

ANNUAL REPORT

2018-2019

PARTNERING
FOR PROGRESS



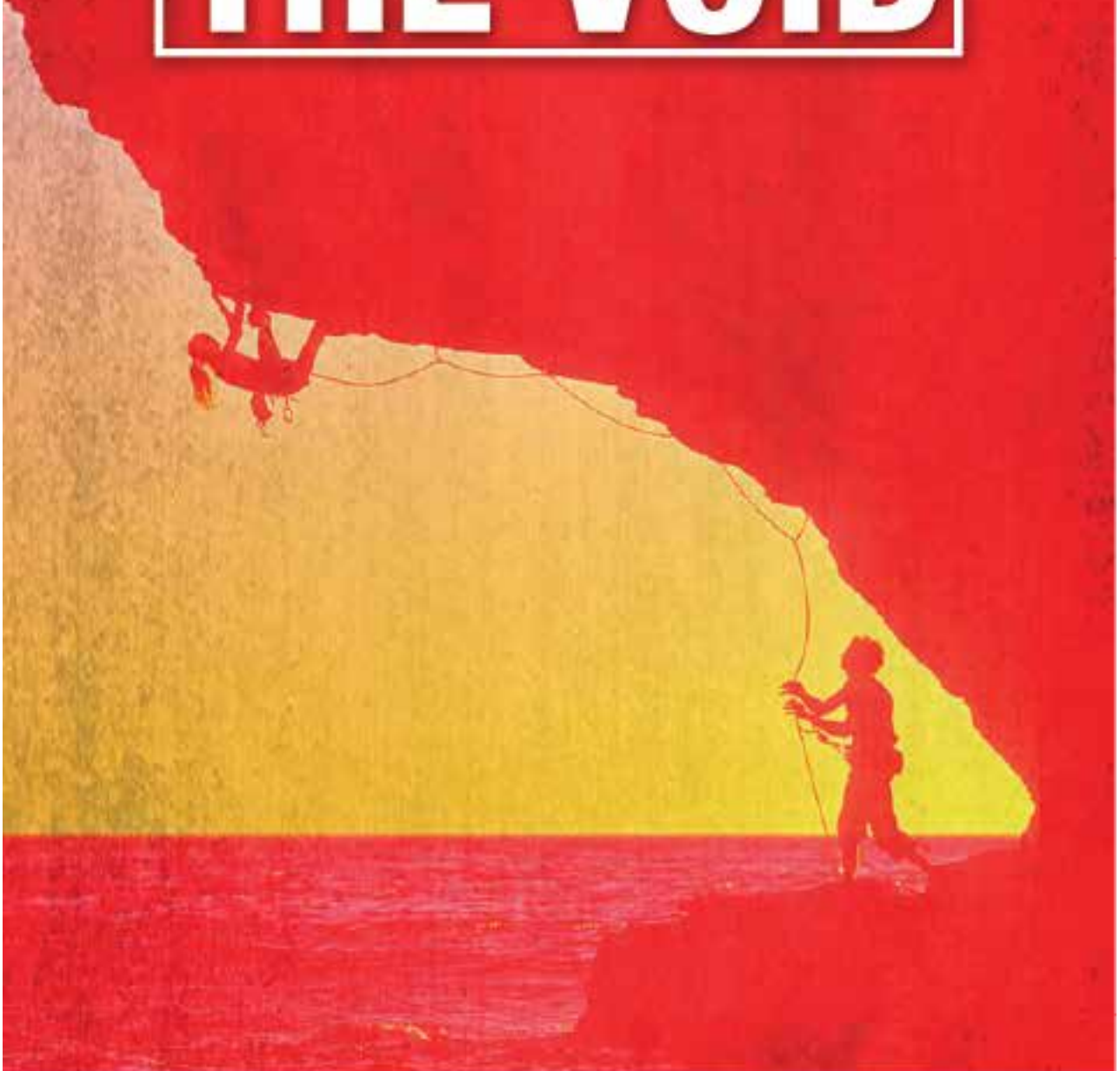
KDS Accessories Limited



ANNUAL
REPORT

2018-2019

TOUCHING THE VOID



THEMATIC PHOTOGRAPH OF A MAN CLIMBING A STEEP CLIFF

CONTENTS

CHAPTER : GENERAL

Who We Are	07
Vision	09
Core Values	11
Corporate Information	13
Highlighting Events	16-17
Products & Markets	21-30
Management Team	43
Letter From The Chairman	44-45
Message From The Managing Director	46-48
Comments By CEO	49
Award & Recognition	97-101
Events & Image	143-148
Press & Media Coverage	151-154
Shareholder Index	155-156
Attendance & Proxy Form	159

CHAPTER: FINANCIAL

Financial Synopsis of 2018-2019	05
Value Added Statement	95
Auditors' Report	103-141

CHAPTER: CORPORATE GOVERNANCE

Letter of Transmittal	19
Notice of The 28 th AGM	33
Board Of Directors	35-41
Directors' Report	52-85
Report of The Audit Committee	86-87
NRC Report	88-90
Corporate Governance Report	91-92
Certificate of BAPLC	93

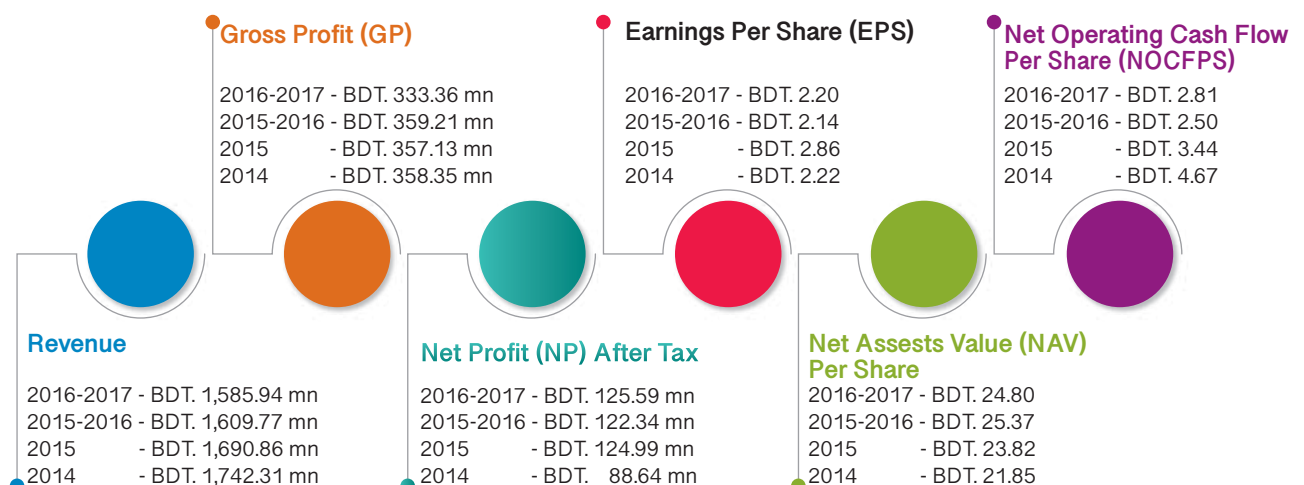
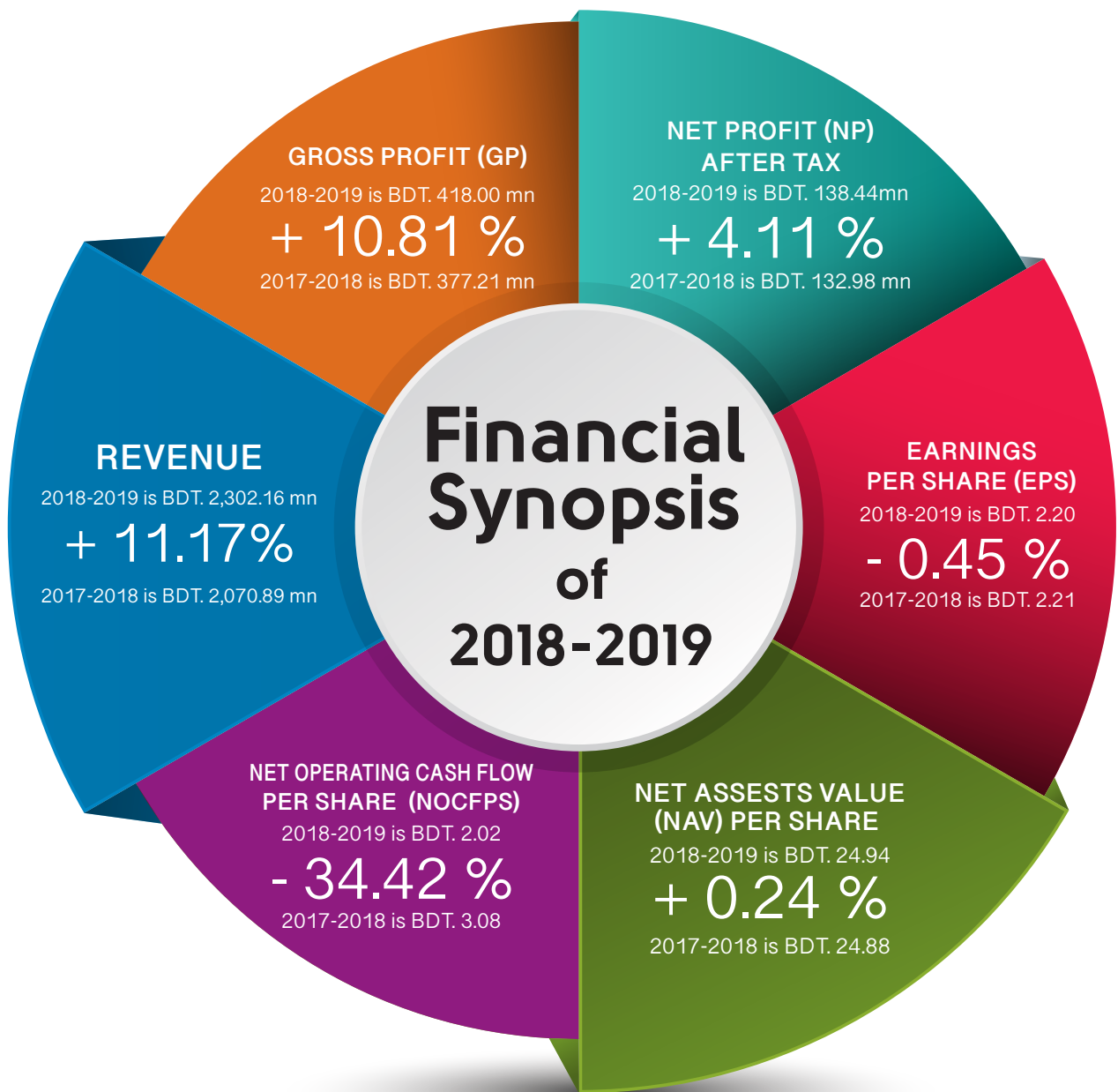
KDS ACCESSORIES LIMITED

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

HAVING SINGLE LARGEST CAPACITY
WE ARE PIONEER OF PACKAGING.

WE BELIEVE IN WORKING CLOSELY WITH
OUR CLIENTS TO UNDERSTAND THEIR
NEEDS TO DESIGN SERVICES
ACCORDINGLY AND ALIGN OURSELVES
AS A STRATEGIC PARTNER, HELPING US
TO REALIZE OUR VISION

**'TO BE A GLOBALLY PREFERRED TRIMS
AND PACKAGING SOLUTIONS COMPANY'**



EXPLORING EMERGING MARKET



WORLD MAP SHOWING GLOBAL FOOTPRINTS.

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.



www.kdsaccessories.com

OUR STRENGTH

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

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

COMPREHENSIVE PRODUCTS RANGE

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

GLOBAL RECOGNITION

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



Vision

To be a globally preferred
trims & packaging
solutions company

CROSSING THE BOUNDARIES



SHIP IN VOAGE ON THE SEA

Lead through
service
excellence

Nurture intelligence
for human capital
growth

Core Values

Maintain global
presence & standards
economically

Maximum
resource
utilization



Front view of our Corporate Office, Chattogram



Front view of our Dhaka Office



Partial view of our Gazipur Factory

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
Offices	: Registered Office- 255, Nasirabad I/A, Chattogram, Bangladesh. Corporate Head Office 191-192, Baizid Bostami Road Nasirabad I/A, Chattogram-4210 Bangladesh. Dhaka Office Road 4, House 63 Block C, Banani Dhaka-1213, Bangladesh
Plant Location	: Unit-01 191-192, Baizid Bostami Road Nasirabad I/A, Chattogram-4210 Bangladesh Unit-02 6, West Dogory, Mirzapur Gazipur Sadar, Dhaka 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 & NBFIs	: Bank Asia Limited HSBC Mutual Trust Bank Limited Trust Bank Limited Exim Bank Limited IIDFC Standard Chartered Bank Southeast Bank Limited Dutch Bangla Bank Limited NCC Bank Limited Commercial Bank of Ceylon
Insurers	: Pragati Insurance Limited Northern General Insurance Company Limited
Auditors	: Statutory Auditor Hussain Farhad & Co. Chartered Accountants Yunusco City Center(9th Floor) 807 CDA Avenue, Nasirabad Chattogram, Bangladesh. Auditor For Corporate Governance Shafiq Basak & Co. Chartered Accountants National House (1st Floor) 109 Agrabad Commercial Area Chattogram-4100, Bangladesh. Internal Auditor Rahman Rahman Huq Chartered Accountants 78 Agrabad Commercial Area Makkah Madina Trade Centre (13th floor) Sabadar Ali Road, Chattogram- 4100.
Credit Rating Agency	: Credit Rating Information and Services Limited (CRISL)
Listing with	: Dhaka Stock Exchange Ltd. Chittagong Stock Exchange Ltd.



| pearls of pride |



KDS

Since 1983

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



BUSINESS AT A GLANCE

THE GROUP OPERATES THROUGH SEVERAL STRATEGIC BUSINESS SEGMENTS

APPAREL



TEXTILES



**GARMENTS
ACCESSORIES**



LOGISTICS



STEEL



**BANKING &
INSURANCE**



**SHARES &
SECURITIES**



HIGHLIGHTING EVETNS





BOOSTING ECONOMIC DEVELOPMENT



CARGO LOADING AT A SEA PORT

LETTER OF TRANSMITTAL

Date : 21 October 2019

To

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

Subject : Annual Report for the year ended 30 June 2019.

Dear Sir (s),

The undersigned on behalf of the Board of Directors and Management of KDS Accessories Limited is pleased to enclose the notice of the 28th Annual General Meeting, a copy of the Annual Report together with the Audited Financial Statements, Report of the Board of Directors and Auditors' Report thereon for the year ended 30 June 2019 for your information and record.

Thank You.

Yours Sincerely,



Manjure Khuda

Company Secretary



We deliver
**Innovative,
Efficient
& Value
Driven
Solutions**
for our
Esteemed
Customers



PRODUCTS & MARKETS

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



CORRUGATED CARTON

BDT. 1,782.07 mn

- 100,000 average size boxes/day.
- Highest single plant capacity.
- High Speed Die Cutting machines to produce complex designs.
- Automatic Printing and Gluing Machines.
- IMS (ISO-9001:2015, ISO-14001:2015, BS OHSAS-18001:2007) certified.
- In house testing Lab.
- Over 27 years of plant engineering experience.

BUTTON

BDT. 116.11 mn

Free from any RSL-substances like lead, cadmium, nickel and chromium or any Azo-Compound and Phthalate.

Using world Branded Machineries.

Full Scale testing laboratories.

Laser with Turning Machines

(with Color logo/Side Logo machine).

All types of Plastic Button, Specially Horn and Sheet Buttons.

Button size started from 13L to 60L.

Using imported Raw Materials form Europe.

**ATTACH YOUR
FASHION
WITH OUR FINEST
COLLECTION OF
BUTTON**



WE WEAVE
YOUR DREAMS
ON OUR FINE
WOVEN LABEL

WOVEN LABEL

BDT. **81.18** mn

- High Speed Airjet Looms-Reduced Lead Time per booking.
- Ultrasonic Slitting-Soft Edge Woven Requirements.
- Updated Textile CAD Systems-Weaving Accuracy.
- High Skilled Technicians & Product Development Team.
- 100% QC system for all productions & raw materials.
- Needle Looms-Woven Edge Label requirements.
- High Color Accuracy through spectrophotometer measuring.
- In-house Color Fastness Testing Capabilities.
- Oeko-Tex® Standard 100 Certified for Human-Ecological Requirements/Baby Articles.

ELASTIC & NARROW FABRIC

BDT. 127.28 mn

In-house warping facilities.

In-house Starching and finishing requirements.

High Pressure Ribbon calendaring machine.

Ability to weave Jacquard design Woven Elastics of both Nylon and Polyester.

Can weave Cotton, Nylon and Polyester ribbons.

**Complementing
the apparel luxury
and comfort through our
Elastic & Narrow Fabric**



OFFSET PRINTING

BDT. 66.91 mn

Complete Pre-Press Capabilities.

Using FSC Certified Paper Source.

In-house print quality testing Equipment's.

100% QC system for all production & raw materials.

Graphic Design dept. with latest Mac OS & Windows OS.

Secured Data Transfer System for Graphic Designs/variable data.

Color Quality management by Spectrophotometer

and i-Color software.

Heighten your
brand with our
Printing
Proficiency

HEAT TRANSFER

BDT. 13.87 mn

Complete Pre-Press capabilities.

A range of modern heat transfer systems.

Eco-friendly, AZO, APEO, PVC, DOP free sticker transfer (carcinogenic items).

Super quality production with higher production capacity.

Can produce image transfer, sublimation printing.

Overall Satisfaction.

TAG FREE
LABELING WITH OUR
HEAT TRANSFER
PRINTING FACILITY



GUM TAPE

BDT. 22.06 mn

A Complete Barrier to execute dust and dirt.
Preserves the Hygienic Integrity of the contents.
Total protection against Vermin such as rodents.

Tamper evidence, tape bonds to carton.
Cost effective, shorter lengths are required.

Easily and securely printed or coded.

**GREAT CLOSURE
STRENGTH
SINCE PERMANENT BOND**

HANGER

BDT. 92.68 mn

More than 150,000 hangers a day

Primary materials: PP, PS & Clear [polystyrene]

7 injection molding machines, capacity ranging
from 150 to 500 tons

Pantone Color code Size Tab color matching system

Tooling design & production facilities

IMS certified (ISO 9001:2015, ISO 14001:2015
& BS OHSAS 18001:2007) System

**GLOBAL SOURCING
& LOCAL SUPPLY
KDS HANGERS**



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.

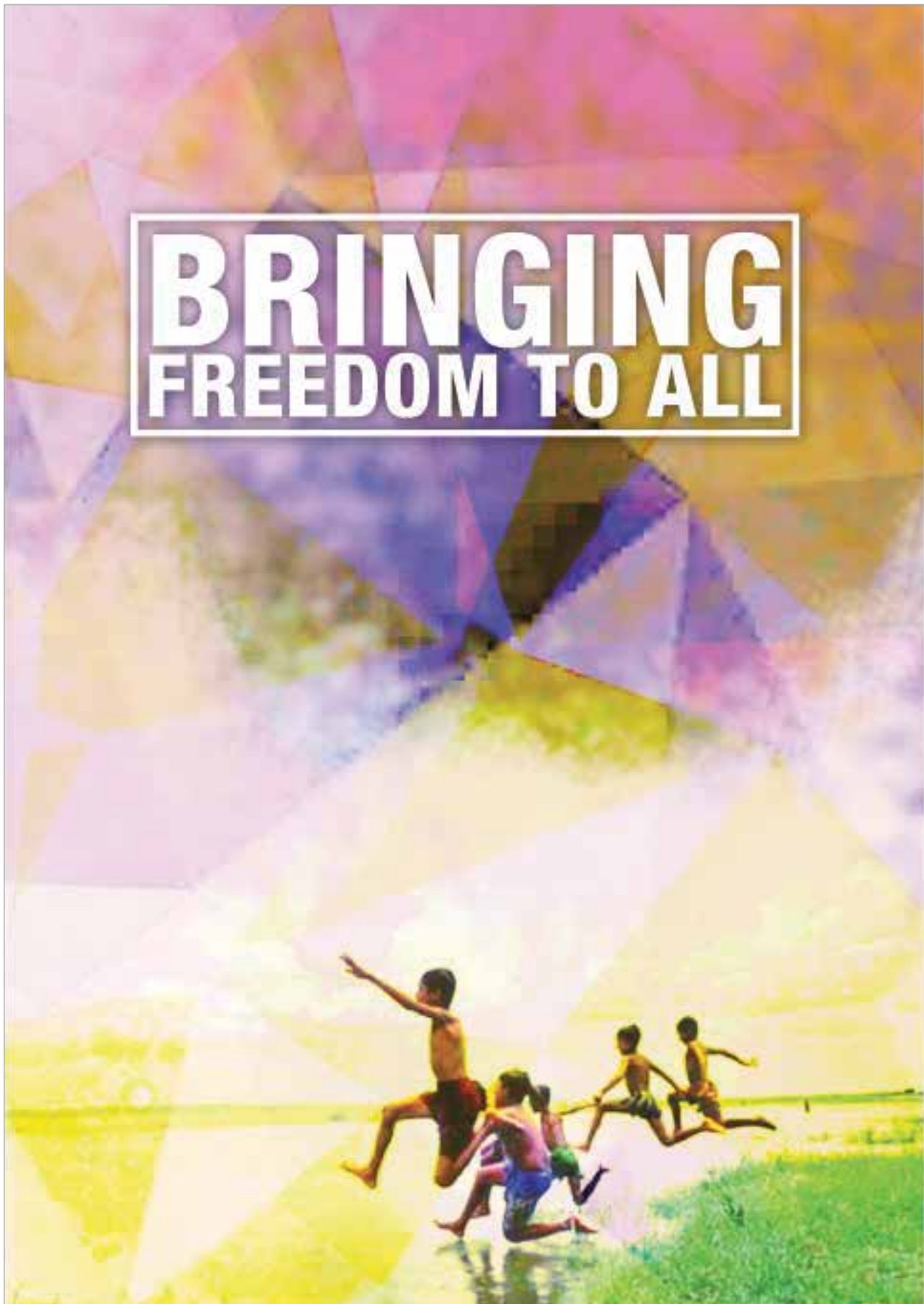
Additional Ink Curing Facility to assure wash fastness.

