 %

2013-2014 BDT, 5.93

2015 - BDT. 3.44

2014 - BDT. 4.67

2013 - BDT. 0.41

2012 - BDT. 5.90 2011 - BDT. 2.55

Revenue in reporting 18 Months

2015-2016 is BDT. 2.487.81 mn

2013-2014 BDT. 2,545.19 mn

2015 - BDT. 1,690.86 mn

2014 - BDT. 1,742.31 mn

2013 - BDT. 1,647.26 mn

2012 - BDT. 1,510.38 mn

2011 - BDT. 1,146.10 mn

Gross Profit in reporting 18 Months

2015-2016 is BDT, 531,75 mn

-2.12%

2013-2014 BDT, 543,28 mn

2015 - BDT. 357.13 mn

2014 - BDT. 358.35 mn

2013 - BDT. 368.33 mn

2012 - BDT. 369.34 mn

2011 - BDT. 295.35 mn

Net Profit After Tax in reporting 18 Months

2015-2016 is BDT. 185.80 mn

+ 41.94%

2013-2014 BDT, 130.90 mn

2015 - BDT. 124.99 mn

2014 - BDT. 88.64 mn

2013 - BDT. 85.87 mn

2012 - BDT. 111.24 mn

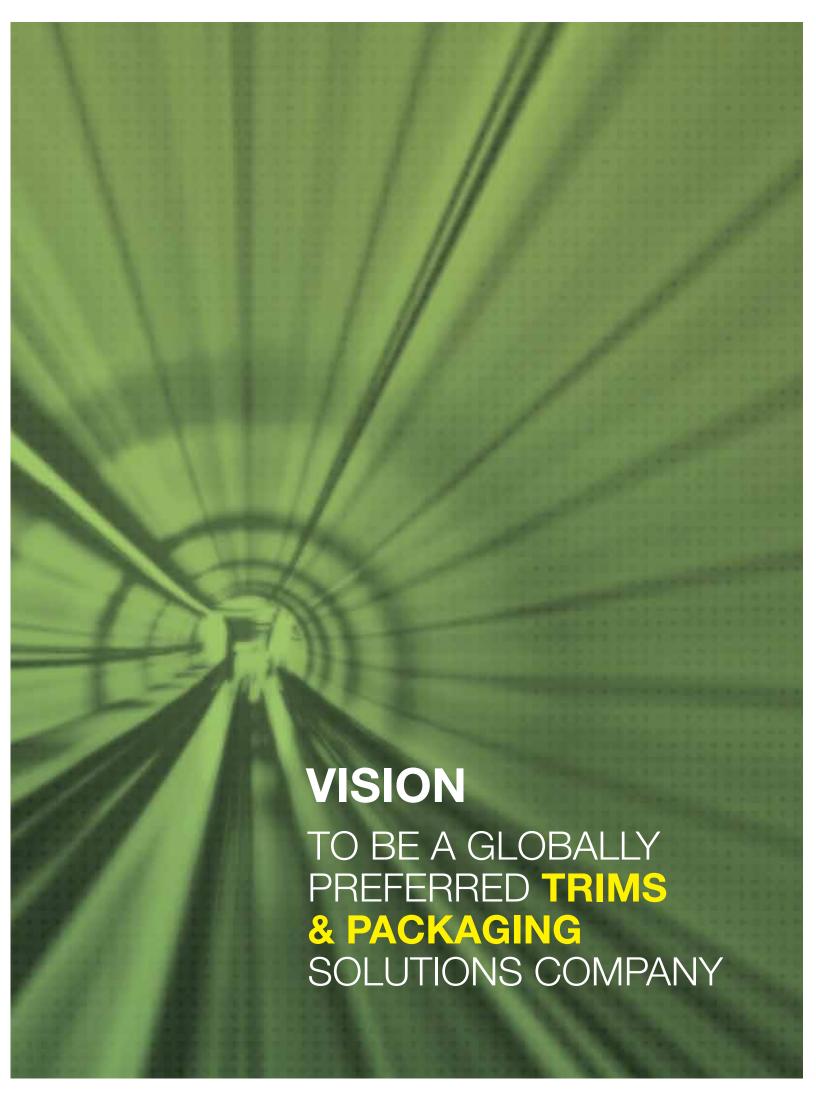
2011 - BDT. 72.13 mn

12 Months

ended



- Lead through service excellence
- Maximum resource utilization
- Maintain global presence & standards economically
- Nurture intelligence for human capital growth









CORPORATE INFORMATION

Company Name : KDS Accessories Limited

Company Registration No : C-H-C-862/154 of 1991

Status of the Company : Public Limited Company

Date of Incorporation : 21 April 1991

Registered Office : 255, Nasirabad I/A, Chittagong, Bangladesh

Corporate Offices : Head Office **Dhaka Office**

> Road 4, House 63 191-192, Baizid Bostami Road Nasirabad I/A, Chittagong-4210 Block C, Banani

Dhaka-1213, Bangladesh Bangladesh

Plant Location : Unit-01 Unit-02

> 191-192, Baizid Bostami Road 6, West Dogory, Mirzapur Nasirabad I/A, Chittagong-4210 Gazipur Sadar, Dhaka Bangladesh

Bangladesh

Phone No : 880 31 681701-3 880 2 9821665

Fax : 880 31 682137 880 2 9821682

E-mail : accessories@kdsgroup.net

Website : www.kdsaccessories.com

Bankers : Bank Asia Limited Standard Chartered Bank

> HSBC. Southeast Bank Limited Mutual Trust Bank Limited **Dutch Bangla Bank Limited**

Insurers : Pragati Insurance Company Ltd.

Northern General Insurance Company Ltd.

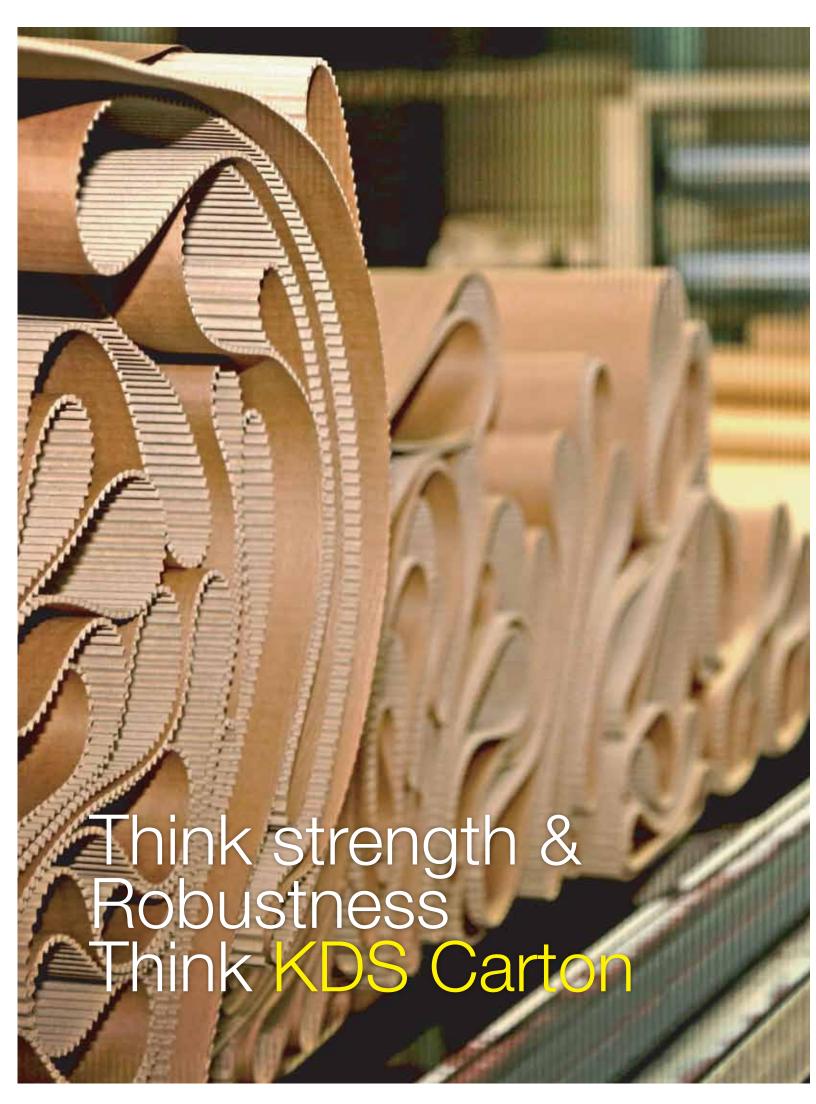
Auditors : External Auditor **Internal Auditor**

> Syful Shamsul Alam & Co. Rahman Rahman Hug & Co. Chartered Accountants **Chartered Accountants** Yunusco City Centre (9th Floor) 102 Agrabad C/A Chittagong, Bangladesh Chittagong, Bangladesh

Credit Rating Agency : Credit Rating Information and Services Limited (CRISL)

Listing with : Dhaka Stock Exchange Ltd.

Chittagong Stock Exchange Ltd.



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-9001:2008, ISO-14001:2004, 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.



KDS GROUP

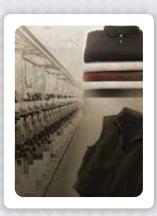
- One of the largest business conglomerate in the country
- Operating mostly in export industry & products
- More than 25,000 employees working across the group
- Leading export winner industry with global reach
- Has strong brand value of its products
- Adheres to most international Standards

BUSINESSES AT A GLANCE

The group operates through several strategic business segments



Apparel



Textiles



Trims & Packaging



Logistics



Steel



Banking & Insurance



Shares & Securities

HIGHLIGHTING EVENTS

01 July 1991 Commencement of Business 21 April 1991 Date of Incorporation 17 April 2012 Conversion from Private Limited to Public Limited General Public: 09 August 2015 to 13 August 2015 NRB Applicant: 09 August 2015 to 20 August 2015 10 September 2015 IPO Lottery Date IPO Subscription date 07 October 2015 Listing Date 15 October 2015 Trade Opening Date

LETTER OF TRANSMITTAL

Valued Shareholders of KDS Accessories Limited

Bangladesh Securities and Exchange Commission

Registrar of Joint Stock Companies & Firms

Dhaka Stock Exchange Ltd.

Chittagong Stock Exchange Ltd.

Subject: Annual Report for the period of 18 months from 01 January 2015 to 30 June 2016.

Dear Sir(s),

We are pleased to enclose the notice of the 25th Annual General Meeting, a copy of the Annual Report together with the Audited Financial Statements including Statement of Financial Position as at 30 June 2016, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period of 18 months ended on 30 June 2016 along with notes thereon for your information and record.

Manjure Khuda
Company Secretary

Yours sincerely,

Date: 17 August 2016







Corrugated Carton

BDT. 1,932.27 -13.76%

Label

 $\mathsf{BDT.}\, 140.97\,\mathsf{mn}^{\,+1.87\%}$





Elastics & Narrow Fabrics

BDT. 132.94 mn +143.56%



Offset Printing

BDT. 130.71 +105.48%

Button

BDT. 128.93 +320.26%





Heat Transfer

BDT. 19.45 mn +11.23%

Gum Tape*

BDT. 2.54 mn



^{*} Commencement of production of Gum Tape started from the last quarter of 2015

CORRUGATED CARTON







Think Strength & Robustness, think KDS Carton

- ≥ 100,000 avarage size boxes/day.
- ➤ Highest single plant capacity.
- ➤ High Speed Die Cutting machines to produce complex designs.
- ➤ Automatic Printing and Gluing Machines.
- ➤ IMS (ISO-9001:2008, ISO-14001:2004, BS OHSAS-18001:2007) certified.
- ▶ In house testing Lab.
- ➤ over 25 years of plant engineering experience.



BUTTON



Attach your fashion with our finest collection of button

- ➤ Free from any RSL-substances like lead, cadmium, nickel and chromium or any Azo-compound and phthalate.
- ➤ Using world Branded Machinaries.
- ➤ Full Scale testing laboratories.
- ➤ Laser with Turning machines (with Color logo/Side Logo machine).
- ➤ All types of Plastics Button, Specially Horn and Sheet Buttons.
- ▶ Button size started from 13L to 60L.
- ➤ Using imported Raw Materials from Europe.



WOVEN LABEL







We weave your dreams on our fine Woven Label

- ⇒ High Speed Airjet Looms Reduced Lead Time/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.









PRINTED FABRIC LABEL



Enhance your brand sophistication with our Printed Fabric Label

- ▶ High Speed Flexo Printing Machines Reduced Lead time per booking.
- ▶ Printed Cylinder availability to Print Any Length 10mm to 340mm.
- ➤ Very High Print Accuracy using Different Anilox.
- ➤ Full in-house pre-press capabilities.
- ▶ In-house Ribbon production facility.
- ➤ Additional Ink Curing Facility to assure wash fastness.
- ➤ Oeko-Tex® Standard 100 Certified for Human-ecological requirements / Baby Articles.





ELASTIC & NARROW FABRIC



Complementing the Apparel Luxury and Comfort through our Elastic & Narrow Fabric

- ➤ 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.







HEAT TRANSFER



Tag Free Labeling with Our Heat Transfer Printing Facility

- ➤ 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.







OFFSET PRINTING



Heighten your brand with our Printing Proficiency

- ➤ Complete Pre- press capabilities.
- Graphic Design dept. with latest Mac OS & Windows OS.
- ➤ Color Quality management by spectrophotometer and i-Color software.
- ▶ In-house print quality testing Equipment's.
- ▶ 100% QC system for all production & raw materials.
- Secured Data Transfer System for Graphic Designs/variable data.
- ➤ Using FSC Certified Paper Source.





GUM TAPE



Great closure strength, since permanent bond

- ➤ 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.





INVITATION FOR

The 25th Annual General Meeting of

KDS ACCESSORIES LIMITED

VENUE

Banquet Hall of Chittagong Club Limited

S.S. Khaled Road, Chittagong, Bangladesh

DATE & TIME

Thursday, 01 September 2016 at 10:00 am

NOTICE OF THE 25TH ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the Shareholders of KDS Accessories Limited will be held on Thursday, 01 September 2016 at 10:00 am at Banquet Hall, Chittagong Club Limited, S.S. Khaled Road, Chittagong to transact the following businesses:

AGENDA:

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the period of 18 months from 01 January 2015 to 30 June 2016 together with the Auditors' Report and the Directors' Report thereon.
- 2. To approve the dividend as recommended by the Board of Directors.
- 3. To elect/re-elect the Director(s) of the company.
- 4. Appoinment of Auditors of the Company untill the conclusion of next Annual General Meeting (AGM) and fixation of their remuneration.
- 5. To utilize the remaining IPO Fund in other suitable purposes.

By order of the Board

Dated: 14 August 2016

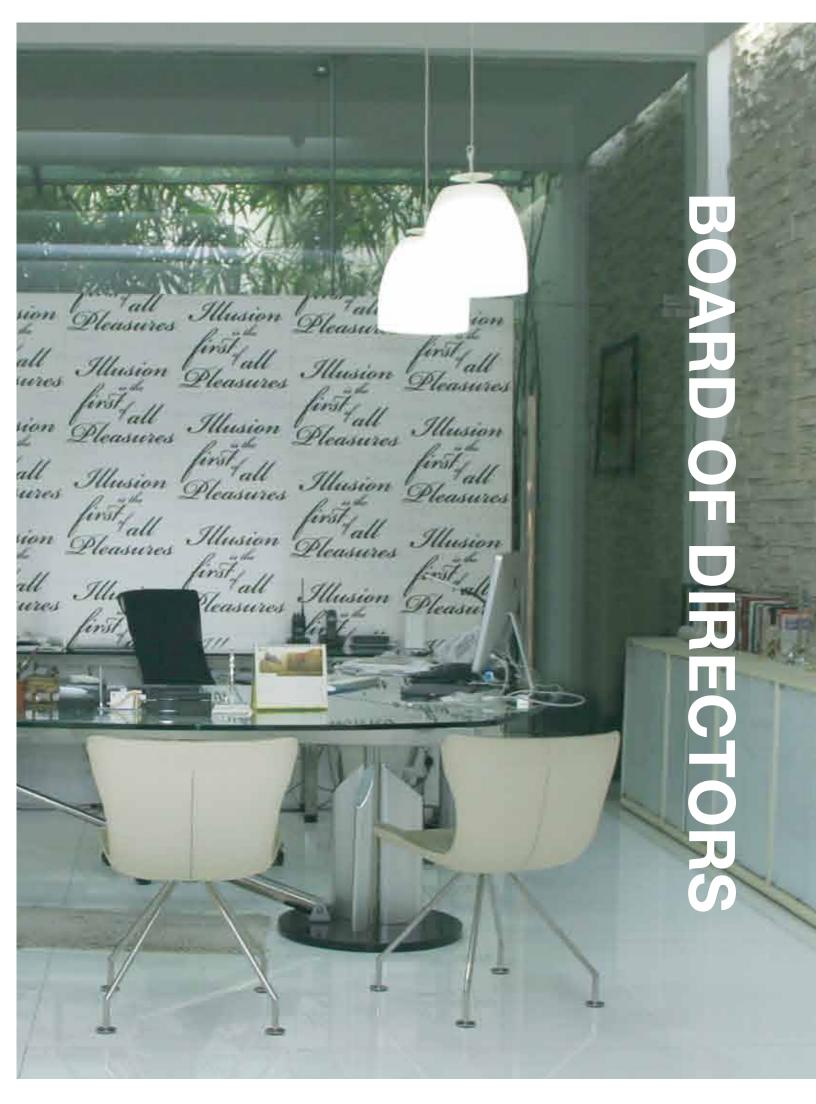
Chittagong.

Manjure Khuda
Company Secretary

NOTES:

- The Shareholders whose names would appear in the Share Register of the Company or in the Depository Register on the record date on 21 April 2016 will be eligible to attend at the 25th Annual General Meeting and entitled to receive the Dividend.
- A member eligible to attend and vote at the AGM may appoint a Proxy to attend and vote in his/her behalf. The Proxy
 Form duly filled, signed and stamped must be deposited at the Corporate Office at 191-192, Baizid Bostami Road,
 Nasirabad I/A, Chittagong-4210 not later than 72 hours before the AGM.
- Admission to the meeting room will be strictly checked and verified with the attendance slip sent with the Notice as well
 as verification of signature of Member(s) and/or Proxy-holder(s).
- Members are requested to update their respective BO Accounts with 12 Digit e-TIN, Bank Account, Mailing Address
 and Contact Number through their respective Depository Participant (DP). Advance Income Tax (AIT) @ 15% (instead
 of 10%) will be deducted from eligible cash dividend, if anyone fails to update his/her BO Account with the 12 Digit
 e-TIN before / on the Record Date.
- In case of non-receipt of Annual Report of the Company sent through postal service, Shareholders may collect the same from the company's Share Office. Annual Report is also available in the Investor Information Section of the Company's Website: www.kdsaccessories.com
- As per Notification of BSEC No: SEC/ SRMI/2000-953/1950 dated 24 October 2000, no gift or any other kind of benefit
 will be given to the shareholders attending the AGM.

The fin Ple leasures Pleasures Illusion leasures



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 Chittagong.

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 Garment 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 General Insurance Ltd. and Chairman of Pragati Life Insurance Ltd.

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



KDS Accessories Limited

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 Chittagong.

He was vice president of BGMEA (Bangladesh Garment Manufacturer & Export 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 Chittagong 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 Garment, 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 and currently he is director of Al-Arafah Islami Bank Ltd.

Currently he is director of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and 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 is continuing MBA in 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. She is also director of Pragati General Insurance Ltd.



Mr. S.M. Shameem Iqbal

Director

Mr. S.M. Shameem Iqbal has completed his MBA from Southeastern University, London, United Kingdom. He has been actively involved with different sectors like Garment, Accessories, Textile, Securities and Banking.

Mr. Iqbal has social participation with the life members of Kurmitola Golf Club, Bhatiary Golf & Country Club and Chittagong Club Limited. He is a director of Chittagong Metropolitan Chamber of Commerce & Industries. He is also involved with many social organizations and activities.





Mr. Muhammad Jamaluddin Independent Director

Mr. Muhammad Jamaluddin was born in a respectable Muslim family of Chittagong on 29 August 1950. He obtained his B. Sc. (Hons.) and M. Sc. degrees in Physics from the University of Dhaka.

Mr. Jamaluddin joined Petrobangla as Geophysicist in June 1975 and started his career as an oil and gas explorer in the country. He retired from Petrobangla in August 2007 as the Managing Director of BAPEX. He was also member of 'Bangladesh Gas Act' Preparation Committee, Steering Committee for the "Gas Sector Master Plan and Strategy for Bangladesh Project" and Bangladesh Expert Committee for "Petroleum Potential and Resource Assessment Project 2001" during his tenure in Petrobangla.

He served as Member of Board of Directors of Bangladesh Petroleum Exploration & Production Company Ltd. (BAPEX) and Pashchimanchal Gas Company Ltd (PGCL). Currently he is Independent Director of the Board of Directors of Pragati Life Insurance Limited and also a Director of Center for Mass Education in Science (CMES), an NGO working in rural Bangladesh for imparting non-formal education and hands-on technical education to the disadvantaged children of the country.

Since his retirement from Petrobangla, Mr. Muhammad Jamaluddin had been working as a consultant for different gas-sector projects of Asian Development Bank (ADB), SAARC Energy Center, Islamabad, Gustavson Associates, USA (for implementation of ADB funded project), Keystone Business Support Company Ltd., and International Union for Conservation of Nature (IUCN). He occasionally writes in the national dailies on critical energy sector issues of the country. He travelled to a number of countries in Europe, Asia and the USA for professional training and education and also as member of government delegation.

CHAIRMAN'S STATEMENT



Dear Valued Shareholders,

Assalamu Alaikum,

It gives me great pleasure to present first Annual Report of the company as Chairman after going public.

Our story

KDS Accessories Ltd. (KDSAL) is one of the first generation garment accessories company, which makes a significant contribution to our RMG industry through our quality, products variety and strong supply chain management.

Since 1991, the year of starting journey, KDS Accessories has attainted its recognition as one of the country's leading garment Accessories Company with a significant and growing global reach.

Our endeavors continues - - - -

Customers loyalty to our brand and products is helping our company run at over 80% capacity year-round. Since starting we continued to execute on our strategy to improve product's quality, develop new products and build pathways to future growth. We made good progress on our transition from a traditional and local accessories company into a world-class accessories company that empowers us to become "1 stop trim & packaging solutions company" for all garments accessories in home and abroad.

We work hard to create a profitable business that cares for customers and provides quality products and services to the market.

Values that we adopt are leading through service excellence, maximum utilization of resources, maintaining quality and standard to compete in global market and nurturing human intelligence.

We delivered a strong result in the income year 2015 - 2016, despite underlying economic conditions remaining quite uncertain. In 2015 - 2016 your company's EPS (TK 4.00 Per share) has reached to the highest level in its operational history.

Looking forward

Our most important future priority is to ensure KDSAL is globally recognized as a quality and reliable accessories brand, as this will help us attract an even greater share of foreign retailers across the world.

We are also looking to the future, pursuing new ideas and innovation to serve our customers' needs and succeed in the changing, dynamic markets we will face in the future.

Our strategy is focused on driving growth and creating long term shareholder value.

To our management team, workers, staffs, bankers, regulatory bodies (BSEC, DSE, CSE, CDBL, NBR, RJSC) and business associates, I would like to express my gratitude and acknowledgement for the hard work and support in enabling KDS Accessories to achieve success.

I would also like to give thanks to my fellow Directors for their immense contribution in formulating and steering the company's strategy.

I am confident that with our stakeholders' support, KDSAL will remain on track to achieve greater heights for years to come.

Allah Hafiz

Thank you all,

Khalilur Rahman

Chairman



first all Pleasures Illusion first all Pleasures Illusion ! Illusion 6 easures

MESSAGE FROM

THE MANAGING DIRECTOR

Dear Valued Shareholders,

Assalamu Alaikum,

It gives me immense pleasure to report our first annual result as a listed company.

Year 2015 - 2016, was an exciting year for KDS Accessories Ltd. (KDSAL). It is really overwhelming how we earned the trust of our shareholders with their positive energy to become a publicly traded company. It is milestone for us to have our presence in the capital market.

On behalf of the Board of directors, I would like to thank all our shareholders, investors, management team and other stakeholders for all of your interest in our venture.

As you are aware, KDSAL is one of the largest Accessories manufacturers and exporters in Bangladesh. We have established a renowned brand in the apparel accessories industry which stored in lapse of time in the last 25 years. With the product superiority and a set-up of state of the art facilities, we are a preferred long-term partner to most leading global brands.

Overall Performance of the company in 2015 - 2016

2015 - 2016 result is a demonstration of KDS Accessories' capacity to maintain its financial performance despite of the challenges it faced in the industry. Since beginning, the company has revolutionized packaging industry by transforming the 7-ply carton into 3-ply and 5-ply carton through modern technology. This transformation has resulted enormous savings in the entire packaging industry in Bangladesh in terms of cost, paper and energy, leading to competitiveness in the entire apparel supply chain.

Apart from being on the forefront of packaging industry, the company has state-of-the-art vertical setup of soft-line packaging, which is one of its kinds in the country. Moreover, its polyester button facility is equipped with most modern machineries from Italy to adhere global standard and already gratified us by the renowned buyers for its quality products.

Net Profit and Earnings Per Share reached new heights of BDT 18.58 Crore and TK 4.00 per share respectively. Net Asset Value of the Company has also increased by 14.37%.

Expansion and Developments

Today apparel accessories market is about USD \$ 6 billion and it is expected to be double by 2020 as per industry's insider analysts. Our growth aspiration is perfectly aligned with that of the overall industry. We have enough resources and capabilities to undertake significant growth in our business. We have strong loyalty among our customers, solid relationship with our suppliers and enormous good-will with our financial institutions to undertake ambitious business growth in the coming years.

In addition to our financial success, we have undertaken expansion in Corrugated Carton, production of which will be started by end of 2016. With this expansion, KDS Accessories will be the single largest capacity-holder of Corrugated Carton.

Company now plans to take its performance to next level through creating new markets, adding new products, using high-end technology and time saving machineries and devices. We are also collaborating with the international leaders and expertise to be the best 1 stop trims & packaging solution company of the apparel-accessories industry.

Capital Market Performance

Company's share price at the stock market has touched highest Tk. 93 at the very opening day of trading and continued with an average market price of Tk. 69.55 till the year end which is almost 7 times of Face Value.

Outlook

The volatility and uncertainty in global markets makes it difficult to provide profit guidance for the year ahead. However, the company has always maintained its sterling performance over the years despite various challenges it faces over previous years. Hence, the company expects a robust growth with its expansion and market forecast of a growing export of RMG industries in Bangladesh. Already the company enjoys the top of the mind presence among all the brand owners in the country. Besides, the company's products range has significant depth in terms of product varieties, which compels most of the apparel vendors to source their trims and packaging products from the company.