Oeko-Tex® Standard 100 Certified for Human-Ecological Requirements/Baby Articles.

**ENHANCE YOUR BRAND
SOPHISTICATION
PRINTED FABRIC LABEL**



BRINGING FREEDOM TO ALL



A THEMATIC PHOTOGRAPH OF CHILDREN DIVING AND SWIMMING IN THE RIVER

INVITATION FOR
The 28th Annual General Meeting
of
KDS Accessories Limited

VENUE

CBC Confidence Cement Convention Center
Chittagong Boat Club
Airport Road, Patenga, Chattogram.

DATE & TIME

Thursday, 07 November 2019
at 11:00 AM

NOTICE OF THE 28th ANNUAL GENERAL MEETING

Notice is hereby given that the 28th Annual General Meeting of the Shareholders of KDS Accessories Limited will be held on Thursday, 07 November 2019 at 11:00 AM at CBC Confidence Cement Convention Center, Chittagong Boat Club, Airport Road, Patenga, Chattogram to transact the following businesses:

AGENDA:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2019 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. Appointment of Statutory Auditor and Auditor for Corporate Governance.

Dated : 21 October 2019
Chattogram

By order of the Board



Manjure Khuda
Company Secretary

NOTES:

Shareholders whose names would appear in the Share Register/Depository Register on the record date on 01 October 2019 will be eligible to attend at the 28th Annual General Meeting and entitled to receive the dividend.

A Shareholder 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, Chattogram-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 Annual Report as well as verification of signature of Member(s) and/or Proxy-holder(s).

Members are requested to update their respective BO Account 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.

The Annual Report for the year 2018-2019 is available at the Company's Website at www.kdsaccessories.com and soft copy is sent to shareholders' email address as available in their BO Account.

The concerned Brokerage Houses/DPs are requested to provide us the statement (both of hard copy & soft copy on or before 24 October 2019 with details of their margin loan holders entitled to Dividend for the year ended on 30 June 2019. The statement should include Shareholders Name, BOID Number, Client-wise shareholding position, contact person etc. The record date was 01 October 2019



BOARD OF DIRECTORS



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

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

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

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

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

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

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

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

His inspirational leadership style has developed several leaders within the group to undertake key business activities. He is also one of the few



Mr. Khalilur Rahman
Chairman

entrepreneurs of private banks and insurance business in the country.

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

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

He is the chairman of AIBL Capital Market Services Ltd. (a subsidiary of Al-Arafah Islami Bank Limited)

Besides contributing to the industrial growth in the country, he has undertaken various social activities, which helps the marginalized section of the society in a large way. A large number of non-profit and entirely charitable educational institutions (School, College, Madrasha etc.) have been setup by Mr. Khalilur Rahman.

He is the founder chairman of Southern University, founder of Khalilur Rahman Mohila College, Khalil Mir Degree College, Khalilur Rahman Girls' High School, Khalil Mir Girls' High School, Ziri Khalil Mir

High School and three Madrashas and one cultural academy in greater Patiya of Chattogram.

He was vice president of BGMEA (Bangladesh Garment 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 Chattogram City Corporation for his contribution in Trade and commerce.

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

Inheriting the rich legacy of his father, Mr. Salim Rahman has made his own mark in taking the group to next level of business excellence through strategic expansion and organizational transformation through his passionate and dynamic leadership style.

Educating in India and the US, Mr. Salim Rahman has joined the group in 1997. Since then, he has actively involved with different sectors like Garments, Accessories, Steel, Textile, Shipping, Securities, Banking and Insurance.

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

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

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

Besides manufacturing base he is also involved with investment and IT sector and currently he is director & Vice-Chairman of Executive Committee 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 Bhatary 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.



Mr. Salim Rahman
Managing Director



Ms. Tahsina Rahman
Director

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

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

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

She is director of Pragati Insurance Limited .



Mr. Muhammad Jamaluddin Independent Director

Mr. Muhammad Jamaluddin was born in a respectable Muslim family of Chattogram 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.

Mr. Kamrul Hasan FCA Director

(Representative of KDS Garment Industries Limited)

Mr. Kamrul Hasan FCA is a Director at KDS Accessories Limited representing KDS Garment Industries Ltd. He is a fellow Chartered Accountant with more than 17 years of experience in Finance & business operation. Currently he is working as CFO of KDS Garment Division.

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





At KDS Accessories
People is our
Biggest **Capital**

MANAGEMENT TEAM

Board of Directors

Mr. Khalilur Rahman	:	Chairman
Mr. Salim Rahman	:	Managing Director
Ms. Tahsina Rahman	:	Director
Mr. Kamrul Hasan FCA (Representative of KDS Garment Industries Ltd.)	:	Director
Mr. Muhammad Jamaluddin	:	Independent Director

Audit Committee

Mr. Muhammad Jamaluddin	:	Chairman
Mr. Khalilur Rahman	:	Member
Ms. Tahsina Rahman	:	Member
Mr. Kamrul Hasan FCA (Representative of KDS Garment Industries Ltd.)	:	Member
Mr. Manjure Khuda	:	Member Secretary

NRC Committee

Mr. Muhammad Jamaluddin	:	Chairman
Mr. Khalilur Rahman	:	Member
Mr. Kamrul Hasan FCA (Representative of KDS Garment Industries Ltd.)	:	Member
Mr. Manjure Khuda	:	Member Secretary

Senior Executives

Mr. Debasis Daspal	:	Chief Executive Officer
Mr. Anwar-Ul-Azam	:	EVP-HR, Compliance & Operation
Mr. Biplob Kanti Banik FCA	:	Chief Financial Officer
Mr. Manjure Khuda	:	Company Secretary
Mr. Natesan Srinivasan	:	GM-SLP
Mr. Abu Taher	:	GM-Sales
Mr. Sarwar Hossain	:	DGM-HR & Compliance
Mr. A.K.S. Parvez	:	DGM-Packaging
Mr. Abdur Rouf Mollah	:	DGM-Button
Mr. Apu Sarwar	:	Head of IT
Mr. Md. Anwar Hossain	:	Head of Hanger Unit

LETTER FROM THE CHAIRMAN



Dear Fellow Shareholders,

It gives me great pleasure to present the Annual Report of the company for the year 2018-2019.

Our story

KDS Accessories Ltd. (KDSA) 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 the journey, KDS Accessories has attained its recognition as one of the country's leading garment Accessories Company, with a significant and growing global reach. KDS Accessories has become one of the compliant manufacture in the country and one of the first of its kind.

Our endeavors continue----

Around the world, we face stiff competition, but we aim for a more better and sustainable future. In 2018-2019, we had different challenges like increasing of wages, many other conditions of brand for compliance and test certification which ultimately contributed to reduce profitability. Despite the challenges, we had consistent growth both in sale and profit in the year 2018-2019. The Board has recommended 15% dividend, in line with our consistent dividend policy, resulting in a 69% pay-out ratio based on earnings per share. This reflects the Board's continued confidence in the future growth of the business

Looking forward

We will move even faster going forward and we have the resources. Bangladesh still remains as one of the main sourcing destinations of RMG next to China and our exports target is aligned to the goal of total RMG export of the country and we have made our preparation to that end.

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.

I would like to thank our employees for their commitment to KDS Accessories. It is their hard work and dedication that enables us to deliver on our promises. I also want to thank our shareholders for your continued support, your confidence and above all for your trust. I would like to express my gratitude to bankers, regulatory bodies (BSEC, DSE, CSE, CDBL, NBR, RJSC) and business associates for their cordial support in enabling KDS Accessories to achieve success.

I would like to take this opportunity to thank our Board for their contribution to the company. Even though whole RMG business conditions are likely to remain competitive and challenging for some time to come I believe the foundations of our business are very strong and will only be strengthened further.



Khalilur Rahman
Chairman



MESSAGE FROM THE MANAGING DIRECTOR

Dear Valued Shareholders,

On behalf of the Board of Directors, I would like to thank you, our management team and other stakeholders for your continuous patronage in our endeavor.

Let me give you a brief summary of the activities of the year 2018-2019

Results

The year comprising the period of July 2018 to 30 June 2019 was another consistent year for KDS Accessories with below key performance:

- Overall Sale has been increased by 11.17% than that of last year
- Net Profit of the year has been increased by 4.11%

The fashion industry is turning a corner.

Clothing manufacturing will be completely transformed by the internet and digital printing in the next five to ten years. Digitalization is likely to have an even greater impact on the industries in the decades to come.

Technologies such as RFID tags, sensors and the Internet of Things, coupled with new software, augmented virtual reality (AVR), block chains and artificial intelligence (AI), are expected to cause considerable disruption.

Digitalization not only will shape how products are designed or how supply chains are managed, it will also shape how and where production takes place, how logistics systems are automated and run, and how products are marketed, sold and delivered to the consumer.

Like previous year, this year we have also witnessed several challenges, which includes stiff competition, cut-throat prices and over-capacity in several products categories. Raw material prices in key areas like paper continues on upward trend which further created pressure on our cost structure and bottom line. The price of paper increase has been unprecedented in the history of paper industries so far, which has created significant pressure on our bottom line.

Apart from price, we have witnessed other challenges that includes increasing competition and decreasing margin. Moreover, several garments makers have set up accessories plants as their back-end expansion strategy. Increasing number of accessories factories has also increased already existing competition for accessories market.

However, despite of increasing raw material prices of accessories and competition, as we have taken several initiatives to improve our operational fundamentals and continuously putting focus on Increasing operational efficiency, enhancing employee productivity and improving our brand image through better service to our customers have resulted into better operating margin to tide over challenges we faced otherwise. We are happy to deliver improved results with our continuous effort to mitigate several challenges on the business terrain.

Expansion and Developments

KDS Accessories has been on forefront of absorbing technology to link its supply chain with the future digital revolution of garment technology. Its online ordering platform, complete automated in house developed IT platform to track all data right from sourcing, production and delivery, will enable its

supply chain to be integrated with that of garments supply chain.

KDS Accessories has also taken important steps in “greening its product lines” by developing various recycle-based and bio-degradable products into its products offerings. Bio-degradable poly bags, Paper board made hanger, recycled fiber based sewing thread are few examples of its effort to make future trims offerings towards better sustainability.

Future Outlook

Bangladesh has set the target of exporting RMG for US\$50 billion by the year 2021. Garments Accessories and Packaging products will indirectly contribute approximately 8% to 12% to RMG export earnings. With this assumption, the export earnings from Garment Accessories and packaging is expected to rise to an encouraging growth curve by 2021.

With our committed focus on expanding our product penetration into country’s top apparel buyers’ and garment makers’ buying decisions, we

are confident that we will stimulate necessary boost in our sales in the upcoming years.

Finally, I want to thank my Board of Directors, business partners, and colleagues 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 would like to thank our shareholders for their continued support to KDS Accessories.

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

Thank you,



Salim Rahman

Managing Director

COMMENTS BY CEO



Dear Valued Shareholders

It is my privilege to outline of our company's performance for the last year, which has witnessed some of biggest challenges and opportunities as well. On one hand, we have just overcome a tumultuous year of packaging business due to phenomenal raw material price hike, on the other hand we have successfully arrested the flagging bottom line by carefully orchestrating cost-management and efficiency drive.

This year has transformed our company from a growth-driver to a value driver, where our primary focus has been to create more values to our customers for a given sales price-point. While paper prices have been stabilized, the demand of low sales prices across the customers make us look deep into our efficiency pockets and turn on the process excellence as key driver for value generation. We have introduced several new product categories within each of Packaging, Soft-line packaging

comprising various labels and paper tags, and Polyester Buttons. We focus on product developments and product reengineering as key driver to value generation in the market. Not surprisingly, based on our superior performance in terms of value reengineering, our esteemed buyers have given nominations and approvals to our various product categories. Zara/ Inditex nominations for carton, Decathlon nominations for carton and gum tape, E-land and Landmark nominations for cartons are few examples of continued trusts our buyers place on us.

Apart from driving business on value generation, we further reinforce our compliances and certification to the highest level required in the industry. Apart from regular IMS and QMS audit, we successfully completed FSC certification for both packaging factories, which is one of the foremost important certification demanded by the buyers. We have also obtained Sedex certification as part of our ongoing social compliance commitment. We have also obtained a remarkable 100 out of 100 score in TQP certification in our SLP (Labels and Tags) division. With above initiatives firmly in place, we have shown a turnaround of your company's performance with revenue growth pegged at over 11% and net profit growth over 4%. Though some of our operational expenses have been increased such as financial cost due to financial market, we have been able to show profit growth on account of higher value generation and increasing trust across all our stake holders.

With this, I sincerely thank for your continued patronage to our company and solicit your further support in galvanizing your company to the next level of excellence in coming years.

Thank you

A handwritten signature in black ink, appearing to read 'Debasis Daspal'. The signature is stylized and written in a cursive-like font.

Debasis Daspal

Chief Executive Officer

A person in a blue shirt is writing on a document with a pen. In the foreground, there is a glass of water and a bar chart. The text "EVERY ACCOMPLISHMENTS STARTS WITH THE DECISION TO TRY" is overlaid on the image.

**“EVERY ACCOMPLISHMENTS STARTS
WITH THE DECISION TO TRY”**



DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

Honorable Shareholders,

On behalf of the Board of Directors of your company I would like to welcome you all to the 28th Annual General Meeting of the company and take the opportunity to present the report of the Board of Directors for the year ended on 30 June 2019 before all of you.

OUR BUSINESS

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

OVERVIEW 2018-2019

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2018 to 30 June 2019. Among others, the major areas, of our business in last year were:

Revenue:

Despite of challenges of maintaining price stability and cost escalation, overall sales of the company were increased by 11.17%

Cost & Price Impact:

Another cost escalation due to implementation of wage increase for workers as per Govt. circulation was one of the major impact in our sale and profitability. Cost of production was increase by 11.25% than last year and equivalent selling price increase couldn't be implemented due to market competition.

Development

We have introduced several new product categories within each of Packaging, Soft-line

packaging comprising various labels and paper tags, and Polyester Buttons. We focus on product developments and product reengineering as key driver to value generation in the market. Not surprisingly, based on our superior performance in terms of value reengineering, our esteemed buyers have given nominations and approvals to our various product categories. Zara/ Inditex nominations for carton, Decathlon nominations for carton and gum tape, E-land and Landmark nominations for cartons are few examples of continued trusts our buyers place on us.

ECONOMIC OUTLOOK

According to Export Promotion Bureau (EPB) data released, Bangladesh's export earnings from the RMG sector stood at \$34.13 billion, posting 11.49% growth in the FY18-19 than that of FY17-18. The figure is 4.42% higher than the strategic target of \$32.68 billion for FY18-19.

Bangladesh's RMG exports earning have recorded a sharp rise by 21.77% to \$5.69 billion in FY 2018-2019 to non-traditional export markets, which was \$4.67 billion in FY 2017-2018, according to the latest data of the Export Promotion Bureau (EPB).

Bangladesh apparel industry has the huge potentiality to accomplish the target due to successful implementation of safety measures.

RMG sector is the driver for growth of Bangladesh's economy. It contributes about 11.17% to national GDP (as per various industry related analysis). To achieve the \$50 billion export target Bangladesh will have to earn \$16 billion in the next four years as speculated by the industry insiders

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

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

SEGMENT & PRODUCTS' PERFORMANCE

Operational Performance

Particulars	Unit	Production Capacity	01 July 2018 to 30 June 2019		Production Capacity	01 July 2017 to 30 June 2018	
			Actual Production	Capacity Utilization in (%)		Actual Production	Capacity Utilization in (%)
Carton	Pcs	30,000,000	26,210,626	87.37%	30,000,000	28,056,047	93.52%
Label	Pcs	175,964,208	87,492,430	49.72%	175,964,208	84,551,555	48.05%
Elastic & Narrow Fabrics	Pcs	30,576,000	19,076,753	62.39%	30,576,000	20,367,440	66.61%
Offset Printing	Pcs	150,009,600	87,763,426	58.51%	150,009,600	142,034,113	94.68%
Heat Transfer Printing	Pcs	24,960,000	11,768,543	47.15%	24,960,000	19,663,593	78.78%
Button	GG	360,000	208,659	57.96%	360,000	189,998	52.78%
Gum Tape	Pcs	4,290,000	643,139	14.99%	4,290,000	380,875	8.88%
Hanger	Pcs	45,000,000	21,390,858	47.54%	45,000,000	21,873,908	48.61%

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

Product wise Revenue

Particulars	01 July 2018 to 30 June 2019		01 July 2017 to 30 June 2018	
	Contribution to Revenue		Contribution to Revenue	
	In Taka	In (%)	In Taka	In (%)
Carton	1,782,071,439	77.41%	1,596,128,495	77.07%
Label	81,177,670	3.53%	61,178,765	2.95%
Elastic & Narrow Fabrics	127,283,883	5.53%	119,909,951	5.79%
Offset Printing	66,910,837	2.91%	99,313,875	4.80%
Heat Transfer Printing	13,867,267	0.60%	20,484,094	0.99%
Button	116,112,745	5.04%	100,994,947	4.88%
Gum Tape	22,058,018	0.96%	15,867,839	0.77%
Hanger	92,677,778	4.03%	57,007,842	2.75%
Total	2,302,159,637	100.00%	2,070,885,808	100.00%

RISK AND CONCERNS

Board of Directors reviews the risk management practices and actions deployed by the Management with respect to identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives. A detailed report on Risk & Concerns are given in **Annexure-J, Page: 84-85**.

ANALYSIS COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN (Refer to **Annexure-D, Page No: 75-77**).

EXTRA-ORDINARY GAIN / (LOSS)

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

RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements in Note 37 and in **Annexure-G, Page: 81** in accordance with relevant Bangladesh Accounting Standards (BAS).

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND PERIOD ENDED REPORT

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

DIRECTORS REMUNERATION

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

Name	Position	Amount In Taka
Mr. Khalilur Rahman	Chairman	-
Mr. Salim Rahman	Managing Director	2,500,000
Ms. Tahsina Rahman	Director	-
KDS Garment Industries Limited Represented by - Mr. Kamrul Hasan FCA	Director	-
Mr. Muhammad Jamaluddin	Independent Director	-
Total		2,500,000

This amount paid for reporting 12 months period from 01 July 2018 to 30 June 2019.

INTERNAL CONTROL SYSTEM

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

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

MINORITY SHAREHOLDERS' PROTECTION

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

GOING CONCERN

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

SIGNIFICANT DEVIATION IN OPERATING RESULTS COMPARED TO PREVIOUS PERIOD

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

Last 5 Years' Key Operating and Financial Performances:

Particulars	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017	01 July 2015 to 30 June 2016	01 January 2015 to 31 December 2015	01 January 2014 to 31 December 2014
	Amount in BDT.					
Revenue	2,302,159,637	2,070,885,808	1,585,937,175	1,609,773,407	1,690,863,283	1,742,309,513
Gross Profit	418,004,019	377,208,994	333,360,520	359,206,753	357,126,456	358,347,035
Profit Before WPPF & Taxes	180,605,877	169,628,231	157,074,315	149,977,050	136,840,299	116,802,262
Net Profit After WPPF & Taxes	138,440,217	132,984,828	125,588,351	122,340,224	124,993,582	88,637,099
Earning Per Share (EPS)	2.20	2.21	2.20	2.14	2.86	2.22
Share Holder's Equity	1,572,910,769	1,494,530,552	1,418,745,724	1,319,157,373	1,238,800,999	873,807,417
Current Liabilities	1,417,325,234	2,012,391,304	1,347,796,367	1,048,769,357	1,368,690,014	1,283,512,624
Non-Current Liabilities	287,926,972	224,059,577	278,679,562	184,851,346	225,035,942	252,865,122
Addition to Fixed Assets & CWIP	35,179,286	98,940,650	169,045,295	264,744,459	104,454,683	91,365,813
NAV Per Share	24.94	24.88	24.80	25.37	23.82	21.85
Net Operating Cash Flow Per Share (NOCFPS)	2.02	3.08	2.81	2.50	3.44	4.67

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

DIVIDEND

Our Policy is to offer consistent dividends that closely reflect business performance. As announced by the Company on 07 September 2019, the Board has recommend dividend for all shareholders 10% Cash and 5% Stock Dividend per share in respect of the year ended on 30 June 2019 which will be paid after approval in the Annual General Meeting of the Company as per respective shareholding position on record date i.e. on 01 October 2019.