Finally, I want to thank my Board of Directors, business partners, our workers, staffs and officers for their tremendous support over the past years. I also appreciate our customers for keeping confidence over all the years. Last but not the least, I thank our shareholders for your continued support to KDS Accessories.

My gratitude & thanks go to officials of Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Central Depository Bangladesh Limited, Registrar of Joint Stock Companies, all Bankers, National Board of Revenue & other Government bodies for their continued support to our endovers.

I sincerely wish that the company will add value to your portfolios in coming years through our dedicated efforts and achievements.

Allah Hafiz

Thank you,

Salim Rahman

Managing Director

REVIEW FROM CEO

Dear Valued Shareholders,

It is absolute pleasure to present my company's accomplishment in the first annual general meeting on post-IPO.

KDS Accessories has crossed many milestones to become a state-of-the-art trims and packaging company in the country's history. With its comprehensive product ranges of corrugated transport and display carton, woven and care label, all

kinds of elastics and tapes, draw-string, print items including heat-seal and Polyester button, today KDS Accessories stands tallest in terms of offering integrated trims solutions to Bangladesh's garment vendors.

Apart from multiple products manufacturing capability, the company today made its name in terms of superior quality and service through modern machineries, magnificent factories and dedicated cross-functional teams. Moreover, KDS Accessories offer today 360-degree services to all its customers through

complete online-based order processing and comprehensive

visibility through indigenously developed IT solutions. Apart from quality and service, KDS Accessories is one of first companies in the country to adapt Supply Chain Management through out its operations to optimize its resource allocation, which has resulted in significant cost-reductions and cycle-time improvements.

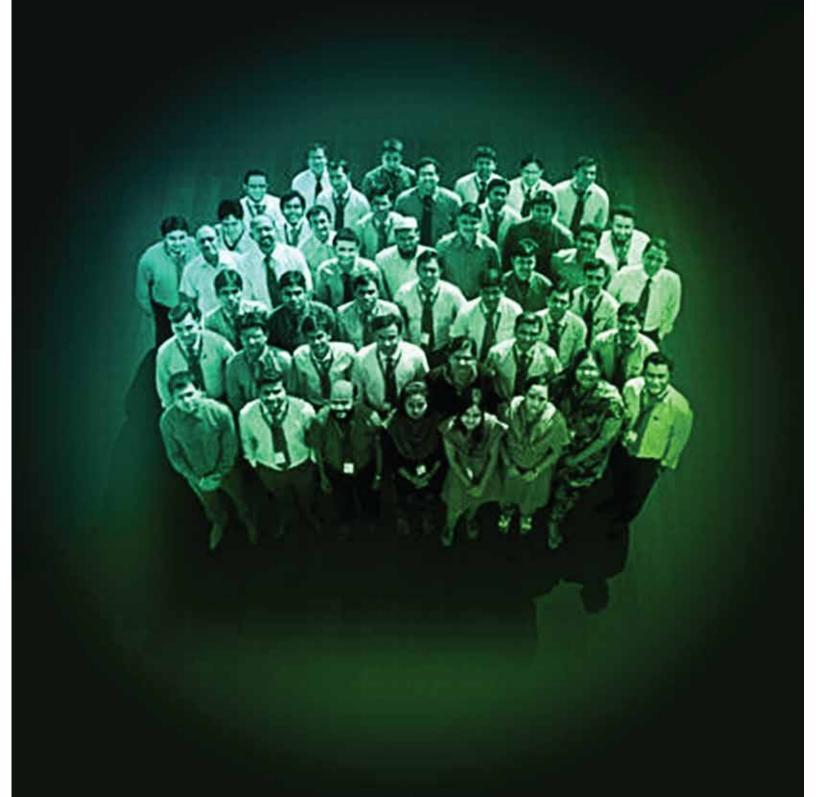
Today, KDS Accessories is synonymous with top quality service and commitment across our customers and suppliers. With its current operations strategically located across Chittagong and Gazipur, Dhaka, it serves all its customers within shortest possible time. I am confident that KDS Accessories is poised to grow many times in coming days by serving right time at right price to become the right choice to its customers.

Thank you,

Debasis Daspal

Chief Executive Officer

AT KDS ACCESSORIES, PEOPLE IS OUR BIGGEST CAPITAL



MANAGEMENT TEAM

Board of Directors

Mr. Khalilur Rahman : Chairman

Mr. Salim Rahman : Managing Director

Mr. S.M. Shameem Iqbal : Director
Ms. Tahsina Rahman : Director

Mr. Muhammad Jamaluddin : Independent Director

Audit Committee

Mr. Muhammad Jamaluddin : Chairman
Mr. Khalilur Rahman : Member
Mr. S.M. Shameem Iqbal : Member
Ms. Tahsina Rahman : Member

Mr. Manjure Khuda : Member Secretary

Senior Executives

Mr. Debasis Daspal : Chief Excutive Officer

Mr. Anwar-UI-Azam : EVP-HR, Compliance & Operation

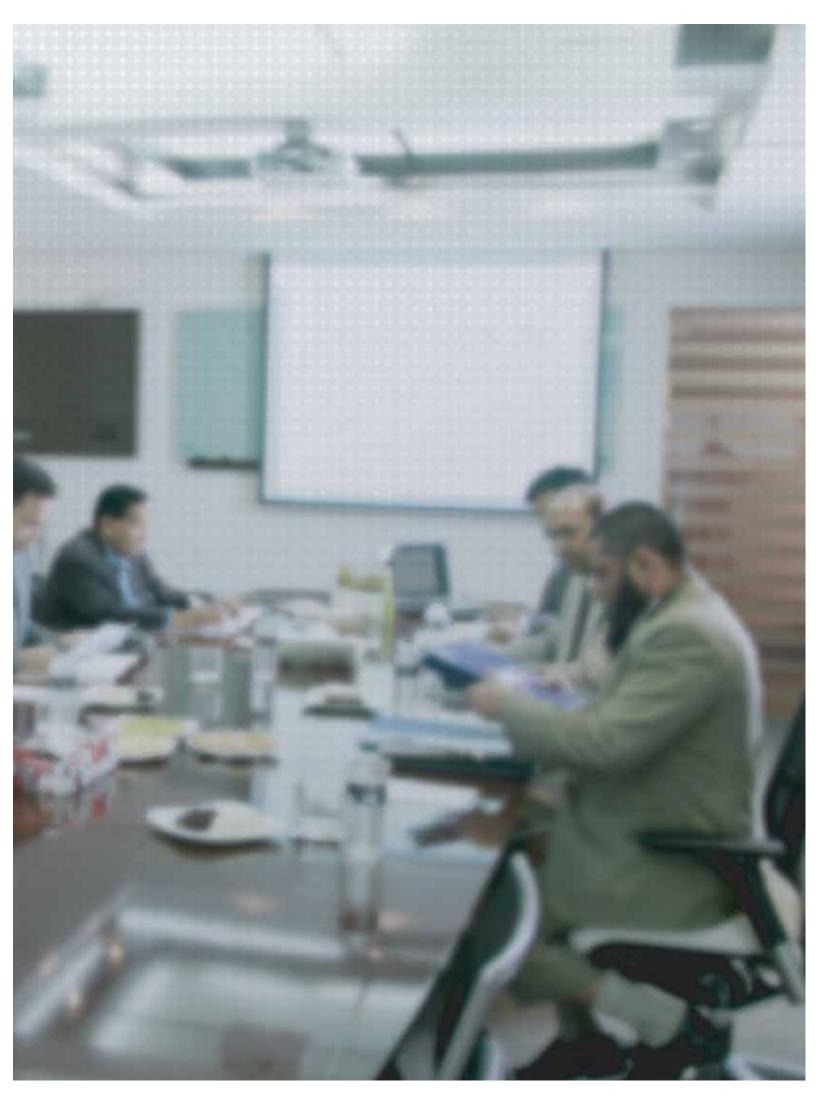
Mr. Biplob Kanti Banik FCA : Chief Financial Officer
Mr. Manjure Khuda : Company Secretary

Mr. Natesan Srinivashan : DGM-SLP
Mr. Abu Taher : DGM-Sales

Mr. Sarwar Hossain : AGM-HR & Compliance

Mr. A.K.S. Parvez : AGM-Packaging
Mr. Abdur Rouf Mollah : AGM-Button
Mr. Apu Sarwar : Head of IT





DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

To the Valued Shareholders,

Assalamu Alaikum,

Your Directors take pleasure in presenting their Report on the business and operations of your Company along with the Audited Financial Statements for the period from 01 January 2015 to 30 June 2016.

PRINCIPAL ACTIVITIES

KDS Accessories Limited (KDSAL) is principally engaged in the manufacturing of all kinds of Garment accessories, which include Corrugated Carton, Label, Button, Gum Tape and Soft Line Packaging (SLP).

OVERVIEW 2015 - 2016

Your company achieved an all time high performance in its profits in the mentioned period.

Company's after tax net profit was increased by

41.94% i.e. BDT. 54.90 million and EPS was increased by 22.32% i.e. BDT. 0.73 and Net Asset Value per share was also increased by 14.37% i.e. BDT. 3.14 from than that of previous period. The period would have been more profitable if we had a smooth starting in the beginning of 2015, which was slowed down due to political unrest across the country.

All of you aware that being a 100% export oriented industry, Garment Accessories business is directly linked with stability of the internal and external economic factors and despite many unfavorable indicators for Garment industry in home and abroad your company showed a significant rise in the profits.

The summarized operational and financial performance are presented below:

Last 5 years Financial Results:

	18 Monti	ns Ended			12 Months Ended	H	
Particulars	01 Jan 2015 to 30 June 2016	01 July 2013 to 31 Dec 2014	Year - 2015	Year - 2014	Year - 2013	Year - 2012	Year - 2011
				Amount in BDT.			
Revenue	2,487,809,103	2,545,193,982	1,690,863,283	1,742,309,513	1,647,256,363	1,510,377,275	1,146,104,981
Gross Profit	531,748,117	543,284,015	357,126,456	358,347,035	368,325,511	369,339,520	295,351,311
Profit Before WPPF & Taxes	211,512,196	184,019,667	136,840,299	116,802,262	116,904,826	152,499,233	122,513,169
Net Profit After WPPF & Taxes	185,799,059	130,902,772	124,993,582	88,637,099	85,871,064	111,237,722	72,129,489
Earnings Per Share(EPS)	4.00	3.27	2.86	2.22	2.14	2.78	2.39
Share Holder's Equity	1,299,606,476	873,807,417	1,238,800,999	873,807,417	785,170,317	699,299,253	373,669,828
Current Liabilities	1,048,767,072	1,283,512,624	1,368,690,014	1,283,512,624	1,463,067,029	1,312,710,678	1,335,666,622
Non-Current Liabilities	180,794,977	252,865,122	225,035,942	252,865,122	129,458,816	132,073,300	60,296,749
Addition to Fixed Assets & CWIP	324,617,136	208,873,523	104,454,683	91,365,813	153,085,631	109,075,217	229,348,687
NAV Per Share	24.99	21.85	23.82	21.85	19.63	17.48	29.64
Net Operating Cash Flow Per Share (NOCFPS)	5.83	5.93	3.44	4.67	0.41	5.90	2.55

ASSOCIATE COMPANY

SKYS Securities Ltd.

SKYS Securities Ltd. is dealing in stock brokerage for trading of shares in the stock exchanges. Your Company holds 46.69% of paid-up capital of SKYS Securities Ltd. and during the reporting period till 30 June 2016, your company earned a profit share of Tk. 1,557,497 from the business of associate.

BUSINESS OUTLOOK 2016-2017

Country's Economic Forecast

Economic analysts of home and abroad foresee an uprising Bangladesh economy in 2016-2017 and in next years. Key Economic Indicators of Bangladesh according to the projection of analysts as follows:

- GDP growth forecast is more than 6.5%.
- Year to year expansionary fiscal budget.
- Inflation rate projected to be lower in the next year.
- Increasing trend of reserve of foreign exchange.
- Increasing trend of Remittance Inflow.
- Growing trend of Export and Private Investment,
- Aspiration of being middle-income country by 2021.

Prospects of Readymade Garment Sector

All statistics, research and survey forecast a positive trend of Bangladesh Readymade Garment Sector indicating the annual export growth rate of 7 to 9 % and a slogan is in the industry people that: USD\$ 50 billion of RMG export in 50th birthday of glorious independence of our country.

According to Mckinsey Report, Bangladesh remains the top future-sourcing destination of Readymade Garments.

The Garment Manufacturers are now looking forward to 2017 with much optimism. With over 80%

share of country's total export earnings and about 10% contribution to GDP, RMG has become an export powerhouse of the country.

Let's look at the Accessories Industry

Garment Accessories industry in the country saw a phenomenal growth during the last two decades and entrepreneurs of this sector have helped the RMG manufacturers to overcome import dependency for their accessories.

Being the backward linkage industry of RMG, accessories industry sees its future bright and growing in next years.

Keeping pace with RMG export, earnings of accessories industry are forecasted to be at least USD\$ 12 billion by 2020 which would be the double of current earnings of about USD\$ 6 billion.

Your directors expect that being one of the market leaders, KDS Accessories will join the force with its vision of to be *1 stop trims & packaging solutions company* of readymade garments industry in the country.

Our strategy is to provide quality, innovation and in time delivery to our customers with strong infrastructural base across the country.

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.

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 this regard is comprised in **Annexure - D, Page: 63.**

SEGMENT & PRODUCTS' PERFORMANCE

Operational Performance:

Particular 1979		Installed	01 Janu: to 30 Jun	ວ ້	01 July 2013 to 31 December 2014	
Particulars	Unit	Capacity	Actual Production	Capacity Utilization in (%)	Actual Production	Capacity Utilization in (%)
Carton	Pcs	38,250,000	34,163,484	89.32%	37,472,390	97.97%
Label	Pcs	263,946,312	139,301,673	52.78%	120,449,863	45.63%
Elastics and Narrow Fabrics	Pcs	45,864,000	29,054,106	63.35%	20,203,011	44.05%
Offset Printing	Pcs	225,014,400	78,005,870	34.67%	53,546,180	23.80%
Heat Transfer Printing	Pcs	37,440,000	18,962,953	50.65%	17,176,369	45.88%
Button	GG	540,000	245,131	45.39%	183,841	34.04%
Gum Tape	Pcs	6,435,000	128,678	2.00%	-	-

Product wise Financial Performance:

Post of an	For the period o From 01 January 201		For the period of 18 Months From 01 July 2013 to 31 December 2014		
Particulars	Contribution to	o Revenue	Contribution to Revenue		
	In Taka	In (%)	In Taka	In (%)	
Carton	1,932,266,669	77.67%	2,240,457,660	88.03%	
Label	140,970,132	5.67%	138,382,363	5.44%	
Elastics and Narrow Fabrics	132,942,591	5.34%	54,583,051	2.14%	
Offset Printing	130,708,945	5.25%	63,610,403	2.50%	
Heat Transfer Printing	19,445,131	0.78%	17,481,332	0.69%	
Button*	128,931,247	5.18%	30,679,173	1.21%	
Gum Tape **	2,544,388	0.10%	-	-	
Total	2,487,809,103	100%	2,545,193,982	100%	

^{*} KDSAL has setup the Button unit in its product line in the last quarter of 2013.

RISK FACTORS & MANAGEMENT PERCEPTION

Board of Directors reviews the risk management practices and actions deployed by the Management with respect to identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives. A detailed report on Risk & Concerns are given in **Annexure - H, Page: 67.**

CREDIT RATING

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

Long Term	Short Term
A+	ST-3

Above rating have been assigned on the basis of good fundamental such as good profitability, sound infrastructural arrangement with

^{**}KDSAL has newly setup the Gum Tape unit in its product line and commencement of production of Gum Tape started in the last quarter of 2015.

state-of-the art land, pioneer and market leader in Garment Accessories industry, experienced management. Entities rated in this category are adjudged to be of high quality, offer higher safety and have credit quality.

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

USE OF IPO PROCEEDS AND STATUS OF UTILIZATION

A detailed report of IPO Proceeds Utilization presented in the **Annexure - C**, **Page**: **62**. Board of Directors hereby request the approval of shareholders for using surplus fund of IPO in a suitable purpose of the company.

INTERNAL CONTROL SYSTEM

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

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

RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements in Note 36 and in **Annexure - E, Page: 64** in accordance with relevant Bangladesh Accounting Standards (BAS).

EXTRA - ORDINARY GAIN / (LOSS)

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

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND PERIOD ENDED REPORT

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

SIGNIFICANT DEVIATION IN OPERATING RESULTS COMPARED TO PREVIOUS PERIOD

There is no such deviation in operating results except launching production of Gum Tape product compared to the previous period.

SUBSEQUENT EVENTS

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

BOARD OF DIRECTORS

i) Structure and size of Board

On 30 June 2016, there were 5 members on the Board of the Company. The Board comprises Chairman, Managing Director, Two Directors and One Independent Director.

ii) Status of Companies in which Directors also hold Directorship

An Annexure is attached to this report on the status of Companies in which Directors are also hold Directorship. **Annexure - G, Page: 66.**

iii) Director's Retirement And Re-election

accordance with the Article of Association of the Company, one third of the total number of

Directors is to retire by rotation in every year. In the forthcoming Annual General Meeting the following two Directors will retire and being eligible offer themeselves for re-appointment:

- i) Mr. Salim Rahman
- ii) Mr. S. M. Shameem Iqbal

Board of Diretors' in its meetings held 09 August 2016 proposed their appoinment. The brief

bio-data of the said Directors are enclosed herewith in the section of Director's Profile in Page: 33 & 35.

iv) Board Meeting and Attendance

During the reporting period the Board met 11 times. The attendance record of the Directors is as follows:

SL	Name	Position	No of Meeting	Attendance
1	Mr. Khalilur Rahman	Chairman	11	11
2	Mr. Salim Rahman	Managing Director	11	11
3	Mr. S.M. Shameem Iqbal	Director	11	07
4	Ms. Tahsina Rahman	Director	11	10
5	Mr. Muhammad Jamaluddin *	Independent Director	11	06

^{*} After appointment of Independent Director by Board, only six Board Meetings were held.

APPOINTMENT OF INDEPENDENT DIRECTOR

As per provision of Corporate Governance Guidelines notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 by Bangladesh Securities and Exchange Commission (BSEC), Mr. Muhammad Jamaluddin was appointed as Independent Director of the Company for a period of 3 (three) years, subject to approval of shareholders in AGM. Short bio-data of the said director is enclosed herewith in the section of Director's Profile **Page: 35.**

AUDIT COMMITTEE

The Board has constituted the Audit Committee as follows:

SL	Name	Position
1	Mr. Muhammad Jamaluddin	Chairman & Independent Director
2	Mr. Khalilur Rahman	Member
3	Mr. S.M. Shameem Iqbal	Member
4	Ms. Tahsina Rahman	Member
5	Mr. Manjure Khuda	Member Secretary

During the reporting period under review, the Committee held four meetings.

A detailed of the roles and activities of the Audit Committee has been provided in "The Report of The Audit Committee". **Page: 76.**

DIVIDEND

As announced by the Company on 29 March 2016, the Board has recommend dividend for all shareholders 5% Cash and 10% Stock Dividend per share in respect of the year ended 31 December 2015 which will be paid after approval in the Annual General Meeting of the Company as per respective shareholding position on record date and the Board has not recommended any further interim dividend for the period from 01 January 2016 to 30 June 2016 in their meeting held on 09 August 2016.

DIRECTORS REMUNERATION

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

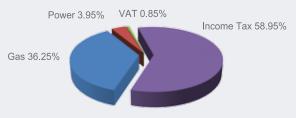
The member who could not attend the meeting was in granted leave or was outside of the country.

SI. No.	Name of Director	Position	Amount In Taka
1	Mr. Khalilur Rahman	Chairman	-
2	Mr. Salim Rahman	Managing Director	37,50,000.00
3	Mr. S. M. Shameem Iqbal	Director	-
4	Ms. Tahsina Rahman	Director	-
5	Mr. Muhammad Jamaluddin	Independent Director	-
	Total	37,50,000.00	

This amount paid for reporting 18 months period from 01 January 2015 to 30 June 2016.

CONTRIBUTION TO NATIONAL EXCHEQUER

Being a responsible business entity, KDSAL is paying and facilitating collection of Government's revenue. In the reporting period, we have paid, collected & deposited a significant amount of Tax, VAT and Duties. During the period, KDSAL contributed to Tk. 7,78,08,561 to the Government Exchequer along with utility bill which is presented below:



Contribution to National Exchequer

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

AWARDS & RECOGNITION

Since starting your Company received the following awards and recognitions:

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

INFORMATION TECHNOLOGY

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

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

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

HUMAN RESOURCES

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

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

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

We provide on-the-job training and development opportunities to enhance our employees' career progression. Through different training, staff's professional knowledge in corporate operations, occupational and management skills are enhanced.

KDS Accessories is an equal opportunity employer and does not discriminate on the basis of personal characteristics. Company has employee handbooks outlining terms and conditions of employment, expectations for employees' conduct and behavior, employees' rights and benefits. We establish and implement policies that promote a harmony and respectful workplace.

CODE OF CONDUCT

The underlying philosophy of KDS Accessories Limited's Code is to conduct the business in an ethical manner as well as create a work environment that is conducive for members and associates alike, based on the Company's values and beliefs.

Code of Conduct for Board of Directors was framed and followed accordingly in discharging their duties and responsibilities.

AUDITORS

Syful Shamsul Alam & Co. Chartered Accountants, having its office at Yunusco City Centre (9th Floor), 807, CDA Avenue, Nasirabad, Chittagong will retire in the 25th AGM. Though eligible but they have conveyed their un-willingness to accept re-appointment as auditor for the next income year.

On their un-willingness, Board in their meeting held on 09 August 2016, recommended from the panel for Hussain Farhad & Co. Chartered Accountants, having its office at House # 15, Road # 12, Block # F, Niketon, Gulshan – 01, Dhaka – 1212 for appointment as auditor of the company for the period from 01 July 2016 to 30 June 2017 subject to the approval in the 25th AGM.

COMPLIANCE OF CORPORATE GOVERNANCE

Pursuant to notification No: SEC/CMRRCD/2006 -158/134/Admin/44 dated 07 August 2012 of Bangladesh Securities and Exchange Commission (BSEC), the Corporate Governance Report and the Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report and attached in Annexure - I, Page: 69 & Page: 80 respectively.

DIRECTORS' RESPONSIBILITIES STATEMENT

Pursuant to the BSEC notification No. BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 the Directors confirm that:

- The financial statements prepared by the management of KDS Accessories Ltd. 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)/ Bangladesh Accounting Standards (BAS) / International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) There are no doubts upon the Company's ability to continue as a going concern and the accounts have been prepared on going concern basis.
- vii) The significant deviations from previous period in the operating results of the company have been highlighted in the report and the reasons thereof have been explained.
- viii) The key operating and financial data of last 5 years is disclosed in **Annexure A**, **Page: 60 & Annexure B**, **Page: 61.**
- ix) The number of Board Meetings held during the reporting period and the attendance by each director is disclosed in this report in Page: 50
- x) The pattern of shareholding is disclosed in **Annexure F, Page: 64.**
- 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 I, Page: 69.

xii) Directors' profile is attached in page no 32 to 35 and their directorship and business interest in other organizations have been disclosed in Board of Directors segment and in **Annexure - G, Page: 66.**

APPRECIATION

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

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

Allah Hafiz

On behalf of Board

Khalilur Rahman

Chairman

09 August 2016

পরিচালকমন্ডলীর প্রতিবেদন

বিছমিল্লাহির রাহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আস্সালামু আলাইকুম,

পরিচালনাপর্যদ কোম্পানীর ০১ জানুয়ারি ২০১৫ হতে ৩০ জুন ২০১৬ সময়ের নিরীক্ষিত আর্থিক বিবরণী এবং পরিচালক পর্যদের প্রতিবেদন আপনাদের সামনে উপস্থাপন করছে।

কোম্পানীর ব্যবসায়িক কার্যক্রম

আপনাদের কোম্পানী মূলত সব ধরনের তৈরী পোষাকের এক্সেসরিজ যেমন- কার্টন, লেবেল, বোতাম, গাম টেপ এবং সফট লাইন প্যাকেজিং (SLP) এর পন্য সামগ্রী উৎপাদন ও বিক্রয় করে থাকে।

২০১৫ - ২০১৬ সালের ব্যবসায়িক কার্যক্রমের পর্যালোচনা

উল্লেখিত সময়ে আপনাদের কোম্পানী বিগত সময়ের মধ্যে সবচেয়ে বেশী

পরিমান মুনাফা অর্জন করেছে। কোম্পানীর কর পরবর্তী মুনাফা (NPAT) ৪১.৯৪% বৃদ্ধি পেয়েছে যা ৫ কোটি ৪৯ লাখ টাকার সমান এবং শেয়ার প্রতি আয় (EPS) এবং নীট সম্পত্তির মূল্য (NAV) বিগত সময়ের তুলনায় যথাক্রমে ২২.৩২% এবং ১৪.৩৭% বৃদ্ধি

যদি ২০১৫ সালের শুরুতে প্রতিকূল রাজনৈতিক পরিস্থিতি না থাকত, তাহলে আপনাদের কোম্পানীর বিক্রয় এবং মুনাফা আরও বৃদ্ধি পেত। আপনারা সবাই অবগত আছেন যে, শতভাগ রপ্তানীমূখী শিল্প প্রতিষ্ঠান হওয়াতে আপনাদের কোম্পানী আভ্যন্তরীণ এবং বৈশ্বিক অর্থনীতির স্থিতিশীলতার উপর সরাসরিভাবে জড়িত। অনেক নেতিবাচক অর্থনৈতিক সূচকের পরও আপনাদের কোম্পানী সম্ব্যোষজনক মুনাফা অর্জনে সক্ষম হয়েছে।