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

BOARD OF DIRECTORS

i) Structure and size of the Board

On 30 June 2019, there were 5 members on the Board of the Company. The Board comprises Chairman, Managing Director, Two Directors and One Independent Director.

ii) Status of Companies in which Directors also hold Directorship

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

iii) Director's Retirement And Re-election

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

i) Mr. Khalilur Rahman

ii) Mr. Kamrul Hasan FCA

Representative Director of KDS Garment Industries Limited

Board of Directors' in its meeting held on 07 September 2019 proposed their appointment. The brief bio-data of the said Directors are enclosed herewith in the section of Director's Profile in **Page: 36 & 41.**

iv) Board Meeting and Attendance

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

Name	Position	No. of Meeting	Attendance
Mr. Khalilur Rahman	Chairman	06	06
Mr. Salim Rahman	Managing Director	06	06
Ms. Tahsina Rahman	Director	06	06
KDS Garment Industries Limited Represented by-Mr. Kamrul Hasan FCA	Director	06	06
Mr. Muhammad Jamaluddin	Independent Director	06	06

APPOINTMENT OF INDEPENDENT DIRECTOR

As per provision of Corporate Governance

Guidelines notification No:

BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 by Bangladesh Securities and Exchange Commission (BSEC), Mr. Muhammad Jamaluddin was appointed as Independent Director of the Company for a period of 3 (three) years in last Annual General Meeting. Short bio-data of the said director is enclosed herewith in the section of Director's Profile **Page: 40**.

SHAREHOLDING PATTERN

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

DIRECTORS' INVOLVMENT IN OTHER BUSINESS

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

CERTIFICATION BY THE CEO & THE CFO

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

CREDIT RATING

Credit Rating Information and Services Limited

(CRISL) assigned rating for your company as below:

Long Term	Short Term
A+	ST-3

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

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

SUBSEQUENT EVENTS

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

AUDIT COMMITTEE & NRC COMMITTEE

The Board has constituted the Audit Committee as follows:

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

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

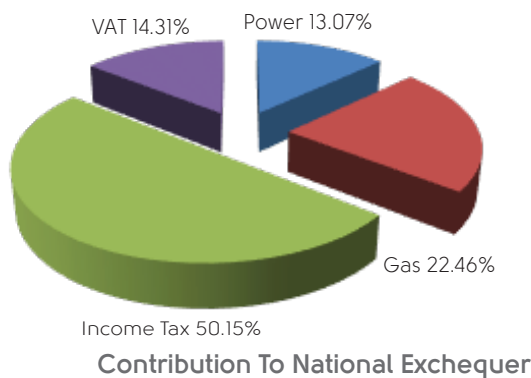
NOMINATION AND REMUNERATION COMMITTEE (NRC):

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

Page: 88-90

CONTRIBUTION TO NATIONAL EXCHEQUER

Being a responsible business entity, KDSAL is paying and facilitating collection of Government's revenue. In the reporting period, we have paid collected and deposited a significant amount of tax, VAT and duties. During the period, KDSAL contributed to Tk. 82,110,308 to the Government Exchequer along with utility bill which is presented below:



CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

AWARDS & RECOGNITION

Since starting your Company received the following awards and recognitions:

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

INFORMATION TECHNOLOGY

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

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

Some of our IT enabled applications and systems are Accounting Management System (AMS), HRIS, Sales & Distribution Management System (SDMS), Production Management System (PMS), Inventory Management System (IMS), Inventory & Procurement Managing

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

WEBSITE

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

HUMAN RESOURCES

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

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

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

We provide on-the-job training and development opportunities to enhance our employees' 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 right and benefits. We establish and implement policies that promote a harmony and respectful workplace.

ASSOCIATE COMPANY

SKYS Securities Limited

SKYS Securities Limited, is dealing in stock brokerage for trading of shares in the stock exchanges. Your Company holds 46.69% of paid-up capital of SKYS

Securities Limited and during the reporting period till 30 June 2019, your company earned a profit share of Tk. 61,846 from the business of associate.

CODE OF CONDUCT

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

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

APPOINTMENT OF AUDITORS & PROFESSIONAL

A. Appointment of External Auditors:

Present auditor Hussain Farhad & Co., Chartered Accountants having its office at Yunusco City Center (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram will retire in 28th AGM and they are not eligible for reappointment for the year 2019-2020 as they are the auditor of the company for last consecutive three years as mentioned in the order of Bangladesh Securities and Exchange Commission (BSEC) No: SEC/CMRRC-D/2009-193/104/Admin dated July27,2011. Pursuant to BSEC's order, a new auditor will be appointed for the year 2019-2020. Board in their meeting held on 07 September,2019 recommended from the panel for Hoda Vasi Chowdhury & Co, Chartered Accountants, having its office at Delwar Bhaban (4th Floor),104, Agrabad C/A, Chattogram for appointment as auditor of the company for the period from 01 July,2019 to 30 June,2020 subject to the approval by the shareholders in the 28th AGM.

B. Appointment of Professional for Corporate Governance Certificate:

On the willingness to be appointed as professional to certify on the compliance of corporate governance as issued by the Bangladesh Securities and Exchange Commission, the Board of Directors in its meeting held on 07 September 2019, recommended the appointment of Shafiq Basak & Co., Chartered Accountants, having its office at National House (1st Floor), 109, Agrabad C/A, Chattogram-4100 for the year 2019-2020 subject to the approval by the shareholders in the 28th AGM.

COMPLIANCE OF CORPORATE GOVERNANCE

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

DIRECTORS' RESPONSIBILITIES STATEMENT

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

- i) The financial statements prepared by the management of KDS Accessories Limited fairly present its state of affairs, the result of its operations, cash flows and changes in equity.
- ii) Proper books of Account of the company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- iv) International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) There are no doubts upon the Company's ability to continue as a going concern and the accounts have been prepared on going concern basis.
- vii) The significant deviations from previous period in the operating results of the company have been highlighted in the report and the reasons thereof have been explained.
- viii) The key operating and financial data of last 5 years is disclosed in **Annexure-D Page: 76**.
- ix) The number of Board Meeting held during the reporting period and the attendance by each director is disclosed in this report in **Page: 56**.
- x) The pattern of shareholding is disclosed in **Annexure-H, Page: 81**.

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

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

APPRECIATION

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

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

Allah Hafiz
on behalf of Board



Khalilur Rahman

Chairman
07 September 2019

পরিচালকমণ্ডলীর প্রতিবেদন

বিছমিল্লাহির রাহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ,
পরিচালনাপর্ষদের পক্ষ হতে আমি আপনাদের সকলকে কোম্পানীর ২৮তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি এবং ৩০ জুন ২০১৯ তারিখে সমাপ্ত আর্থিক বৎসরের উপর পরিচালনা পর্ষদের প্রতিবেদন আপনাদের সামনে উপস্থাপন করছি।

ব্যবসায়িক পরিধি

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

ব্যবসায়ের সংক্ষিপ্ত বিবরণ (২০১৮-২০১৯)

বিগত বৎসরের (০১ জুলাই ২০১৮ হতে ৩০ জুন ২০১৯) অপারেশন এবং আর্থিক ফলাফল সংক্রান্ত একটি সংক্ষিপ্ত পর্যালোচনা আপনাদের সামনে উপস্থাপন করছি।

অন্যান্য অনেক বিষয়গুলোর মধ্যে যে সমস্ত দিকগুলো আমাদের ব্যবসা পরিচালনায় ব্যাপক প্রভাব ফেলেছে সেই দিকগুলো হলো :

বিক্রয়

ক্রমবর্ধমান ব্যয় বৃদ্ধি এবং নিম্নমুখী বিক্রয় মূল্যের চ্যালেঞ্জ সত্ত্বেও কোম্পানীর সার্বিক বিক্রয় ১১.১৭% বৃদ্ধি পেয়েছে।

ব্যয় ও দাম পরিবর্তনের প্রভাব

সরকার ঘোষিত মজুরী বাস্তবায়নের ফলে ব্যয় বৃদ্ধি, বিক্রয় ও মুনাফার উপর বড় প্রভাব ফেলেছে। উৎপাদন খরচ গত বছরের তুলনায় ১১.২৫%

পন্যভিত্তিক ফলাফল

পরিচালন ফলাফলঃ

বিবরণ	ইউনিট	উৎপাদন ক্ষমতা	০১ জুলাই ২০১৮ হতে ৩০ জুন ২০১৯		০১ জুলাই ২০১৭ হতে ৩০ জুন ২০১৮	
			প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)	প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)
কার্টন	পিচ	৩০,০০০,০০০	২৬,২১০,৬২৬	৮৭.৩৭%	২৮,০৫৬,০৪৭	৯৩.৫২%
লেবেল	পিচ	১৭৫,৯৬৪,২০৮	৮৭,৪৯২,৪০০	৪৯.৭২%	৮৪,৫৫১,৫৫৫	৪৮.০৫%
ইলাস্টিকস এবং ন্যার ফ্যাব্রিক্স	পিচ	৩০,৫৭৬,০০০	১৯,০৭৬,৭৫৩	৬২.৩৯%	২০,৩৬৭,৪৪০	৬৬.৬১%
অফসেট প্রিন্টিং	পিচ	১৫০,০০৯,৬০০	৮৭,৭৬৩,৪২৬	৫৮.৫১%	১৪২,০৩৪,১১৩	৯৪.৬৮%
হিট ট্রান্সফার	পিচ	২৪,৯৬০,০০০	১১,৭৬৮,৫৪৩	৪৭.১৫%	১৯,৬৬৩,৫৯৩	৭৮.৭৮%
বাটন	জিজি	৩৬০,০০০	২০৮,৬৫৯	৫৭.৯৬%	১৮৯,৯৯৮	৫২.৭৮%
গামটেপ	পিচ	৪,২৯০,০০০	৬৪৩,১৩৯	১৪.৯৯%	৩৮০,৮৭৫	৮.৮৮%
হ্যাঙ্গার	পিচ	৪৫,০০০,০০০	২১,৩৯০,৮৫৮	৪৭.৫৪%	২১,৮৭৩,৯০৮	৪৮.৬১%

বৃদ্ধি পেয়েছে এবং বাজারে বিদ্যমান প্রতিযোগিতার কারণে সমহারে বিক্রয় মূল্য বৃদ্ধি করা যায়নি।

নতুন পন্যের প্রচলন / উদ্ভাবন

প্যাকেজিং এর প্রতিটি ক্ষেত্রে আমরা প্রতিনিয়ত নতুন নতুন পন্য চালু করছি যেমন- প্যাকেজিং এ বিভিন্ন লেভেল, পেপার টেপ এবং পলিষ্টার বাটন। বাজারে মূল্য সংযোজন করার ক্ষেত্রে আমরা পণ্যের উন্নয়ন ও পুনর্বিদ্যাসে গুরুত্ব দিয়ে থাকি। পণ্যের মান ও নতুন নতুন পন্য সংযোজনের কারণে ক্রেতারা আমাদের পণ্যের জন্য অনুমোদন দিচ্ছে। এই বৎসরেও আমরা কয়েকটি নতুন নতুন buyer থেকে Nomination পেয়েছি যথাঃ Zara/Inditex, Decathlon, E-land এবং Landmark এদের মধ্যে অন্যতম।

ভবিষ্যত সম্ভাবনা

Export Promotion Bureau (EPB) এর প্রকাশিত পরিসংখ্যান মতে RMG সেক্টরে বাংলাদেশের রপ্তানী আয় ২০১৮-২০১৯ অর্থ বছরে ৩৪.১৩ বিলিয়ন মার্কিন ডলার যা ২০১৭-২০১৮ অর্থ বছরের তুলনায় ১১.৪৯% বেশি এবং কৌশলগত লক্ষ্যমাত্রা হতে যা ৪.৪২% বেশি।

EPB এর সর্বশেষ তথ্য অনুসারে Non-Traditional রপ্তানী বাজারে বাংলাদেশের RMG সেক্টরে রপ্তানী আয় ২০১৮-২০১৯ অর্থ বছরে ২১.৭৭% বেড়ে ৫.৬৯ বিলিয়ন মার্কিন ডলার হয়েছে যা ২০১৭-২০১৮ অর্থ বছরে ৪.৬৭ বিলিয়ন মার্কিন ডলার ছিল।

RMG সেক্টর বাংলাদেশের প্রবৃদ্ধির মূল চালিকা শক্তি। শিল্প সংক্রান্ত বিবিধ পর্যবেক্ষণ অনুসারে ইহা জাতীয় প্রবৃদ্ধিতে ১১.১৭% অবদান রাখে। ৫০ বিলিয়ন মার্কিন ডলার রপ্তানী লক্ষ্যমাত্রা অর্জন করতে হলে আগামী ০৪ (চার) বৎসরে বাংলাদেশের এ খাতে ১৬ বিলিয়ন মার্কিন ডলার অর্জন করতে হবে বলে শিল্প বিশেষজ্ঞদের মত।

বাংলাদেশ এখনো RMG রপ্তানিতে সর্বোচ্চ অবস্থান বজায় রেখেছে।

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

বিবরণ	২০১৮ - ২০১৯		২০১৭ - ২০১৮	
	বিক্রয়		বিক্রয়	
	টাকায়	(%)	টাকায়	(%)
কাটুন	১,৭৮২,০৭১,৪০৯	৭৭.৪১%	১,৫৯৬,১২৮,৪৯৫	৭৭.০৭%
লেবেল	৮১,১৭৭,৬৭০	৩.৫৩%	৬১,১৭৮,৭৬৫	২.৯৫%
ইলাস্টিকস এবং ন্যারু ফ্যাশিব্র	১২৭,২৮৩,৮৮৩	৫.৫৩%	১১৯,৯০৯,৯৫১	৫.৭৯%
অফসেট প্রিন্টিং	৬৬,৯১০,৮৩৭	২.৯১%	৯৯,৩১৩,৮৭৫	৪.৮০%
হিট ট্রান্সফার	১৩,৮৬৭,২৬৭	০.৬০%	২০,৪৮৪,০৯৪	০.৯৯%
বাটন	১১৬,১১২,৭৪৫	৫.০৪%	১০০,৯৯৪,৯৪৭	৪.৮৮%
গামটেপ	২২,০৫৮,০১৮	০.৯৬%	১৫,৮৬৭,৮০৯	০.৭৭%
হ্যান্ডার	৯২,৬৭৭,৭৭৮	৪.০৩%	৫৭,০০৭,৮৪২	২.৭৫%
সর্বমোট	২,৩০২,১৫৯,৬৩৭	১০০.০০%	২,০৭০,৮৮৫,৮০৮	১০০.০০%

ঝুঁকি ও উদ্বেগ

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

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

অস্বাভাবিক লাভ বা ক্ষতি

উল্লেখিত সময়ে কোম্পানীর কোন ধরনের অস্বাভাবিক লাভ বা ক্ষতি

পরিচালকপর্ষদের ভাতা / সম্মানী

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

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

আভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতি

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

হয়নি।

স্বার্থসংশ্লিষ্ট প্রতিষ্ঠানের সাথে লেনদেন

এ বিষয়ে কোম্পানীর নিরীক্ষিত আর্থিক প্রতিবেদনের নোট নং -৩৭ এবং **Annexure- G, Page:81** এ বাংলাদেশ হিসাবমান (BAS) অনুসারে বিস্তারিত বর্ণনা করা হয়েছে। উক্ত লেনদেন ব্যতিত আর্থিক বৎসরে কোম্পানীর সাথে স্বার্থসংশ্লিষ্ট অন্যান্য কোম্পানীর উল্লেখযোগ্য কোন লেনদেন সংগঠিত হয়নি।

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

সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ সংরক্ষণ

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

চলমান প্রক্রিয়ার নীতি (Going Concern)

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

গত বছরের তুলনায় অপারেটিং ফলাফলের উল্লেখযোগ্য পরিবর্তন
গত বছরের তুলনায় অপারেটিং ফলাফলে কোন ধরনের বিচ্যুতি নাই।

বিগত ৫ বৎসরের প্রধান আর্থিক অনুপাত ও ফলাফল :

বিবরণ	০১ জুলাই ২০১৮ হতে ৩০ জুন ২০১৯	০১ জুলাই ২০১৭ হতে ৩০ জুন ২০১৮	০১ জুলাই ২০১৬ হতে ৩০ জুন ২০১৭	০১ জুলাই ২০১৫ হতে ৩০ জুন ২০১৬	০১ জানুয়ারী ২০১৫ হতে ৩১ ডিসেম্বর ২০১৫	০১ জানুয়ারী ২০১৪ হতে ৩১ ডিসেম্বর ২০১৪
	মূল্যমান টাকায়					
বিক্রয়	২,৩০২,১৫৯,৬৩৭	২,০৭০,৮৮৫,৮০৮	১,৫৮৫,৯৩৭,১৭৫	১,৬০৯,৭৭৩,৮০৭	১,৬৯০,৮৬৩,২৮৩	১,৭৪২,৩০৯,৫১৩
মোট মুনাফা	৪১৮,০০৪,০১৯	৩৭৭,২০৮,৯৯৪	৩৩৩,৩৬০,৫২০	৩৫৯,২০৬,৭৫৩	৩৫৭,১২৬,৪৫৬	৩৫৮,৩৪৭,০৩৫
WPPF এবং Income Tax পূর্ববর্তী মুনাফা	১৮০,৬০৫,৮৭৭	১৬৯,৬২৮,২৩১	১৫৭,০৭৪,৩১৫	১৪৯,৯৭৭,০৫০	১৩৬,৮৪০,২৯৯	১১৬,৮০২,২৬২
নীট মুনাফা (Net Profit)	১৩৮,৪৪০,২১৭	১৩২,৯৮৪,৮২৮	১২৫,৫৮৮,৩৫১	১২২,৩৪০,২২৪	১২৪,৯৯৩,৫৮২	৮৮,৬৩৭,০৯৯
শেয়ার প্রতি আয় (EPS)	২.২০	২.২১	২.২০	২.১৪	২.৮৬	২.২২
শেয়ারহোল্ডারদের সম্পদ	১,৫৭২,৯১০,৭৬৯	১,৪৯৪,৫৩০,৫৫২	১,৪১৮,৭৪৫,৭২৪	১,৩১৯,১৫৭,৩৭৩	১,২৩৮,৮০০,৯৯৯	৮৭৩,৮০৭,৪১৭
চলতি দায়	১,৪১৭,৩২৫,২৩৪	২,০১২,৩৯১,৩০৪	১,৩৪৭,৭৯৬,৩৬৭	১,০৪৮,৭৬৯,৩৫৭	১,৩৬৮,৬৯০,০১৪	১,২৮৩,৫১২,৬২৪
দীর্ঘমেয়াদী দায়সমূহ	২৮৭,৯২৬,৯৭২	২২৪,০৫৯,৫৭৭	২৭৮,৬৭৯,৫৬২	১৮৪,৮৫১,৩৪৬	২২৫,০৩৫,৯৪২	২৫২,৮৬৫,১২২
স্থায়ী সম্পদ এবং চলতি কার্যের সংযোজন	৩৫,১৭৯,২৮৬	৯৮,৯৪০,৬৫০	১৬৯,০৪৫,২৯৫	২৬৪,৭৪৪,৪৫৯	১০৪,৪৫৪,৬৮৩	৯১,৩৬৫,৮১৩
শেয়ার প্রতি নীট সম্পদ মূল্য (NAV)	২৪.৯৪	২৪.৮৮	২৪.৮০	২৫.৩৭	২৩.৮২	২১.৮৫
শেয়ার প্রতি নগদ প্রবাহ	২.০২	৩.০৮	২.৮১	২.৫০	৩.৪৪	৪.৬৭

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

লভ্যাংশ

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

০৭ সেপ্টেম্বর ২০১৯ তারিখে অনুষ্ঠিত পরিচালনা পর্ষদের সভায় বিগত বৎসরের জন্য (৩০ জুন ২০১৯ তারিখের সমাপ্ত আর্থিক বৎসরের) কোম্পানীর সকল শেয়ারহোল্ডারদের ১০% নগদ এবং ৫% ষ্টক লভ্যাংশ বিতরণের সুপারিশ করা হয়েছে যাহা বার্ষিক সভায় অনুমোদন সাপেক্ষে নির্দিষ্ট Record Date- ০১ অক্টোবর ২০১৯ এ শেয়ারধারীদের মধ্যে বিতরণ করা হবে।

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

পরিচালক মন্ডলী

১. পরিচালনা পর্ষদের গঠন ও আকার

৩০ জুন ২০১৯ তারিখে কোম্পানীর পরিচালনা পর্ষদে মোট ৫ জন সদস্য ছিলেন। এদের মধ্যে একজন পর্ষদের সভাপতি, একজন ব্যবস্থাপনা পরিচালক, ২ জন সাধারণ পরিচালক এবং একজন স্বতন্ত্র পরিচালক মর্যাদায় অধিষ্ঠিত ছিলেন।