বিগত ৫ বছরের আর্থিক ফলাফল ঃ

	১৮ মান্তে	ার বিবরনী		১২ মাসের বিবরনী				
বিবরণ	১লা জানুয়ারী ২০১৫ থেকে ৩০ জুন ২০১৬	১লা জুলাই ২০১৩ থেকে ৩১শে ডিসেম্বর ২০১৪	আর্থিক বংসর ২০ ১ ৫	আর্থিক বৎসর ২০ ১ ৪	আর্থিক বৎসর ২০ ১ ৩	আর্থিক বৎসর ২০ ১ ২	আর্থিক বৎসর ২০১১	
				টাকা				
বিক্রয়	২,৪৮৭,৮০৯,১০৩	২,৫৪৫,১৯৩,৯৮২	১,৬৯০,৮৬৩,২৮৩	১,৭৪২,৩০৯,৫১৩	১,৬৪৭,২৫৬,৩৬৩	১,৫১০,৩৭৭,২৭৫	১,১৪৬,১০৪,৯৮১	
মোট মুনাফা	৫৩১,৭৪৮,১১৭	680,278,036	৩৫৭,১২৬,৪৫৬	৩৫৮,৩৪৭,০৩৫	৩৬৮,৩২৫,৫১১	৩৬৯,৩৩৯,৫২০	২৯৫,৩৫১,৩১১	
WPPF এবং কর পূর্ববর্তী মুনাফা	২১১,৫১২,১৯৬	১৮৪,০১৯,৬৬৭	১৩৬,৮৪০,২৯৯	১১৬,৮০২,২৬২	১১৬,৯০৪,৮২৬	১৫২,৪৯৯,২৩৩	১২২,৫১৩,১৬৯	
নীট মুনাফা (Net Profit)	১৮৫,৭৯৯,০৫৯	১৩০,৯০২,৭৭২	১২৪,৯৯৩,৫৮২	৮৮,৬৩৭,০৯৯	৮৫,৮৭১,০৬৪	১১১,২৩৭,৭২২	৭২,১২৯,৪৮৯	
শেয়ার প্রতি আয় (EPS)	8.00	৩.২৭	২.৮৬	ર.સ્ર	۷.۵۶	২.৭৮	২.৩৯	
শেয়ারহোল্ডারদের সম্পদ	১,২৯৯,৬০৬,৪৭৬	৮৭৩,৮०৭,৪১৭	১,২৩৮,৮০০,৯৯৯	৮৭৩,৮०৭,৪১৭	१४৫,১१०,७১१	৬৯৯,২৯৯,২৫৩	৩৭৩,৬৬৯,৮২৮	
চলতি দায়	১,০৪৮,৭৬৭,০৭২	১,২৮৩,৫১২,৬২৪	১,৩৬৮,৬৯০,০১৪	১,২৮৩,৫১২,৬২৪	১,৪৬৩,০৬৭,০২৯	১,৩১২,৭১০,৬৭৮	১,৩৩৫,৬৬৬,৬২২	
দীর্ঘমেয়াদী দায়সমূহ	১৮০,৭৯৪,৯৭৭	২৫২,৮৬৫,১২২	২২৫,০৩৫,৯৪২	২৫২,৮৬৫,১২২	১২৯,৪৫৮,৮১৬	১৩২,০৭৩,৩০০	৬০,২৯৬,৭৪৯	
স্থায়ী সম্পদ এবং চলতি কার্যের সংযোজন	৩২৪,৬১৭,১৩৬	২০৮,৮৭৩,৫২৩	১০৪,৪৫৪,৬৮৩	৯১,৩৬৫,১৩	১৫৩,০৮৫,৬৩১	১০৯,০৭৫,২১৭	২২৯,৩৪৮,৬৮৭	
নীট সম্পদ মূল্য (NAV)	২৪.৯৯	২১.৮৫	২৩.৮২	২১.৮৫	১৯.৬৩	\$9.86	২৯.৬৪	
শেয়ার প্রতি নগদ প্রবাহ	৫.৮৩	৫.৯৩	೨.88	8.৬٩	۷.85	৫.৯০	2.00	

সহযোগী কোম্পানীর ফলাফল

আপনাদের কোম্পানী SKYS Securities Ltd. নামে (যাহা Stock Brokerage এর ব্যবসা পরিচালনা করে) একটি কোম্পানীতে বিনিয়োগ করেছে। এই কোম্পানীতে আপনাদের কোম্পানীর ৪৬.৬৯ শতাংশ শেয়ারে বিনিয়োগ রয়েছে। উল্লিখিত ১৮ মাসে এই কোম্পানী হতে আপনাদের কোম্পানী মোট ১,৫৫৭,৪৯৭ টাকা মুনাফার অংশীদারিত্ব লাভ করেছে।

২০১৬ - ২০১৭ সালে ব্যবসায়িক সম্ভাবনা

দেশের সামগ্রিক অর্থনৈতিক সম্ভাবনাসমূহ ঃ

দেশ ও বিদেশের অর্থনৈতিক বিশ্লেষকদের মতে বাংলাদেশের অর্থনীতির উর্ধ্বমূখী পূর্বাভাস লক্ষ্য করা যাচেছ। তাঁদের বিশ্লেষণ এবং পূর্বাভাস অনুযায়ী আগামী বছরের প্রধান প্রধান অর্থনৈতিক সূচকগুলোর সম্ভাবনা নিম্নে আপনাদের জ্ঞাতার্থে উল্লেখ করা হল ঃ

- GDP প্রবৃদ্ধির পূর্বাভাস প্রায় ৬.৫% এর অধিক
- পূর্ববর্তী বছরের তুলনায় আগামী বছরে ক্রমবর্ধমান বাজেট

- সংকুচিত মুদ্রাস্ফীতির হার
- ক্রমবর্ধমান বৈদেশিক মুদ্রার সঞ্চিতি
- ক্রমবর্ধমান Foreign Remittance
- ক্রমবর্ধমান রপ্তানী আয় এবং বেসরকারী বিনিয়োগ
- ২০২১ সালের মধ্যে মধ্যম আয়ের দেশে পরিনত হওয়ার স্বপ্ন

তৈরী পোশাকখাতের সম্ভাবনা

সকল ধরনের বিশ্লেষন ও গবেষনায় বাংলাদেশের তৈরী পোষাকখাত সম্ভাবনাময় এবং এ খাতে বাংসরিক রপ্তানীর হার ৭% থেকে ৯% পর্যন্ত বৃদ্ধির পূর্বাভাস লক্ষ্য করা যাচেছ। আমাদের গৌরবময় স্বাধীনতার ৫০ বংসর পূর্তিতে এই শিল্পে রপ্তানীর পরিমান ৫০ বিলিয়ন মার্কিন ডলারে পৌছানোর প্রচেষ্টা এবং পরিকল্পনা গ্রহন করা হচ্ছে। এ সংক্রান্ত একটি শ্লোগানকে সামনে রেখে সংগ্লিষ্ট সবাই কাজ করে যাচেছ।

McKinsey এর প্রতিবেদন অনুযায়ী আগামীতে তৈরী পোষাকখাতে একটি অন্যতম উৎস হিসেবে বাংলাদেশের অবস্থান থাকবে।

পোশাক শিল্পের সহযোগী প্রতিষ্ঠান (Garments Accessories) হিসেবে আমাদের ব্যবসায়িক সম্ভাবনা

তৈরী পোশাকের পশ্চাদ সংযোগ শিল্পের (Backward Linkage) গত দুই দশক ধরে ক্রমবর্ধমান প্রবৃদ্ধি হয়েছে। পোশাক শিল্প মালিকদের সম্পূর্ণ আমদানী নির্ভরতা থেকে এখন সম্পূর্ণ দেশীয় উৎপাদনের যোগান দিতে সক্ষম হয়েছে। তৈরী পোশাকের পশ্চাদ শিল্প হিসেবে তৈরী পোশাকের রপ্তানীর সম্ভাবনার মত এই শিল্পেরও উজ্জ্বল ভবিষ্যত সম্ভাবনা রয়েছে।

শিল্প সংশ্লিষ্ট বিশ্লেষকদের মতে, বাংলাদেশে ২০২০ সালের মধ্যে Garments Accessories এর ব্যবসা বর্তমানের চেয়ে ২ গুন অর্থাৎ ১২ বিলিয়ন মার্কিন ডলারে উন্নীত হওয়ার সম্ভাবনা রয়েছে। আমাদের কোম্পানী এ খাতের অন্যতম বৃহত্তম উৎপাদনকারী হিসেবে একই গতিতে ব্যবসায়িক সমৃদ্ধির আশা করছে যা আমাদেরকে আমাদের লক্ষ্য অর্জনে এগিয়ে নিয়ে যাবে।

মানসম্মত, উদ্ভাবনী এবং সময়ের মধ্যে পন্য সরবরাহ আমাদের ব্যবসায়ের অন্যতম কৌশল যা আমাদেরকে আমাদের গ্রাহকের নিকট প্রধান সরবরাহকারী হিসেবে পছন্দের তালিকায় ধরে রাখতে সহায়তা করেছে।

চলমান প্রক্রিয়ার নীতি

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

ব্যবস্থাপনা সংক্রান্ত আলোচনা ও বিশ্লেষণ

পরিচালনাপর্ষদ সময়ে সময়ে কোম্পানীর বিক্রয় ও বিক্রিত পণ্যের ব্যয়, মোট মুনাফা এবং নীট মুনাফার হ্রাস ও বৃদ্ধির উপর আলোচনা করে থাকেন এবং বাজার পর্যালোচনা করে ব্যবসায়িক প্রবৃদ্ধির জন্য প্রয়োজনীয় পদক্ষেপ গ্রহণ করে থাকেন। এ বিষয়ের উপর তাদের বিস্তারিত কার্যক্রমের / বিশ্লেষণের উপর একটি প্রতিবেদন Annexure

- D, Page: 63 এ উপস্থাপন করা হয়েছে।

পন্যভিত্তিক পরিচালন ও আর্থিক ফলাফল

পরিচালন ফলাফলঃ

বিররণ	ইউনিট	উৎপাদন ক্ষমতা	১লা জানুয়ারী ২০১৫ থেকে ৩০শে জুন ২০১৬		১লা জুলাই ২০১৩ থেকে ৩১শে ডিসেম্বর ২০১৪	
1144	201-10		প্রকৃত উৎপাদন	উৎপাদন ক্ষমতার ব্যবহার (%)	প্রকৃত উৎপাদন	উৎপাদন ক্ষমতার ব্যবহার (%)
কার্টুন	পিস	৩৮,২৫০,০০০	৩৪,১৬৩,৪৮৪	৮৯.৩২%	৩৭,৪৭২,৩৯০	৯৭.৯৭%
লেভেল	পিস	২৬৩,৯৪৬,৩১২	১৩৯,৩০১,৬৭৩	৫২.৭৮%	১২০,৪৪৯,৮৬৩	৪৫.৬৩%
ইলাষ্টিকস এবং ন্যারো ফেব্রিক্স	পিস	86,58,000	২৯,০৫৪,১০৬	৬৩.৩৫%	২০,২০৩,০১১	88.06%
অফসেট প্রিন্টিং	পিস	२२৫,०১8,8००	१४,००৫,४१०	৩৪.৬৭%	৫৩,৫৪৬,১৮০	২৩.৮০%
হিট ট্রান্সফার প্রিন্টিং	পিস	७१,88०,०००	১৮,৯৬২,৯৫৩	€0.७€%	১৭,১৭৬,৩৬৯	8৫.৮৮%
বাটন	জিজি	(80,000	২৪৫,১৩১	৪৫.৩৯%	\$\$4,0°d&	9 8.08%
গামটেপ	পিস	৬,৪৩৫,০০০	১ ২৮,৬৭৮	২.০০%	-	-

আর্থিক ফলাফল ঃ

বিররণ	১লা জানুয়ারী থেকে ৩০শে জুন ২ বিক্রয়	, 036	১লা জুলাই ২০১৩ থেকে ৩১শে ডিসেম্বর ২০১৪ বিক্রয়		
	।বঞ্জর টাকার (%)		টাকায় (%)		
কার্টুন	১,৯৩২,২৬৬,৬৬৯	99.69%	২,২৪০,৪৫৭,৬৬০	৮৮.০৩%	
লেভেল	১৪০,৯৭০,১৩২	e. 9%	১৩৮,৩৮২,৩৬৩	¢.88%	
ইলাষ্ট্রিকস এবং ন্যারো ফেব্রিক্স	১৩২,৯৪২,৫৯১	¢.98%	£90,0¢3	۷.۵8%	
অফসেট প্রিন্টিং	\$\$0,90b,\$8¢	e.২e%	৬৩,৬১০,৪০৩	২.৫০%	
হিট ট্রান্সফার প্রিন্টিং	८७८,७88,४८	0.9৮%	১৭,৪৮১,৩৩২	০.৬৯%	
বাটন*	১২৮,৯৩১,২৪৭	৫. ১৮%	৩০,৬৭৯,১৭৩	১.২১%	
গামটেপ * *	২,৫৪৪,৩৮৮	0.30%	-	-	
মোট	২,৪৮৭,৮০৯,১০৩	300%	২,৫৪৫,১৯৩,৯৮২	۵۰۰%	

২০১৩ সালের শেষ প্রান্তিকে কোম্পানীর বাটন ইউনিটের উৎপাদন শুরু হয়।

ঝুঁকি ও উদ্বেগ

ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক ঝুঁকি নির্ধারণ, ঝুঁকির ফলাফল নির্ধারণ, পর্যবেক্ষণ, হ্রাসকরণ এবং প্রতিবেদন কোম্পানীর পরিচালনা পর্যদ সময়ে সময়ে পর্যালোচনা করে থাকেন। কোম্পানীর পরিচালনায় ব্যবসায়িক ঝুঁকির ব্যবস্থাপনা সংক্রান্ত একটি বিস্তারিত প্রতিবেদন Annexure - H, Page: 67 এ উপস্থাপন করা হয়েছে।

ক্রেডিট রেটিং

ক্রেডিট রেটিং ইনফরমেশন এন্ড সার্ভিসেস লিমিটেড এর বিশ্লেষণে আপনাদের কোম্পানীর ঋণমান নিমুরূপঃ

দীর্ঘকালীন	স্বল্পকালীন
A+	ST-3

উক্ত A+ রেটিং অনুসারে আপনাদের কোম্পানীর ঋণমান ভাল মৌল ভিত্তি সম্পন্ন এবং আয় অর্জনের সক্ষমতা নির্দেশ করে। ক্রেডিট রেটিং কোম্পানীর মূল্যায়নে আপনাদের কোম্পানীর ভবিষ্যত অবস্থা"Positive" থাকবে।

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

প্রাথমিক গণ প্রস্তাব (IPO) এর তহবিলের ব্যয়ের বিবরণ

কোম্পানীর IPO হইতে প্রাপ্ত অর্থের ব্যয়ের বিস্তারিত প্রতিবেদন Annexure - C, Page: 62 এর আপনাদের অবগতির জন্য প্রদান করা হয়েছে।

পরিচালনা পর্ষদ IPO হইতে প্রাপ্ত অর্থ Prospectus অনুসারে ইতিমধ্যে বিনিয়োগ ও ব্যয় করিয়াছে এবং সংশ্লিষ্ট খাত হইতে ব্যয়ের উদ্বুত অর্থ কোম্পানী গ্রহণযোগ্য অন্য কোন খাতে ব্যবহারের জন্য সম্মানিত শেয়ারহোন্ডারদের অনুমতির প্রস্তাব করছে।

আভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতি

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

স্বার্থসংশ্লিষ্ট প্রতিষ্ঠানের সাথে লেনদেন

এ বিষয়ে কোম্পানীর নিরীক্ষিত আর্থিক প্রতিবেদনের নোট নং-৩৬ এবং Annexure - E, Page : 64 এ বাংলাদেশ হিসাবমান অনুসারে বিস্তারিত বর্ননা করা হয়েছে। উক্ত লেনদেন ব্যতিত উল্লেখিত সময়ে কোম্পানীর সাথে স্বার্থসংশ্লিষ্ট অন্যান্য কোম্পানীর উল্লেখযোগ্য কোন লেনদেন সংগঠিত হয়নি।

অস্বাভাবিক লাভ বা ক্ষতি

উল্লেখিত সময়ে কোম্পানীর কোন ধরনের অস্বাভাবিক লাভ বা ক্ষতি হয়নি।

ত্রৈমাসিক এবং বার্ষিক আর্থিক ফলাফলে ব্যবধান

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

বিগত সময়ের তুলনায় পরিচালন ফলাফলের পরিবর্তন

গামটেপ পণ্যের উৎপাদন ব্যতিত পরিচালন ফলাফলে উল্লেখিত সময়ে। পূর্ববর্তী সময়ের তুলনায় কোন ধরনের পরিবর্তন নেই।

^{**} ২০১৫ সালের শেষ প্রান্তিক হতে গামটেপ পন্যের উৎপাদন শুরু হয়।

আর্থিক বৎসর পরবর্তী অবস্থা / ঘটনা

কোম্পানীর হিসাব সমাপ্তির তারিখ হইতে পরিচালনা পর্যদের প্রতিবেদন দাখিলের সময়ের মধ্যে কোন ধরনের উল্লেখযোগ্য লেনদেন সংগঠিত হয়নি যা কোম্পানীর সংশ্লিষ্ট / আর্থিক প্রতিবেদন ব্যবহারকারীর সিদ্ধান্ত প্রহণের মূল্যায়নে প্রভাব ফেলতে পারে।

পরিচালক মন্ডলী

- ১. পরিচালনা পর্ষদের গঠন ও আকার
 - ৩০ জুন ২০১৬ তারিখে কোম্পানীর পরিচালনা পর্যদে মোট ৫ জন সদস্য ছিলেন। এদের মধ্যে একজন পর্যদের সভাপতি, একজন ব্যবস্থাপনা পরিচালক, ২ জন সাধারণ পরিচালক এবং একজন স্বতন্ত্র পরিচালক মর্যাদায় অধিষ্ঠিত ছিলেন।
- ২. পরিচালনা পর্যদের অন্যান্য স্বার্থ সংশ্লিষ্ট প্রতিষ্ঠানের বিবরণ পরিচালনা পর্যদের স্বার্থসংশ্লিষ্ট অন্যান্য প্রতিষ্ঠানের বিবরণ এবং উক্ত প্রতিষ্ঠানে তাদের স্ব-স্থ অবস্থানের একটি প্রতিবেদন Annexure-G, Page: 66-এ বর্ননা করা হয়েছে।

৩. পরিচালকবৃন্দের অবসরগ্রহন এবং পুনঃ নিয়োগ

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

- ১. জনাব সেলিম রহমান
- ২. জনাব এস এম শামীম ইকবাল

বিগত ০৯ই আগষ্ট ২০১৬ তারিখে অনুষ্ঠিত কোম্পানীর পরিচালনা পর্ষদের সভায় জনাব সেলিম রহমান এবং এস এম শামীম ইকবালের পুনঃনিয়োগ প্রস্তাব সর্বসম্মতিক্রমে গৃহিত হয়েছে। উক্ত পরিচালকদ্বয়ের প্রোফাইল Page - 33 & 35 এ উল্লেখ করা হয়েছে।

8. পরিচালনা পর্যদের সভা ও উপস্থিতি

উল্লেখিত সময়ে পরিচালনা পর্যদের মোট ১১টি সভা অনুষ্ঠিত হয়। উক্ত সভায় পর্যদের সদস্যদের স্ব-স্থ উপস্থিতি নিম্মে উল্লেখ করা হল ঃ-

পরিচালকের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	সভায় উপস্থিতির সংখ্যা
জনাব খলিলুর রহমান	চেয়ারম্যান	22	77
জনাব সেলিম রহমান	ব্যবস্থাপনা পরিচালক	22	77
জনাব এস এম শামীম ইকবাল	পরিচালক	22	09
জনাবা তাহসিনা রহমান	পরিচালক	77	٥٥
জনাব মোহাম্মদ জামালউদ্দিন *	স্বাধীন পরিচালক	22	০৬

^{*} স্বাধীন পরিচালক নিয়োগের পর শুধুমাত্র ছয়টি পর্যদ সভা অনুষ্ঠিত হয়েছে। যে সকল সদস্য সভায় উপস্থিত হতে পারেননি তাঁহারা ঐ সময়ে ছুটিতে অথবা দেশের বাইরে অবস্থান করছিলেন।

স্বাধীন পরিচালক নিয়োগ

বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন (BSEC) কর্তৃক নির্দেশিত কর্পোরেট গভর্নেস্প নির্দেশিকা যাহা ৭ই আগষ্ট ২০১২ ইং তারিখে ইস্যুক্ত নোটিফিকেশন নং (SEC/CMR-RCD/2006-158/134/Admin/44 dated - 07.08.2012) অনুযায়ী কোম্পানীর স্বতন্ত্র পরিচালক হিসেবে জনাব মোহাম্মদ জামালউদ্দিনকে পর্যদ সভায় পরবর্তী ৩ বৎসরের জন্য নিয়োগ দেয়া হয়েছে যাহা বার্ষিক সভায় সম্মানিত শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপন করা হয়েছে। জনাব জামালউদ্দিন এর যোগ্যতা এবং দক্ষতা ডিরেক্টরস প্রোফাইল Page: 35 এ বিস্তারিত দেয়া হয়েছে।

নিরীক্ষা কমিটি

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

পরিচালকের নাম	পদবী
জনাব মোহাম্মদ জামালউদ্দিন	চেয়ারম্যান ও স্বাধীন পরিচালক
জনাব খলিলুর রহমান	সদস্য
জনাব এস এম শামীম ইকবাল	সদস্য
জনাবা তাহসিনা রহমান	সদস্য
জনাব মঞ্জুরে খুদা	সদস্য সচিব

উল্লিখিত সময়ে উক্ত নিরীক্ষা কমিটির ৪টি সভা অনুষ্ঠিত হয়। উক্ত কমিটির দায়-দায়িত্ব এবং কার্যাবলী Page: 76 এ বিস্তারিতভাবে বর্ণনা করা হয়েছে।

লভ্যাংশ

০৯ই আগষ্ট ২০১৬ তারিখে অনুষ্ঠিত পরিচালনা পর্যদের সভায় পূর্বে ঘোষিত ৫% নগদ এবং ১০% স্টক লভ্যাংশ অপরিবর্তিত রাখা হয়েছে যা ২৯শে মার্চ ২০১৬ তারিখে অনুষ্ঠিত কোম্পানীর ১০২তম পরিচালনা পর্যদের সভায় সুপারিশ করা হয়েছিল এবং ২৫তম বার্ষিক সাধারণ সভায় অনুমোদন সাপেক্ষে Record Date এ শেয়ারধারীদের মধ্যে বিতরন করা হবে। পরবর্তী ০১ জানুয়ারী ২০১৬ হতে ৩০শে জুন ২০১৬ তারিখ সমাপ্ত আর্থিক ফলাফলের উপর পরিচালনা পর্যদ কোন অন্তবর্তী লভ্যাংশ সুপারিশ করেননি।

পরিচালকপর্যদের ভাতা / সম্মানী

কোম্পানীর ব্যবস্থাপনা পরিচালক ব্যতিত পরিচালক পর্যদের অন্য কোন সদস্যকে কোন ধরনের মাসিক বেতন, ভাতা এবং অন্যান্য সুবিধাদি কোম্পানী হতে প্রদান করা হয় না। উল্লেখিত সময়ে পরিচালকদের মোট প্রদত্ত ভাতাদি নিম্নে উল্লেখ করা হল ঃ

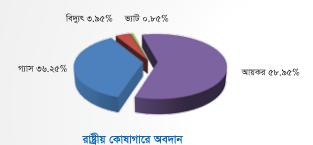
ক্রম	পরিচালকমন্ডলী	পদবী	টাকা
7	জনাব খলিলুর রহমান	চেয়ারম্যা ন	
২	জনাব সেলিম রহমান	ব্যবস্থাপনা পরিচালক	৩৭,৫০,০০০.০০
೨	জনাব এস এম শামীম ইকবাল	পরিচালক	
8	জনাবা তাহসিনা রহমান	পরিচালক	
Č	জনাব মোহাম্মদ জামালউদ্দিন	স্বাধীন পরিচালক	
	সৰ্বমোট	৩৭,৫০,০০০.০০	

উল্লিখিত সম্মানী ০১ জানুয়ারী ২০১৫ থেকে ৩০ জুন ২০১৬ পর্যন্ত ১৮ মাসের জন্য প্রদান করা হয়েছে।

রাষ্ট্রীয় কোষাগারে অবদান

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

উল্লিখিত সময়ে আপনাদের কোম্পানীর ব্যবসায়িক লেনদেনের উপর প্রযোজ্য আরোপিত বিভিন্ন প্রকার কর, শুল্ক, মুসক হিসেবে মোট ৭,৭৮,০৮,৫৬১/= টাকা রাষ্ট্রীয় কোষাগারে প্রদান করেছে। যাহা নিম্নে বর্ণিত চিত্রে দেখানো হলো ঃ



ব্যবসায়িক সামাজিক দায়বদ্ধতা

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

পুরস্কার এবং স্বীকৃতি

শুরু থেকে আপনাদের কোম্পানী বিভিন্ন ধরনের মান মূল্যায়নের সনদের স্বীকৃতি অর্জন করে আসছে। এর মধ্যে উল্লেখযোগ্য অর্জন এবং স্বীকৃতিসমূহ নিমুরূপ ঃ

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

তথ্য প্রযুক্তি

তথ্য প্রযুক্তির ব্যবহারে আপনাদের কোম্পানী সবসময় একধাপ এগিয়ে, কারন আমরা বিশ্বাস করি, সঠিক সময়ে সঠিক বাজার বিপনন ব্যবস্থা, বৈশ্বিক বিক্রয়, পদ্ধতিগত ব্যবস্থাপনা, সময়োপযোগী পর্যবেক্ষণ, যথাযথ গ্রাহক সেবা এবং দীর্ঘমেয়াদী ব্যবসায়িক প্রবৃদ্ধি এ সব কিছুর পরিচালনায় তথ্য প্রযুক্তির ব্যবহার ছাড়া এ যুগে প্রায়্ম অসম্ভব। ইতিমধ্যে আমরা ফিন্যাপিয়াল রিপোটিং, মানবসম্পদ ব্যবস্থাপনা, বিক্রয় ও বিপনন, উৎপাদন, মজুদ ব্যবস্থাপনা এবং স্থায়ী সম্পদ ব্যবস্থাপনায় অটোমেশন পদ্ধতি চালু করেছি যাহার মাধ্যমে ব্যবস্থাপনা কর্তৃপক্ষ যেকোন সময়ে যেকোন স্থান হতে এ সংক্রান্ত রিপেটি দেখতে এবং সিদ্ধান্ত গ্রহন করতে পারেন।

মানব সম্পদ ব্যবস্থাপনা

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

আচরন বিধি

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

নিরীক্ষক নিয়োগ

কোম্পানীর বহিঃ নিরীক্ষক সাইফুল শামসুল আলম এন্ড কোম্পানী চাটার্ড একাউন্টট্যান্টস্ কোম্পানীর ২৫তম বার্ষিক সাধারণ সভায় নিয়মানুযায়ী অবসর গ্রহন করবেন। পুনঃ নিয়োগের জন্য যোগ্য হওয়া সত্ত্বেও পরবর্তী বছরের নিরীক্ষা কার্যক্রম পরিচালনার জন্য তাদের অসম্মতি প্রকাশ করেছেন।

এই পরিপ্রেক্ষিতে পরিচালনা পর্ষদ ০৯ই আগষ্ট ২০১৬ তারিখে অনুষ্ঠিত সভায় Panel হতে কোম্পানীর আগামী হিসাব বছরের নিরীক্ষা পরিচালনার জন্য হোসেন ফরহাদ এন্ড কোং, চাটার্ড একাউন্ট্যান্টসকে বহিঃ নিরীক্ষক হিসেবে নিয়োগের সুপারিশ করেছেন যা আগামী ২৫তম বার্ষিক সাধারণ সভায় অনুমোদন সাপেক্ষে নিয়োগ করা হবে।

ব্যবসায়িক সুশাসন এবং প্রতিপালনের প্রতিবেদন

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) কর্তৃক ইস্যুকৃত (নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/ ২০০৬-১৫৮/ ১৩৪/এডমিন/৪৪ তারিখ ০৭ আগষ্ট, ২০১২) কর্পোরেট সুশাসন মেনে চলার নির্দেশিকার উপর একটি সনদ এবং প্রতিবেদন এই রিপোটে বিস্তারিত দেয়া হয়েছে। এ সংক্রান্ত প্রতিবেদন Annexure - I, Page: 69 & Page: 80 এ উল্লেখ করা হয়েছে।

পরিচালকদের দায়িত্বের বিবৃতি ঃ

বিএসইসি নোটিফিকেশন নং বিএসইসি/সিএমআরআরসিডি/ ২০০৬ -১৫৮/১৩৪/এডমিন /৪৪ তারিখ ০৭ আগষ্ট ২০১২ অনুসারে পরিচালনা পর্ষদ এই বিষয়টি নিশ্চিত করেন যে,

- কেডিএস এক্সেসরিজ লিঃ এর ব্যবস্থাপনা কর্তৃক তৈরীকৃত আর্থিক প্রতিবেদন কোম্পানীর সার্বিক অবস্থা, পরিচালনার ফলাফল সমূহ, নগদ প্রবাহ এবং সম্পদের পরিবর্তন ইত্যাদি যথাযথ ভাবে উপস্থাপন করা হয়েছে।
- ২. যথাযথ হিসাব বই সংরক্ষণ করা হয়েছে।
- আর্থিক প্রতিবেদন তৈরীতে যথাযথ একাউন্টিং পলিসি
 নিরবিচ্ছিন্নভাবে প্রয়োগ করা হয়েছে এবং হিসাবের প্রাক্কলনগুলো
 যুক্তিসংগত এবং যথোপযুক্ত বিচার বিশ্লেষনের উপর ভিত্তি করে
 করা হয়েছে।
- ৪. আর্থিক প্রতিবেদন তৈরীতে ইন্টারন্যাশনাল একাউন্টিং স্ট্যান্ডার্ডস (আইএএস)/ বাংলাদেশ একাউন্টিং স্ট্যান্ডার্ডস (বিএএস)/ ইন্টারন্যাশনাল ফিনেসিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস)/বাংলাদেশ ফিনেসিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (বিএফআরএস) যেভাবে বাংলাদেশে প্রযোজ্য সেভাবে অনুসরণ করা হয়েছে এবং যে কোন ধরণের পরিবর্তন পর্যাপ্তভাবে প্রকাশ করা হয়েছে।
- শুরাণ নিয়ন্ত্রন ব্যবস্থা যথাযথভাবে গ্রহন এবং প্রয়োগ করা
 হয়েছে।
- ৬. একটি চলমান প্রতিষ্ঠান হিসেবে যাত্রা অব্যাহত রাখতে কোম্পানীর সক্ষমতার উপর কোন সন্দেহ নাই এবং একটি চলমান প্রতিষ্ঠানের উপর ভিত্তি করে হিসাব তৈরী করা হয়েছে।
- কোম্পানীর পরিচালনাগত ফলাফলে বিগত সময় থেকে উল্লেখযোগ্য পরিবর্তন প্রতিবেদনে আলোকপাত করা হয়েছে এবং তার কারণ ব্যাখ্যা করা হয়েছে।

- ৮. বিগত ৫ বছরের মূল পরিচালনাগত এবং আর্থিক ফলাফল সমূহ
 Annexure A, Page: 60 & Annexure B,
 Page: 61 এ উল্লেখ করা হয়েছে।
- ৯. কোম্পানীর পরিচালক পর্যদের সভার সংখ্যা এবং পরিচালকদের উপস্থিতি সংক্রান্ত তথ্য এই প্রতিবেদনে Page: 57 এ উল্লেখ করা হয়েছে।
- ১০. শেয়ার ধারণের পদ্ধতি Annexure F, Page: 64 এ উল্লেখ করা হয়েছে।
- ১১. বিএসইসি এর চাহিদামত এবং কর্পোরেট গভর্নেঙ্গের নিয়মানুসারে কর্পোরেট গভর্নেঙ্গের কমপ্লায়েস স্ট্যাটাস নামে একটি প্রতিবেদন এবং সনদ Annexure - I, Page: 69 এ বর্ণনা করা হয়েছে।

ধন্যবাদ জ্ঞাপন ঃ

আমরা আমাদের গ্রাহক, সরবরাহকারী, বিনিয়োগকারী, ব্যবসায়িক সহযোগী এবং ব্যাংকারদেরকে তাঁদের সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি এবং সেই সাথে কোম্পানীর সকল শ্রমিক, কর্মচারী এবং কর্মকর্তাদের অবদানের জন্য ধন্যবাদ জানাচ্ছি।

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

আল্লাহ হাফিজ

পরিচালকমন্ডলীর পক্ষে–

খলিলুর রহমান

চেয়ারম্যান

০৯ আগষ্ট ২০১৬

ANNEXURE - A

FINANCIAL HIGHLIGHTS

	Amount in BDT. Million						
	18 Month	ns Ended		12	Months Ende	d	
	2015-2016	2013-2014	2015	2014	2013	2012	2011
Assets Employed							.=
Non Current Assets	1,323.05	1,092.55	1,132.96	1,092.55	1,059.01	958.74	676.41
Net Current Assets	157.35	34.13	330.88	34.13	(153.29)	(134.32)	(246.00)
Total Assets Employed	1,480.40	1,126.67	1,463.84	1,126.67	905.71	824.42	430.41
Financed by							
Share Capital	520.00	400.00	520.00	400.00	400.00	301.28	126.06
Share Premium	120.00	_	120.00	_	_	_	_
Revaluation Reserve	214.39	214.39	214.39	214.39	214.39	214.39	_
Retained Earnings	445.21	259.42	384.41	259.42	170.78	183.62	247.61
Shareholders' Equity	1,299.61	873.81	1,238.80	873.81	785.17	699.30	373.67
Long Term Borrowings	99.08	184.21	152.77	184.21	77.28	92.88	32.84
Lease Finance	1.62	2.15	2.69	2.15	2.65	0.73	0.97
Defined benefit obligations - Gratuity	49.20	22.91	38.17	22.91	_	_	_
Deferred Tax Liabilities	30.89	43.59	31.40	43.59	40.61	31.51	22.92
Total Capital Employed	1,480.40	1,126.67	1,463.84	1,126.67	905.71	824.42	430.41
	1, 122111	.,	.,	.,			
Operational Result							
Revenue	2,487.81	2,545.19	1,690.86	1,742.31	1,647.26	1,510.38	1,146.10
Gross Profit	531.75	543.28	357.13	358.35	368.33	369.34	295.35
Profit from Operations	339.67	398.02	227.47	252.55	286.48	288.35	236.00
Profit before Interest, Taxes & Depreciation Allowances	424.59	468.97	285.17	300.96	332.38	324.57	265.74
Profit before Income Tax	200.94	174.98	130.00	110.96	111.34	145.24	116.65
Profit after Income Tax	185.80	130.90	124.99	88.64	85.87	111.24	72.13
Financial Ratios							
	24.270/	04.050/	04.400/	20 570/	22.200/	04.450/	OF 770/
Gross Profit Ratio - %	21.37%	21.35%	21.12%	20.57%	22.36%	24.45%	25.77%
Net Profit Ratio - %	7.47%	5.14%	7.39%	5.09%	5.21%	7.36%	6.29%
EBITDA Margin to Sales - %	17.07%	18.43%	16.87%	17.27%	20.18%	21.50%	23.19%
Return on Shareholders Equity - %	14.30%	14.98%	10.09%	10.14%	10.94%	15.91%	19.30%
Return on Capital Employed - %	12.55%	11.62%	8.54%	7.87%	9.48%	13.49%	16.76%
Current Ratio - Times	1.15	1.03	1.24	1.03	0.90	0.90	0.82
Quick Ratio - Times	0.79	0.66	0.88	0.66	0.40	0.32	0.31
Inventory Turnover Ratio - Times	4.67	4.15	2.77	2.31	1.70	1.57	1.61
Assets Turnover Ratio - Times	1.01	0.97	0.65	0.73	0.73	0.77	0.75
Debt Equity Ratio - Times	0.95	1.76	1.29	1.76	2.03	2.07	3.74
Interest Coverage Raito - Times	1.30	0.78	1.20	0.75	0.69	1.01	1.02
Price/Earning (P/E) Ratio - Times	14.18	-	29.73	-	-	-	-
Earnings Per Share (EPS) - Taka	4.00	3.27	2.86	2.22	2.14	2.78	2.39
Net Operating Cash Flow Per Share (NOCFPS) - Taka	5.83	5.93	3.44	4.67	0.41	5.90	2.55
Dividend Per Share (DPS) - Taka	1.50	_	1.50	-	_	3.28	13.90
Net Assets Value (NAV) Per Share - Taka	24.99	21.85	23.82	21.85	19.63	17.48	29.64
Market Price per share as on 30 June 2016 - Taka	56.70	_	85.00		-	-	
Market Capitalization at 30 June 2016 - Taka (mn)	2,948	_	4,420	_	_	_	_
	2,040		7,720				

ANNEXURE - B

PERFORMANCE INDICATOR











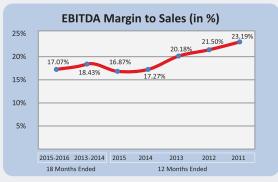














ANNEXURE - C

USE OF IPO PROCEEDS AND STATUS OF UTILIZATION

Status of IPO Proceeds of the Company as of 30 June 2016 has been given below:

Amount of Total IPO	Proposed utilization of IPO Proceeds (as approved by BSEC)		Utilization till 30 June 2016	Balance to be Utilized	Remarks
Proceeds	Particulars	Amount in Taka	Amount in Taka	Amount in Taka	
240,000,000	Expansion of Packaging Unit - 3	150,000,000	149,999,349	651	Settled by Tk. 149,999,349
	Repayment of Bank Loan	70,000,000	70,000,000	-	Fully Settled
	IPO Expenses	20,000,000	14,734,118	5,265,882	Settled by Tk. 14,734,118
240,000,000	Total	240,000,000	234,733,467	** 5,266,533	

^{**} The Board proposed to place before shareholders for their consideration to spend the remaining balance of Tk. 5,266,533 from IPO Proceeds in a suitable purpose by 31 December 2016 after head wise utilization as per the declaration in the Prospectus.

ANNEXURE - D

MANAGEMENT DISCUSSION AND ANALYSIS

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

Financial Performance

Particulars	01 January 2015 to 30 June 2016	01 July 2013 to 31 December 2014	
	In Taka	In Taka	
Cost of Goods Sold (COGS)	1,956,060,986	2,001,909,967	
Gross Profit	531,748,117	543,284,015	
Net Profit	185,799,059	130,902,772	

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 18 months from 01 January 2015 to 30 June 2016, Gross Profit Margin was 21.37% against 21.35% from 01 July 2013 to 31 December 2014. Gross profit has increased as the price of raw material was cheaper in this period.

Net Profit Margin Ratio

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

Net Profit = Gross Profit – Expenses with Tax & WPP & WF

The Net profit Margin Ratio is 7.47% against 5.14% in the previous eighteen months. In this period Company has earned net profit of Tk. 185.80 million. Share of Profit of associates of Tk. 1.56 million has been included herewith.

ANNEXURE - E

RELATED PARTY TRANSACTION

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 transaction is presented below:

SL No.	Name of the Related Parties	Relationship	Nature of Transactions	Balance as on 01 January 2015	Transaction during the period (Net)	Balance as on 30 June 2016
1	KDS Apparels Limited	Common Directorship	Receivable Against Sales	4,140,633	189,298	4,329,931
2	KDS Fashion Limited	Common Directorship	Receivable Against Sales	18,024,862	(4,375,901)	13,648,961
3	KDS Garment Inds. Ltd.	Common Directorship	Receivable Against Sales	40,946,331	5,087,688	46,034,019
4	KDS Logistics Limited	Common Directorship	Receivable Against Sales	-	228,404	228,404
5	KDS IDR Limited	Common Directorship	Receivable Against Sales	-	4,473,125	4,473,125
6	KDS Textile Mills Ltd.	Common Directorship	Receivable Against Sales	-	247,379	247,379
7	KDS Poly Industries Ltd.	Common Directorship	Short Term Loan	-	191,197,758	191,197,758
8	KDS Thread Limited	Common Directorship	Short Term Loan	38,630,242	(13,330,387)	25,299,855

ANNEXURE - F

SHAREHOLDING STRUCTURE AS ON 30 JUNE 2016

Shareholding Structure of the Company as on 30 June 2016 was as below:

Name/ Particulars of Shareholders	Number of Shares	% of total Shareholding
i) Directors & Sponsors		
Mr. Khalilur Rahman	24,399,175	46.921%
Mr. Salim Rahman	8,401,079	16.156%
Mr. S. M. Shameem Iqbal	2,799,936	5.384%
Ms. Hasina Iqbal	2,400,126	4.616%
Ms. Tahsina Rahman	1,999,048	3.844%
Ms. Tahmina Rahman	318	0.001%
KDS Garment Industries Limited	318	0.001%
Total of Directors & Sponsors	40,000,000	76.92%
ii) General Public	10,125,016	19.47%
iii) Institutions	1,874,984	3.61%
Grand Total (i + ii + iii)	52,000,000	100%

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

Name	Relation	No. of Shares Held
KDS Garment Industries Limited	Group Company	318
Total		318

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

Name	Relation	No. of Shares Held
Mr. Khalilur Rahman	Chairman	24,399,175
Mr. Salim Rahman	Managing Director	8,401,079
Mr. S. M. Shameem Iqbal	Director	2,799,936
Ms. Tahsina Rahman	Director	1,999,048
Mr. Muhammad Jamaluddin	Independent Director	-
Ms. Hasina Iqbal	Wife of Mr. S.M. Shameem Iqbal	2,400,126
Ms. Tahmina Rahman	Daughter of Mr. Khalilur Rahman	318
Mr. Debasis Daspal	CEO	250
Mr. Biplob Kanti Banik FCA	CFO	-
Mr. Manjure Khuda	CS	-
Mr. H M Morshed Jahan	Incharge, Internal Audit Dept.	

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

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

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

Name	Relation	No. of Shares Held
Mr. Khalilur Rahman	Chairman	24,399,175
Mr. Salim Rahman	Managing Director	8,401,079

ANNEXURE - G

DIRECTORS' BUSINESS INTEREST IN OTHER ORGANIZATIONS

SL No.	Name of Directors	Position at KDS Accessories Limited	Entities where they have interests	Position in other Companies
			KDS Garment Industries Limited	Chairman
			KDS Apparels Limited	Chairman
			KDS IDR Limited	Chairman
			KDS Fashion Ltd.	Director
			KDS Textile Mills Limited	Chairman
			KDS Thread Limited	Chairman
1	Mr. Khalilur Rahman	Chairman	KDS Poly Industries Limited	Chairman
			KY Steel Mills Limited	Chairman
			KYCR Coil Industries Ltd.	Managing Director
			Steel Accessories Limited	Chairman
			KDS Logistics Ltd.	Chairman
			Vortex Multi Industries Ltd	Chairman
			SKYS Securities Ltd.	Chairman
			Pragati Life Insurance Limited	Chairman
			Pragati General Insurance Limited	Director
			National Bank Limited	Director
			KDS Garment Industries Limited	Managing Director
			KDS Apparels Limited	Managing Director
			KDS IDR Limited	Managing Director
			KDS Fashion Ltd.	Managing Director
			KDS Textile Mills Limited	Director
_	Mr. Calina Daharan	Managina Dinastan	KDS Poly Industries Limited	Managing Director
2	Mr. Salim Rahman	Managing Director	KDS Thread Limited	Managing Director
			KYCR Coil Industries Ltd.	Chairman
			Steel Accessories Limited	Managing Director
			KDS Logistics Ltd.	Managing Director
			Vortex Multi Industries Ltd.	Director
			Al-Arafah Islami Bank Ltd.	Director
			Rupkotha Construction Limited	Director
			Dominox IM Limited	Managing Director
			Dominox Reality BD Ltd	Managing Director
3	Mr. S. M. Shameem Iqbal	Director	KDS Textile Mills Limited	Director
			Vortex Multi Industries Ltd	Managing Director
			SKYS Securities Ltd.	Managing Director
			Gous Fashion Industries Ltd.	Managing Director
4	Ms. Tahsina Rahman	Director	KYCR Coil Industries Ltd.	Director
			Pragati General Insurance Limited	Director
5	Mr. Muhammad Jamaluddin	Independent Director	Center for Mass Education in Science (CMES)	Director
			Pragati Life Insurance Limited	Independent Director

ANNEXURE - H

RISK FACTORS & MANAGEMENT PERCEPTION

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

a. Interest Rate Risk

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

Management Perception

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

b. Exchange Rate Risk

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

Management Perception

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

c. Industry Risks

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

Management Perception

KDS Accessories Limited is the largest export oriented carton box producing company in Bangladesh. Since inception, the company has tried and accomplishes to provide the best quality of its products to its valuable clients without any topsy-turvy state of affairs as being a partner of this fraternity. These made the company pioneer in accessories sector. Moreover at the end of the

third quarter of 2013 the company has introduced three more products in their product line i.e. Label, Narrow Fabrics, Elastics etc.

d. Market and Technology-Related Risks

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

Management Perception

KDSAL owns modern technology with R&D infrastructure and able to adapt any new inventions with moderate investments as it had been doing in the past. As part of this philosophy KDSAL is the first who has comprehensive Heat Transfer, Label printing facility in Bangladesh with the most advanced line of equipment & material meeting global standards & safety compliances.

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

e. Labor unrest

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

Management Perception

KDSAL maintains good atmosphere at the work

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

f. Operational Risks

i) Rise in Input Costs may affect profitability

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

Management Perception

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

ii) Starting operation within expected time

As per current status of work, the company expects to start its operation with new plants within 12 to 24 months. If KDSAL fails to achieve the target, the productivity and profitability of the company will be affected.

Management Perception

The management is aware of the impact of delay in commencement of operation and hence the management is working hard to achieve the target.

ANNEXURE - I

REPORT OF THE STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE

Status of compliance with the condition imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status (Put √ in the appropiate Column)		Remarks (If Any)
		Complied	Not Complied	Remarks (ii Aily)
1	Board of Directors			
1.1	Boards size	1	1	
	The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty).	√		
1.2	Independent Directors	·		
	At least one fifth (1/5) of the total number of directors in the	V		
1.2 (i)	company's board shall be independent directors.	٧		
1.2 (ii)	For the purpose of this clause 'Independent directors' means a di	rector-		
	Who either does not hold any share in the company or holds less	,		
1.2 (ii) (a)	than one percent (1%) shares of the total paid-up shares of the	√		
	company;			
	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one			
	percent (1%) or more shares of the total paid-up shares of the			
1.2 (ii) (b)	company on the basis of family relationship. His/her family	√		
	members also should not hold above mentioned shares in the			
	company.			
1.2 (ii) (c)	Who does not have any other relationship, whether pecuniary or			
	otherwise, with the company or its subsidiary/ associated	√		
	companies;	,		
1.2 (ii) (d)	Who is not a member, director or officer of any stock exchange;	√		
1.2 (ii) (e)	Who is not a shareholder, director or officer of any member of stock	√		
,,(-,	exchange or an intermediary of the capital market; Who is not a partner or an executive or was not a Partner or an			
1 2 (;;) (6)	· ·	$\sqrt{}$		
1.2 (ii) (f)	executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	V		
	Who shall not be an independent director in more than 3 (three)			
1.2 (ii) (g)	listed companies;	√		
	Who has not been convicted by a court of competent jurisdiction as			
1.2 (ii) (h)	a defaulter in payment of any loan to a bank or a Non-Bank	√		
, , , ,	Financial Institution (NBFI);			
1.2 (ii) (i)	Who has not been convicted for a criminal offence involving moral	V		
(, (.,	turpitude.	·		
4.0 (;;;)	The independent director(s) shall be appointed by the board of	√		
1.2 (iii)	directors and approved by the shareholders in the Annual General Meeting (AGM).	٧		
	The post of independent director(s) can not remain vacant for more	,		
1.2 (iv)	than 90 (ninety) days.	√		
4.0.63	The Board shall lay down a code of conduct of all Board members	√		
1.2 (v)	and annual compliance of the code to be recorded.	V		
	The tenure of office of an independent director shall be for a period			
1.2 (vi)	of 3(three) years, which may be extended for 1(one) term only.	√		
4.0				
1.3	Qualification of Independent Director (ID)	1	1	
	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory			
1.3 (i)	and corporate laws and can make meaningful contribution to	√		
	business.			
	The person should be a Business Leader/Corporate Leader/Bureaucrate/University Teacher with Economics or			
	Business Studies or Law background/professional Chartered			
1.3 (ii)	Accountants, Cost & Management Accountants, Chartered	√		
	Secretaries. The Independent Director must have at least 12			
	(twelve) years of corporate management/professional experiences.			
	In special cases the above qualifications may be relaxed subject to			
1.3 (iii)	prior approval of the Commission.			N/A
1.4	Chairman of the Board and Chief Executive Officer (CEO)			
	The position of the chairman of the Board and the CEO of the			
	companies shall be filled by different individuals. The chairman of	r.		
	the company shall be elected from among the directors of the	√		
	company. The Board of Directors shall clearly define respective			
	roles and responsibilities of the chairman and the CEO.			

Status of compliance with the condition imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.		Compliance Status (Put √		
	Title	in the appropriate Column)		Remarks (If Any)
1.5	Director's Report shall include the following additional statements	Complied	Not Complied	
1.5 (i)	Industry outlook and possible future developments in the industry.	√		
1.5 (ii)	Segment-wise or product-wise performance.	V		
1.5 (iii)	Risks and concerns.	V		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net			
	Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions-a statement of all related party	V		
1.5 (VI)	transactions should be disclosed in the annual report.	Y		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or	√		
,	through any others instruments.	,		
1.5 (viii)	An explanation if the financial results deteriorate after the company			N/A
. ,	goes for Initial Public Offering (IPO)			
1.5 (ix)	If significant variance occurs between Quarterly Financial			N/A
	Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.			IN/A
	Remuneration to directors including independent directors.	√		
1.5 (x)	The financial statements prepared by the management of the	Y		
1.5 (xi)	issuer company present fairly its state of affairs, the result of its	√		
1.5 (A)	operations, cash flows and changes in equity.	,		
	Proper books of account of the issuer company have been	,		
1.5 (xii)	maintained.	$\sqrt{}$		
	Appropriate accounting policies have been consistently applied in			
1.5 (xiii)	preparation of the financial statements and that the accounting	√		
` ′	estimates are based on reasonable and prudent judgment.			
	International Accounting Standards (IAS)/Bangladesh Accounting			
	Standards (BAS)/International Financial Reporting Standard			
1.5 (xiv)	(IFRS)/Bangladesh Financial Reporting Standards (BFRS), as	√		
1.5 (XIV)	applicable in Bangladesh, have been followed in preparation of the	· ·		
	financial statements and any departure there-from has been			
	adequately disclosed.			
1.5 (xv)	The system of internal control is sound in design and has been	√		
1.0 (///	effectively implemented and monitored.	· ·		
	There are no significant doubts upon the issuer company's ability			
1.5 (xvi)	to continue as a going concern. If the issuer company is not	√		
	considered to be a going concern, the fact along with reasons thereof should be disclosed.			
	Significant deviations from the last year's operating results of the			
1.5 (xvii)	issuer company shall be highlighted and the reasons thereof	$\sqrt{}$		
	should be explained.	,		
	Key operating and financial data of at least preceding 5 (five) years	,		
1.5 (xviii)	shall be summarized.	$\sqrt{}$		
1.5 (xix)	if the issuer company has not declared dividend(cash or stock) for			A1/A
	the year, the reasons thereof shall be given.			N/A
1.5 (xx)	The number of Board meetings held during the year and	√		
	attendance by each director shall be disclosed.	V		
1.5 (xxi)	The Pattern of shareholding shall be reported to disclose the			
	aggregate number of shares (along with name wise details			
	where stated below) held by			
1.5 (xxi) (a)	Parent/Subsidiary/Associated Companies and other related parties	√		
	(name wise details);	· ·		
1.5 (xxi) (b)	Directors, Chief Executive Officer, Company Secretary, Chief	1		
	Financial Officer, Head of Internal Audit and their spouses and	√		
	minor children (name wise details);	√		
1.5 (xxi) (c) 1.5 (xxi) (d)	Top Five Executives Other than mentioned above; Shareholders holding ten percent (10%) or more voting interest in			
	the company (name wise details).	$\sqrt{}$		
1.5 (xxii)	In case of the appointment/re-appointment of a director the company sh	all disclose th	e following inform	ation to the shareholders
110 (٨٨11)	a brief resume of the director	√ V	2 . 3	to the shareholders
1.5 (xxii) (a)				
1.5 (xxii) (a) 1.5 (xxii) (b)	nature of his/her expertise in specific functional areas:	√		
1.5 (xxii) (a) 1.5 (xxii) (b) 1.5 (xxii) (c)	nature of his/her expertise in specific functional areas; Names of companies in which the person also holds the	√ √		

Status of compliance with the condition imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