২. পরিচালনা পর্ষদের অন্যান্য স্বার্থ সংশ্লিষ্ট প্রতিষ্ঠানের বিবরণ

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

৩. পরিচালকবৃন্দের অবসরগ্রহণ এবং পুনঃ নিয়োগ

কোম্পানীর 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 অগ্রহ প্রকাশ করেছেন।

১. জনাব খলিলুর রহমান

২. জনাব কামরুল হাসান এফসিএ

(কেডিএস গার্মেন্ট ইন্ডাস্ট্রিজ লিমিটেড এর প্রতিনিধি)

বিগত ০৭ সেপ্টেম্বর ২০১৯ তারিখে অনুষ্ঠিত কোম্পানীর পরিচালনা পর্ষদের সভায় তাদের পুনঃনিয়োগ প্রস্তাব সর্বসম্মতিক্রমে গৃহীত হয়েছে। উক্ত পরিচালকদ্বয়ের জীবন বৃত্তান্ত Page-36 & 41 এ উল্লেখ করা হয়েছে।

৪. পরিচালনা পর্ষদের সভা ও উপস্থিতি

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

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

স্বাধীন পরিচালক নিয়োগ

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

শেয়ারহোল্ডিং Patterns

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

পরিচালকমণ্ডলীর অন্যান্য ব্যবসায়িক কার্যক্রম

পরিচালকমণ্ডলীর অন্যান্য ব্যবসায়িক কার্যক্রম Annexure – I, Page: 83 এ বর্ণনা করা হয়েছে।

ব্যবস্থাপনা সংক্রান্ত আলোচনা ও বিশ্লেষণ

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

সিইও এবং সিএফও কর্তৃক প্রত্যয়ন পত্র

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

ক্রেডিট রেটিং

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

দীর্ঘকালীন	স্বল্পকালীন
A+	ST-3

উক্ত A+ রেটিং অনুসারে আপনাদের কোম্পানীর ঋণমান ভাল মৌলিক ভিত্তি সম্পন্ন এবং আয় অর্জনের সক্ষমতা নির্দেশ করে। ক্রেডিট রেটিং কোম্পানীর মূল্যায়নে আপনাদের কোম্পানীর ভবিষ্যৎ অবস্থা “Positive” থাকবে।

উপরোক্ত রেটিং কিছু মৌলিক বিষয়ের উপর যেমন- ভাল মুনাফা, শিল্প ও জমি সংক্রান্ত অবকাঠামোগত ব্যবস্থার উপর ভিত্তি করে মূল্যায়ন করা

হয়েছে। এ বিষয় শ্রেণীতে অর্ন্তভুক্ত রেটিং বলতে বুঝায় উচ্চমান, উচ্চনিরাপত্তা এবং উচ্চমানের ঋণ।

আর্থিক বৎসর পরবর্তী অবস্থা / ঘটনা

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

নিরীক্ষা কমিটি

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

সদস্যদের নাম	পদবী
জনাব মোহাম্মদ জামালউদ্দিন	চেয়ারম্যান এবং স্বাধীন পরিচালক
জনাব খলিলুর রহমান	সদস্য
জনাবা তাহসিনা রহমান	সদস্য
কেডিএস গার্মেন্ট ইন্ডাস্ট্রিজ লিমিটেড এর প্রতিনিধি জনাব কামরুল হাসান এফসিএ	সদস্য
জনাব মঞ্জুরে খোন্দা	সদস্য সচিব

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

মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি

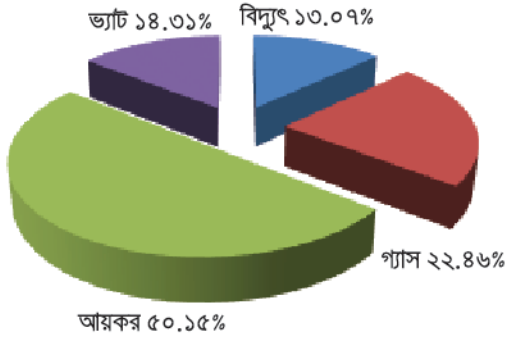
কেডিএস এক্সেসরিজ লিমিটেড গত ০৩ ডিসেম্বর ২০১৮ তারিখে পরিচালনা পর্ষদের উপ-কমিটি হিসেবে মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি (Nomination & Remuneration) নামে একটি কমিটি গঠন করে। এই কমিটি কোম্পানীর পরিচালকমণ্ডলীকে কোম্পানীর নির্বাহীদের যোগ্যতা, অভিজ্ঞতা, সম্মানী ও পরিচালকদের স্বাধীনতা মূল্যায়নের মানদণ্ড ও নীতি নির্ধারণে সহায়তা করবে। এনআরসি স্বাধীন পরিচালকসহ তিন সদস্য নিয়ে গঠিত হয়েছে। এনআরসির বিস্তারিত ভূমিকা ও কার্যাবলী Page: 88-90 এ প্রতিবেদন আকারে বর্ণিত হয়েছে।

রাজস্ব কোষাগারে অবদান

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

উল্লেখিত সময়ে আপনাদের কোম্পানীর ব্যবসায়িক লেনদেনের উপর প্রযোজ্য আরোপিত বিভিন্ন প্রকার কর, শুল্ক, মুসক হিসেবে মোট ৮২,১১০,৩০৮/=

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 উল্লেখ্য অর্জন এবং স্বীকৃতিসমূহ নিম্নরূপ :

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

তথ্য প্রযুক্তি

তথ্য প্রযুক্তির ব্যবহারে আপনাদের কোম্পানী সবসময় একধাপ এগিয়ে, কারন আমরা বিশ্বাস করি, সঠিক সময়ে সঠিক বাজার বিপনন ব্যবস্থা, বৈশ্বিক বিক্রয়, পদ্ধতিগত ব্যবস্থাপনা, সময়োপযোগী পরবেক্ষণ, যথাযথ গ্রাহক সেবা এবং দীর্ঘমেয়াদী ব্যবসায়িক প্রবৃদ্ধি এ সব কিছুর পরিচালনায় তথ্য প্রযুক্তির ব্যবহার ছাড়া এ যুগে প্রায় অসম্ভব।

ইতিমধ্যে আমরা ফিন্যান্সিয়াল রিপোর্টিং, মানবসম্পদ ব্যবস্থাপনা, বিক্রয় ও বিপনন, উৎপাদন, মজুদ ব্যবস্থাপনা, মজুদ ও যোগান ব্যবস্থাপনা, এবং স্থায়ী সম্পদ ব্যবস্থাপনায় অটোমেশন পদ্ধতি চালু করেছি যাহার মাধ্যমে ব্যবস্থাপনা কর্তৃপক্ষ যেকোন সময়ে যেকোন স্থান হতে এ সংক্রান্ত রিপোর্ট দেখতে এবং সিদ্ধান্ত গ্রহন করতে পারে।

ওয়েবসাইট (Website)

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

মানব সম্পদ ব্যবস্থাপনা

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

সহযোগী কোম্পানীর ফলাফল

আপনাদের কোম্পানী SKYS Securities Ltd. নামে (যাহা Stock Brokerage এর ব্যবসা পরিচালনা করে) একটি কোম্পানীতে ৪৬.৬৯ শতাংশ শেয়ারে বিনিয়োগ রয়েছে। বিগত বৎসরে এই কোম্পানী হতে মোট ৬১,৮৪৬ টাকা মুনাফার অংশীদারীত্ব লাভ করেছে।

আচরন বিধি

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

নিরীক্ষক নিয়োগ

ক. বহিঃ নিরীক্ষক নিয়োগ :

কোম্পানীর বর্তমান বহিঃ নিরীক্ষক হোসাইন ফরহাদ এন্ড কোং , চাটগাঁও একাউন্ট্যান্টস (ইউনেক্সো সেন্টার, নবম তলা, ৮৭০, সিডিএ এভিনিউ, নাসিরাবাদ, চট্টগ্রাম) কোম্পানীর ২৮তম বার্ষিক সাধারণ সভায় নিয়মানুযায়ী অবসর গ্রহন করবেন এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) এর আদেশ নং-বিএসইসি/সিএমআরআরসি-ডি/২০০৯-১৯৩/১০৪/এডমিন তারিখঃ জুলাই ২৭, ২০১১ অনুসারে ইতিমধ্যে ধারাবাহিকভাবে বিগত তিন বৎসর নিরীক্ষক হিসেবে তাঁদের সময় অতিক্রান্ত হওয়ার কারনে তাঁরা ২০১৯-২০২০ সালের জন্য পুনঃ নিয়োগের যোগ্য নন। এমতাবস্থায় কোম্পানীর পরিচালনা পর্ষদ বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের অনুমোদিত প্যানেল তালিকা হতে একটি Auditors' Pannel এর মাধ্যমে উক্ত প্যানেল হতে হুদা ভাসী চৌধুরী এন্ড কোং , চাটগাঁও একাউন্ট্যান্টস কে (দেলওয়ার ভবন, ৪র্থ তলা, ১০৪, আগ্রাবাদ সি/এ, চট্টগ্রাম) কোম্পানীর বহিঃ নিরীক্ষক হিসেবে নিয়োগের সুপারিশ করেছেন যা আগামী ২৮তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে চূড়ান্ত করা হবে।

খ. কর্পোরেট গভর্নেন্স সার্টিফিকেশন এর জন্য Professional নিয়োগ: বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন দ্বারা ইস্যুকৃত কর্পোরেট গভর্নেন্স সার্টিফিকেশন এর জন্য Professional নিয়োগের পরিপ্রেক্ষিতে পরিচালনা পর্ষদ ০৭,সেপ্টেম্বর ২০১৯ তারিখে অনুষ্ঠিত সভায় শফিক বসাক এন্ড কোম্পানী চাটগাঁও একাউন্ট্যান্টস (ন্যাশনাল হাউজ, দ্বিতীয় তলা, ১০৯, আগ্রাবাদ কমার্শিয়াল এরিয়া, চট্টগ্রাম) এর পার্টনার জনাব এস কে বসাক এফসিএ কে আগামী হিসাব বছরের জন্য নিয়োগের সুপারিশ করেছেন যা আগামী ২৮তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপিত হবে।

ব্যবসায়িক সুশাসন এবং প্রতিপালনের প্রতিবেদন

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) কর্তৃক ইস্যুকৃত নোটিফিকেশন নং (বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এড-মিন/৮০ তারিখ ০৩ জুন ২০১৮) কর্পোরেট সুশাসন মেনে চলার নির্দেশিকার উপর নিরীক্ষকের সনদ এবং প্রতিবেদন এই রিপোর্টে বিস্তারিত দেয়া হয়েছে। এ সংক্রান্ত প্রতিবেদন Annexure-B & C, Page-68-74 এ উল্লেখ করা হয়েছে।

পরিচালকদের দায়িত্বের বিবৃতি

বিএসইসি নোটিফিকেশন নং বিএসইসি/সিএমআরআরসি-
ডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩ জুন ২০১৮ অনুসারে
পরিচালনা পর্ষদ এই বিষয়টি নিশ্চিত করেন যে,

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

২. যথাযথ হিসাব বই সংরক্ষণ করা হয়েছে।

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

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

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

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

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

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

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

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

১১. বিএসইসি এর চাহিদামত এবং কর্পোরেট গভর্নেন্সের নিয়মানুসারে
কর্পোরেট গভর্নেন্সের কমপ্লাইয়েন্স স্ট্যাটাস নামে একটি প্রতিবেদন এবং সনদ
Annexure – C, Page:69-74 এ বর্ণনা করা হয়েছে।

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

ধন্যবাদ জ্ঞাপন

আমরা আমাদের গ্রাহক, সরবরাহকারী, বিনিয়োগকারী, ব্যবসায়িক সহযোগী এবং
ব্যাংকদেরকে তাঁদের সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি এবং সেই
সাথে কোম্পানীর সকল কর্মকর্তা, কর্মচারীদেরকে তাদের অবদানের জন্য ধন্যবাদ
জানাচ্ছি।

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

আল্লাহ হাফেজ
পরিচালকমন্ডলীর পক্ষে-



খলিলুর রহমান
চেয়ারম্যান
০৭, সেপ্টেম্বর ২০১৯

PEOPLE-TO-PEOPLE CONTACT

წინსვლა

ความคืบหน้า

PROGRESS

উন্নতি

تقدم

pêşverûti

प्रगति

Прогресс

进展

முன்னேற்றம்

THEMATIC LAYOUT OF ALPHABETS OF DIFFERENT LANGUAGES.

ANNEXURE - A

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

KDS Accessories Limited

Declaration by CEO & CFO

05 September 2019

The Board of Directors

KDS Accessories Limited

191-192 Baizid Bostami Road

Nasirabad I/A, Chattogram - 4210

Subject: Declaration on Financial Statements for the year ended on 30 June, 2019

Dear Sirs,

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

- (1) The Financial Statements of KDS Accessories Limited for the year ended on 30 June, 2019 have been prepared in compliance with Bangladesh Accounting Standards (BAS) or Bangladesh Financial Reporting Standards (BFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed;
and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no materials uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- (i) We have reviewed the financial statements for the year ended on 30 June, 2019 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Debasis Daspal

Chief Executive Officer



Biplob Kanti Banik FCA

Chief Financial Officer

ANNEXURE - B

CORPORATE GOVERNANCE CERTIFICATE

শফিক বসাক এন্ড কোং SHAFIQ BASAK & CO.

CHATTOGRAM OFFICE :

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

CHARTERED ACCOUNTANTS

Partners :

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

DHAKA OFFICE :

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

Ref. No-SB-27/100673/2019

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

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

We have examined the compliance status to the Corporate Governance Code by **KDS Accessories Limited** for the year ended on 30th June 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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

Place: Chattogram
Dated: 25 September, 2019



Shafiq Basak
(SHAFIQ BASAK & CO.)
CHARTERED ACCOUNTANTS

S. K. Basak, FCA
Partner.

Branch Office :

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

ANNEXURE - C

Corporate Governance Compliance Report

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

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

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

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

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

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

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

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

ANNEXURE - D

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW 2018-2019

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2018 to 30 June 2019.

ECONOMIC OUTLOOK

According to Export Promotion Bureau (EPB) data released, Bangladesh's export earnings from the RMG sector stood at \$34.13 billion, posting 11.49% growth in the FY18-19 than that of FY17-18. The figure is 4.42% higher than the strategic target of \$32.68 billion for FY18-19.

Bangladesh's RMG exports earning have recorded a sharp rise by 21.77% to \$5.69 billion in FY 2018-2019 to non-traditional export markets, which was \$4.67 billion in FY 2017-2018, according to the latest data of the Export Promotion Bureau (EPB).

Bangladesh apparel industry has the huge potentiality to accomplish the target due to successful implementation of safety measures.

RMG sector is the driver for growth of Bangladesh's economy. It contributes about 11.17% to national GDP (as per various industry related analysis). To achieve the \$50 billion export target Bangladesh will have to earn \$16 billion in the next four years as speculated by the industry insiders. Still Bangladesh remains the world's second largest garment exporter.

As said earlier, we have invested huge to ensure

that we are well positioned for continued long-term and profitable growth.

ACCOUNTING POLICIES AND CHANGES

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

For a proper understanding, these accounting policies are set out in a detailed statement in **Note No:3 (Page-110)**

FY 2019 Financial Performance and Position

The discussions in this section relate to the consolidated, BDT-denominated financial results pertaining to the year that ended June 30, 2019. The financial statements of KDS Accessories Limited has been prepared in accordance with the International Accounting Standards (referred to as "IAS"), as per the Companies Act, 1994, read with the Companies (International Accounting Standards) Rules as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the financial statements - 3. The following table gives an overview of the financial results of the Company:

Particulars	FY 2018-2019 (Million)	% of Revenue	% Growth	FY 2017-2018 (Million)	% of Revenue
Revenue from Operations	2,302.15	100	11.16	2,070.88	100
Earnings before interest, tax, depreciation and amortization (EBITDA) (before other Income)	321.58	13.96	6.99	300.57	14.51
Profit Before Tax (PBT)	171.57	7.45	6.47	161.14	7.78
Profit After Tax (PAT)	138.44	6.01	4.10	132.98	6.42
Earnings Per Share (EPS)-in BDT	2.20		(0.45)	2.21	
Net Assets Value (NAV)	24.94			24.88	
Net Operating Cash Flow Per Share (NOCFPS)	2.02			3.08	

COST OF GOODS SOLD (COGS)

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

GROSS PROFIT MARGIN RATIO

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

Gross Profit = (Sales - Cost of Goods Sold)

The Gross Profit margin is one indicator to diagnose the financial health of a business.

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

Gross Profit Margin % = (Gross Profit ÷ Sales) X 100

During the reporting period of 12 months from 01 July 2018 to 30 June 2019, Gross Profit Margin was 18.16% against 18.21% from 01 July 2017 to 30 June 2018. Gross profit has decreased as the price of raw material was higher in this period.

NET PROFIT MARGIN RATIO

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

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

The Net Profit Margin Ratio is 6.01% against 6.42% in the previous twelve months. In this period Company has earned net profit of Tk. 138.44 million. Share of profit of associates of Tk. 0.06 million has been included herewith.

Last 5 Years Financial Results

The summarized operational and financial performances are presented below:

Particulars	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017	01 July 2015 to 30 June 2016	01 January 2015 to 31 December 2015	01 January 2014 to 31 December 2014
	Amount in BDT.					
Revenue	2,302,159,637	2,070,885,808	1,585,937,175	1,609,773,407	1,690,863,283	1,742,309,513
Gross Profit	418,004,019	377,208,994	333,360,520	359,206,753	357,126,456	358,347,035
Profit Before WPPF & Taxes	180,605,877	169,628,231	157,074,315	149,977,050	136,840,299	116,802,262
Net Profit After WPPF & Taxes	138,440,217	132,984,828	125,588,351	122,340,224	124,993,582	88,637,099
Earning Per Share (EPS)	2.20	2.21	2.20	2.14	2.86	2.22
Share Holder's Equity	1,572,910,769	1,494,530,552	1,418,745,724	1,319,157,373	1,238,800,999	873,807,417
Current Liabilities	1,417,325,234	2,012,391,304	1,347,796,367	1,048,769,357	1,368,690,014	1,283,512,624
Non-Current Liabilities	287,926,972	224,059,577	278,679,562	184,851,346	225,035,942	252,865,122
Addition to Fixed Assets & CWIP	35,179,286	98,940,650	169,045,295	264,744,459	104,454,683	91,365,813
Net Assets Value (NAV) per share	24.94	24.88	24.80	25.37	23.82	21.85
Net Operating Cash Flow Per Share (NOCFPS)	2.02	3.08	2.81	2.50	3.44	4.67

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

COMPARATIVE FINANCIAL PERFORMANCE BETWEEN KDS ACCESSORIES LIMITED & PEER COMPANIES

Particulars	KDS Accessories Limited (Audited till 30 June 2019)	Tosrifa Industries Limited (Un-audited till 31 March 2019)	Khulna Printing & Packaging Limited (Un-audited till 31 March 2019)	Olympic Accessories Limited (Un-audited till 31 March 2019)
	12 Months	9 Months	9 Months	9 Months
Revenue	2,303,159,637	1,184,492,146	42,552,000	773,674,082
Gross Profit (in Taka)	418,004,019	178,761,002	(10,812,906)	139,938,941
Gross Profit (in %)	18.16	15.09	(25.41)	18.09
Net Profit/(Loss) before WPPF & taxes (in Taka)	180,605,877	35,134,810	(56,302,263)	94,292,776
Net Profit/(Loss) before WPPF & taxes (in %)	7.85	2.97	(132.31)	12.19
Net Profit/(Loss) after WPPF & taxes (in Taka)	138,440,217	25,458,956	(58,636,773)	94,292,776
Net Profit/(Loss) after WPPF & taxes (in %)	6.01	2.15	(137.80)	12.19
EPS	2.20	0.38	(0.80)	0.49
NAV per share	24.94	31.94	13.87	14.57
NOCFPS	2.02	(0.32)	0.01	1.01

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

RISK AND CONCERNS

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

FORWARD-LOOKING STATEMENTS

Board of Directors and management of the company are looking forward to keep its progress in alignment with industry's growth and have made all preparation to this end. Overall industry is projected to grow in a steady way in next couple of years and your company will be in forefront to be one of the major player in the future booming market.