		Compliance Status (Put √			
Condition No.	Title	in the appropiate Column)		Remarks (If Any)	
			Not Complied		
2.0	Chief Financial Officer (CFO), Head of Internal Audit and Company	/ Secretary (0	CS)		
	The company shall appoint a Chief Financial Officer (CFO), a Head				
	of Internal Audit (Internal Control and Compliance) and a Company				
2.1	Secretary (CS). The Board of Directors should clearly define	V			
	respective roles, responsibilities and duties of the CFO, the Head				
	of internal Audit and the CS.				
	The CFO and the Company Secretary of the companies shall				
	attend the meetings of the Board of Directors, provided that the	,			
2.2	CFO and/or the Company Secretary shall not attend such part of a	√			
	meeting of the Board of Directors which involves consideration of				
	an agenda item relating to their personal matters.				
3.0	Audit Committee				
3 (i)	The company shall have an Audit Committee as a sub-committee	√			
- (-)	of the Board of Directors.				
	The Audit Committee shall assist the Board of Directors in				
3 (ii)	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.				
_ ,,,,,	The Audit Committee shall be responsible to the Board of	,			
3 (iii)	Directors. The duties of the Audit Committee shall be clearly set	√			
	forth in writing				
3.1	Constitution of the Audit Committee				
3.1 (i)	The Audit Committee shall be composed of at least 3 (three)	√			
	members.				
	The Board of Directors shall appoint members of the audit	,			
3.1 (ii)	committee who shall be directors of the company and shall include	√			
	at least 1 (one) independent director.				
	All members of the audit committee should be "financially literate"	,			
3.1 (iii)	, ,	V			
	financial management experience,				
	When the term of service of the Committee members expires or				
	there is any circumstance causing any Committee member to be				
	unable to hold office until expiration of the term of service, thus				
0.4 (1.)	making the number of the Committee members to be lower than				
3.1 (iv)	the prescribed number of 3 (three) persons, the Board of Directors			N/A	
	shall appoint the new Committee member(s) to fill up the				
	vacancy(ies) immediately or not later than 1 (one) month from the				
	date of vacancy(ies) in the Committee to ensure continuity of the				
	performance of work of the Audit Committee.				
3.1 (v)	The company secretary shall act as the secretary of the Committee.	√			
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute	√			
2.0	without at least 1 (one) independent director.				
3.2	Chairman of the Audit Committee				
2.2 (:)	The Board of Directors shall select 1 (one) member of the Audit	√			
3.2 (i)	Committee to be Chairman of the Audit Committee, who shall be	V			
	an independent director.				
3.2 (ii)	Chairman of the Audit Committee shall remain present in the	√			
2.2	Annual General Meeting (AGM).				
3.3	Role of Audit Committee	√			
3.3 (i)	Oversee the financial reporting process. Monitor choice of accounting policies and principles.	√ √			
3.3 (ii)	Ŭ I I				
3.3 (iii)	Monitor Internal Control Risk management process.	√ √			
3.3 (iv)	Oversee hiring and performance of external auditors.				
3.3 (v)	Review along with the management, the annual financial	√			
	statements before submission to the board for approval.				
3.3 (vi)	Review along with the management, the quarterly and half yearly	√			
	financial statements before submission to the board for approval.	. /			
3.3 (vii)	Review the adequacy of internal audit function. Review statement of significant 'related party transactions	√			
		,			
3.3 (viii)		√			
3.3 (viii)	submitted by the management. Review Management Letters/ Letter of Internal Control weakness	√			

Status of compliance with the condition imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

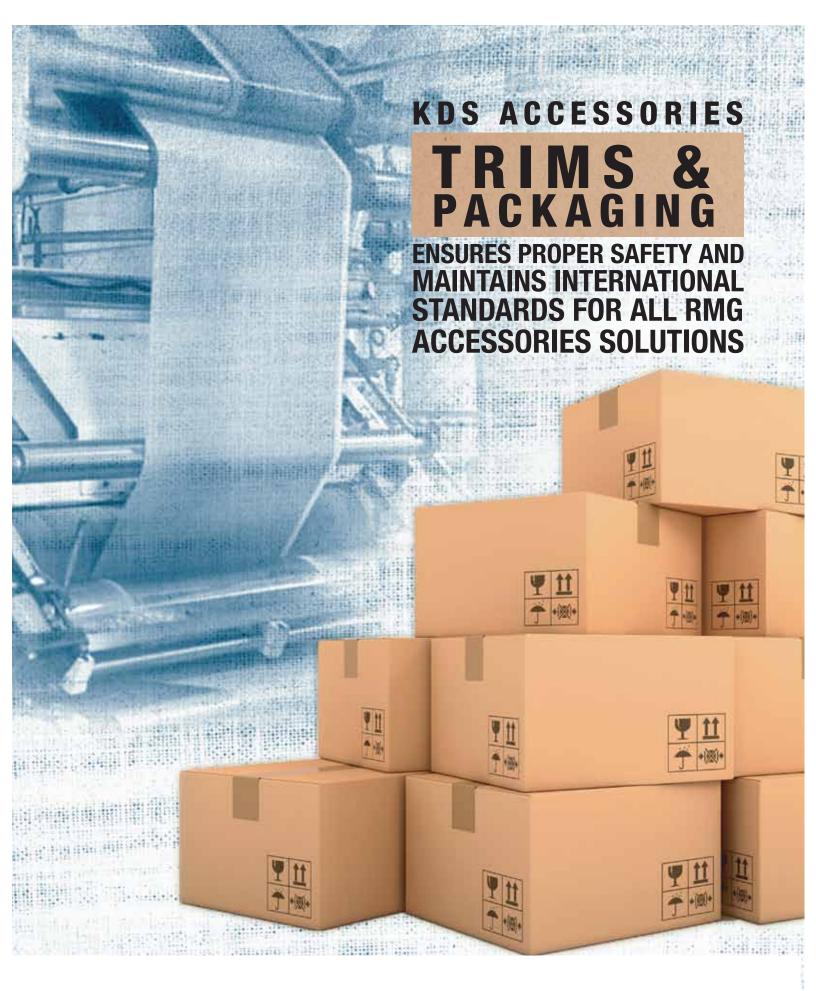
Condition No.	Title	Compliance Status (Putin the appropriate Column)		Remarks (If Any)	
		Complied	Not Complied		
3.3 (x)	When money is raised through Initial Public Offering (IPO) the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	V			
3.4	Reporting of Audit Committee				
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	V			
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-				
3.4.1 (ii) (a)	Report on conflicts of interests.			N/A	
3.4.1 (ii) (b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			N/A	
3.4.1 (ii) (c)	Suspected infringement of laws, including securities related laws, rules and regulations;:			N/A	
3.4.1 (ii) (d)	Any other matter which shall be disclosed to the Board of Directors immediately.			N/A	
3.4.2	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors 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 of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of			N/A	
3.5	Directors, whichever is earlier. Reporting to the Shareholders and General Investors				
3.3	Reporting to the shareholders and General investors Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	٨			
4	External/ Statutory Auditors				
	The issuer company should not engage its external/statutory auditor		he following serv	vices of the company:	
4 (i)	Appraisal or valuation services or fairness opinions.	√ ./			
4 (ii) 4 (iii)	Financial information system design and implementation Book-keeping or other services related to the accounting records or financial statement	√			
4 (iv)	Broker –dealer services	√			
4 (v)	Actuarial services	V			
4 (vi)	Internal audit services	V			
4 (vii)	Any other services that the audit committee determines.	V			
4 (viii)	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.	V			
4 (iX)	Audit/ Certification services on compliance of corporate governance as required under clause (i) of condition no. 7	V			
5	Subsidiary Company				
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.			N/A, Since there is no subsidiary of the Company	
5 (ii)	At least 1 (one) independent director of the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.			N/A	

Status of compliance with the condition imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status (Put in the appropiate Column)		Remarks (If Any)	
		Complied	Not Complied		
5 (iii)	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	
5 (iv)	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	
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular, the investments made by the subsidiary company.			N/A	
6.0	Duties of Chief Executive Officer (CEO) and Chief Financial Office	er(CFO)			
	The CEO and CFO shall certify to the Board that:-				
6 (i)	They have reviewed financial statements for the year/period and the	at to the best o	of their knowledg	ge and belief:	
6 (i) (a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;				
6 (i) (b)	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.				
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year/period which are fraudulent, illegal or violation of the company's code of conduct.	V			
7.0	Reporting and Compliance of Corporate Governance				
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly/periodical basis.	$\sqrt{}$			
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	V			







REPORT OF THE AUDIT COMMITTEE

The Audit Committee

The Board of Directors of KDS Accessories Limited has constituted an Audit Committee in terms of the conditions of Bangladesh Securities and Exchange Commission's (BSEC) Guidelines. All Members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee. The Audit Committee assists the Board of Directors 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.

Audit Committee Comprises as follows:

SI. No.	Name	Designation	Position
01	Mr. Muhammad Jamaluddin	Independent Director	Chairman
02	Mr. Khalilur Rahman	Chairman	Member
03	Mr. S.M. Shameem Iqbal	Director	Member
04	Ms. Tahsina Rahman	Director	Member
05	Mr. Manjure Khuda	Company Secretary	Member Secretary

Activities of Audit Committee

The committee is reporting to the Board of Directors on performing of the clearly set forth responsibilities by the Board of Directors. Main activities of the audit committee are summarized below:

Overseeing and monitoring of financial reporting process, adoption of reporting standards and control risk management process

Audit Committee is assisting in the oversight of the financial reporting process, including monitoring the adoption of reporting standards and internal control risks management process to ensure that appropriate financial reporting process and standards used and adequate activities/measures control to high risk areas are periodically evaluated and tested.

2. Review of Periodic Financial Statements

During the period, Audit Committee reviewed all periodical financial statements of the company. This review was made along with the Management and other stakeholders. Their review ensured that the financial statements are prepared in compliance with legal and accounting standards requirements and that the financial statements were disclosed accurate, reliable and timely information of the company.

3. Review of Internal Control Assessment

During the period, the committee revised and reviewed the internal control system and internal audit plan with an emphasis on minimizing of defect, losses and fraud. The committee also reviewed that the internal control was both adequate and effective.

4. Review of Internal Audit Report

During the period, the committee reviewed the activities of Internal Audit Department and take necessary actions on the basis of internal audit report.

5. Review the Related Party Transactions and Investment Activities of Subsidiary

The Committee also reviewed the related party's transactions submitted by management and investing activities and it appears that all the due procedures and policies have been followed.

Meeting and attendance

During the reporting period under review, the Committee held four meetings. The attendance of the members at these meeting is as under:

Name of the Members	No of meeting held	Attended
Mr. Muhammad Jamaluddin	4	4
Mr. Khalilur Rahman	4	4
Mr. S.M. Shameem Iqbal	4	4
Ms. Tahsina Rahman	4	4
Mr. Manjure Khuda	4	4

Reporting of the Committee

On discharging its responsibilities, the audit committee has ensured the followings:

- Financial statements have been prepared and presented in compliance with all laws, regulations & standards as applicable.
- Adequate risk controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position of the Company is adequately managed.

Observations, findings and suggestions of the committee were communicated to the Board of Directors and the Board of Directors had taken appropriate measures on the report.

On behalf of the Committee

Muhammad Jamaluddin

Independent Director

&

Chairman of the Committee

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 Guidelines of BSEC. Board of Directors is performing responsibilities, among others, setting the company's strategic objectives, providing safeguarding leadership. supervision and 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 Directors in 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. It's 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 policies and principles;
- To review the business risk management;
- To review the internal audit assessment;
- To oversee the good corporate practices;
- To review the adequacy of internal audit function etc.

A separate report of the audit committee is included in this Annual Report in **Page: 76.**

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 Members of the Institute of Chartered Accountants of Bangladesh. The Company Secretary is also an experienced accounting Chartered professional have completed Accounting 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 an in-charge of Internal Audit having professional expertise and 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.

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 Guidelines of BSEC

A certificate regarding compliance of conditions of Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission issued by A. Qasem & Co., Chartered Accountants is included in this Annual Report in **Page: 80.**

CORPORATE GOVERNANCE **CERTIFICATE**



Faruk Mahal (3rd Floor) Plot # 93, Agrabad Com. Area Chittagong, Bangladesh. Phone : +880-31-715656 +880-31-718066 E-mail: qasem@globalctg.net

Certificate on compliance of conditions of **Corporate Governance Guidelines** Bangladesh Securities and Exchange Commission to the shareholders KDS Accessories Limited.

We have examined the compliance of conditions of corporate Governance Guidelines of the Bangladesh Securities and Exchanges Commission (BSEC) by KDS Accessories Limited (the company) for the period ended June 30, 2016 as stipulated in clause 7 (i) of the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44, dated 7th August 2012.

The compliance of conditions of Corporate Governance Guidelines is the responsibility of the company's management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of Corporate Governance Guidelines. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned notification.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chittagong

Date: August 11, 2016

Chartered Accountants



A member firm of Ernst & Young Global Limited EY refers to the global organization, and/or one or more of the independent member firms of Ernst & Young Global Limited

CERTIFICATE OF BAPLC



VALUE ADDED STATEMENT

Value Added:

Revenue & Other Income

Less: Paid to suppliers for materials & other services

Distribution as follows:

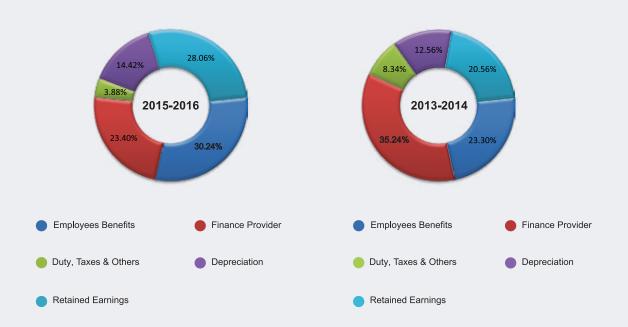
Employees Benefits (Wages, salaries, bonus, & others) Finance Provider

Duty, Taxes & Others

Retained for Re-Investment & Future Growth

Depreciation Retained Profit

01 January 2015 to		01 July 2013 to	
30 June 2016		31 December 2014	
Amount in Tk.	%	Amount in Tk.	%
2,514,618,349		2,555,531,907	
1,852,450,586		1,918,821,092	
662,167,763	100.00%	636,710,815	100.00%
200,196,358	30.24%	148,360,518	23.30%
154,970,150	23.40%	224,342,722	35.24%
25,713,137	3.88%	53,116,895	8.34%
380,879,645	57.52%	425,820,135	66.88%
95,489,059	14.42%	79,987,908	12.56%
185,799,059	28.06%	130,902,772	20.56%
281,288,118	42.48%	210,890,680	33.12%
662,167,763	100.00%	636,710,815	100.00%



STATEMENT OF CEO & CFO ON FINANCIAL STATEMENTS

The Board of Directors KDS Accessories Limited

Dear Sir(s),

Compliance with the condition no. 6 imposed by Bangladesh Securities and Exchange Commission's Notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby certify to the Board that:

- i) We have reviewed the Financial Statements of the Company for the reporting period of 18 months from 01 January 2015 to 30 June 2016 and that to the best of our knowledge and belief,
 - a. these Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b. these Financial Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) To the best of knowledge and belief, the company did not enter into any transactions which are contrary to the laws of the land or violation of the company's code of conduct.

Sincerely Yours,

Debasis Daspal

Chief Executive Officer

Biplob Kanti Banik FCA
Chief Financial Officer

AWARD & RECOGNITION







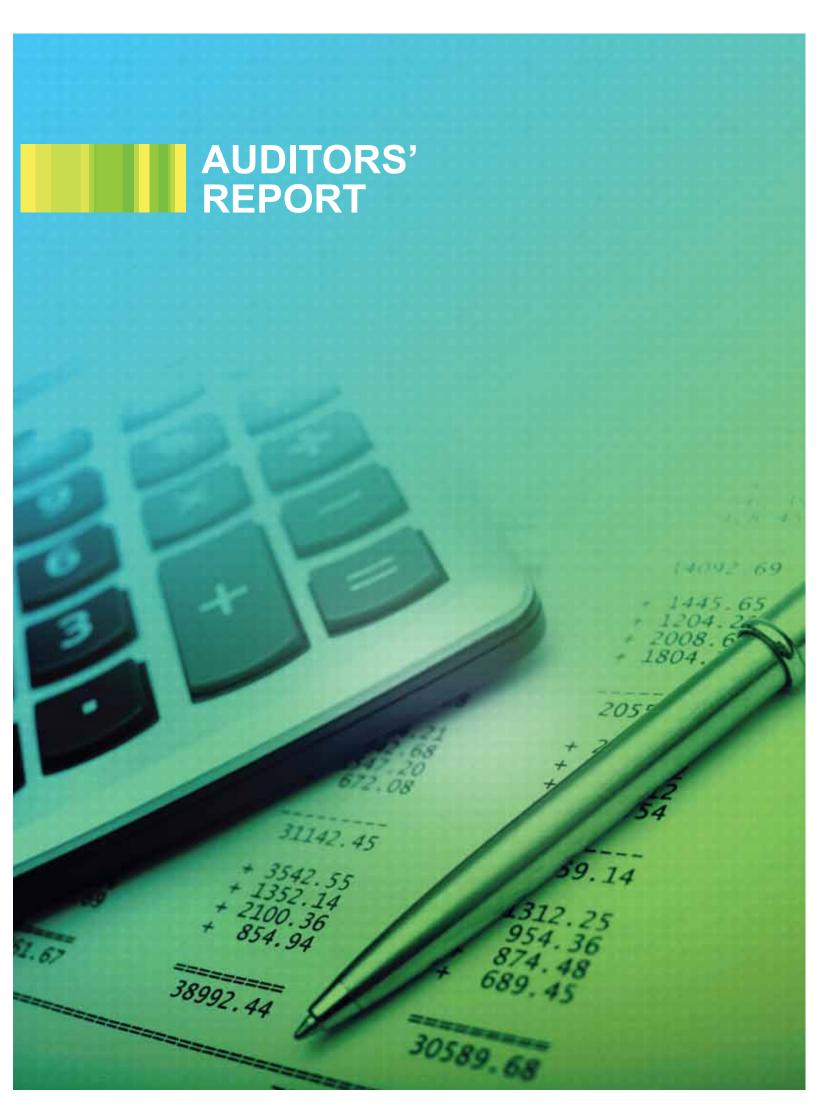












AUDITORS' REPORT & FINANCIALS 2015-2016

KDS ACCESSORIES LIMITED AS AT 30 JUNE 2016

Auditors' Report To The Shareholders Of KDS ACCESSORIES LIMITED

We have audited the accompanying financial statements of KDS Accessories Limited ("the Company") which comprise the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period from 01 January 2015 to 30 June 2016, and a summary of significant accounting policies and other explanatory information.

The financial statements of the company for the year ended 31 December 2014 were audited by Hoda Vasi Chowdhury & Co., Chartered Accountants and issued unqualified opinion on 25 April 2015.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2016, and of its financial performance and its cash flows for the period from 01 January 2015 to 30 June 2016 in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and Securities and Exchange Rules 1987, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) 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 those books;
- (c) the statement of financial position, and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purposes of the Company's business.

Chittagong, 09 August 2016

Syful Shamsul Alam & Co.
Chartered Accountants

Sypul Showed Alach

Statement of Financial Position

As at 30 June 2016

		30 June 2016	31 December 2014
	Note(s)	Taka	Taka
ASSETS			
Non-current Assets			
Property, plant and equipment	4	1,100,247,638	1,048,521,164
Intangible assets	5	2,603,560	2,627,961
Capital work-in-progress	6	191,195,601	13,769,598
Investment in associate	7	24,498,060	22,940,563
Other investment	8	4,504,950	4,687,483
Total Non-current Assets		1,323,049,809	1,092,546,769
Current Assets			
Inventories	9	372,552,778	465,336,160
Trade receivables	10	718,558,677	776,514,457
Other receivables	11	1,314,796	2,461,627
Advances, deposits and prepayments	12	66,330,297	16,569,539
Due from affiliated companies	13	25,299,855	38,630,242
Short term investment	14	8,045,037	7,203,111
Cash and cash equivalents	15	14,017,276	10,923,258
Total Current Assets		1,206,118,716	1,317,638,394
Total Assets		2,529,168,525	2,410,185,163
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	16	520,000,000	400,000,000
•	10	120,000,000	400,000,000
Share premium Revaluation reserve		214,391,703	214,391,703
			, ,
Retained earnings Total Shareholders' Equity		445,214,773 1,299,606,476	259,415,714 873,807,417
• •		1,299,000,470	073,007,417
Non-current Liabilities		00 004 504	404 000 040
Long term borrowings	17.01	99,081,534	184,209,349
Lease finance	18.01	1,622,770	2,153,672
Defined benefit obligation- gratuity	19	49,199,971	22,910,189
Deferred tax liability	20	30,890,702	43,591,912
Total Non-current Liabilities		180,794,977	252,865,122
Current Liabilities			
Trade and other payables	21	363,068,522	475,888,628
Current portion of long term borrowings	17.01	77,809,882	145,771,384
Current portion of lease finance	18.01	2,698,524	1,083,672
Current tax liability	22	40,923,876	35,184,076
Due to affiliated company	23	191,197,758	-
Short term bank loan	24	323,293,548	590,668,393
Provision for WPPF and Welfare Fund	25	49,774,962	34,916,471
Total Current Liabilities		1,048,767,072	1,283,512,624
Total Equity and Liabilities		2,529,168,525	2,410,185,163
Net Assets Value Per Share	32.04	24.99	21.85

The annexed notes 1 to 41 form an integral part of these financial statements

Managing Director

Directo

Company Secretary

Signed in terms of our annexed report of same date

Sypul Showell Alach

Syful Shamsul Alam & Co.
Chartered Accountants

Chittagong, 09 August 2016

Statement of Profit or Loss and Other Comprehensive Income

For the eighteen months ended 30 June 2016

		01 January 2015 to 30 June 2016	01 July 2013 to 31 December 2014
	Note(s)	Taka	Taka
Revenue	26	2,487,809,103	2,545,193,982
Cost of goods sold	27	(1,956,060,986)	(2,001,909,967)
Gross Profit		531,748,117	543,284,015
Operating expenses	28	(145,072,355)	(106,469,396)
Selling and distribution expenses	29	(47,002,662)	(38,790,155)
Operating Profit		339,673,100	398,024,464
Financial expenses	30	(154,970,150)	(224,342,722)
Profit before Other Income		184,702,950	173,681,742
Other income	31	25,251,749	8,892,441
Income from associates	7	1,557,497	1,445,484
Profit before Income Tax and distribution of WPPF and Welfare Fun	d	211,512,196	184,019,667
Workers' Profit Participation and Welfare Fund	25	(10,575,610)	(9,040,942)
Profit before Income Tax		200,936,586	174,978,725
Provision for income tax:			
Current tax	22	(27,838,737)	(31,998,473)
Deferred tax	20	12,701,210	(12,077,480)
Profit after Income Tax		185,799,059	130,902,772
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		185,799,059	130,902,772
Earnings Per Share	32.01	4.00	3.27

The annexed notes 1 to 41 form an integral part of these financial statements

Managing Director

Director

Company Secretary

Signed in terms of our annexed report of same date

Sypul Showed Alach

Chittagong, 09 August 2016

Syful Shamsul Alam & Co.
Chartered Accountants

Statement of Changes in Equity For the eighteen months ended 30 June 2016

Amount in Taka

Particulars	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
Balance as on 01 July 2013	400,000,000	-	214,391,703	128,512,942	742,904,645
Net Profit after tax for the period	-	-	-	130,902,772	130,902,772
Balance as at 31 December 2014	400,000,000	-	214,391,703	259,415,714	873,807,417
Balance as on 01 January 2015	400,000,000	-	214,391,703	259,415,714	873,807,417
Ordinary share issued through Initial Public Offering	120,000,000	-	-	-	120,000,000
Share premium	-	120,000,000	-	-	120,000,000
Net Profit after tax for the period	-	-	_	185,799,059	185,799,059
Balance as at 30 June 2016	520,000,000	120,000,000	214,391,703	445,214,773	1,299,606,476

Managing Director

Director

Alul

Company Secretary

Statement of Cash Flows

For the eighteen months ended 30 June 2016

	01 January 2015 to	01 July 2013
	30 June 2016	31 December 2014
	Taka	Taka
A Cash flows from operating activities		
Cash received from customers	2,545,764,883	2,374,647,210
Cash received from other sources	26,398,580	6,730,179
Cash paid to suppliers	(1,922,643,573)	(1,815,102,140)
Cash paid for operating expenses	(169,228,189)	(68,341,947)
Cash paid for financial expenses	(154,970,150)	(224,342,722)
Income Tax Paid	(22,098,937)	(36,372,957)
Net cash inflow/(outflow) from operating activities	303,222,614	237,217,622
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(323,564,587)	(205,224,014)
Addition to intangible assets	(1,052,549)	(3,649,509)
Investment	(659,393)	3,941,551
Short term loan (paid to)/ received from affiliated companies	13,330,387	(20,436,847)
Net cash inflow/(outflow) from investing activities	(311,946,142)	(225,368,819)
C. Cash flows from financing activities		
Share issued through IPO	120,000,000	-
Share premium	120,000,000	-
Receipt / (Repayment)of long term loans	(153,089,317)	182,024,781
Receipt / (Repayment) of lease finance	1,083,950	(1,291,092)
Receipt / (Repayment) of short term borrowings	(267,374,845)	(201,656,576)
Loan receipt from affiliated companies	191,197,758	-
Net cash inflow/(outflow) from financing activities	11,817,546	(20,922,888)
D. Net increase of cash and cash equivalents for the period (A+B+C)	3,094,018	(9,074,084)
E. Cash and cash equivalents at the beginning of the period	10,923,258	19,997,342
F. Cash and cash equivalents at the end of the period (D+E)	14,017,276	10,923,258
Net counting such flows are already 2007	F 00	F 00
Net operating cash flows per share 32.05	5.83	5.93

Managing Director

Director

Company Secretary

Notes to the Financial Statements

As at and for the period ended 30 June 2016

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, Chittagong and factory is located at 191-192 Baizid Bostami Road, Nasirabad I/A, Chittagong 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 & 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, image and sublimation transfers and marketing thereof.

1.03 Description of associates

(i) Formation and legal status of SKYS Securities Limited

SKYS Securities Limited is an associate of the company having 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. 50,132,000 (50,132 shares @ Tk 1,000 each).

(ii) Nature of Business

The principal activities of the company is stock broking as member of Chittagong Stock Exchange Limited (CSE) an allied service under Securities & Exchange Commission's Rules and Regulations.

2.00 BASIS OF FINANCIAL STATEMENT PREPARATION AND PRESENTATION

2.01 Statement of Compliance

The financial statements of the company under reporting have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs).

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 BAS 1 – "Presentation of Financial Statements". The financial statements comprise of:

- a) A statement of Financial Position as at 30 June 2016
- b) A statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2016
- c) A statement of Changes in Equity for the period ended 30 June 2016
- d) A statement of Cash Flows for the period ended 30 June 2016
- e) Notes, comprising a summary of significant accounting policies and explanatory information

2.03 Regulatory Compliances

As required, KDS Accessories Limited complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) The Income Tax Ordinance 1984
- b) The Income Tax Rules 1984
- c) The Value Added Tax Act 1991
- d) The Value Added Tax Rules 1991
- e) Securities and Exchange Commission Rules 1987
- f) The Customs Act 1969
- g) The Labour Act 2006 (as amended in 2013)

2.04 Authorization for Issue

The financial statements were authorized for issue by the Board of Directors on 09 August 2016.

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 of property, plant and equipment which is measured at revalued amount.

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 BAS-7 "Statement of Cash Flows" and the cash flow from operating activities have been presented under direct method as per requirement of Securities and Exchange Rules 1987.

2.08 Going Concern

The company has adequate resources to continue its operation in foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current revenue generations and resources of the company provide sufficient fund to meet the present requirements of its existing business and operation.

2.09 Reporting Period

The financial period of the company covers the period from 01 January 2015 to 30 June 2016 in accordance with the requirement of the Notification no. SEC/SRMIC/2011/1240/445 dated April 27, 2016 of Bangladesh Securities and Exchange Commission (BSEC) and sub-section 35 of section 2 of the Income Tax Ordinance 1984 for uniform income year from first day of July to thirtieth day of June as amended by the provision of section 9 of the Finance Act 2015.