Debasis Daspal
Chief Executive Officer

ANNEXURE - E

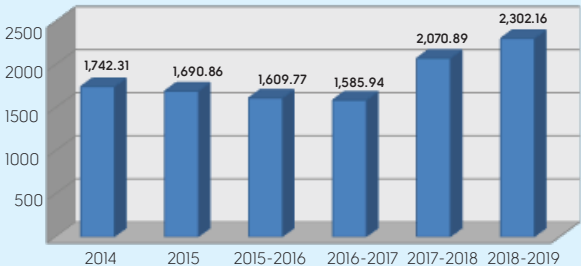
FINANCIAL HIGHLIGHTS

	Amount in BDT. Million					
	2018-2019	2017-2018	2016-2017	2015-2016	2015	2014
Assets Employed						
Non Current Assets	1,371.33	1,440.80	1,439.53	1,346.66	1,132.96	1,092.55
Net Current Assets	489.51	277.79	257.89	157.35	330.88	34.13
Total Assets Employed	1,860.84	1,718.59	1,697.43	1,504.01	1,463.84	1,126.67
Financed by						
Share Capital	630.63	600.60	572.00	520.00	520.00	400.00
Share Premium	120.00	120.00	120.00	120.00	120.00	-
Revaluation Reserve	214.39	214.39	214.39	214.39	214.39	214.39
Retained Earnings	607.89	559.54	512.35	464.77	384.41	259.42
Shareholders' Equity	1,572.91	1,494.53	1,418.75	1,319.16	1,238.80	873.81
Long Term Borrowings	167.83	113.58	178.54	99.08	152.77	184.21
Lease Finance	-	-	-	1.62	2.69	2.15
Defined benefit obligations - Gratuity	76.08	66.48	59.72	49.20	38.17	22.91
Deferred Tax Liabilities	44.01	44.00	40.42	34.95	31.40	43.59
Total Capital Employed	1,860.84	1,718.59	1,697.43	1,504.01	1,463.84	1,126.67
Operational Result						
Revenue	2,302.16	2,070.89	1,585.94	1,609.77	1,690.86	1,742.31
Gross Profit	418.00	377.21	333.36	359.21	357.13	358.35
Profit from operations	225.58	211.75	205.73	224.86	227.47	252.55
Profit before Interest, Taxes & Depreciation	321.58	300.57	270.82	286.55	285.17	300.96
Profit before Income Tax	171.58	161.15	149.22	142.48	130.00	110.96
Net Profit after Income Tax	138.44	132.98	125.59	122.34	124.99	88.64
Financial Ratios						
Gross Profit Ratio - %	18.16%	18.21%	21.02%	22.31%	21.12%	20.57%
Net Profit Ratio - %	6.01%	6.42%	7.92%	7.60%	7.39%	5.09%
EBITDA Margin to Sales - %	13.97%	14.51%	17.08%	17.80%	16.87%	17.27%
Return on Shareholders Equity - %	8.80%	8.90%	8.85%	9.27%	10.09%	10.14%
Return on Capital Employed - %	7.44%	7.74%	7.40%	8.13%	8.54%	7.87%
Current Ratio - Times	1.35	1.14	1.19	1.15	1.24	1.03
Quick Ratio - Times	1.01	0.81	0.85	0.79	0.88	0.66
Inventory Turnover Ratio - Times	3.32	3.02	3.03	3.36	2.77	2.31
Assets Turnover Ratio - Times	0.66	0.61	0.57	0.63	0.65	0.73
Debt Equity Ratio-Times	1.08	1.50	1.15	0.94	1.29	1.76
Interest Coverage Ratio -Times	3.42	3.67	2.95	1.82	1.20	0.75
Price/Earning (P/E) Ratio - Times	26.28	28.05	34.66	26.46	29.73	-
Earnings Per Share (EPS) - Taka	2.20	2.21	2.20	2.14	2.86	2.22
Net Operating Cash Flow Per Share (NOCFPS) - Taka	2.02	3.08	2.81	2.50	3.44	4.67
Dividend Per Share (DPS) - Taka	1.50	1.50	1.50	1.50	-	-
Net Assets Value (NAV) Per Share -Taka	24.94	24.88	24.80	25.37	23.82	21.85
Market Price Per share on Year Ending Date - Taka	57.70	62.10	76.10	56.70	85.00	-
Market Capitalization on Year Ending Date - Taka (mn)	3,638.74	3,729.73	4,352.92	2,948.40	4,420.00	-

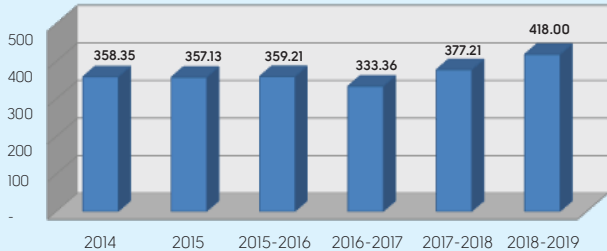
ANNEXURE - F

PERFORMANCE INDICATOR

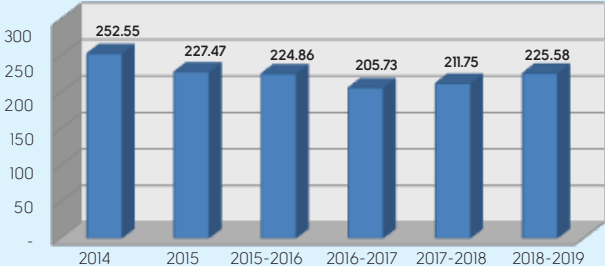
Revenue (in BDT. mn)



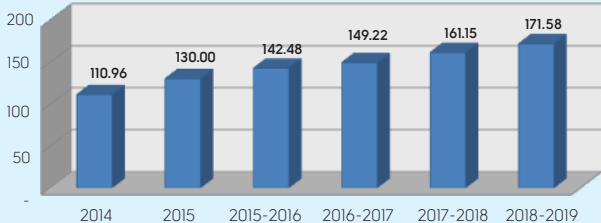
Gross Profit (in BDT. mn)



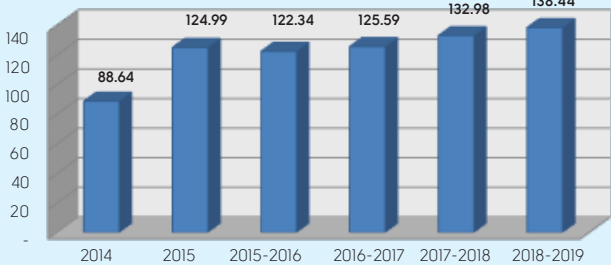
Operating Profit (in BDT. mn)



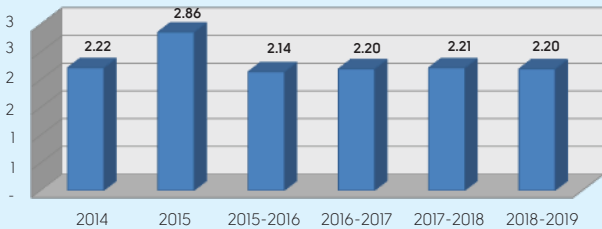
Profit before Tax (in BDT. mn)



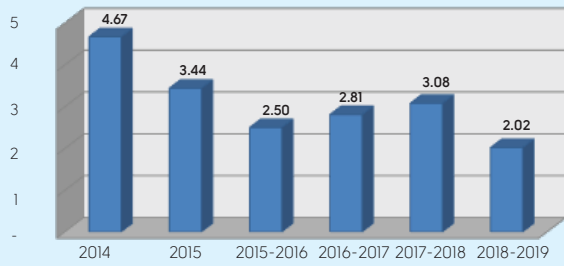
Net Profit after Tax (in BDT. mn)



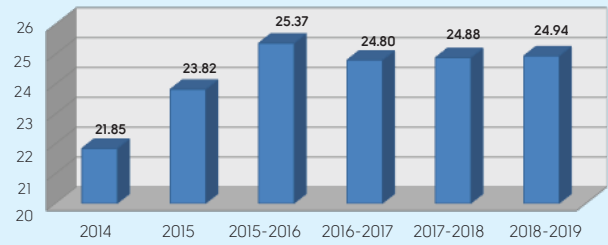
Earnings Per Share - EPS (in BDT.)



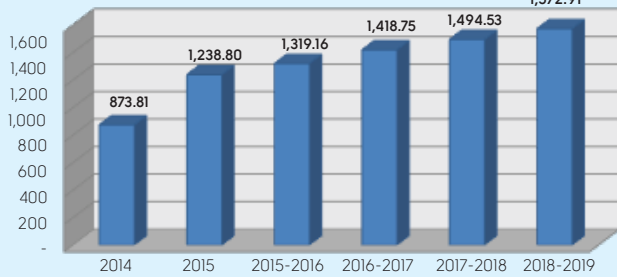
Net Operating Cash Flow Per Share - NOCFPS (in BDT.)



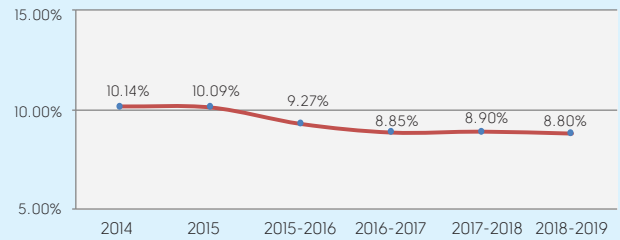
Net Asset Value Per Share-NAV (in BDT.)



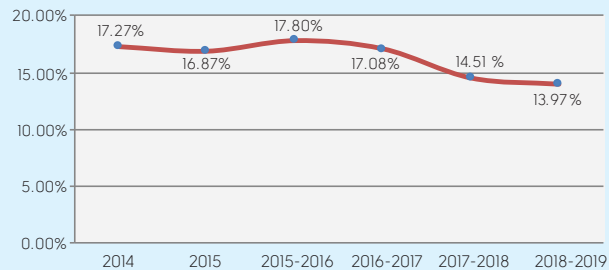
Shareholders' Equity (in BDT. mn)



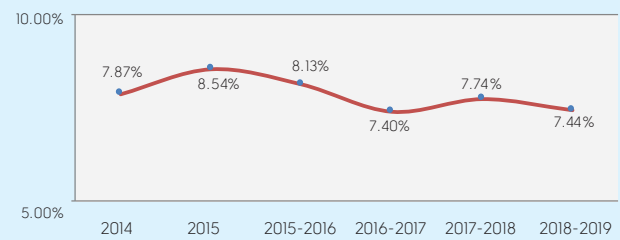
Return on Shareholders Equity (in %)



EBITDA Margin to Sales (in %)



Return on Capital Employed (in %)



ANNEXURE - G

RELATED PARTY TRANSACTIONS

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

Sl No.	Name of the Related Parties	Relationship	Nature of Transactions	Balance as on 01 July 2018	Transaction during the year (Net)	Balance as on 30 June 2019
1	KDS Apparels Limited	Common Directorship	Receivable Against Sales	Dr. 650,123	1,806,968	Dr. 2,457,091
2	KDS Fashion Limited	Common Directorship	Receivable Against Sales	Dr. 41,474,135	6,425,918	Dr. 47,900,053
3	KDS Garment Industries Limited	Common Directorship	Receivable Against Sales	Dr. 14,777,008	(11,400,452)	Dr. 3,376,556
4	KDS Logistics Limited	Common Directorship	Receivable Against Sales	Dr. 740,828	795,514	Dr. 1,536,342
5	KDS IDR Limited	Common Directorship	Receivable Against Sales	Dr. 35,514,830	26,276,015	Dr. 61,790,845
6	KYCR Coil Ind. Limited	Common Directorship	Receivable Against Sales	Dr. 172,451	146,025	Dr. 318,476
7	KDS Poly Industries Limited	Common Directorship	Short Term Loan	Dr. 421,112,376	(175,719,043)	Dr. 245,393,333
8	KDS Thread Limited	Common Directorship	Short Term Loan	Cr. (39,918,292)	68,247,058	Dr. 28,328,766

ANNEXURE - H

SHAREHOLDING STRUCTURE AS ON 30 JUNE 2019

a) Shareholding Structure of the Company as on 30 June 2019 was as below:

Name/Particulars of Shareholders	Number of Shares	% of total Shareholding
i) Directors, Sponsors & Placement Shareholder		
Mr. Khalilur Rahman	34,790,160	55.17%
Mr. Salim Rahman	8,886,241	14.09%
Ms. Tahsina Rahman	2,424,343	3.84%
KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	1,268,589	2.01%
Mr. S.M. Shameem Iqbal*	455,688	0.72%
Ms. Hasina Iqbal	650,622	1.03%
Ms. Tahmina Rahman	384	0.00%
Total of Directors, Sponsors & Placement Shareholder	48,476,027	76.87%
ii) General Public	11,651,419	18.48%
iii) Institutions	29,35,554	4.65%
Grand Total (i+ii+iii)	63,063,000	100.00%

*At the time of issuance of prospectus on 14 July 2015 for IPO, Mr. S.M. Shameem Iqbal was director and shareholder. He resigned from the Board of Directors on 28 Sep 2016. As he was not subscriber to the Memorandum, in compliance with Chittagong Stock Exchange (Listing) Regulation, 2015 regulation 2(r) he is not a Sponsor but currently he is a placement shareholder of the company.

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

Name	Relation	No. of Shares Hold
KDS Garment Industries Limited	Group Company	1,268,589
Total		1,268,589

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

Name	Relation	No. of Shares Hold
Mr. Khalilur Rahman	Chairman	34,790,160
Mr. Salim Rahman	Managing Director	8,886,241
Ms. Tahsina Rahman	Director	2,242,343
KDS Garment Industries Limited Represented by Mr. Kamrul Hasan FCA	Director	1,268,589
Mr. Muhammad Jamaluddin	Independent Director	-
Mr. S.M. Shameem Iqbal	Spouse of Ms. Hasina Iqbal	455,688
Ms. Hasina Iqbal	Sponsor	650,622
Ms. Tahmina Rahman	Sponsor	384
Mr. Debasis Daspal	CEO	302
Mr. Biplob Kanti Banik FCA	CFO	-
Mr. Manjure Khuda	CS	-
Mr. H M Morshed Jahan	Incharge, Internal Audit & Compliance	-

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

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

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

Name	Relation	No. of Shares Hold
Mr. Khalilur Rahman	Chairman	34,790,160
Mr. Salim Rahman	Managing Director	8,886,241

ANNEXURE - I

DIRECTORSHIP IN OTHER COMPANIES

Name of Companies	Name of the Directors				
	Mr. Khalilur Rahman	Mr. Salim Rahman	Ms. Tahsina Rahman	KDS Garment Industries Limited (Represented by Mr. Kamrul Hasan FCA)	Mr. Muhammad Jamaluddin
KDS Garment Industries Limited	Chairman	Managing Director	-	-	-
KDS Apparels Limited	Chairman	Managing Director	-	-	-
KDS IDR Limited	Chairman	Managing Director	-	-	-
KDS Fashion Limited	Chairman	Managing Director	-	-	-
KDS Textile Mills Limited	Chairman & Managing Director	Director	-	-	-
KDS Thread Limited	Chairman	Managing Director	-	-	-
KDS Poly Industries Limited	Chairman	Managing Director	-	-	-
KDS Logistics Limited	Chairman	Managing Director	-	-	-
KY Steel Mills Limited	Managing Director	-	Chairman	-	-
KYCR Coil Industries Limited	Managing Director	-	Director	-	-
Steel Accessories Limited	Chairman	Managing Director	-	-	-
SKYS Securities Limited	Chairman	-	-	-	-
Pragati Life Insurance Limited	Chairman	-	-	-	Independent Director
Pragati Insurance Limited	Director	-	Director	-	-
National Bank Limited	Director	-	-	-	-
Al-Arafah Islami Bank Limited	-	Director	-	-	-
AIBL Capital Market Services Limited	Chairman	-	-	-	-
Centre for Mass Education in Science (CMES)	-	-	-	-	Independent Director

ANNEXURE - J

RISK AND CONCERNS

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

a. Interest Rate Risk

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

Management Perception

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

b. Exchange Rate Risk

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

Management Perception

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

c. Industry Risks

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

Management Perception

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

d. Market and Technology-Related Risks

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

Management Perception

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

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

e. Labor unrest

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

Management Perception

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

f. Operational Risks

Rise in Input Costs may affect profitability

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

Management Perception

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

g. Currency Fluctuation Risks

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

Management Perception

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

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:

Sl. No.	Name of the Members	Designation	Position
01	Mr. Muhammad Jamaluddin	Independent Director	Chairman
02	Mr. Khalilur Rahman	Chairman	Member
03	Ms. Tahsina Rahman	Director	Member
04	KDS Garment Industries Limited Represented by- Mr. Kamrul Hasan FCA	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:

1. 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
Ms. Tahsina Rahman	4	4
KDS Garment Industries Limited Represented by- Mr. Kamrul Hasan FCA	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

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE [NRC]

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

company has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors. This is a sub-committee of the Board.

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

Name	Designation	Position
Mr. Muhammad Jamaluddin	Independent Director	Chairman
Mr. Khalilur Rahman	Chairman	Member
Mr. Kamrul Hassan FCA (Representative r of KDS Garment Industries Ltd.)	Director	Member
Mr. Manjure Khuda	Company Secretary	Secretary

Terms of Reference :

The terms of reference of the Nomination and Remuneration Committee (NRC) have been determined by the Board as per BSEC notification. The NRC assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as policy for formal process of considering remuneration of director, top level executive.

Role of the NRC :

- NRC Shall be independent and responsible or accountable to the Board and to the shareholders;

- To oversee, among others, the following matters and make report with recommendation to the Board:

(i) formulation the criteria for determining qualification, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;

(b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

(ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background.

(iii) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

(iv) formulating the criteria for evaluation of

performance of independent director (s) and the Board

(v) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and

(vi) developing, recommending and reviewing annually the company's human resources and training policies;

Meeting of NRC :

The Committee formally met for the first time in December, 2018 after constitution of the NRC of KDS Accessories Limited ensured/observed the following activities:

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

Objective and Policy of the NRC

Objective :

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/top management team required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, top level executives reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

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

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

Term /Tenure of Independent Director

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

The independent director(s) shall be appointed

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

Evaluation

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

Removal

The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and Stock Exchange(s).

Retirement

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

Policy for Remuneration to Directors/Top Level Executives:

- a) The Remuneration to be paid to Managing Director / Other directors as approved by the NRC Committee.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director and other Directors.
- c) The Non-Executive / Independent Director

may receive meeting fees and such other remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

- d) The remuneration to top level executives shall be fixed consideration their performances and in accordance with the Company's Policy.

Implementation

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

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



Muhammad Jamaluddin

Chairman of Nomination and Remuneration Committee & Independent Director

CORPORATE GOVERNANCE REPORT

Corporate governance refers to the structures and processes for the direction and control of companies. Sound corporate governance is a fundamental part of the culture of the company and ensures long-term success. Corporate governance concerns the relationships among the management, Board of Directors, controlling shareholders, minority shareholders and other stakeholders. Good corporate governance contributes to sustainable economic development by enhancing the performance of companies. The Board of Directors of KDS Accessories Limited is firmly committed to upholding principles of sound corporate governance. The main objective of corporate governance is a creation of lasting value for stakeholders. Transparency in the business transaction and disclosure of information to regulatory bodies as part of its legal obligations constitute sound corporate governance. Good corporate governance also means conformity to sound ethical principles and a code of conduct in business dealings.

Board of Directors

Board of Directors is the representative and trustee of the shareholders of the company. The Board of Directors of KDS Accessories Limited comprises of five members including Chairman, Managing Director, two Directors and one independent director in compliance with the Corporate Governance Guidelines of BSEC. Board of Directors is performing the responsibilities, among others, setting the company's strategic objectives, providing leadership, supervision and safeguarding shareholders interest.

Audit Committee

KDS Accessories Limited has an Audit Committee

as a sub-committee of the Board of Directors. This committee is assisting the Board of Director 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. Its duties and responsibilities are clearly outlined in writing. Audit Committee is reconstituted as per the guidelines of BSEC.

Audit Committee holds regular meetings on the following major issues:

- To review the financial statements and reporting process and monitor the choice of accounting 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 or internal audit function etc.

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

NOMINATION AND REMUNERATION COMMITTEE (NRC):

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

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

Chairman of the Board, Managing Director & CEO

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

Directors' Report to Shareholders

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

Chief Financial Officer, Company Secretary and Head of Internal Audit

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

Internal Audit and Control

KDS Accessories Limited established an Internal

Audit Department consisting of professional and knowledgeable employees. Internal Audit Department directly reports to the Board of Directors.