2.10 Application of Accounting Standards

The financial statements have been prepared in compliance with requirement of BASs (Bangladesh Accounting Standards) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following BASs and BFRSs are applied to the financial statements for the period under audit:

Ref. No.	Accounting Standards	Status
BAS-1	Presentation of Financial Statements	Applied
BAS-2	Inventories	Applied
BAS-7	Statement of Cash Flows	Applied
BAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
BAS-10	Events after the Reporting Period	Applied
BAS-12	Income Taxes	Applied
BAS-16	Property, Plant and Equipment	Applied

Ref. No.	Accounting Standards	Status
BAS-17	Leases	Applied
BAS-18	Revenue	Applied
BAS-19	Employee Benefits	Applied
BAS-21	The Effects of Changes in Foreign Exchange Rate	Applied
BAS-23	Borrowing Costs	Applied
BAS-24	Related Party Disclosures	Applied
BAS-26	Accounting and Reporting by Retirement Benefit Plans	Applied
BAS-28	Investments in Associates	Applied
BAS-32	Financial Instrument: Presentation	Applied
BAS-33	Earnings Per Share	Applied
BAS-34	Interim Financial Report	Applied
BAS-36	Impairment of Assets	Applied
BAS-37	Provisions, Contingent Liabilities and Contingent Assets	Applied
BAS-38	Intangible Assets	Applied
BAS-39	Financial Instruments: Recognitions and Measurement	Applied
BFRS-7	Financial Instruments: Disclosures	Applied
BFRS-13	Fair Value Measurement	Applied

2.11 Use of Estimates and Judgments

The preparation of these financial statements is in conformity with BAS and BFRS 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. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note: 4 Property, plant and equipment

Note: 5 Intangible assets

Note: 9 Inventories

Note: 10 Trade receivables

Note: 19 Defined benefit obligation- gratuity

Note: 20 Deferred tax liability Note: 22 Current tax liability

2.12 Change in Accounting Estimate

For the period ended on 30 June 2016, depreciation on all items of property, plant and equipment other than land and land development has been computed using the straight line method so as to write off the assets over their expected useful life. Depreciation on additions of assets during the period is charged from the month (date of service) of addition of the respective asset. Previously, depreciation were charged by using diminishing balance method.

The company in its Board Meeting held on 03 January 2015 has reviewed the useful life and residual value of all property, plant and equipment and decided to charge depreciation using the straight line method w.e.f. 01 January 2015.

2.13 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.

2.14 Comparative Figures

Comparative information has been disclosed for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

i) Re-arrangement

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statement.

ii) Restatement

During the period no restatement in opening balance of retained earnings and comparative figures were made.

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 BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier periods.

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

3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the period ended 30 June 2016 are consistent with those policies and methods adopted in preparing the financial statements for the period ended 31 December 2014.

3.02 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 period 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 BAS-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 period 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 up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

iv) Revaluation of Property, Plant & 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 has 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 statement of profit or loss and other comprehensive income on straight line method over the estimated useful lives of property, plant and equipment.

Depreciation is charged on addition from the month (date of service) of acquisition/addition upto the month of disposal. 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 BAS-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.

vi) Impairment of Assets

The company reviews the recoverable amount of its assets at each reporting date. If there exist any indication that the carrying amount of assets exceeds the recoverable amount, the company recognizes such impairment loss in accordance with BAS-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.

3.03 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 BAS 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 addition from the month (date of service) of acquisition/addition.

iii) Subsequent Cost

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

3.04 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 2016 and these are stated at cost.

3.05 Leasehold Assets

Assets held under finance leases are recognized as assets of the company at their fair value at

the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance costs and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance costs are recognized in the statement of profit or loss and other comprehensive income.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

3.06 **Investment in Associates**

The company's investment in associates is accounted for in the financial statements using the Equity Method in accordance with BAS 28: 'Investment in Associates & Joint Ventures'. Investment in an associate is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition which is classified as non-current assets in the statement of financial position. The investor's share of investee's profit or loss is recognized in the investor's profit or loss. Adjustment after the date of acquisition to the carrying amount has been made for changes in the investor's proportionate interest in the investee that arising from the revaluation of property, plant & equipment and from foreign currency translation differences. The investor's share of those changes is recognized in other comprehensive income of the investor.

The excess of company's share of net assets' value of associates over cost of investments has been recognized in the statement of profit or loss and other comprehensive income as share of associate's profit or loss during the period following the provisions of BAS 28.

Unrealized gains and losses arising from transactions with associate are eliminated against the investment to the extent of the company's interest in investee.

3.07 **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 the Para of 21 and 25 of BAS-2 "Inventories" after making due allowance for any obsolete or slow moving item and details of valuation are as follows:

Category

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



3.08 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.

3.08.01 Financial assets

The Company initially recognizes loans, 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 expire, 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 un-collectability 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 BAS-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. BAS-1 "Presentation of Financial Statements" provides that cash and cash equivalent are not restricted in use. Considering the provision of BAS 7 and BAS 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.

3.08.02 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.

3.09 Impairment

i) Financial Assets

Financial assets 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.

3.10 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 rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.11 Revaluation Reserve

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

3.12 Employee Benefits

i) Short Term Employee Benefits

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

ii) Workers' Profit Participation & Welfare Fund

The Company maintains a Worker's profit participation & 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 (As amended 2013) but no Board of Trustees have yet been constituted.

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.

3.13 Taxation

i) Current Tax

Income Tax is calculated and provision is made in accordance with BAS 12 'Income taxes'. As per 6th schedule Part A Para 28 of Income Tax Ordinance, 1984 provision for income has been made at the rate of 25% on operational income after deducting 50% of income as export rebate resulting in an effective tax rate of 12.50% on operational income. Besides this the company charged tax at a rate of 25% 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 BAS-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 income tax payable at source on capital gain during registration of sale of land are generally borne by the buyer. Hence, possibility of having any income tax implications on land is very remote.

3.14 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.

3.15 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 BAS 37 "Provisions, Contingent Liabilities and Contingent Assets", contingent liabilities and commitments are disclosed in the financial statements.

3.16 Revenue Recognition

In compliance with the requirements of BAS 18 "Revenue", revenue is recognized only when:

- i) The products are invoiced and dispatched to the customers (i.e. significant risk and reward associated with ownership are transferred to the customers);
- ii) Interest income is accrued on a time basis by reference to the principal outstanding at the effective interest applicable.

3.17 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 BAS- 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.

3.18 Related Party Transactions

The objective of BAS-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.

3.19 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with Bangladesh Accounting Standard BAS-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 period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

ii) Diluted earnings per share:

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

3.20 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.

Property, plant and equipment

The fair value of land of property, plant and equipment has been determined based on the current cost method and net realizable value method as applicable.

3.21 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.

3.22 General

- i) The amounts in these financial statements have been rounded off to the nearest Taka.
- ii) Bracket figures denote negative.

4.00 Property, plant and equipment - at revalued model

6										1	Amount in Taka
4004	Land and Land Development	Plant and Machineries	Administrative Building	Factory Building	Office Equipment	Electric	Furniture & Fixture	Computer	Free Hold Motor Vehicle	Lease Hold Motor Vehicle	Total
Balance as on 01 July 2013 Addition during the period Balance as at 31 December 2014	367,664,795 8,907,000 376,571,795	475,658,988 106,087,121 581,746,109	40,896,043 344,912 41,240,955	249,217,952 26,280,361 275,498,313	18,869,635 4,643,671 23,513,306	23,187,994 12,599,499 35,787,493	10,817,698 1,194,850 12,012,548	18,339,184 2,320,560 20,659,744	15,412,828 29,110,716 44,523,544	6,820,655 3,491,707 10,312,362	1,226,885,772 194,980,397 1,421,866,169
Balance as on 01 January 2015 Addition during the period Balance as at 30 June 2016	376,571,795 43,158,997 419,730,792	581,746,109 80,454,783 662,200,892	41,240,955 849,921 42,090,876	275,498,313 7,686,499 283,184,812	23,513,306 1,860,410 25,373,716	35,787,493 3,557,788 39,345,281	12,012,548 636,120 12,648,668	20,659,744 2,147,875 22,807,619	44,523,544 60,000 44,583,544	10,312,362 5,726,191 16,038,553	1,421,866,169 146,138,584 1,568,004,753
Accumulated depreciation Balance as on 01 July 2013 Charged for the period Balance as at 31 December 2014		144,803,879 44,183,363 188,987,241	10,042,579 2,311,478 12,354,056	92,445,803 13,290,844 105,736,647	9,111,235 1,952,934 11,064,168	9,176,573 5,366,178 14,542,751	4,939,220 1,026,673 5,965,893	9,877,560 2,957,224 12,834,784	13,500,302 6,476,712 19,977,014	527,558 1,354,894 1,882,452	294,424,708 78,920,299 373,345,006
Balance as on 01 January 2015 Charged for the period Balance as at 30 June 2016		188,987,241 50,266,921 239,254,162	12,354,056 1,790,782 14,144,838	105,736,647 13,099,384 118,836,031	11,064,168 3,886,934 14,951,102	14,542,751 5,943,944 20,486,695	5,965,893 2,940,723 8,906,616	12,834,784 7,131,311 19,966,095	19,977,014 7,126,308 27,103,322	1,882,452 2,225,802 4,108,254	373,345,006 94,412,109 467,757,115
Carrying amount As at 31 December 2014 As at 30 June 2016	376,571,795 419,730,792	392,758,868 422,946,730	28,886,899	169,761,666	12,449,138 10,422,614	21,244,742	6,046,655	7,824,960	24,546,530 17,480,222	8,429,910	1,048,521,164

			01 Jan 2015 to 01 Jul 2013 to	01 Jul 2013 to
Depreciation allocated to:		Allocation	30 Jun 2016 31 Dec 2014	31 Dec 2014
	Note	Basis	Taka	Taka
Factory Overhead	27.02	80%	75,529,687	63,136,239
Operating Expenses	28,00	20%	18,882,422	15,784,060
			94 412 109	78 920 299

4.01 Property, plant and equipment - at cost model

										⋖	Amount in Taka
	Land and Land Development	Plant and Machineries	Administrative Building	Factory Building	Office Equipment	Electric Installation	Furniture & Fixture	Computer Equipment	Free Hold Motor Vehicle	Lease Hold Motor Vehicle	Total
At cost Balance as on 01 July 2013	153,273,092	475,658,988	40,896,043	249,217,952	18,869,635	23,187,994	10,817,698	18,339,184	15,412,828	6,820,655	1,012,494,069
Addition during the period	8,907,000	106,087,121	344,912	26,280,361	4,643,671	12,599,499	1,194,850	2,320,560	29,110,716	3,491,707	194,980,397
Balance as at 31 December 2014	162,180,092	581,746,109	41,240,955	275,498,313	23,513,306	35,787,493	12,012,548	20,659,744	44,523,544	10,312,362	1,207,474,466
Balance as on 01 January 2015	162,180,092	581,746,109	41,240,955	275,498,313	23,513,306	35,787,493	12,012,548	20,659,744	44,523,544	10,312,362	1,207,474,466
Addition during the period	43,158,997	80,454,783	849,921	7,686,499	1,860,410	3,557,788	636,120	2,147,875	000'09	5,726,191	146,138,584
Balance as at 30 June 2016	205,339,089	662,200,892	42,090,876	283,184,812	25,373,716	39,345,281	12,648,668	22,807,619	44,583,544	16,038,553	1,353,613,050
Accumulated depreciation		111 803 870	00001	02 445 803	0 111 225	0 176 573	000 000 7	0 877 560	13 500 302	577 559	80F NCN NOC
Charged for the period	,	44 183 363	2,312,575	13 290 844	1 952 934	5 366 178	1 026 673	2,957,238	6 476 712	1 354 894	78 920 299
Balance as at 31 December 2014		188,987,241	12,354,056	105,736,647	11,064,168	14,542,751	5,965,893	12,834,784	19,977,014	1,882,452	373,345,006
Balance as on 01 January 2015	1	188,987,241	12,354,056	105,736,647	11,064,168	14,542,751	5,965,893	12,834,784	19,977,014	1,882,452	373,345,006
Charged for the period	1	50,266,921	1,790,782	13,099,384	3,886,934	5,943,944	2,940,723	7,131,311	7,126,308	2,225,802	94,412,109
Balance as at 30 June 2016		239,254,162	14,144,838	118,836,031	14,951,102	20,486,695	8,906,616	19,966,095	27,103,322	4,108,254	467,757,115
Carrying amount											
As at 31 December 2014	162,180,092	392,758,868	28,886,899	169,761,666	12,449,138	21,244,742	6,046,655	7,824,960	24,546,530	8,429,910	834,129,460
As at 30 June 2016	205,339,089	422,946,730	27,946,038	164,348,781	10,422,614	18,858,586	3,742,052	2,841,524	17,480,222	11,930,299	885,855,935

					30 June 2016	31 December 2014
5.00	Intangible accets			Note(s)	Taka	Taka
5.00	Intangible assets Computer software			5.01	2,603,560	2,627,961
	i				2,603,560	2,627,961
5.01	Intangible assets schedule					
	Cost				4 220 250	E70.0E0
	Opening balance Add: Addition during the period				4,220,359 1,052,549	570,850 3,649,509
	Closing balance				5,272,908	4,220,359
	-					
	Accumulated amortization				4 500 200	EQ4 700
	Opening balance Add: Charged during the period				1,592,398 1,076,950	524,789 1,067,609
	Closing balance				2,669,348	1,592,398
	Carrying amount				2,603,560	2,627,961
					· · ·	
6.00	Capital work-in-progress				40 700 500	0.505.004
	Opening balance Add: Expenditure incurred during	the period		6.01	13,769,598 258,757,693	3,525,981 102,310,513
	, ad. Experianci o meaned daring	ano ponod		0.01	272,527,291	105,836,494
	Less: Capitalized during the period	bo		6.01	(81,331,690)	(92,066,896)
	Closing balance			;	191,195,601	13,769,598
6.01	Details of capital work-in -prog	gress				
		Opening		Capitalized	Balance as on	Balance as on
	Particulars	Balance	Additions	during the	30 June 2016	31 December
				perioa		2014
	Land and land development	12,869,598	45,298,766	period 42,712,266	15,456,098	2014 12,869,598
	Factory building	12,869,598 900,000	54,244,424	42,712,266 5,370,017	49,774,407	
	Factory building Plant & machinery	900,000	54,244,424 134,909,806	42,712,266 5,370,017 28,745,136	49,774,407 106,164,670	12,869,598
	Factory building	900,000	54,244,424 134,909,806 21,194,047	42,712,266 5,370,017 28,745,136 1,393,621	49,774,407	12,869,598
	Factory building Plant & machinery Electric equipment and installation	900,000 - ons - -	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050	49,774,407 106,164,670 19,800,426 -	12,869,598 900,000 - - - -
	Factory building Plant & machinery Electric equipment and installation Motor vehicles	900,000	54,244,424 134,909,806 21,194,047 3,079,600	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600	49,774,407 106,164,670	12,869,598
	Factory building Plant & machinery Electric equipment and installation Motor vehicles	900,000 - ons - -	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050	49,774,407 106,164,670 19,800,426 - - - 191,195,601	12,869,598 900,000 - - - - - 13,769,598
	Factory building Plant & machinery Electric equipment and installation Motor vehicles	900,000 - ons - -	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050	49,774,407 106,164,670 19,800,426 -	12,869,598 900,000 - - - -
7.00	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate	900,000 - ons - -	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka	12,869,598 900,000 - - - 13,769,598 31 December 2014 Taka
7.00	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures	900,000 - ons - -	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060	12,869,598 900,000 - - - 13,769,598 31 December 2014 Taka 22,940,563
7.00	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate	900,000 - ons - -	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka	12,869,598 900,000 - - - 13,769,598 31 December 2014 Taka
7.00	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate	900,000 	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060	12,869,598 900,000 - - - 13,769,598 31 December 2014 Taka 22,940,563
	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in associate investment in equity share	900,000 	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060	12,869,598 900,000 - - - 13,769,598 31 December 2014 Taka 22,940,563
	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in as Investment in equity share Share of profit/(loss)	900,000 	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 22,940,563 23,405,000
	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in associate Investment in equity share Share of profit/(loss) Opening balance	900,000 - ons - - - 13,769,598	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000 (464,437)	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 22,940,563 23,405,000 (1,909,921)
	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in as Investment in equity share Share of profit/(loss)	900,000 - ons - - - 13,769,598	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 22,940,563 23,405,000
	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in associate Investment in equity share Share of profit/(loss) Opening balance	900,000 - ons - - - 13,769,598	54,244,424 134,909,806 21,194,047 3,079,600 31,050	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000 (464,437) 1,557,497	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 22,940,563 23,405,000 (1,909,921) 1,445,484
	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in associate Investment in equity share Share of profit/(loss) Opening balance	900,000 - ons - - - 13,769,598	54,244,424 134,909,806 21,194,047 3,079,600 31,050 258,757,693	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000 (464,437) 1,557,497 1,093,060	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 22,940,563 23,405,000 (1,909,921) 1,445,484 (464,437)
7.01	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in associate Investment in equity share Share of profit/(loss) Opening balance Share of profit/(loss) for the period	900,000 - ons 13,769,598 ssociates	54,244,424 134,909,806 21,194,047 3,079,600 31,050 258,757,693	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000 (464,437) 1,557,497 1,093,060	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 22,940,563 23,405,000 (1,909,921) 1,445,484 (464,437)
7.01	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in associate Investment in equity share Share of profit/(loss) Opening balance Share of profit/(loss) for the periods Share of profit/(loss) of associate	900,000 - ons 13,769,598 ssociates	54,244,424 134,909,806 21,194,047 3,079,600 31,050 258,757,693	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000 (464,437) 1,557,497 1,093,060 24,498,060	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 22,940,563 23,405,000 (1,909,921) 1,445,484 (464,437) 22,940,563
7.01	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in associate Share of profit/(loss) Opening balance Share of profit/(loss) for the period Share of profit/(loss) of associate Share of profit/(loss) of associate Ownership	900,000 - ons 13,769,598 ssociates od	54,244,424 134,909,806 21,194,047 3,079,600 31,050 258,757,693	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000 (464,437) 1,557,497 1,093,060 24,498,060 3,335,826 46.69%	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 22,940,563 23,405,000 (1,909,921) 1,445,484 (464,437) 22,940,563 3,095,917 46.69%
7.01	Factory building Plant & machinery Electric equipment and installation Motor vehicles Furniture and fixtures Investment in associate SKYS Securities Limited Movement of investment in associate Share of profit/(loss) Opening balance Share of profit/(loss) for the period Share of profit/(loss) of associate	900,000 - ons 13,769,598 ssociates od	54,244,424 134,909,806 21,194,047 3,079,600 31,050 258,757,693	42,712,266 5,370,017 28,745,136 1,393,621 3,079,600 31,050 81,331,690 Note(s)	49,774,407 106,164,670 19,800,426 - - 191,195,601 30 June 2016 Taka 24,498,060 24,498,060 23,405,000 (464,437) 1,557,497 1,093,060 24,498,060 3,335,826	12,869,598 900,000 13,769,598 31 December 2014 Taka 22,940,563 23,405,000 (1,909,921) 1,445,484 (464,437) 22,940,563 3,095,917

					30 June 2016	31 December 2014
					Taka	Taka
7.03	Summary of financial infor	mation of equity acc	counted in	vestee:		
	Non-current assets				71,763,125	73,273,744
	Current assets				37,742,562	43,674,550
	Total assets				109,505,687	116,948,294
	Share capital				50,132,000	50,132,000
	Revaluation surplus (CSE N	(lembership)			37,873,300	37,873,300
	Profit and loss account				12,964,040	9,628,213
	Shareholders' equity				100,969,340	97,633,513
	Current liabilities				8,536,347	19,314,781
	Total liabilities				8,536,347	19,314,781
	Total equity & liabilities				109,505,687	116,948,294
	Revenue				14,765,747	17,319,224
	Other income				1,806,938	860,567
	Expenses				(13,236,859)	(15,083,874)
	Net profit				3,335,826	3,095,917
8.00	Other investment					
	Investment in Fixed Deposit	Receipts			4,504,950	4,687,483
					4,504,950	4,687,483
	Name of Banks	Purpose	Period	Interest rate		
	Bank Asia Limited	Bank Guarantee	1 Year	8.50% - 8.75%	3,542,884	3,898,541
	Exim Bank Limited	Bank Guarantee	3 Year	9.00% - 12.00%	962,066	788,942
					4,504,950	4,687,483
0.00					· ·	
9.00	Inventories				050 700 574	040 044 044
	Raw materials				256,709,571	340,611,241
	Work- in - process				23,404,318	24,924,967
	Finished goods				10,845,157	16,357,285
	Stores & spares				36,245,572	29,617,638
	Goods in transit				45,348,160	53,825,029
					372,552,778	465,336,160

9.01 Quantitative movement of raw materials and finished goods Raw Materials

Product name	Unit	Opening balance	Procurement	Available for consumption	Consumption	Closing balance
Liner Paper	Kg	3,608,854	14,369,282	17,978,136	(16,163,193)	1,814,943
White Liner Paper	Kg	697	25,402	26,099	(16,861)	9,239
Medium Paper	Kg	2,104,398	8,352,993	10,457,391	(9,348,395)	1,108,996
Duplex Board	Kg	8,443	307,457	315,899	(276,335)	39,565
Stitching Wire	Kg	21,321	78,000	99,321	(74,526)	24,796
Yarn	Kg	6,165	364,209	370,374	(274,334)	96,040
Starch	Kg	51,447	322,260	373,707	(360,342)	13,365
Adhesive Powder	Kg	6,828	366,620	373,448	(368,821)	4,626
Art Card	Kg	24,205	122,002	146,206	(128,446)	17,761
Chemical	Ltr	4,682	19,868	24,550	(23,600)	950
Texitran CP	Kg	2,301	-	2,301	(2,301)	-
Resin	Kg	6,436	241,055	247,491	(234,253)	13,238
PP Strap	Kg	10,080	2,880	12,960	(12,960)	=
Rubber Thread	Kg	5,297	135,516	140,812	(81,408)	59,405
Transfer Flim	Kg	350	100,000	100,350	(100,350)	=
P. Ink	Kg	3,878	19,289	23,167	(16,558)	6,609
Pigment	Kg	314	1,230	1,544	(1,214)	330
Ribbon	Kg	8,662	33,358	42,020	(35,882)	6,138
Self Adhesive Sticker	Kg	-	60,700	60,700	(60,700)	-
Art Paper	Pcs	-	528,000	-	(528,000)	-
OPP Gum Tape	Kg	<u> </u>	27,077	27,077	(13,276)	13,801
		5,874,356	25,477,198	30,823,553	(28,121,754)	3,229,800

Finished goods

Product name	Unit	Opening balance	Production	Available for sale	Sales	Closing balance
Carton	Pcs	51,787	34,163,484	34,215,271	(34,080,860)	134,411
Label	Pcs	704,429	139,301,673	140,006,102	(139,941,002)	65,100
Elastics and Narrow Fabrics	Yards	703,412	29,054,106	29,757,518	(29,044,324)	713,194
Offset Printing	Pcs	292,158	78,005,870	78,298,028	(78,128,213)	169,815
Heat Transfer Printing	Pcs	90,000	18,962,953	19,052,953	(19,051,953)	1,000
Button	GG	2,415	245,131	247,546	(240,900)	6,646
Gum Tape	Rolls	-	128,678	128,678	(80,947)	47,731
	-	1,844,201	299,861,895	301,706,096	(300,568,199)	1,137,897

		30 June 2016	31 December 2014
	Note(s)	Taka	Taka
10.00 Trade receivables			
Opening balance		776,514,457	605,967,685
Add: Addition during the period	26.00	2,487,809,103	2,545,193,982
Add: Foreign currency fluctuation gain/(loss)	10.02	21,115,503	4,434,108
		3,285,439,063	3,155,595,775
Less: Realized during the period		(2,566,880,386)	(2,379,081,318)
		718,558,677	776,514,457

10.01 Trade receivables have been stated at their nominal value. Trade receivable are accrued in the ordinary course of business. These are carried at invoice amount. All receivable 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 fluctuation gain/(loss) arises due to translation of foreign currency denominated trade receivables during the period.

	30 June 2016	31 December 2014
	Taka	Taka
10.03 Trade receivables include affiliated companies		
KDS Apparels Limited	4,329,931	4,140,633
KDS Fashion Limited	13,648,961	18,024,862
KDS Garment Industries Limited	46,034,019	40,946,331
KDS Logistics Limited	228,404	-
KDS IDR Limited	4,473,125	-
KDS Textile Mills Ltd.	247,379	-
	68,961,819	63,111,826
10.04 Ageing of trade receivables		
Dues within 3 Months	384,788,172	435,919,305
Dues over 3 Months but within 6 months	333,770,505	340,595,152
	718,558,677	776,514,457
10.05 Trade receivables - Classification by security and related party:		
Receivable considered good & secured	718,558,677	776,514,457
Receivable considered good without security	-	-
Receivable considered doubtful or bad	-	-
Receivable due by directors or other officers	-	-
Receivable due from companies under same management	68,961,819	63,111,826
Maximum receivable due by directors or officers at any time	-	-
11.00 Other receivables		
Rent receivable	898,800	1,797,600
Accrued interest income on FDR	415,996	664,027
	1,314,796	2,461,627

			30 June 2016	31 December 2014
		Note(s)	Taka	Taka
12.00	Advances, deposits and prepayments			
	Advances	12.01	52,963,643	14,996,375
	Security deposits	12.02	11,694,449	1,054,561
	Prepayments	12.03	1,672,205	518,603
			66,330,297	16,569,539
12.01	Advances			
	Against salary and allowances		710,070	503,692
	Against advertisement		998,835	768,834
	Against IDLC lease finance		-	36,880
	Against income tax		21,835,016	7,721,890
	For unallocated revenue expenses		735,518	-
	Others		28,684,204	5,965,079
			52,963,643	14,996,375
12.02	Security deposits			
	T&T		20,000	20,000
	Titas Gas Transmission & Distribution Company Limited		1,260,200	240,000
	Margin for vehicle		-	245,400
	Gazipur Palli Bidyut Samity		9,065,088	-
	Karnaphuli Gas Transmission Limited		549,161	549,161
	Central Depository Bangladesh Limited (CDBL)		500,000	-
	Gulshan Club Limited		300,000	-
			11,694,449	1,054,561
12.03	Prepayments			
	Insurance Premium		1,558,504	358,676
	Prepaid Interest		113,701	159,927
			1,672,205	518,603

12.04 The directors consider that all the above advances, deposits and prepayments are either adjustable or recoverable in cash or in kind and for that no provision against them are required at this stage.

	30 June 2016	31 December 2014
	Taka	Taka
13.00 Due from affiliated companies		
KDS Thread Limited	25,299,855	38,630,242
	25,299,855	38,630,242

13.01 The amount represent short term loan provided to KDS Thread Limited as and when required to meet funding requirement. All transactions were done through account payee cheque and interests were charged on all related companies balances. No amount is receivable from Directors at the reporting date.