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

External Auditors

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

Key Management Committee

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

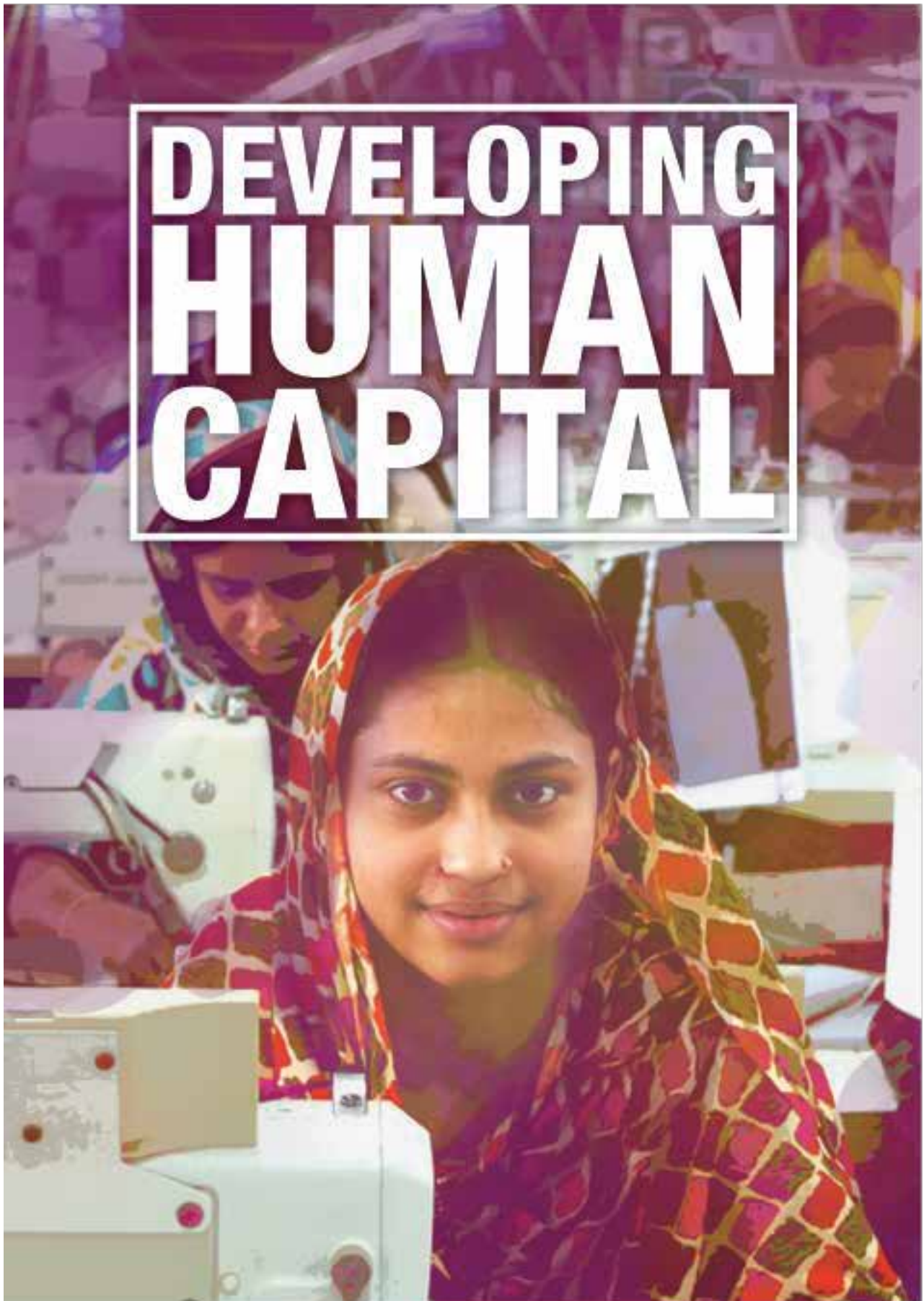
Certification on the Compliance of Corporate Governance Code of BSEC

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

CERTIFICATE OF BAPLC



DEVELOPING HUMAN CAPITAL



WOMEN WORKER WORKING WITH SEWING MACHINES

VALUE ADDED STATEMENT

A. Value Added:

Revenue & Other Income

Less: Paid to suppliers for materials & other services

B. Distribution as follows:

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

Finance Provider

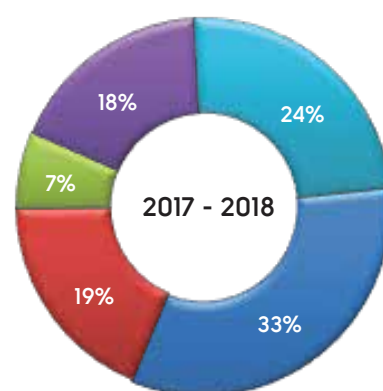
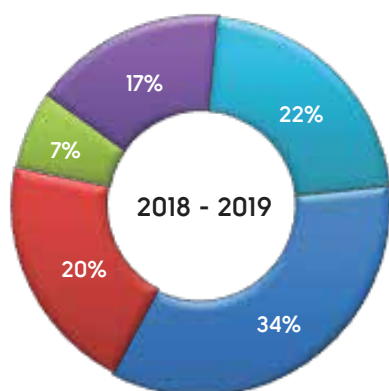
Duty, Taxes & Other related expenses

Retained for Re-Investment & Future Growth

Depreciation

Retained Profit

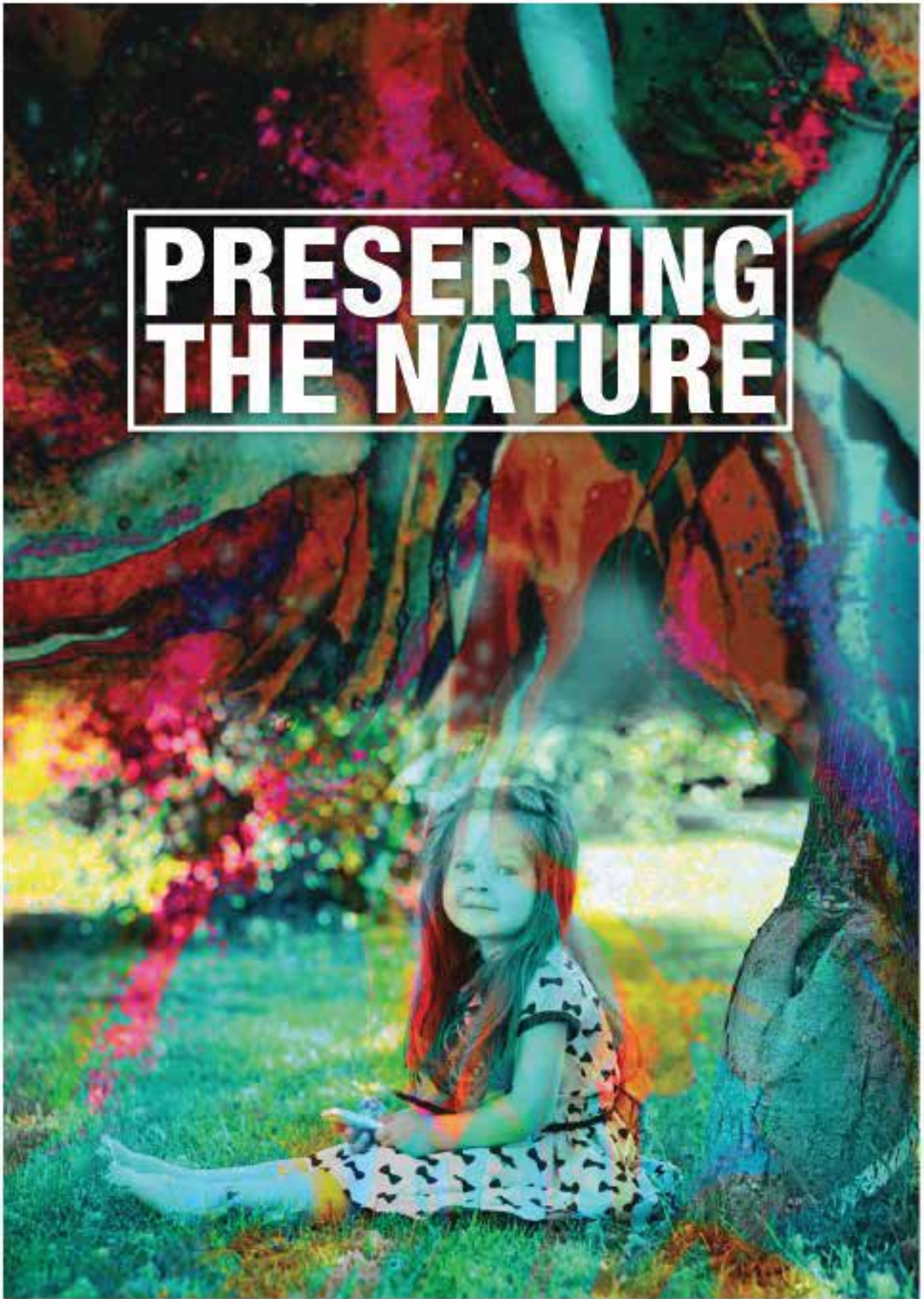
2018 - 2019		2017 - 2018	
Amount in Tk.	%	Amount in Tk.	%
2,387,282,017		2,131,219,251	
1,752,298,639		1,578,876,333	
634,983,378		552,342,918	
219,250,212	34%	182,962,578	33%
130,101,160	20%	102,452,340	9%
42,165,660	7%	36,643,403	7%
391,517,032	61%	322,058,321	58%
105,026,129	17%	97,299,769	18%
138,440,217	22%	132,984,828	24%
243,466,346	38%	230,284,597	42%
634,983,378	100%	552,342,918	100%



- Employee Benefits
- Finance Provider
- Duty, Taxes & Others
- Depreciation
- Retained Earnings

- Employee Benefits
- Finance Provider
- Duty, Taxes & Others
- Depreciation
- Retained Earnings

PRESERVING THE NATURE



A SMALL GIRL PLANTING A TREE

AWARD & RECOGNITION



BUREAU VERITAS
Certification

KDS ACCESSORIES
(REPRESENTED BY KDS ACCESSORIES LIMITED,
KDS THREAD LIMITED & KDS POLY INDUSTRIES LIMITED)

191-192 BAZID BOSTAMI ROAD, NASIRABAD I/A, CHITTAGONG-4210, 181 BAZID BOSTAMI ROAD, NASIRABAD I/A, CHITTAGONG-4210, BANGLADESH

Bureau Veritas Certification Holding SAS – UK Branch certifies that the Management System of the above organization has been audited and found to be in accordance with the requirements of the Management System standard detailed below.

Standard

BS OHSAS 18001:2007

Scope of certification

1. KDS ACCESSORIES LIMITED - MANUFACTURE OF CORRUGATED CARTON BOXES, OFFSET PRINTING AND SCREEN PRINTING WORKS
2. KDS THREAD LIMITED - DYING OF SEWING THREADS FOR 100% EXPORT
3. KDS POLY INDUSTRIES LIMITED - MANUFACTURE OF POLY BAGS AND PLASTIC HANGERS FOR 100% EXPORT
4. HEAD OFFICE - SALES, SOURCING, CUSTOMER SERVICE OF GARMENTS PACKAGING ITEMS

Original cycle start date: **26 August 2015**
 Expiry date of previous cycle: **25 August 2018**
 Recertification Audit date: **04 August 2018**
 Recertification cycle start date: **23 August 2018**

Subject to the continued satisfactory operation of the organization's Management System, this certificate expires on: **11 March 2021**
 Certificate No. **IND18.8814UHS** Version : 1 Revision date: **23 August 2018**



Signed on behalf of BVCH SAS – UK Branch
Ramesh KOREGAVE
 Director, CERTIFICATION
 South Asia Region



0008

Certification body address: 5th Floor, 88 Prescot Street, London, E1 8HG, United Kingdom.
 Local office: Bureau Veritas (India) Private Limited (Certification Business)
 72 Business Park, Marol Industrial Area, MIDC Cross Road 'C', Andheri (East), Mumbai – 400 093, India.

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organization.
 To check this certificate validity please call +91 22 6274 2008.




BUREAU VERITAS
Certification

KDS ACCESSORIES
(REPRESENTED BY KDS ACCESSORIES LIMITED,
KDS THREAD LIMITED & KDS POLY INDUSTRIES LIMITED)

191-192 BAZID BOSTAMI ROAD, NASIRABAD I/A, CHITTAGONG-4210, 181 BAZID BOSTAMI ROAD, NASIRABAD I/A, CHITTAGONG-4210, BANGLADESH

Bureau Veritas Certification Holding SAS – UK Branch certifies that the Management System of the above organization has been audited and found to be in accordance with the requirements of the Management System standard detailed below.

Standard

ISO 14001:2015

Scope of certification

1. KDS ACCESSORIES LIMITED - MANUFACTURE OF CORRUGATED CARTON BOXES, OFFSET PRINTING AND SCREEN PRINTING WORKS
2. KDS THREAD LIMITED - DYING OF SEWING THREADS FOR 100% EXPORT
3. KDS POLY INDUSTRIES LIMITED - MANUFACTURE OF POLY BAGS AND PLASTIC HANGERS FOR 100% EXPORT
4. HEAD OFFICE - SALES, SOURCING, CUSTOMER SERVICE OF GARMENTS PACKAGING ITEMS

Original cycle start date: **26 August 2015**
 Expiry date of previous cycle: **25 August 2018**
 Recertification Audit date: **04 August 2018**
 Recertification cycle start date: **23 August 2018**

Subject to the continued satisfactory operation of the organization's Management System, this certificate expires on: **25 August 2021**
 Certificate No. **IND18.8814UJE** Version : 1 Revision date: **23 August 2018**



Signed on behalf of BVCH SAS – UK Branch
Ramesh KOREGAVE
 Director, CERTIFICATION
 South Asia Region



0008

Certification body address: 5th Floor, 88 Prescot Street, London, E1 8HG, United Kingdom.
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 To check this certificate validity please call +91 22 6274 2008.



BUREAU VERITAS
Certification



KDS ACCESSORIES
(REPRESENTED BY KDS ACCESSORIES LIMITED,
KDS THREAD LIMITED & KDS POLY INDUSTRIES LIMITED)

191-192 BAZID BOSTAMI ROAD, NASIRABAD I/A, CHITTAGONG-4210, 181 BAZID
BOSTAMI ROAD, NASIRABAD I/A, CHITTAGONG-4210, BANGLADESH

*Bureau Veritas Certification Holding SAS – UK Branch certifies that the
Management System of the above organization has been audited and found to
be in accordance with the requirements of the Management System standard
detailed below.*

Standard

ISO 9001:2015

Scope of certification

1. KDS ACCESSORIES LIMITED - MANUFACTURE OF CORRUGATED CARTON BOXES, OFFSET PRINTING AND SCREEN PRINTING WORKS
2. KDS THREAD LIMITED - DYING OF SEWING THREADS FOR 100% EXPORT
3. KDS POLY INDUSTRIES LIMITED - MANUFACTURE OF POLY BAGS AND PLASTIC HANGERS FOR 100% EXPORT
4. HEAD OFFICE - SALES, SOURCING, CUSTOMER SERVICE OF GARMENTS PACKAGING ITEMS

Original cycle start date: **26 August 2015**
 Expiry date of previous cycle: **25 August 2018**
 Recertification Audit date: **04 August 2018**
 Recertification cycle start date: **23 August 2018**

Subject to the continued satisfactory operation of the organization's Management System, this certificate expires on: **25 August 2021**

Certificate No. **IND18.8614U/Q** Version : 1 Revision date: **23 August 2018**


 Signed on behalf of BVGH SAS – UK Branch
Ramesh KOREGAVE
 Director, CERTIFICATION
 South Asia Region


 0008

Certification body address: 8th Floor, 88 Praed Street, London, E1 8HG, United Kingdom.
 Local office: Bureau Veritas (India) Private Limited (Certification Business) 72 Business Park, Marol Industrial Area, MIDC, Cross Road 7C, Andheri (East), Mumbai – 400 052, India.

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organization. To check this certificate validity please call +91 22 6274 2000.



**ACHIEVEMENT
AWARD**

KDS Accessories Ltd. (Unit-2)
কেডিএস একসেসোরিস লিমিটেড (ইউনিট-২)

West Dogory, Mirzapur, Gazipur Sadar, Gazipur, Dhaka,
Bangladesh
পশ্চিম ডোগরী, মিরজাপুর, গাজিপুর সদর, গাজিপুর, ঢাকা, বাংলাদেশ

Has been assessed by Intertek as conforming to the requirements of:

**Trim Supplier
Qualification Program**

Intertek has assessed the practices of the above facility according to the scope of the Trim Supplier Qualification Program (TSQP), which resulted in meeting the performance criteria required for the "Achievement Award".
The evaluation of the facility covered the following areas:

1. Management Environment
2. Risk Management
3. Process Control
4. Product Testing
5. Monitoring


 TRIM SUPPLIER
 QUALIFICATION
 PROGRAM

Registration Number
F_IAR_27150_TQP-R2
 Last Full Audit Date: May 08-09, 2018
 Expiry Date: May 08, 2020


 Christophe Lidien
 Vice President Supplier Management, Intertek


 Cary Chan
 Certification Administration Centers, Intertek



CERTIFICATE

The company

KDS Accessories Ltd. (Unit 2)
6, West Dogoy, Mirzapur, Gazipur Sader
Gazipur - 1703, Dhaka, BANGLADESH

is granted authorization according to STANDARD 100 by OEKO-TEX® to use the STANDARD 100 by OEKO-TEX® mark, based on our test report 13.B.62482



for the following articles:

Buttons made of 100 % polyester in white and pigment mass dyed (pearl, chalk and bone).

The results of the inspection made according to STANDARD 100 by OEKO-TEX®, Appendix 6, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Appendix 6 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.), the American requirement regarding total content of lead in children's articles (CPSA), with the exception of accessories made from glass and of the Chinese standard GB 18401:2010 (labelling requirements were not verified).

The holder of the certificate, who has issued a conformity declaration according to ISO 17050-1, is under an obligation to use the STANDARD 100 by OEKO-TEX® mark only in conjunction with products that conform with the sample initially tested. The conformity is verified by audits.

The certificate 13.HBD.34006 is valid until 31.01.2020

Bismarckheim, 02.04.2019

Dipl.-Ing. Jutta Elisabeth Pfister
Head of Certificate Body OEKO-TEX®



CERTIFICATE

The company

KDS Accessories Ltd. (Unit 2)
6, West Dogoy, Mirzapur, Gazipur Sader
Gazipur - 1703, BANGLADESH

is granted authorization according to STANDARD 100 by OEKO-TEX® to use the STANDARD 100 by OEKO-TEX® mark, based on our test report 13.O.05116



for the following articles:

Twill tape and drawstring made of 100 % cotton and 100 % polyester, white and yarn-dyed as well as elastic tape made of polyester/rubber, white and yarn-dyed, exclusively produced from material certified according to STANDARD 100 by OEKO-TEX®.

The results of the inspection made according to STANDARD 100 by OEKO-TEX®, Appendix 4, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Appendix 4 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.), the American requirement regarding total content of lead in children's articles (CPSA), with the exception of accessories made from glass and of the Chinese standard GB 18401:2010 (labelling requirements were not verified).

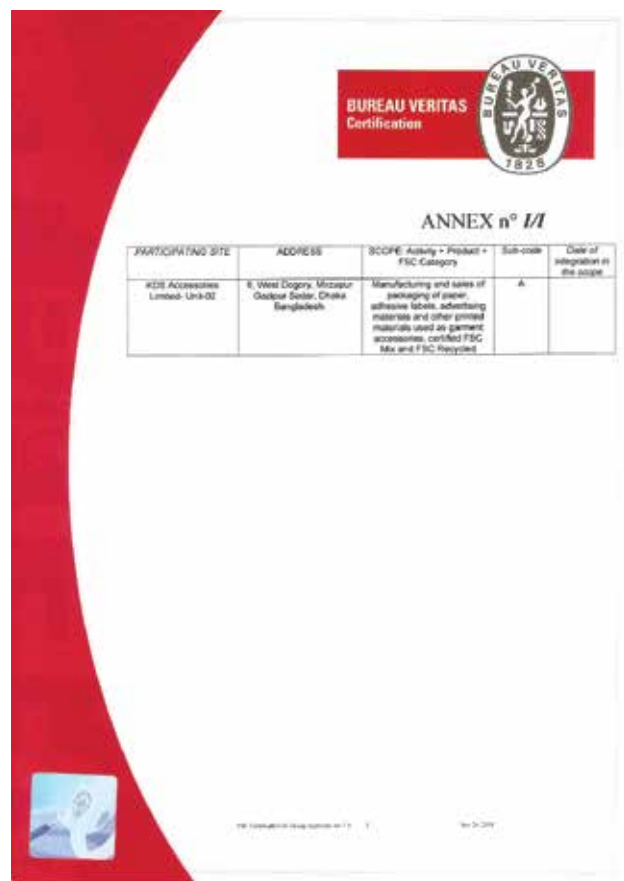
The holder of the certificate, who has issued a conformity declaration according to ISO 17050-1, is under an obligation to use the STANDARD 100 by OEKO-TEX® mark only in conjunction with products that conform with the sample initially tested. The conformity is verified by audits.

The certificate 14.HBD.44773 is valid until 31.08.2020

Bismarckheim, 12.06.2019

Dipl.-Ing. Jutta Elisabeth Pfister
Head of Certificate Body OEKO-TEX®





KDS Accessories Ltd. (PKG) FFC ID 9441
191-192 Baizid Bostami Road, Nasirabad 1/A, Chittagong
Chittagong, Bangladesh 4210

27 December 2017

Subject: CAP Closure Verification Visit (CCVV) Results

Dear Mr. Salim Rahman, Managing Director

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

The CAP Closure Verification Visit was conducted to confirm the completion of corrective actions to remediate noncompliance with the Alliance Standard in each of three critical areas: structural integrity, electrical safety and fire safety that were identified during initial inspections; the structural integrity inspection was conducted on 26 March 2014, the fire and electrical safety inspections were conducted on 24 May 2014 by Bureau Veritas. Additionally, during this visit an assessment of implementation and impact of Basic Fire Safety and Helpline training to all workers was performed. This was documented in the Corrective Action Plan (CAP) for your factory approved by the Alliance on 01 March 2015.

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

Visit Type	Date
RVV 1	20 May 2015
RVV 2	24 December 2015
RVV 3	07 August 2016
PCCVV	20 September 2017
CCVV-1	31 October 2017
CCVV-2	26 December 2017

Training:

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

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

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

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

Building Area (sq. ft.)	<ol style="list-style-type: none"> 1. Building-01 (Office Building): 22,498 sq. ft. 2. Building-02 (Packaging Warehouse Building): 31,360 sq. ft. 3. Building-03 & Building-04 (Packaging Building): 12,716 sq. ft. 4. Building-05 (HR Building): 6,345 sq. ft. 5. Building-06 & Building-07 (Thread & Store Building): 19,500 sq. ft. 6. Shed-01A (Packaging Store): 3,800 sq. ft. 7. Shed-01B (Packaging Store): 3,900 sq. ft. 8. Shed-02A (Boiler Shed): 2,240 sq. ft. 9. Shed-02B (Warehouse Shed): 4,800 sq. ft. 10. Shed-03 (Packaging Shed): 27,710 sq. ft. 11. Shed-04 (Utility Shed): 4,480 sq. ft. 12. Shed-06 (Thread Production Shed): 12,960 sq. ft. 13. Shed-07 (Storage Shed): 2,250 sq. ft.
Building Height (ft.)	<ol style="list-style-type: none"> 1. Building-01 (Office Building): 57'-0" 2. Building-02 (Packaging Warehouse Building): 56'-0" 3. Building-03 & Building-04 (Packaging Building): 51'-10" 4. Building-05 (HR Building): 30'-0" 5. Building-06 & Building-07 (Thread & Store Building): 33'-6" 6. Shed-01A (Packaging Store): 17'-1" 7. Shed-01B (Packaging Store): 15'-6" 8. Shed-02A (Boiler Shed): 16'-6" 9. Shed-02B (Warehouse Shed): 16'-3" 10. Shed-03 (Packaging Shed): 35'-0" 11. Shed-04 (Utility Shed): 16'-0" 12. Shed-06 (Thread Production Shed): 18'-10" 13. Shed-07 (Storage Shed): 25'-5"

Construction Type (Material)	<ol style="list-style-type: none"> 1. Building-01 (Office Building): 5-Storeyed RCC building 2. Building-02 (Packaging Warehouse Building): 3-Storeyed RCC building 3. Building-03 & Building-04 (Packaging Building): 4-Storeyed RCC building 4. Building-05 (HR Building): 2-Storeyed RCC building 5. Building-06 & Building-07 (Thread & Store Building): 2-Storeyed RCC building 6. Shed-01A (Packaging Store): Single Storeyed Shed 7. Shed-01B (Packaging Store): Single Storeyed Shed 8. Shed-02A (Boiler Shed): Single Storeyed Shed 9. Shed-02B (Warehouse Shed): Single Storeyed Shed 10. Shed-03 (Packaging Shed): Single Storeyed Shed 11. Shed-04 (Utility Shed): Single Storeyed Shed 12. Shed-06 (Thread Production Shed): Single Storeyed Shed 13. Shed-07 (Storage Shed): Single Storeyed Shed
Occupancy Description	Industrial building (G2)

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

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

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

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

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

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

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

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

- Remediation Coordinator Name: Mehdi Hasan Khan
- Remediation Coordinator E-mail: mhkhan@afbws.org
- Remediation Coordinator Phone Number: 01938886910

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

Sincerely,



Paul Rigby
Deputy Director & CSO
Alliance for Bangladesh Worker Safety

PROTECTING OUR HERITAGE



MAN ROWING A BOAT IN A WATERWAY FILLED WITH LOTUS .



**INDEPENDENT
AUDITORS' REPORT
&
FINANCIALS 2018-2019**

KDS ACCESSORIES LIMITED

AS AT 30 JUNE 2019

INDEPENDENT AUDITORS' REPORT
to the Shareholders of
KDS ACCESSORIES LIMITED

Opinion

We have audited the accompanying financial statements of **KDS ACCESSORIES LIMITED** (the Company), which comprise the Statement of Financial Position as at 30 June 2019, the Statement of Profit or loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period from 1 July 2018 to 30 June 2019, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, the accompanying financial statements, prepared in accordance with International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position of the company as at 30 June 2019 and of its financial performance and cash flows for the period from 1 July 2018 to 30 June 2019 and comply with the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

Basis of opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Our responsibilities under those standards are further described in "Auditors responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Key Audit Matters

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2019. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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



Sl	Key Audit Matter	How our audit addressed the key audit matter
1.	<p>Inventories:</p> <p>Inventories represent about 14.31%, of the total assets of the Company, inventories are thus a material item to the financial statements. Please refer to note 09 to the financial statements.</p> <p>As described in the accounting policy note 3.07 to the financial statements, inventories are valued at the lower of cost or net realisable values. As such, management is required to make judgements in determining whether inventories are being appropriately valued, and also need to make provision for aged inventories, if required.</p> <p>Due to the value and volume of inventories being held by the company at the reporting date and the complexities involved in the accounting and presentation thereof, Inventories has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> • Tested the operating effectiveness of key controls over inventories; including observing the process of management's year-end inventory count. • Verified a sample of inventory items to ensure that costs have been appropriately recorded. • Tested on a sample basis the net realisable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. • Assessed whether appropriate provisions have been recognised for aged, damaged, slow moving or obsolete inventories by reviewing the age of inventories held and evaluating management's basis for determining the usability of inventories. • Performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting period. • Reviewed the historical accuracy of inventory provisions and the level of write-downs.
2.	<p>Appropriateness of revenue recognition and disclosures on the impact of the initial application of IFRS 15.</p> <p>As described in the accounting policy note 3.16 to the financial statements, the company recognises revenue upon transfer of control as per the newly adopted IFRS 15 – Revenue from Contracts with Customers. The company has reported total revenue of BDT 2,302 million. Refer to note 25 to the financial statements.</p> <p>There is an inherent risk around the appropriateness of revenue recognition due to complexity in accounting standards and involves number of key judgements and estimates.</p> <p>Given the significance and complexities involved in the accounting of Revenue, appropriate recognition of revenue has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> • Undertaken audit procedures over the accuracy of recording of revenue including procedures related to the changes in revenue recognition resulting from the adoption of IFRS 15. • Assessed the environment of the measurement as well as other relevant systems supporting the accounting of revenue. • Assessed manual as well as application controls supporting revenue recognition. • Assessed the invoicing and measurement systems up to entries in the general ledger • Examined customer invoices and receipts of payment on a test basis. • Tested the revenue charging model against the regulatory guidelines, contractual provisions and accounting standards, on a sample basis. • Assessed the design of the processes set up to account for the transactions in accordance with the new standard. • Assessed whether the sufficiency of disclosures as required by the new standard have been met. • Assessed whether any adjustments is required to be made to opening balances due to the adoption of the new standard.



Reporting on other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. Our opinion on the financial statements of the Company does not cover the other information and, accordingly, we do not express any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the information read and reviewed, we have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- (a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- (d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

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

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

Dated: Chattogram
08 September 2019

Hussain Farhad & Co.
Hussain Farhad & Co.
Chartered Accountants



Chittagong Offices

Tanvir-e-City Center, 9th Floor, 807, CDA Avenue, Nisrator, Chittagong ☎ +88 031 7389262 ✉ cug@hfc-bd.com



KDS ACCESSORIES LIMITED


Statement of Financial Position

As at 30 June 2019

	Note(s)	30 June 2019 Taka	30 June 2018 Taka
ASSETS			
Non-current Assets			
Property, plant and equipment	4	1,303,884,221	1,371,421,690
Intangible assets	5	952,397	1,662,505
Capital work-in-progress	6	12,847,598	14,529,904
Investment in associate	7	48,327,650	48,265,804
Other investment	8	5,315,852	4,970,847
Total Non-current Assets		1,371,327,718	1,440,800,750
Current Assets			
Inventories	9	469,273,711	667,063,710
Trade receivables	10	1,098,372,643	1,128,378,143
Other receivables	11	391,548	373,446
Advances, deposits and prepayments	12	46,499,788	58,349,397
Due from affiliated companies	13	273,722,099	421,112,376
Short term investment	14	9,327,332	8,820,656
Cash and cash equivalents	15	9,248,096	5,082,953
Total Current Assets		1,906,835,257	2,290,180,683
Total Assets		3,278,162,975	3,730,981,433
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	16	630,630,000	600,600,000
Share premium		120,000,000	120,000,000
Revaluation reserve		214,391,703	214,391,703
Retained earnings		607,889,056	559,538,849
Total Shareholders' Equity		1,572,910,769	1,494,530,552
Non-current Liabilities			
Long term borrowings	17.01	167,829,216	113,581,586
Defined benefit obligation- gratuity	18	76,083,015	66,478,037
Deferred tax liability	19	44,014,741	43,999,854
Total Non-current Liabilities		287,926,972	224,059,577
Current Liabilities			
Trade and other payables	20	558,458,901	937,557,390
Current portion of long term borrowings	17.01	150,891,654	90,559,800
Current tax liability	21	43,446,375	36,859,697
Due to affiliated company	22	-	39,918,292
Short term bank loan	23	590,432,585	842,600,806
Provision for WPPF and Welfare Fund	24	74,095,718	64,895,319
Total Current Liabilities		1,417,325,234	2,012,391,304
Total Equity and Liabilities		3,278,162,975	3,730,981,433
Net Assets Value Per Share	33.03	24.94	24.88

The annexed notes 1 to 42 form an integral part of these financial statements.


Managing Director


Director


Company Secretary

Signed in terms of our annexed report of same date

Dated: Chattogram
08 September 2019





Hussain Farhad & Co.
Chartered Accountants
HFC

KDS ACCESSORIES LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019

	Note(s)	01 July 2018	01 July 2017
		to 30 June 2019	to 30 June 2018
		Taka	Taka
Revenue	25	2,302,159,637	2,070,885,808
Cost of goods sold	26	(1,884,155,518)	(1,693,576,814)
Gross Profit		418,004,019	377,208,994
Operating expenses	27	(1,35,820,080)	(120,943,536)
Selling and distribution expenses	28	(56,599,282)	(44,518,310)
Operating Profit		225,584,657	211,747,128
Finance cost	29	(130,101,160)	(102,452,340)
Finance income	30	79,974,391	58,508,370
Profit before other income		175,457,888	167,803,158
Other income	31	5,086,143	1,855,053
Profit/(loss) from investment in associate	7.02	61,846	(31,890)
Profit before income tax and distribution of WPPF and Welfare Fund		180,605,877	169,628,231
Workers' Profit Participation and Welfare Fund	24	(9,030,294)	(8,481,412)
Profit before income tax		171,575,583	161,146,819
Provision for income tax:			
-Current tax	21	(33,120,479)	(24,586,468)
-Deferred tax	19	(14,887)	(3,575,523)
Profit after income tax		138,440,217	132,984,828
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		138,440,217	132,984,828
Earnings Per Share (Basic)	33.01	2.20	2.21

The annexed notes 1 to 42 form an integral part of these financial statements.


Managing Director


Director


Company Secretary

Signed in terms of our annexed report of same date

Dated: Chattogram
08 September 2019




Hussain Farhad & Co.
Chartered Accountants
HFC

KDS ACCESSORIES LIMITED
Statement of Changes in Equity
For the year ended 30 June 2019

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
Balance as on 01 July 2017	572,000,000	120,000,000	214,391,703	512,354,021	1,418,745,724
Bonus share for the year 2016-2017	28,600,000	-	-	(28,600,000)	-
Cash dividend for the year 2015-2017	-	-	-	(57,200,000)	(57,200,000)
Net Profit after tax for the year	-	-	-	132,964,828	132,964,828
Balance as at 30 June 2018	600,600,000	120,000,000	214,391,703	559,538,849	1,494,530,552
Balance as on 01 July 2018	600,600,000	120,000,000	214,391,703	559,538,849	1,494,530,552
Bonus share for the year 2017-2018	30,030,000	-	-	(30,030,000)	-
Cash dividend for the year 2017-2018	-	-	-	(60,060,000)	(60,060,000)
Net Profit after tax for the year	-	-	-	138,440,217	138,440,217
Balance as at 30 June 2019	630,630,000	120,000,000	214,391,703	607,889,066	1,572,910,769


 Managing Director


 Director


 Company Secretary



KDS ACCESSORIES LIMITED
Statement of Cash Flows
For the year ended 30 June 2019

	Note(s)	01 July 2018 to 30 June 2019 Taka	01 July 2017 to 30 June 2018 Taka
A. Operating activities			
Received from customers		2,361,167,442	1,824,323,485
Received from other sources		3,435,183	3,298,500
Paid to suppliers		(1,996,571,842)	(1,483,747,345)
Paid for operating expenses		(126,339,037)	(71,193,514)
Cash generated by operations	32.00	241,691,746	272,681,126
Interest paid (net)		(82,484,931)	(66,360,542)
Income Tax Paid		(31,949,450)	(21,280,367)
Net cash flows from operating activities		127,257,365	185,040,217
B. Investing activities			
Acquisition of property, plant and equipment		(35,179,286)	(98,400,681)
Addition to intangible assets		-	-
Proceed from sale of non-current assets		1,734,000	305,500
Increase in investments		(901,681)	(584,346)
Net cash flows from investing activities		(34,346,967)	(98,679,527)
C. Financing activities			
Dividend Paid		(59,907,195)	(57,158,688)
Receipt / (Repayment) of long term loans		114,579,384	(77,584,407)
Repayment of lease finance		-	(646,529)
Receipt of short term borrowings		(252,168,221)	224,663,437
Short term loan paid to affiliated companies		107,471,985	(175,367,455)
Net cash flows from financing activities		(90,024,047)	(86,093,642)
D. Net changes of cash and cash equivalents (A+B+C)		2,886,351	267,048
E. Cash and cash equivalents at the beginning of the year		6,082,955	5,609,269
F. Effect of foreign exchange rate changes on cash and cash equivalents		278,790	206,638
G. Cash and cash equivalents at the end of the year (D+E+F)		9,248,096	6,082,955
Net operating cash flows per share	33.04	2.02	3.08


 Managing Director


 Director


 Company Secretary



KDS ACCESSORIES LIMITED
Notes to the Financial Statements
As at and for the year ended 30 June 2019

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 /A, Chattogram and factory is located at 191-192 Baizid Bostami Road, Nasirabad /A, Chattogram and the Company established its 2nd unit at Mirzapur, Gazipur at Dhaka in the year 2009. The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a publicly quoted company. Trading of the shares of the company started in two stock exchanges from 15 October 2015.

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

1.02 Nature of Business

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

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 a 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.



2.02 Basis of Reporting

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

- a) A statement of Financial Position as at 30 June 2019;
- b) A statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019;
- c) A statement of Changes in Equity for the year ended 30 June 2019;
- d) A statement of Cash Flows for the year ended 30 June 2019; and
- 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 07 September 2019.

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 and inventories which are measured at lower of cost and net realisable value.

2.06 Functional and Presentation Currency

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

2.07 Cash Flows Statement

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules 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 statements of the company covers one year from 01 July to 30 June and is followed consistently.

2.10 Application of Accounting Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following IASs and IFRSs are applied to preparation of the financial statements for the year under report:

Accounting Standards

IAS-1	Presentat on of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS 17	Leases
IAS -19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rate
IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-26	Accounting and Reporting by Retirement Benefit Plans
IAS-28	Investments in Associates and Joint Ventures
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-38	Intangible Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS- 13	Fair Value Measurement
IFRS- 15	Revenue from Contract with Customers

2.11 Initial application of new standards

The entity has initially applied IFRS 9 (see 3.08) and IFRS 15 (see 3.16) from 01 July 2018. These two new standards do not have a material effect on the financial statements.

Due to the transition methods chosen by the management in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.

2.12 Standards adopted but not yet effective

The Institute of Chartered Accountants of Bangladesh (ICAB) has adopted following new standard and amendment to standard-

IFRS - 16 Leases

IFRS 16 eliminates the earlier operating/finance lease dual accounting model for leases. Instead, there is a single, financial position accounting model, similar to current finance lease accounting. Issued in January 2016, the new IFRS is replaced the existing guidance in IAS 17 Leases. IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019.

The Company is assessing the potential impact on its financial statements resulting from the application of IFRS 16 on its financial statements.

2.13 Use of Estimates and Judgements

The preparation of these financial statements is in conformity with IAS and IFRS requires management to make judgements, 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 judgements 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: 18	Defined benefit obligation- gratuity
Note: 19	Deferred tax liability
Note: 21	Current tax liability

2.14 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.

2.15 Comparative Information and reclassification

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified wherever considered necessary to conform to current periods presentation.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

3.01	Consistency
3.02	Property, Plant and Equipment
3.03	Intangible Assets
3.04	Capital Work-in-Progress
3.05	Leaschuld Assets
3.06	Investment in Associates
3.07	Inventories
3.08	Financial Instruments
3.09	Impairment
3.10	Share Capital
3.11	Revaluation Reserve
3.12	Employee Benefits
3.13	Taxation
3.14	Loans and Borrowings
3.15	Provisions, Contingent Liabilities and Contingent Assets
3.16	Revenue Recognition
3.17	Operating Income
3.18	Finance Income and Cost
3.19	Foreign Currency Transaction / Translation
3.20	Related Party Transactions
3.21	Earnings Per Share (EPS)
3.22	Measurement of Fair Values
3.23	Events after the Reporting Period



3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended 30 June 2019 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2018.

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 year in which they incurred unless the activities that are necessary to prepare the qualifying assets for its intended use are in progress. Expenses capitalized also include applicable borrowing cost considering the requirement of IAS-23 "Borrowing Costs".

iii) Subsequent Costs and Maintenance Activities

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

iv) Revaluation of Property, Plant and Equipment

Financial statement of the company has been prepared on historical cost price basis. However, the prices of land have been increased substantially during the last few years due to high inflationary trend. In this circumstance, management of KDS Accessories Limited had decided to determine fair market value of the land through revaluation. Syful Shamsul Alam & Co, Chartered Accountants had revalued the lands of the company as on 31 December 2017, following "current cost method". Such revaluation resulted in a valuation surplus aggregating Tk. 214,391,703.

v) Depreciation

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

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

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



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

vi) Impairment of Assets

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

vii) Retirement and Disposals

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

3.03 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 IAS 38 Intangible assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

ii) Amortization

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

iii) Subsequent Cost

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

3.04 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 2019 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 IAS 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 year following the provisions of IAS 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 IAS-2 "Inventories" after making due allowance for any obsolete or slow moving item and details of valuation are as follows:

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

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

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

Loans and Receivables

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

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

a) Trade and Other Receivables

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

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

b) Advances, Deposits and Prepayments

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

Deposits are measured at payment value.

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

c) Cash and Cash Equivalents

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

Available-for-sale

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

3.08.02 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.

b) Interest-bearing borrowings

Interest-bearing borrowings comprise loans and operational overdraft.

3.09 Impairment

i) Financial Assets

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

ii) Non-financial Assets

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

3.10 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 will be 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 year in which the associated services are rendered by the employees of the Company.

ii) Workers' Profit Participation and Welfare Fund

The Company maintains a Worker's profit participation and welfare fund at 5% of net profit before tax as per the requirement of The Companies Profit (worker's participation) (amendment) ordinance 1985 & Labour Act 2006 (As amended in 2013).

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 IAS 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 amount in the deferred tax assets and liabilities has also been recognized in the statement of profit or loss and other comprehensive income as per IAS-12 'Income Taxes'.

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

Deferred tax on revaluation surplus of lands has not been recognized in the financial statements on the ground that 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 IAS 37 'Provisions, Contingent Liabilities and Contingent Assets', contingent liabilities and commitments are disclosed in the financial statements.

3.16 Revenue Recognition

Revenue is recognized when invoice for products and services are made and the significant risk and reward of ownership are transferred to the customers, recovery of the consideration is probable, associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The five step model has been complied in case of revenue recognition.

Specific policies regarding the recognition of revenue are as follows

Revenue from sales of goods

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

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

3.17 Operating Income

Operating income includes gain / (loss) on sale of property, plant and equipment and rental income. Operating income is recognized as revenue on accrual basis.

3.18 Finance Income and Cost

3.18.01 Finance Income

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

3.18.02 Finance Cost

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

3.19 Foreign Currency Transaction / Translation

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

3.20 Related Party Transactions

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

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

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



3.21 Earnings Per Share (EPS)

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

i) Basic Earnings Per Share:

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

ii) Diluted Earnings Per Share:

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

3.22 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.