14.00 Short term investment 8,045,037 7,203,111 Investment in Fixed Deposit Receipts 8,045,037 7,203,111 8,045,037 7,203,111

Above Fixed Deposits maintained with Bank Asia Limited, Agrabad Branch, Chittagong has been kept as lien at the rate of 7.50% -8.00% interest per annum.

idio	or 7.0070 0.0070 intorout por difficulti.		30 June 2016	31 December 2014
		Note(s)	Taka	Taka
15.00	Cash and cash equivalents			
	Cash in hand	15.01	1,700,331	772,760
	Cash at bank	15.02	12,316,945	10,150,498
			14,017,276	10,923,258
15.01	Cash in hand			
	Head office at Chittagong		1,189,880	501,370
	Dhaka office		468,513	257,097
	Gazipur factory office		41,938	14,293
			1,700,331	772,760

15.02	Cash at Ban	k			30 June 2016	31 December 2014
	Name of Bar	nks	Branch	Account Type	Taka	Taka
	Bank Asia Lir	mited	MCB Banani	SND	1,166	1,121
	Bank Asia Lir		Agrabad	USD	2,228	276
	Bank Asia Lir	mited	Agrabad	Retention Quota	106,521	2,220,314
	Bank Asia Lir	mited	MCB Banani	Retention Quota	65,357	1,175
	Bank Asia Lir	mited	MCB Banani	RAD	680	675
	Bank Asia Lir	mited	MCB Banani	RAD	1,959,537	950,741
		Bank of Ceylon	Motijheel	Current	984	-
	_	a Bank Limited	Jubilee Road	Current	437,370	-
	HSBC		Agrabad	Current	1,443,722	4,048,590
	Mutual Trust	Bank Limited	Pragati Sharani	SND	3,650	5,000
	Mutual Trust	Bank Limited	Motijheel	Escrow	6,643,956	-
	Mutual Trust	Bank Limited	Motijheel	Escrow-USD	1,395,428	-
		Bank Limited	Motijheel	Escrow-GBP	89,343	-
	Southeast Ba		Agrabad	Current	3,232	231,810
	Standard Cha	artered Bank	Ctg. Main	Current	163,771	2,690,796
					12,316,945	10,150,498
16.00	Share capita	al				
	Authorized (Canital				
		Ordinary Shares of Tk 10 e	each		2,000,000,000	2,000,000,000
					2,000,000,000	2,000,000,000
	Issued, sub	scribed and paid-up Cap	ital			
	2,100,000	Ordinary Shares of Tk 10 cash (Assets Acquisition)		ation other than	21,000,000	21,000,000
	1,000	Ordinary Shares of Tk of for consideration other that	10,000	10,000		
	10,505,000	Ordinary Shares of Tk 10	105,050,000	105,050,000		
		Ordinary Shares of Tk 10			175,223,400	175,223,400
		Ordinary Shares of Tk 10			98,716,600	98,716,600
	12,000,000	Ordinary Shares of Tk.10	each issued through	IPO 16.01	120,000,000	
	52,000,000	Ordinary Shares of Tk 1	0 each		520,000,000	400,000,000

16.01 Ordinary shares issued through IPO

12,000,000 ordinary shares of Tk. 10 each was issued at a premium of Tk. 10 each.

16.02 Shareholding position

Charcholding position					
	30 Jun	e 2016	31 Decen	ber 2014	
	Percentage	Number of	Percentage of	Number of	
Name of the shareholders	of holding	shares	holding	shares	
Mr. Khalilur Rahman	46.92%	24,399,175	61.00%	24,399,175	
Mr. Salim Rahman	16.16%	8,401,079	21.00%	8,401,079	
Mr. S. M. Shameem Iqbal	5.38%	2,799,936	7.00%	2,799,936	
Ms. Hasina Iqbal	4.62%	2,400,126	6.00%	2,400,126	
Ms. Tahsina Rahman	3.84%	1,999,048	5.00%	1,999,048	
Ms. Tahmina Rahman	0.00%	318	0.00%	318	
KDS Garment Inds. Limited	0.00%	318	0.00%	318	
General Public (IPO)	23.08%	12,000,000	0.00%	-	
	100%	52,000,000	100%	40,000,000	

16.03 Classification of shares by holding

Classification of shares by holding			
Slab by number of shares	No. of Shareholders	No. of Shares	Holding (%)
Less than 500	3,411	629,008	1.66%
From 500 to 5,000	1,974	3,265,588	6.23%
From 5,001 to 10,000	231	1,734,705	3.17%
From 10,001 to 20,000	132	1,836,703	3.56%
From 20,001 to 30,000	25	612,687	2.32%
From 30,001 to 40,000	13	450,271	1.21%
From 40,001 to 50,000	14	610,326	0.81%
From 50,001 to 100,000	19	1,445,166	2.27%
From 100,001 to 1,000,000	4	1,416,182	1.84%
Above 1,000,000	5	39,999,364	76.92%
	5,828	52,000,000	100%

			30 Julie 2010	31 December 2014
		Note(s)	Taka	Taka
17.00	Long term borrowings	_		
	Opening balance		329,980,733	147,955,952
	Add: Received during the period		159,063,198	298,368,000
	Add: Interest applied		54,371,340	39,412,573
	Add: Bank charges		76,950	59,825
			543,492,221	485,796,350
	Less: Paid during the period		(366,600,805)	(155,815,617)
	Closing balance		176,891,416	329,980,733
17.01	Current/non-current classification			
	Due within one year		77,809,882	145,771,384
	Due after one year		99,081,534	184,209,349
			176,891,416	329,980,733
17.02	Details of long term borrowings are follows :			
	Bank Asia Limited - Agrabad	17.03	87,415,511	158,970,644
	Bank Asia Limited - MCB Banani	17.04	51,345,034	-
	Premier Leasing & Finance Limited	17.05	-	98,262,430
	Industrial Promotion & Development Company (IPDC)	17.06	38,130,871	72,747,659
			176,891,416	329,980,733

17.03 Bank Asia Limited, Agrabad, Chittagong.

Total sanctioned amount: Tk. 23.71 Crore

Purpose Machinery Import, Purchase of Vehicle, Working Capital

Interest rate 11% (Revised from time to time)

Tenure Three to Five years

Securities i) Mortgage of Land, Plant & Machinery, Hypothecation of stocks

ii) Personal Guarantee of all directors of the companies

iii) Post dated cheques.

17.04 Bank Asia Limited, MCB Banani, Dhaka.

Total sanctioned amount: Tk. 4.87 Crore

Purpose Construction of factory building, utility building and establishment of REB substation.

Interest rate 11% (Revised from time to time)

Tenure Seven years

Securities i) Mortgage of Land, Plant & Machinery, Hypothecation of stocks.

ii) Personal Guarantee of all directors of the companies.

iii) Post dated cheques.

17.05 Premier Leasing & Finance Limited, Head Office, Motijheel, Dhaka

Total sanctioned amount: Tk. 10 Crore
Purpose Working Capital

Interest rate 13% (Revised from time to time)

Tenure Five years

Payment method The loan is repayable in 60 (Sixty) equal monthly installment.

Securities i) Personal guarantee of all directors of KDS Accessories Limited.

ii) Corporate guarantee of KDS Accessories Limited.

iii) Demand promissory note, letter of continuity, undertaking etc.

iv) One post dated MICR cheque.

30 June 2016 31 December 2014

17.06 Industrial Promotion & Development Company of Bangladesh Limited, Head Office, Gulshan, Dhaka

Total sanctioned amount: Tk. 7.5 Crore
Purpose Working Capital

Interest rate 10.50% (Revised from time to time)

Tenure Three years

Payment method The loan is repayable in 36 (Thirty Six) equal monthly installment.

Securities i) Corporate guarantee of KDS Garments Limited and KYCR Coil Industries Limited.

ii) Post dated cheques.

iii) Demand promissory note, letter of continuity, undertaking etc.

			30 June 2016	31 December 2014
		Note(s)	Taka	Taka
18.00	Lease finance			
	Opening balance		3,237,344	4,528,436
	Add: Received during the period		4,160,000	-
	Less: Paid during the period		(3,076,050)	(1,291,092)
	Closing balance		4,321,294	3,237,344
18.01	Current/non-current classification			
	Due within one year		2,698,524	1,083,672
	Due after one year		1,622,770	2,153,672
			4,321,294	3,237,344
18.02	Details of lease finance are follows:			
	IDLC Finance Limited	18.03	-	560,810
	Industrial Promotion & Development Company (IPDC)	18.04	1,539,449	2,676,534
	Bank Asia Limited	18.05	2,781,845	-
			4,321,294	3,237,344

18.03 IDLC Finance Limited, Agrabad Branch, Chittagong

Total sanctioned amount: Tk. 15.00 Lac

Purpose Lease for Motor Vehicle

Interest rate 13% (Revised from time to time)

Payment method The loan is repayable in 52 (Fifty Two) equal monthly installments.

18.04 Industrial Promotion & Development Company of Bangladesh Limited, Head Office, Gulshan, Dhaka

Total sanctioned amount: Tk. 34.90 Lac

Purpose Lease for Motor Vehicle

Interest rate 10.50% (Revised from time to time)

Payment method The loan is repayable in 60 (Sixty) equal monthly installments.

Tenure Five years

18.05 Bank Asia Limited, Agrabad, Chittagong.

Total sanctioned amount: Tk. 41.60 Lac

Purpose Lease for Motor Vehicle

Interest rate 11% (Revised from time to time)

Payment method The loan is repayable in 36 (Thirty six) equal monthly installments.

Tenure Three years

	30 June 2016	31 December 2014
	Taka	Taka
19.00 Defined benefit obligation- gratuity		
Opening balance	22,910,189	7,911,989
Add: Provision made during the period	27,918,924	16,808,542
	50,829,113	24,720,531
Less: Paid during the period	(1,629,142)	(1,810,342)
Closing balance	49.199.971	22.910.189

04.5

20.00 Deferred tax liability

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment and intangible assets as per financial statements and tax written down value and financial position liability method for gratuity obligation.

	30 June 2016	31 December 2014
	Taka	Taka
Opening balance	43,591,912	31,514,432
Add/(Less): Provision / adjustment made during the period	(12,701,210)	12,077,480
Closing balance	30,890,702	43,591,912

Reconciliation of deferred tax liabilities / (assets) are as follows :

Neconcination of deferred tax nabilit	ies i (asseis) ale as	ioliows .		
	Carrying Amount	Tax Base		(Deductible) y Difference
	Taka	Taka	Taka	Taka
Property, plant & equipment	680,516,846	384,191,260	296,325,586	272,006,823
Gratuity	(49,199,971)	-	(49,199,971)	(22,910,189)
Net taxable temporary difference			247,125,615	249,096,634
Applicable rate			12.50%	17.50%
Deferred tax liability			30,890,702	43,591,912
			30 June 2016	31 December 2014
		Note(s)	Taka	Taka
Trade and other navables				

		Note(s)	Taka	Taka
21.00	Trade and other payables			
	Trade payable	21.01	296,539,792	431,435,449
	For revenue expenses	21.02	62,447,633	43,328,654
	For other finance	21.03	4,081,097	1,124,526
			363,068,522	475,888,628
21.01	Trade payable			
	Liability for imported goods		276,434,984	424,377,434
	Liability for local goods		20,104,808	7,058,015
			296,539,792	431,435,449

Liability for imported goods includes foreign currency translation gain of Tk. 22,07,233 (foreign exchange loss for the corresponding year 2014 was of Tk. 20,46,051) arising due to translation of Trade Payables in foreign currency.

		30 June 2016	31 December 2014
		Taka	Taka
21.02	For revenue expenses		
	C & F charges	3,986,796	4,420,930
	Audit fee	225,000	225,000
	Rent expenses	2,280,000	4,560,000
	Electricity bill	220,502	135,508
	Gas charges	1,953,191	1,479,603
	Telephone & mobile bill	90,625	85,640
	Insurance expenses	1,718,913	368,377
	Provident fund	40,746,583	20,713,032
	Employee salaries and director's remuneration	11,226,023	11,340,564
		62,447,633	43,328,653
21.03	For other Finance		
	Supplier income tax	637,009	154,326
	Tax & VAT on audit fee	62,500	62,500
	Staff income tax	933,931	235,700
	Tax on rent expenses	20,700	240,000
	VAT on rent expenses	223,560	432,000
	Tax & VAT payable-others	721,531	-
	IPO over subscription money payable	1,481,866	-
		4,081,097	1,124,526

			30 June 2016	31 December 2014
		Note(s)	Taka	Taka
22.00	Current tax liability			
	Opening balance		35,184,076	39,558,560
	Add: Provision made during the period		27,838,737	31,998,473
			63,022,813	71,557,033
	Less: Paid during the period		(22,098,937)	(36,372,957)
			40,923,876	35,184,076
23.00	Due to affiliated company			
	KDS Poly Industries Ltd.		191,197,758	_
	The City induction Line		191,197,758	_
			,,	
24.00	Short term bank loan			
	Bank Asia Limited - Overdraft		1,711,614	84,788,302
	Southeast Bank Limited - Overdraft		24,518,516	-
	Bank Asia Limited - Demand loan		12,732,681	141,300,903
	Loan Against Trust Receipt (LATR)	24.01	57,052,125	86,581,208
	Local Documentary Bill Purchase (LDBP)	24.02	227,278,612	277,997,980
			323,293,548	590,668,393
24.01	Loan Against Trust Receipt (LATR)			
24.01	Bank Asia Limited		_	_
	Standard Chartered Bank		38,658,662	86,581,208
	Southeast Bank Limited		18,393,463	-
			57,052,125	86,581,208
			, ,	, ,
24.02	Local Documentary Bill Purchase (LDBP)		044 445 050	050 707 440
	Bank Asia Limited		211,445,256	253,737,446
	Standard Chartered Bank		15,833,356	24,260,534
			227,278,612	277,997,980
25.00	Provision for WPPF and Welfare Fund			
	Opening balance		34,916,471	23,097,613
	Add: Provision made during the period		10,575,610	9,040,942
	Add: Interest during the period	28.00	4,282,881	2,777,916
			49,774,962	34,916,471

As per provision of Workers' Profit Participation Fund(WPPF) and Welfare Fund (WF) of Labor Act 2006, the company has been maintaining provision of WPP & WF since 2010. Subsequently Workers Participation Committee (WPC) was formed and approval from Office of The Joint Director of Labor, Chittagong Division was also obtained. Meantime the company has credited interest on the non-distributed WPP & WF fund till 30 June 2016 with a view to protect the interest of the workers.

			01 January 2015	5 to 30 June 2016	01 July 2013 to 31	1 December 2014
		Notes	USD	Taka	USD	Taka
26.00	Revenue					
	Export sales	26.01	32,245,098	2,487,809,103	33,216,188	2,545,193,982
			32,245,098	2,487,809,103	33,216,188	2,545,193,982

26.01 Details of export sales during the period are as follows:

	01 January 2015 to 30 June 2016		01 July 2013 to 3	31 December 2014
Product name	(%)	Taka	(%)	Taka
Carton	77.67%	1,932,266,669	88.03%	2,240,457,660
Label	5.67%	140,970,132	5.44%	138,382,363
Elastics and Narrow Fabrics	5.34%	132,942,591	2.14%	54,583,051
Offset Printing	5.25%	130,708,945	2.50%	63,610,403
Heat Transfer Printing	0.78%	19,445,131	0.69%	17,481,332
Button	5.18%	128,931,247	1.21%	30,679,173
Gum Tape	0.10%	2,544,388	-	<u> </u>
	100%	2,487,809,103	100%	2,545,193,982

		Note(s)	01 January 2015 to 30 June 2016 Taka	01 July 2013 to 31 December 2014 Taka
27.00	Cost of goods sold			
	Raw materials consumed	27.01	1,663,086,507	1,788,587,048
	Factory overhead	27.02	294,842,006	244,896,708
	Cost of Production		1,957,928,513	2,033,483,756
	Add: Opening work-in-process		24,924,967	16,260,884
	Less: Closing work-in-process		(23,404,318)	(24,924,967)
	Cost of goods manufactured		1,959,449,162	2,024,819,673
	Goods used for sample making	29.00	(8,900,304)	(8,551,800)
			1,950,548,858	2,016,267,873
	Opening finished goods		16,357,285	1,999,379
	Cost of goods available for sale		1,966,906,143	2,018,267,252
	Closing finished goods		(10,845,157)	(16,357,285)
			1,956,060,986	2,001,909,967
27.01	Raw materials consumed			
	Opening inventory		340,611,241	626,767,070
	Add: Purchase during the period		1,579,184,837	1,502,431,219
	Total materials available		1,919,796,078	2,129,198,289
	Less: Closing inventory		(256,709,571)	(340,611,241)
	,		1,663,086,507	1,788,587,048
27.02	Factory overhead			
	Salary, wages and others		106,003,605	78,837,922
	Stores and spares consumption	27.03	33,089,033	30,033,303
	Gratuity	19.00	5,614,175	3,663,757
	Depreciation	4.00	75,529,687	63,136,239
	Ansar/security cost		4,583,052	4,004,677
	Electricity expenses		2,514,795	1,657,330
	Fuel expenses		5,965,649	5,656,791
	Gas expenses		28,205,208 8,494,035	25,746,189
	Generator running expenses Insurance premium		2,657,592	7,633,860 3,918,662
	Labour charges		3,781,363	3,911,829
	Printing and processing charges		2,962,853	2,421,356
	Repair and maintenance		5,379,369	5,336,278
	Telephone		995,658	755,541
	Testing fee		821,811	504,538
	Uniform and liveries		1,096,941	1,038,424
	Vehicle maintenance expenses		6,638,527	6,265,267
	Water and sanitation expenses		508,653	374,745
			294,842,006	244,896,708
27.02	Stores and spares consumption			
27.03	Opening inventory		29,617,638	25,850,416
	Add: Purchase during the period		39,716,967	33,800,525
	Total spare parts available		69,334,605	59,650,941
	Less: Closing inventory		(36,245,572)	(29,617,638)
			33,089,033	30,033,303

			01 January 2015 to 30 June 2016	01 July 2013 to 31 December 2014
		Note(s)	Taka	Taka
28.00	Operating expenses			
	Salaries and wages		54,260,770	42,977,069
	Director remuneration	28.01	3,750,000	3,438,000
	Audit fee		575,000	431,250
	Amortization	5.00	1,076,950	1,067,609
	Depreciation	4.00	18,882,422	15,784,060
	Consultancy fee		166,945	537,596
	Electricity expenses		555,374	401,461
	Entertainment		906,770	969,796
	Fuel expenses		1,119,388	1,359,342
	Gratuity	19.00	22,304,749	13,144,785
	Group insurance		809,430	531,336
	Guest house expenses		270,331	75,410
	Insurance expenses		1,605,041	1,816,864
	Interest on non-payment of WPP and WF	25.00	4,282,881	2,777,916
	Internet expenses		1,792,314	1,986,744
	Medical expenses		377,222	791,002
	Misc. Expenses		907,156	939,380
	News paper expenses		38,051	50,000
	Office maintenance		1,398,322	862,223
	Post IPO expenses		12,707,981	-
	Postage and parcel expenses		155,340	433,944
	Printing and stationeries		938,716	1,148,652
	Professional fees		316,350	1,480,458
	Rent expenses - Dhaka office		7,200,000	4,800,000
	Rent, rates, license, renewal and others fee		1,976,003	1,257,016
	Repair and maintenance		965,243	1,058,570
	Security cost - ansar cost		822,112	673,184
	Staff fooding		1,884,610	1,958,123
	Staff training expenses		132,150	138,110
	Telephone		1,092,838	1,081,639
	Travelling and conveyance		884,132	1,086,934
	Vehicle maintenance expenses		917,764	1,410,923
			145,072,355	106,469,396
20.04	Director representation			
28.01	Director remuneration		2 240 000	0.040.000
	Remuneration		3,240,000	2,940,000
	Perquisite		-	18,000
	Medical and others		360,000	330,000
	Festival bonus		150,000	150,000
			3,750,000	3,438,000

28.02 During the period from 01 January 2015 to 30 June 2016 no board meeting attendance fees were paid to directors.

		01 January 2015 to 30 June 2016	01 July 2013 to 31 December 2014
	Note(s)	Taka	Taka
29.00 Selling and distribution expenses			
Salary, wages and allowances		11,493,559	9,256,985
Advertisement expenses		7,514,498	4,648,258
Employee reward		519,500	480,000
Carriage outward		15,706,678	13,435,795
Sales promotion expenses		2,868,123	2,417,317
Sample expenses	27.00	8,900,304	8,551,800
		47,002,662	38,790,155

		01 January 2015 to 30 June 2016 Taka	01 July 2013 to 31 December 2014 Taka
30.00	Financial expenses		
	Bank interest	137,227,927	209,076,105
	Bank charges and commission	17,742,223	15,266,617
		154,970,150	224,342,722
31.00	Other income Interest earned from FDR Interest earned from STD Interest income from inter-company receivable Rent income Gain/(Loss) on currency fluctuation Profit on sale of fixed assets	1,507,293 3,597,624 5,477,341 2,696,400 11,973,091	1,838,531 183,763 524,242 1,797,600 2,403,382 2,144,923 8,892,441
		25,251,145	0,032,441
32.00	Earnings Per Share (EPS)		
32.01	Basic Earnings Per Share The computation of EPS is given below:		
	Total earnings attributable to the ordinary shareholders	185,799,059	130,902,772
	Number of ordinary shares outstanding during the period	52,000,000	40,000,000
	Weighted average number of ordinary shares outstanding during the period	46,471,664	40,000,000
	Basic Earnings Per Share	4.00	3.27
32.02	Diluted EPS		

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

32.03 Weighted average number of shares outstanding during the period

Opening Balance	40,000,000	40,000,000
Weighted average of shares issued through Initial Public Offering (IPO)	6,471,664	-
	46,471,664	40,000,000

		30 June 2016	31 December 2014
		Taka	Taka
32.04	Net Asset Value Per Share (NAV)		
	Total Assets	2,529,168,525	2,410,185,163
	Less: Liabilities	1,229,562,049	1,536,377,746
	Net Asset Value (NAV)	1,299,606,476	873,807,417
	Number of ordinary shares outstanding during the period	52,000,000	40,000,000
	Net Assets Value (NAV) per share	24.99	21.85
		01 January 2015	01 July 2013
		to	to
		30 June 2016	31 December 2014
32.05	Net operating cash flow per share	Taka	Taka
	Net Operating cash Flows (from statement of cash flows)	303,222,614	237,217,622
	Number of ordinary shares outstanding during the period	52,000,000	40,000,000
	Net operating cash flow per share	5,83	5,93

33.00 Contingent liabilities and commitment

Contingent liabilities and commitment at the reporting date are as follows

		Taka	Taka
33.01	Bank guarantee		
	Bank Asia Limited	5,301,400	4,497,300
	EXIM Bank Limited	606,000	606,000
		5,907,400	5,103,300
33.02	L/C liabilities		
	Bank Asia Limited	21,766,152	152,388,304
	Standard Chartered Bank	65,401,036	50,677,650
	Southeast Bank Limited	37,608,366	-
		124,775,554	203,065,954

30 June 2016

31 December 2014

33.03 Capital expenditure commitment

There is no capital expenditure commitment as at 30 June 2016.

34.00 Directors' interest in contracts with the company

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

35.00 Credit facility not availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2016 other than trade credit available in the ordinary course of business.

36.00 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. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of BAS-24: Related Party Disclosures.

SL No.	Name of the Related Parties	Relationship	Nature of Transactions	Balance as on 01 January 2015	Transaction during the period (Net)	Balance as on 30 June 2016
1	KDS Apparels Limited	Common Directorship	Receivable Against Sales	4,140,633	189,298	4,329,931
2	KDS Fashion Limited	Common Directorship	Receivable Against Sales	18,024,862	(4,375,901)	13,648,961
3	KDS Garment Inds. Ltd.	Common Directorship	Receivable Against Sales	40,946,331	5,087,688	46,034,019
4	KDS Logistics Limited	Common Directorship	Receivable Against Sales	-	228,404	228,404
5	KDS IDR Limited	Common Directorship	Receivable Against Sales	-	4,473,125	4,473,125
6	KDS Textile Mills Ltd.	Common Directorship	Receivable Against Sales	-	247,379	247,379
7	KDS Poly Industries Ltd.	Common Directorship	Short Term Loan	-	191,197,758	191,197,758
8	KDS Thread Limited	Common Directorship	Short Term Loan	38,630,242	(13,330,387)	25,299,855

37.00 Events after the reporting period

37.01 Proposed Dividend

The Board of Directors at the meeting held on 29 March 2016 has recommended 5% cash and 10% stock dividend for the year 2015 and has not recommended any further interim dividend for the period from 01 January 2016 to 30 June 2016 at the meeting held on 09 August 2016.

38.00 Employee Position of KDS Accessories Limited

Number of employees whose monthly salary was below Tk. 5,300 Number of employees whose monthly salary was above Tk. 5,300

30 June 2016	31 December 2014
_	_
1,046	770
1,046	770

39.00 Quantitative information of production capacity for the period ended 30 June 2016

	Installed	l lung 2016		01 July 2013 to 31 December 2014	
Particulars	Capacity/pcs	Actual Production (Pcs)	Capacity Utilization in (%)	Actual Production (Pcs)	Capacity Utilization in (%)
Carton	38,250,000	34,163,484	89.32%	37,472,390	97.97%
Label	263,946,312	139,301,673	52.78%	120,449,863	45.63%
Elastics and Narrow Fabrics	45,864,000	29,054,106	63.35%	20,203,011	44.05%
Offset Printing	225,014,400	78,005,870	34.67%	53,546,180	23.80%
Heat Transfer Printing	37,440,000	18,962,953	50.65%	17,176,369	45.88%
Button	540,000	245,131	45.39%	183,841	34.04%
Gum Tape	6,435,000	128,678	2.00%	•	0.00%

For calculation of capacity utilization, weighted average of actual installed capacity has been considered as Financial Statements have been prepared for the period from 01 January 2015 to 30 June 2016.

40.00 Financial instruments- Financial risk management

Bangladesh Financial Reporting Standard BFRS 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

40.01 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:

Investments in FDRs (Short term & long term)
Advances, deposits and prepayments
Trade and other receivables
Due from affiliated companies
Cash at bank

30 June 2016	31 December 2014
Taka	Taka
12,549,987	11,890,594
66,330,297	16,569,539
719,873,473	778,976,084
25,299,855	38,630,242
12,316,945	10,150,498
836.370.557	856.216.957

(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 and other receivables

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

Dues within 3 Months
Dues over 3 Months but within 6 months

30 June 2016	31 December 2014
Taka	Taka
384,788,172	435,919,305
333,770,505	340,595,152
718,558,677	776,514,457

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 inter companies

The carrying amount represents amount paid to one of the inter companies to meet its operational finance from time to time. The outstanding balance is redeemable including 6% to 9% (in 2014: 14%) interest per annum and has no prescribed repayment schedule.

(iii) Cash and cash equivalents

The company held cash at bank of Tk. 12,316,945 at 30 June 2016 (2014: Tk. 10,150,498), 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

Trade receivables
Other receivables
Advances, deposits and prepayments
Cash and cash equivalents
Cash in hand
Cash at Banks
Bank Asia Limited
Commercial Bank of Ceylon
Dutch Bangla Bank Limited
HSBC
Mutual Trust Bank Limited
Standard Chartered Bank

As at 30 June 2016							
Credit rating Amount in Taka							
718,558,677	89.80%						
1,314,796	0.16%						
66,330,297	8.29%						
1,700,331	0.21%						
12,316,945	1.54%						
2,135,489	17.34%						
984	0.01%						
437,370	3.55%						
1,443,722	11.72%						
8,132,377	66.03%						
163,771	1.33%						
3,232	0.03%						
	718,558,677 1,314,796 66,330,297 1,700,331 12,316,945 2,135,489 984 437,370 1,443,722 8,132,377 163,771						

Southeast Bank Limited

40.02 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 managing 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:

	Counting		Contractual cash flows					
Non-derivative financial	Carrying amount	Interest rate	Within	1 to 5	More than	Total		
liabilities	amount		12 months	years	5 years	IOLAI		
As at 30 June 2016	Taka	Percentage	Taka	Taka	Taka	Taka		
Long term borrowings	176,891,416	10.50%-11%	77,809,882	99,081,534	-	176,891,416		
Lease finance	4,321,294	10.50%	2,698,524	1,622,770		4,321,294		
Trade and other payable	363,068,522	N/A	363,068,522	-	-	363,068,522		
Short term bank loan	323,293,548	5.25%-11%	323,293,548	-	-	323,293,548		
Due to affiliated company	191,197,758	9.00%	191,197,758	-	-	191,197,758		
Provision for WPPF and								
Welfare Fund	49,774,962	7.50%	49,774,962	-	-	49,774,962		
	1,108,547,500		1,007,843,196	100,704,304	-	1,108,547,500		
As at 31 December 2014								
Long term borrowings	329,980,733	13% -14.35%	145,771,384	184,209,349	-	329,980,733		
Lease finance	3,237,344	13%-15%	1,083,672	2,153,672		3,237,344		
Trade and other payable	475,888,628	N/A	475,888,628	-	-	475,888,628		
Short term bank loan	590,668,393	6%-13%	590,668,393	-	-	590,668,393		
Due to affiliated company	-	-	-	-	-	-		
Provision for WPPF and								
Welfare Fund	34,916,471	7.50%	34,916,471	-	-	34,916,471		
	1,434,691,569		1,248,328,548	186,363,021	-	1,434,691,569		

40.03 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. To manage this exposure, the company is adapted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

The Company is exposed to foreign currency risk relating to purchases, sales and other transactions which are denominated in foreign currencies. As at 30 June 2016, the Company was exposed to foreign currency risk in respect of financial liabilities denominated in the following currencies:

(i) Exposure to currency risk

As at 30 June 2016
Foreign currency denominated assets
Cash and cash equivalents
Trade receivables
Foreign currency denominated liabilities
Liability for Local Documentary Bill Purchase (LDBP)
Liability for Accepted Bills for Payment (ABP)

GBP	USD	Taka	
838	45,184	3,619,094	
-	9,198,140	718,558,677	
838	9,243,323	722,177,771	
-	2,909,352	227,278,612	
-	3,538,594	276,434,984	
-	6,447,947	503,713,596	
838	2,795,377	218,464,175	

Net exposure

As at 31 December 2014	GBP	USD	Taka
Foreign currency denominated assets			
Cash and cash equivalents	-	40,839	3,173,181
Trade receivables	-	9,993,751	776,514,457
	-	10,034,590	779,687,638
Foreign currency denominated liabilities			
Liability for Local Documentary Bill Purchase (LDBP)	-	3,577,838	277,997,980
Liability for Accepted Bills for Payment (ABP)	-	5,461,743	424,377,434
	-	9,039,581	702,375,414
Net exposure	-	995,009	77,312,224

The following significant exchange rate is applied during the period:

	30 June 2016	31 December 2014
US Dollar	78.12	77.70
GBP	106.61	-

(ii) Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar 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 June Profit o		31 December 2014 Profit or loss		
Strengthening	Weakening	Strengthening	Weakening	
Taka	Taka	Taka	Taka	
4,367,497 1,787	(4,367,497) (1,787)	1,546,244 -	(1,546,24	

(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 re-pay 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 Julie 2010	JI December 2014
Fixed- rate instruments	Taka	Taka
Financial assets	37,849,842	50,520,836
Financial liabilities	(695,704,016)	(923,886,470)
	(657,854,174)	(873,365,634)
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.

30 June 2016 31 December 2014

41.00 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.

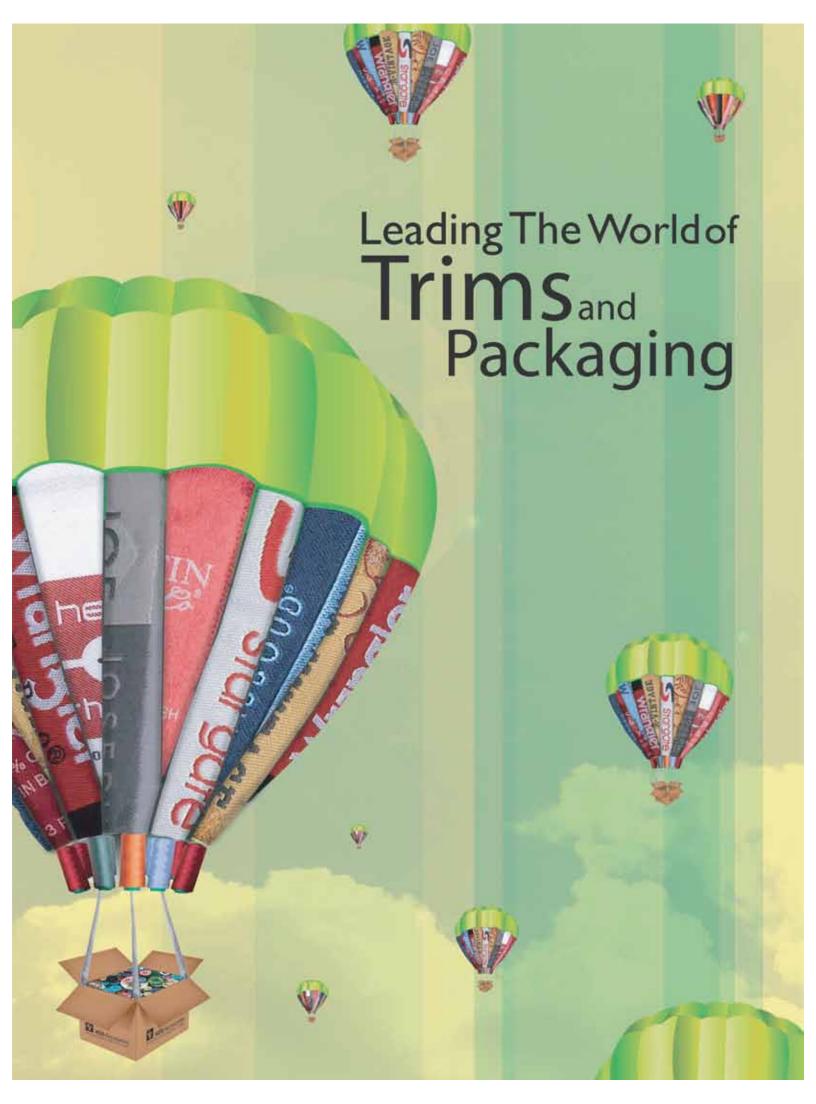
	Carrying amount						
	Note	Fair value through	Held to	Loans and	Available	Other financial	Total
	ref.	profit or loss	maturity	receivables	for sale	liabilities	Iotai
<u>30 June 2016</u>		<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Financial assets not measured at							
fair value							
Trade and other receivables	10 & 11	-	-	719,873,473	-	-	719,873,473
Due from affiliated companies	13	-	-	25,299,855	-	-	25,299,855
Investments in FDR	8 & 14	-	-	-	12,549,987	-	12,549,987
Cash at bank	15.02	-	-	12,316,945	-	-	12,316,945
		-	-	757,490,273	12,549,987	-	770,040,260
Financial liabilities not measured							
at fair value							
	17					(170 001 410)	(170 001 410)
Long term borrowings	17	-	-	-	-	(176,891,416)	(176,891,416)
Lease finance	18	-	-	-	-	(4,321,294)	(4,321,294)
Trade and other payables	21	-	-	-	-	(363,068,522)	(363,068,522)
Due to affiliated company	23	•	-	-	-	(191,197,758)	(191,197,758)
Short term liabilities	24	-	-	-	-	(323,293,548) (1,058,772,538)	(323,293,548) (1,058,772,538)
		-	-			(1,036,772,336)	(1,036,772,336)
31 December 2014							
Financial assets not measured at							
fair value							
Trade and other receivables	10 & 11	-	-	778,976,084	-	-	778,976,084
Due from affiliated companies	13	-	-	38,630,242	-	-	38,630,242
Investments in FDR	8 & 14	-	-	-	11,890,594	-	11,890,594
Cash at bank	15.02	-	-	10,150,498	-	-	10,150,498
		-	-	827,756,824	11,890,594	-	839,647,418
e							-
Financial liabilities not measured							
at fair value						(000 000 700)	(222 222 722)
Long term borrowings	17	-	-	-	-	(329,980,733)	(329,980,733)
Lease finance	18	-	-	-	-	(3,237,344)	(3,237,344)
Trade and other payables	21	-	-	-	-	(475,888,628)	(475,888,628)
Due to affiliated company	23	-	-	-	-	-	-
Short term liabilities	24	-	-	-	-	(590,668,393)	(590,668,393)
		-	-	-	-	(1,399,775,098)	(1,399,775,098)

Managing Director

Director

Director

Company Secretary







Chairman addressing the investors at IPO lottery Meeting.



Signing Ceremony of listing with Dhaka Stock Exchange





Inaugurating the trading of KDS Accessories Ltd.'s share at DSE & CSE.







Showcasing KDS Accessories' product at various International Trade & Export Fair.





Distributing food & other essential items among the distressed people by Chairman of the company.











Employees & Workers at Annual Picnic 2016





PRESS & MEDIA COVERAGE



*ପ୍*ରଥୟ ଆହୋ

কেডিএস এক্সেসরিজের আইপিও অনুমোদন

১ কোটি ২০ লাখ শেয়ার ছেড়ে ২৪ কোটি টাকা তুলবে কোম্পানিটি

ক্রিটি টাকা তুল্বে কেম্পানিট প্রথম প্রতিক্রম কর্মান কর্ম

KDS Accessories to set up new unit

IPO lottery held in Chittagong

KD5 Accessories, a unit of Chittageng-based KD5 Group, sell set up a new packaging unit at an estimated cost of Ta 25 cosee to expand its capacity to produce corrugated cartons to meet growing demand.

Of the fund for expansion. Th T3 crore will come from 10°O proceeds and the test from opairty and bankboars. The trust III's agent for low for the formal for expansion that the control of the formal for expansion and the formal formal formal for the formal forma

yesterday.

The electrical and electronic engineering department of Bangladrah University of Engineering and Technology conducted the letters.

The event was held to allocate 1.2 trone ordinary shares.

of Tk 39 cash, in addition to Tk 30 per share as premium, among the successful subscriben, including general inves-tors, affected small investors, munual funds and nos-roldent Bangladeshis.

The IPO results will be available on the websites of Rangladeuti Securities and Earhange Commissions, Dhaka and Chittagong stock exchanges, KDS Accessories and on the website of the issue manager, Alliance Financial Services.

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কেডিএস এক্সেসরিজের আইপিও লটারি অনুষ্ঠিত

ry for Allotment Bangladeshi (NRB), serel rubic Non Resident Bangladeshi (NRB), Allertei Smell Investors & Mutual Establed Road, Chittagony C. Establed Road, Chittagon Thursday, September 10, 20

রের টিউলাং ক্লাব নিমিটেডের ব্যাংকুইট হলে বেডিএস অ্যাকেসভিক্তের ড্র অনুষ্ঠানে বঞ্জব্য রাগছেন থনিপুর রহমান

The ∄aily ≶tar

MONDAY, "December 07, 2015"

KDS Accessories to import machinery of \$1.6m for expansion

New project to produce 93.6 lakh pieces of corrugated cartons a year

KOS Accessories will import capital mathinery sooth \$1.4 million (about Tk 12.30 crow) to set up a new packaging unit as part of its business expansion plan.

The board of directors of the company took the decision at a meeting while approxing the expansion project, it saled in a posting out the Dlukha Stock Exchange's website yesterday.

KDS Accessories, a unit of Chittagong-based KDS Group-saised. Th. 24 cross through initial public offering a few

KDS Accessories, a unit of Chittapong based KDS Groupraised Ta 24 errore changing hittail public offering a few
mounts ago.

The new project, which will be the company's third packaging unit in Cazigur, will have the capacity to produce 33.2 lash pieces of corragand carrons peryeat.

Its two esisting units, which are engaged in manufacturing different types of corrupated boxes along with other
packaging materials, can produce 2.24 crore pieces a year.

RDS is expanding in packaging anni zonsidering the
grossing materials, can produce 2.24 crore pieces a year.

RDS is expanding in packaging anni zonsidering the
grossing materials, can produce 2.24 crore pieces a year.

Of the Ta 20 crore solitanted cost for the expansion proiect. Ta 15 cours will come from PD proceeds and the rest
from equity and bank loans.

Lasablished in 1991, KDS Accessories has made significars prospers over the years and has become a leading manus
facture of packaging Beens. The company also exports in
products.

On the D5 if yestenday, each KDS Accessories share traded
between The 2.20 and The 15.50 before chaning at Ta. By.

KDS Group started its operations in 1983 and has concerns in various sections, including garment, accessories,
steed, logistics, bank, insurance, IT and shipping.

The company, which counts itself among the biggest
business conglomeraties in the country, employs mare than
20,000 people.

FE Financial Express

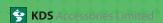
FIE Stock & Corporate

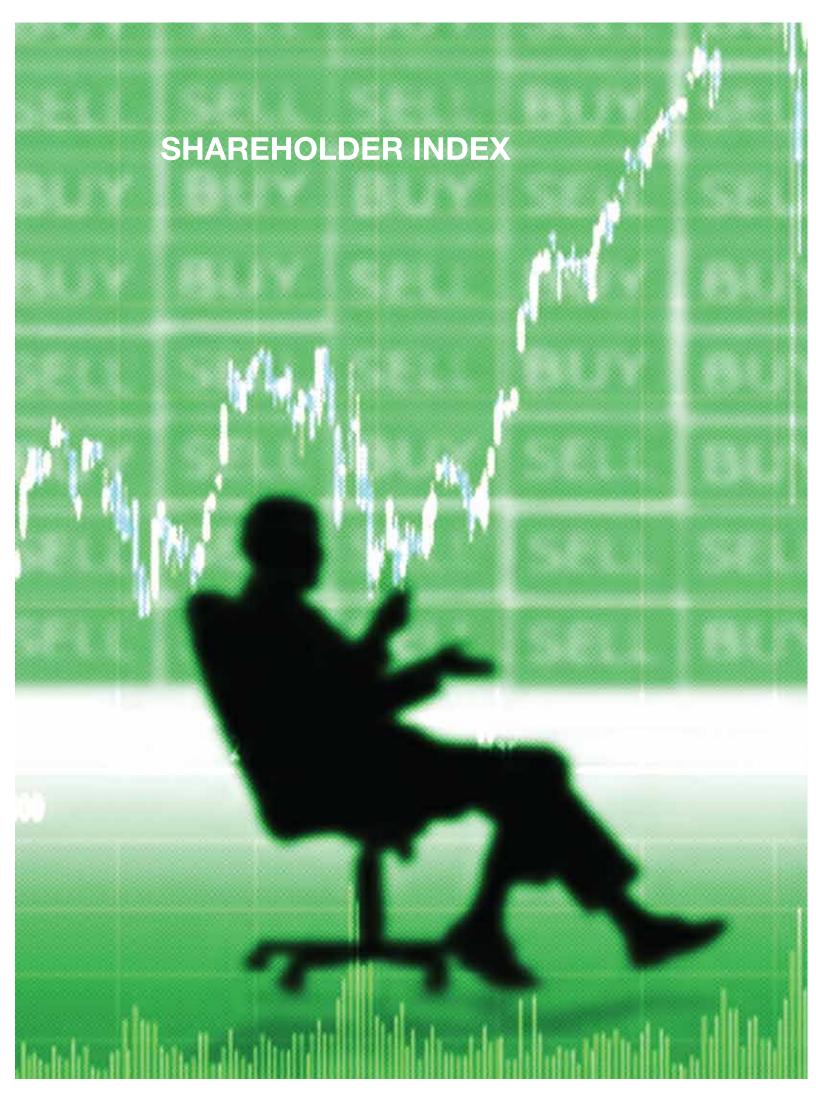
BSEC empowers exchanges to check IPO documents

IPO proposal of KDS Accessories approved

IPO proposal of KDS Accessories approved

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THE 25TH ANNUAL GENERAL MEETING (AGM)

Date: 01 September 2016, Time: 10:00 am

Venue: Banquet Hall, Chittagong Club Limited, Chittagong

FINANCIAL PERIOD

Reporting period of 18 months from 01 January 2015 to 30 June 2016. During the period operational results of the company were announced as below:

January Februar March April May June July August Septemb Decemb January Februar March April May June Period Enr. Result	Months	Reporting Date	Turnover in BDT (mn)	Net Profit in BDT (mn)	EPS in BDT.	NAV (per share)
	January February March	1st Qtr. Report - 2015 14 May 2015	425.04	32.87	0.82	22.67
	May	2 nd Qtr. Report - 2015 25 July 2015	452.99	30.30	0.76	23.42
	July August September	3 rd Qtr. Report - 2015 24 October 2015	352.07	19.66	0.48	23.01
	October November December	4 th Qtr. Report - 2015 29 March 2016	460.76	42.16	0.80	23.82
	January February March	1st Qtr. Report - 2016 11 May 2016	383.78	34.50	0.66	24.49
	May June	2 nd Qtr. Report - 2016 09 August 2016	413.17	26.30	0.51	24.99
	Period Ended Result (2015 - 2016)	09 August 2016	2,487.81	185.80	4.00	24.99

SHARE PRICE PERFORMANCE IN 2015-2016



^{*} Trade of share started from 15 October 2015

RECORD DATE

The record date was 21 April 2016.

DIVIDEND

A final dividend @ 5% cash & 10% stock has been recommended on 29 March 2016 in the 102^{nd} BOD Meeting and after having approval of the shareholders at the 25^{th} 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/=

CLOSING PRICE OF PER SHARE

Closing Price of per share of your company before record date i.e on 20 April 2016 was TK. 65.10

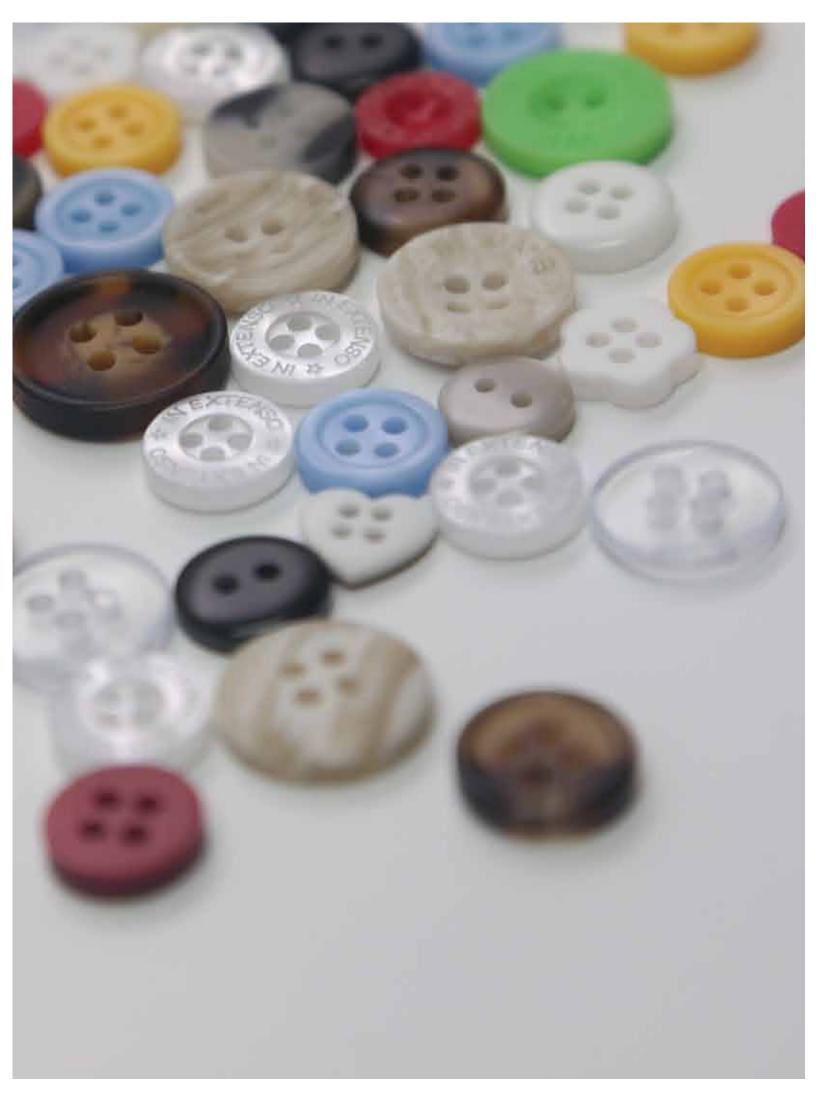
INVESTOR CORRESPONDENCE

191-192 Baizid Boastami Road | Nasirabad I/A | Chittagong 4210| Bangladesh

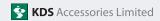
T: 880 31 681701-3 | 685207-9 | Ext: 148

F: 880 31 682137 | W: www.kdsaccessories.com





Notes



Corporate Office: 191-192, Baizid Bostami Road, Nasirabad I/A, Chittagong-4210.

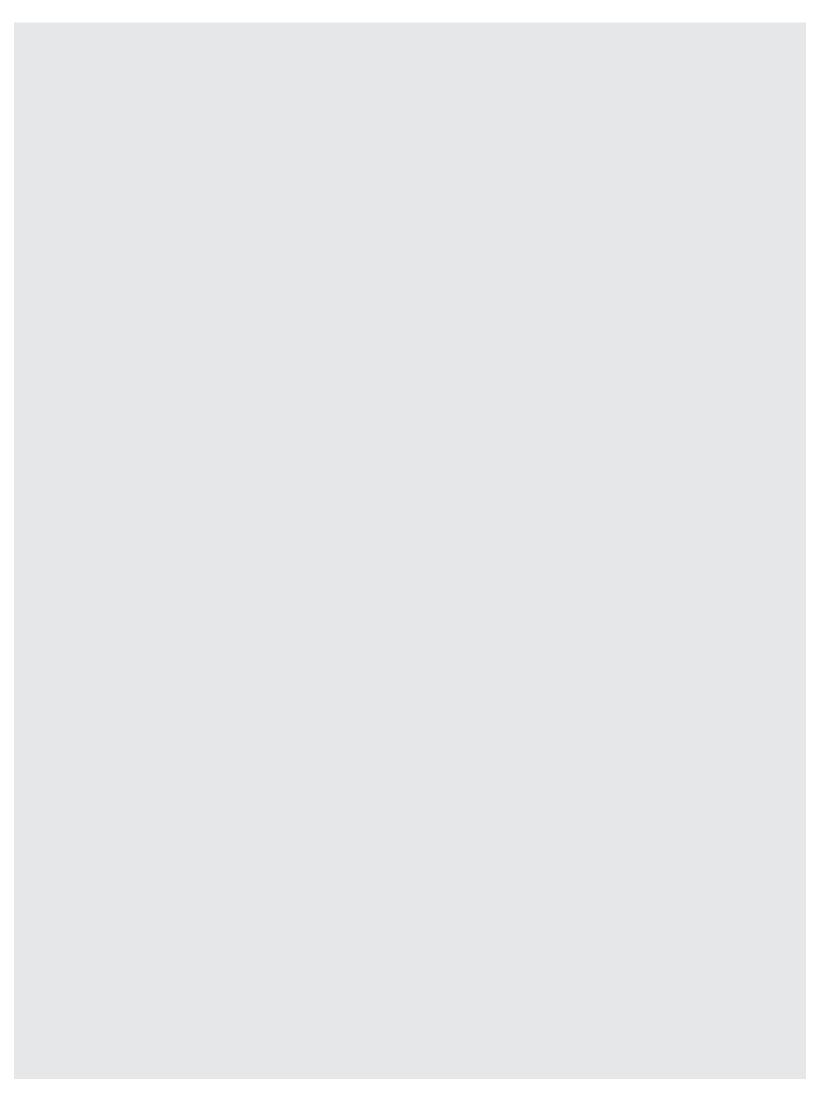
PROXY FORM		
I/We		
being a shareholder of KDS Accessories Lir	mited, do hereby appoint	
of	al Meeting (AGM) of the Club Limited, S.S. Khaled I that may be taken in	
(Signature of Shareholder) (S	Signature of Proxy)	
Shareholders BO ID No:	orginataro or rioxy)	
No. of Shares held:		
Note:		
 The proxy form, duly filled and stamped must be deposited at the Corporat (Seventy Two) hours before the time fixed for the meeting. 	e Office not later than 72	
2. Signature of the shareholder should agree with the specimen signat Company or BO Account/ CDBL Record.	ure registered with the	
	ignature Verified)	
NDO ACCESSORES Ellined		
\$ KDS Accessories Limited		
Corporate Office: 191-192, Baizid Bostami Road, Nasirabad I/A, Chi	ttagong-4210.	
SHAREHOLDERS' ATTENDENCE SLIP		
I/We do hereby record my/our presence at the 25th Annual General Meeting of to be held on 01 September 2016 at 10.00 am at Banquet Hall, Chittagong Cl Road, Chittagong, Bangladesh.		
Name of the Shareholder/Proxy: Shareholders BO ID No:		

Note: Please present this attendance slip at the registration desk on the AGM date.

.....

(Signature of Shareholder)

(Authorized Signature)
KDS Accessories Limited



CORPORATE OFFICE

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

T: 880 31 681701-3 F: 880 31 682137

E-mail:accessories@kdsgroup.net

Web: kdsaccessories.com

DHAKA OFFICE

Road 4, House 63, Block C, Banani Dhaka 1213, Bangladesh

T: 880 2 9821665, 9821667

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Web: kdsaccessories.com