3.23 Events after the Reporting Period

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



4.00 Property, plant and equipment - at revalued model

	Land and Land development	Plant and Machineries	Administrative Building	Factory Building	Office Equipment	Electric Installation	Furniture & Fixture	Computer Equipment	Motor Vehicle	Total
At cost										Amount in Taka
Balance as on 01 July 2017	419,730,792	845,729,327	42,090,876	356,460,485	76,272,242	41,393,090	13,501,476	24,342,952	66,293,547	1,835,816,387
Addition during the year	-	25,275,329	8,613,654	86,387,636	2,011,929	46,379,001	1,020,787	2,510,218	-	172,198,554
Disposal/Adjustment during the year	-	-	-	-	(120,000)	-	-	-	(1,346,385)	(1,466,385)
Balance as at 30 June 2018	419,730,792	871,005,256	50,704,530	442,848,121	28,164,171	87,772,091	14,522,263	26,854,170	64,947,162	2,006,548,556
Balance as on 01 July 2018	419,730,792	871,005,256	50,704,530	442,848,121	28,164,171	87,772,091	14,522,263	26,854,170	64,947,162	2,006,548,556
Addition during the year	11,483,912	9,203,410	112,500	11,135,005	986,453	2,548,104	342,099	1,050,109	-	36,861,592
Disposal/Adjustment during the year	-	-	-	-	-	-	-	-	(654,950)	(654,950)
Balance as at 30 June 2019	431,214,704	880,208,666	50,817,030	453,983,126	29,150,624	90,320,195	14,864,362	27,904,279	64,292,212	2,042,755,198
Accumulated depreciation										
Balance as on 01 July 2017	-	285,237,271	15,376,467	128,439,727	17,134,438	24,961,842	10,117,773	21,435,712	37,646,202	540,349,432
Charged for the year	-	55,717,642	1,301,426	17,934,737	2,282,029	8,612,701	1,294,200	1,822,876	7,269,671	96,235,282
Adjustment for disposal during the year	-	-	-	-	(111,464)	-	-	-	(1,346,384)	(1,457,848)
Balance as at 30 June 2018	-	340,954,913	16,677,893	146,374,464	19,305,003	33,574,543	11,411,973	23,258,588	43,569,489	635,126,866
Balance as on 01 July 2018	-	340,954,913	16,677,893	146,374,464	19,305,003	33,574,543	11,411,973	23,258,588	43,569,489	635,126,866
Charged for the year	-	58,150,244	1,662,312	21,631,025	2,353,050	10,434,086	1,132,987	1,987,784	6,963,933	104,316,021
Adjustment for disposal during the year	-	-	-	-	-	-	-	-	(571,910)	(571,910)
Balance as at 30 June 2019	-	399,105,157	18,340,205	168,006,089	21,658,053	44,008,629	12,544,960	25,246,372	49,961,512	738,870,977
Carrying amount										
As at 30 June 2018	419,730,792	530,050,343	34,026,637	296,473,657	8,859,168	54,197,548	3,110,290	3,595,582	21,377,673	1,371,421,690
As at 30 June 2019	431,214,704	481,109,509	32,476,825	285,977,037	7,492,571	46,311,566	2,319,402	2,657,907	14,330,700	1,303,884,221

Note(s)	01 Jul 2017 to	
	30 Jun 2018	30 Jun 2019
Allocation Basis	Taka	Taka
26.02	83,452,817	76,988,276
27.00	20,863,204	19,247,056
	104,316,021	96,235,282

Depreciation allocated to:

Factory Overhead	80%	83,452,817	76,988,276
Operating Expenses	20%	20,863,204	19,247,056
		104,316,021	96,235,282



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	Motor Vehicle	Total
At cost										
Balance as on 01 July 2017	205,339,089	845,720,927	42,090,876	356,460,485	26,272,242	41,393,090	13,501,476	24,343,952	66,293,547	1,521,424,584
Addition during the year	-	25,275,329	8,613,654	86,387,636	2,011,929	46,379,001	1,020,787	2,510,218	-	172,198,554
Disposal/Adjustment during the year	-	-	-	-	(120,000)	-	-	-	(1,346,385)	(1,466,385)
Balance as at 30 June 2018	205,339,089	871,005,256	50,704,530	442,848,121	28,164,171	87,772,091	14,522,263	26,854,170	64,947,162	1,792,156,853
Balance as on 01 July 2018	205,339,089	871,005,256	50,704,530	442,848,121	28,164,171	87,772,091	14,522,263	26,854,170	64,947,162	1,792,156,853
Addition during the year	11,483,912	9,203,410	112,500	11,135,005	986,453	2,548,104	342,099	1,050,109	-	36,861,592
Disposal/Adjustment during the year	-	-	-	-	-	-	-	-	(654,950)	(654,950)
Balance as at 30 June 2019	216,823,001	880,208,666	50,817,030	453,983,126	29,150,624	90,320,195	14,864,362	27,904,279	64,292,212	1,828,363,495
Accumulated depreciation										
Balance as on 01 July 2017	-	285,237,271	15,376,467	128,439,727	17,134,438	24,961,842	10,117,773	21,435,712	37,646,202	540,349,432
Charged for the year	-	55,717,642	1,301,426	17,934,737	2,282,029	8,612,701	1,294,200	1,822,876	7,269,671	96,235,282
Adjustment for disposal during the year	-	-	-	-	(111,464)	-	-	-	(1,346,384)	(1,457,848)
Balance as at 30 June 2018	-	340,954,913	16,677,893	146,374,464	19,305,003	33,574,543	11,411,973	23,258,588	43,569,489	635,126,866
Balance as on 01 July 2018	-	340,954,913	16,677,893	146,374,464	19,305,003	33,574,543	11,411,973	23,258,588	43,569,489	635,126,866
Charged for the year	-	58,150,244	1,562,312	21,651,625	2,353,050	10,434,086	1,132,987	1,987,784	6,963,933	104,316,021
Adjustment for disposal during the year	-	-	-	-	-	-	-	-	(571,910)	(571,910)
Balance as at 30 June 2019	-	399,105,157	18,340,205	168,006,089	21,658,053	44,008,629	12,544,960	25,246,372	49,961,512	738,870,977
Carrying amount										
As at 30 June 2018	205,339,089	530,050,343	34,026,637	296,473,657	8,859,168	54,197,548	3,110,290	3,595,582	21,377,673	1,157,029,987
As at 30 June 2019	216,823,001	481,103,509	32,476,825	285,977,037	7,492,571	46,311,566	2,319,402	2,657,907	14,330,700	1,089,492,518



	Note(s)	30 June 2019 Taka	30 June 2018 Taka			
5.00 Intangible assets						
Software	5.01	952,397	1,662,505			
		952,397	1,662,505			
5.01 Intangible assets schedule						
Cost						
Opening balance		6,355,893	6,355,893			
Add: Addition during the year		-	-			
Closing balance		6,355,893	6,355,893			
Accumulated amortization						
Opening balance		4,693,388	3,628,901			
Add: Charged during the year		710,108	1,054,487			
Closing balance		5,403,496	4,693,388			
Carrying amount		952,397	1,662,505			
6.00 Capital work-in-progress						
Opening balance		14,529,904	88,327,777			
Add: Expenditure incurred during the year	6.01	2,611,857	70,377,202			
		17,141,761	158,704,979			
Less: Adjustment made during the year	6.01	-	(544,969)			
Less: Capitalized during the year	6.01	(4,294,163)	(143,630,106)			
Closing balance		12,847,598	14,529,904			
6.01 Details of capital work-in-progress						
		Opening Balance	Additions during the year	Capitalized during the Year	Balance as on 30 June 2019	Balance as on 30 June 2018
Land and land development		12,847,598	-	-	12,847,598	12,847,598
Plant & machinery		1,682,306	2,611,857	(4,294,163)	-	1,682,306
		14,529,904	2,611,857	(4,294,163)	12,847,598	14,529,904
					30 June 2019 Taka	30 June 2018 Taka
7.00 Investment in associate						
SKYS Securities Limited	7.01	48,327,650			48,327,650	48,265,804
		48,327,650			48,327,650	48,265,804
7.01 Movement of Investment in associates						
Investment in equity share		23,405,000			23,405,000	23,405,000
Share of profit/(loss)						
Opening balance		24,860,804			24,860,804	24,892,694
Share of profit/(loss) for the year	7.02	61,846			61,846	(31,890)
		24,922,650			24,922,650	24,860,804
		48,327,650			48,327,650	48,265,804
7.02 Share of profit/(loss) of associates (Net of tax)						
Net profit attributable to the shareholders' of associate		132,461			132,461	(68,302)
Ownership						
		46.69%			46.69%	
Net profit/ (Loss) attributable to KDS Accessories Limited		61,846			61,846	(31,890)
		61,846			61,846	(31,890)



	30 June 2019	30 June 2018					
	Taka	Taka					
7.03 Summary of financial information of equity accounted investee:							
Non-current assets	90,502,547	87,664,421					
Current assets	150,240,406	149,099,526					
Total assets	240,742,953	236,763,947					
Share capital	50,132,000	50,132,000					
Revaluation surplus (CSE Membership)	37,873,300	37,873,300					
Retained earnings	15,502,197	15,369,736					
Shareholders' equity	103,507,497	103,375,036					
Current liabilities	137,235,456	133,388,911					
Total liabilities	137,235,456	133,388,911					
Total equity & liabilities	240,742,953	236,763,947					
	01 July 2018	01 July 2017					
	to 30 June 2019	to 30 June 2018					
	Taka	Taka					
Revenue	10,072,991	7,909,703					
Other income	3,403,094	3,837,724					
Expenses	(13,343,624)	(11,815,729)					
Net profit	132,461	(68,302)					
8.00 Other investment							
Investment in Fixed Deposit Receipts	5,315,852	4,920,847					
	5,315,852	4,920,847					
	Name of Banks	Purpose	Period	Interest rate			
	Bank As'a Limited	Bank Guarantee	1 year	7.00%	4,151,700	3,911,144	
	Exim Bank Limited	Bank Guarantee	3 years	6.5%-9.25%	1,164,152	1,009,703	
					5,315,852	4,920,847	
9.00 Inventories							
Raw materials		341,571,661	468,878,644				
Work-in-process		26,269,317	27,448,184				
Finished goods		11,564,987	10,121,058				
Stores & spares		47,798,637	52,924,959				
Goods in transit		42,069,109	107,690,845				
		469,273,711	667,063,710				
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	4,155,121	9,909,613	14,065,734	(13,132,832)	932,902
	White Liner Paper	Kg	49,060	75,218	124,278	(124,278)	-
	Medium Paper	Kg	2,099,835	8,070,231	10,170,066	(9,072,508)	1,147,557
	Duplex Board	Kg	13,798	139,252	153,050	(143,468)	9,582
	Stitching Wire	Kg	1,608	-	1,608	(1,608)	-
	Yarn	Kg	52,325	188,243	241,108	(168,141)	73,027
	Starch	Kg	28,305	309,000	337,905	(337,905)	-
	Adhesive Powder	Kg	14,391	236,000	250,991	(219,062)	31,929
	Art Card	Kg	47,356	15,734	63,090	(57,315)	5,775
	Chemical	Ltr	2,855	14,884	17,739	(17,269)	470
	Resin	Kg	47,384	189,860	237,244	(235,017)	1,227
	PP Strap	Kg	14,824	15,360	30,184	(30,184)	-
	Rubber Thread	Kg	10,222	14,000	24,222	(18,158)	6,064
	Transfer Film	Kg	2,672	2,879	5,551	(5,388)	162
	P. Ink	Kg	10,719	19,265	29,984	(22,679)	7,305
	Pigment	Kg	734	1,260	1,994	(1,893)	101
	Ribbon	Kg	10,659	1,520,122	1,530,781	(1,528,632)	2,149
	Self Adhesive Sticker	Kg	112	-	112	(112)	-
	OPP Gum Tape	Kg	21,076	100,890	121,967	(84,865)	37,102
	GPPS/PP/HIPS	Kg	1,617	194,300	195,917	(187,106)	8,512
			6,587,472	21,015,812	27,603,285	(25,339,420)	2,263,864



9.01 Quantitative movement of raw materials and finished goods

Finished goods

Product name	Unit	Opening balance	Production	Available for sale	Sales	Closing balance
Carton	Pcs	83,850	26,210,626	26,294,476	(26,173,400)	121,076
Label	Pcs	403,575	87,492,430	87,896,005	(87,538,834)	357,171
Elastics and Narrow Fabrics	Yards	687,500	19,076,753	19,764,253	(19,054,918)	709,335
Offset Printing	Pcs	139,321	87,763,426	87,902,747	(87,701,409)	201,338
Heat Transfer Printing	Pcs	25,891	11,768,543	11,794,434	(11,774,459)	19,975
Button	SG	7,795	208,659	216,454	(211,283)	5,171
Gum Tape	Rolls	3,747	643,139	646,886	(643,870)	3,016
Hanger	Pcs	468,510	21,390,858	21,859,368	(21,771,975)	87,393
		1,820,189	254,554,434	256,374,622	(254,870,148)	1,504,474

	Note(s)	30 June 2019 Taka	30 June 2018 Taka
10.00 Trade receivables			
Opening balance		1,128,378,143	845,978,918
Add: Addition during the year	25.00	2,302,159,637	2,070,885,808
Add: Adjustment for foreign currency translation gain	10.02	29,002,345	35,836,902
		3,459,540,125	2,952,701,628
Less: Realized during the year		(2,361,167,442)	(1,824,323,485)
		1,098,372,683	1,128,378,143

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

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

	30 June 2019 Taka	30 June 2018 Taka
10.03 Trade receivables include affiliated companies		
KDS Apparels Limited	2,457,091	650,123
KDS Fashion Limited	47,900,053	41,474,135
KDS Garment Industries Limited	3,376,556	14,777,008
KDS Logistics Limited	1,536,342	740,828
KDS IDR Limited	61,790,845	35,514,830
KYCR Coil Industries Ltd.	318,476	172,951
	117,379,363	93,329,376
10.04 Ageing of trade receivables		
Dues within 3 Months	531,398,510	513,906,467
Dues over 3 Months but within 6 months	566,974,173	614,471,676
	1,098,372,683	1,128,378,143
10.05 Trade receivables - classification by security and related party:		
Receivable considered good and secured	1,098,372,683	1,128,378,143
Receivable considered good without security	-	-
Receivable considered doubtful or bad	-	-
Receivable due by directors or other officers	-	-
Receivable due from companies under same management	117,379,363	93,329,376
Maximum receivable due by directors or officers at any time	-	-
11.00 Other receivables		
Accrued interest income on FOR	391,548	373,446
	391,548	373,446



	Note(s)	30 June 2019 Taka	30 June 2018 Taka
12.00 Advances, deposits and prepayments			
Advances	12.01	31,619,647	44,732,285
Security deposits	12.02	11,989,449	11,694,449
Prepayments	12.03	2,890,692	1,922,663
		46,499,788	58,349,397
12.01 Advances			
Against salary and allowances		683,360	783,229
Against advertisement		-	500,000
Against income tax	12.01.01	25,066,268	19,650,619
Others		5,870,019	23,795,437
		31,619,647	44,732,285
12.01.01 Advance income tax			
Opening balance		19,650,619	18,193,240
Add: Paid/deducted during the year		25,027,516	19,615,367
Less: Adjusted during the year		(19,611,867)	(18,154,988)
Closing balance		25,066,268	19,650,619
12.02 Security deposits			
T & T		20,000	20,000
Titas Gas Transmission & Distribution Company Limited		1,555,200	1,260,200
Gazipur Palli Bidyut Samity		9,065,088	9,065,088
Karnaphuli Gas Transmission Limited		549,161	549,161
Central Depository Bangladesh Limited (CDBL)		500,000	500,000
Gulshan Club Limited		300,000	300,000
		11,989,449	11,694,449
12.03 Prepayments			
Insurance premium		1,895,331	1,687,098
Upfront interest		995,361	235,565
		2,890,692	1,922,663
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.		
13.00 Due from affiliated companies			
KDS Poly Industries Limited		245,393,333	421,112,376
KDS Thread Limited		28,328,766	-
		273,722,099	421,112,376
13.01	The amount represent short term loan provided to KDS Poly Industries Limited and KDS Thread Limited as and when required to meet funding requirement. All transactions were done through banking channel and interests were charged on outstanding balances.		
14.00 Short term investment			
Investment in Fixed Deposit Receipts		9,327,332	8,820,656
		9,327,332	8,820,656
Above Fixed Deposits maintained with Bank Asia Limited, Agrabad Branch, Chattogram have been kept as lien. The rate of interest is 6%-7% per annum.			
	Note(s)	30 June 2019 Taka	30 June 2018 Taka
15.00 Cash and cash equivalents			
Cash in hand	15.01	1,104,586	917,833
Cash at bank	15.02	8,143,510	5,165,122
		9,248,096	6,082,955
15.01 Cash in hand			
Head office		675,365	538,420
Dhaka office		292,975	345,807
Gazipur factory office		136,246	32,606
		1,104,586	917,833



15.02 Cash at Bank			30 June 2019	30 June 2018
Name of Banks	Branch	Account Type	Taka	Taka
Bank Asia Limited	MCB Banani	SND	1,248	1,220
Bank Asia Limited	Agrabad	USD	1,605	1,571
Bank Asia Limited	Agrabad	Retention Quota	214,283	209,781
Bank Asia Limited	MCB Banani	Retention Quota	656,191	495,763
Bank Asia Limited	MCB Banani	RAD	731	715
Bank Asia Limited	MCB Banani	RAD	36,570	2,164,001
Bank Asia Limited	MCB Banani	SND	181,240	283,137
Dutch Bangla Bank Limited	Jubilee Road	Current	310,259	5,421
HSBC	Agrabad	Current	15,973	2,116
Mutual Trust Bank Limited	Motijheel	Escrow	122,397	120,653
Mutual Trust Bank Limited	Motijheel	Escrow-USD	618,769	642,647
Mutual Trust Bank Limited	Motijheel	Escrow-GBP	13,133	14,061
NCC Bank Limited	Baridhara	Current	140,945	13,495
Standard Chartered Bank	Agrabad	Current	594,231	776,209
Standard Chartered Bank	Agrabad	Current	477,320	351,338
Standard Chartered Bank	Agrabad	Current	4,758,615	81,962
Trust Bank Limited	Dewan Bazar	Current	-	1,032
			8,143,510	5,165,122

16.00 Share capital

Authorized Capital

200,000,000 Ordinary Shares of Tk. 10 each	2,000,000,000	2,000,000,000
	2,000,000,000	2,000,000,000

Issued, subscribed and paid-up Capital

1,000 Ordinary Shares of Tk. 10 each as at 21 April 1991	10,000	10,000
2,100,000 Ordinary Shares of Tk. 10 each as at 17 June 2004	21,000,000	21,000,000
10,505,000 Ordinary Shares of Tk. 10 each as at 30 June 2010	105,050,000	105,050,000
17,522,340 Ordinary Shares of Tk. 10 each as at 6 March 2012	175,223,400	175,223,400
9,871,660 Ordinary Shares of Tk. 10 each as at 8 June 2013	98,716,600	98,716,600
12,000,000 Ordinary Shares of Tk. 10 each issued through IPO 10 September 2015	120,000,000	120,000,000
5,200,000 Ordinary Shares of Tk. 10 each as at 01 September 2016 (Bonus share)	52,000,000	52,000,000
2,860,000 Ordinary Shares of Tk. 10 each as at 07 November 2017 (Bonus share)	28,600,000	28,600,000
3,003,000 Ordinary Shares of Tk. 10 each as at 04 November 2018 (Bonus share)	30,030,000	-
63,063,000 Ordinary Shares of Tk. 10 each	630,630,000	600,600,000

16.01 Shareholding position

Name of the shareholders	30 June 2019		30 June 2018	
	Percentage of holding	Number of shares	Percentage of holding	Number of shares
Mr. Khalilur Rahman	55.17%	34,790,160	46.92%	28,181,046
Mr. Salim Rahman	14.09%	8,886,241	16.16%	9,703,245
Mr. S. M. Shameem Iqbal	0.72%	455,688	5.38%	3,233,925
Ms. Hasina Iqbal	1.03%	650,622	4.62%	2,772,144
Ms. Tahsina Rahman	3.84%	2,424,343	3.84%	2,308,899
Ms. Tahmina Rahman	0.00%	384	0.00%	366
KDS Garments Inds. Limited	2.01%	1,268,589	2.01%	1,208,180
General Public (IPO)	23.13%	14,586,973	21.07%	12,652,195
	100%	63,063,000	100%	60,060,000



16.02 Classification of shares by holding

Slab by number of shares	No. of Shareholders	No. of Shares	Holding (%)
Less than 500	2,691	407,968	0.65%
From 500 to 5,000	2,248	3,848,617	6.10%
From 5,001 to 10,000	245	1,808,216	2.87%
From 10,001 to 20,000	122	1,749,140	2.77%
From 20,001 to 30,000	39	959,795	1.52%
From 30,001 to 40,000	18	642,912	1.02%
From 40,001 to 50,000	8	360,834	0.57%
From 50,001 to 100,000	25	1,682,317	2.67%
From 100,001 to 1,000,000	17	5,817,308	9.22%
Above 1,000,000	3	45,790,893	72.61%
	5,416	63,063,000	100%

Note(s)	30 June 2019	30 June 2018
	Taka	Taka
17.00 Long term borrowings		
Opening balance	204,141,486	281,725,894
Add: Received during the year	200,000,000	-
Add: Interest applied	26,825,738	23,390,381
Add: Bank charges	77,650	118,150
	431,044,874	305,234,425
Less: Paid during the year	(112,324,005)	(101,092,939)
Closing balance	318,720,870	204,141,486
17.01 Current/non-current classification		
Due within one year	150,891,654	90,559,800
Due after one year	167,829,216	113,581,586
	318,720,870	204,141,486

17.02 Details of long term borrowings	Note(s)		
Bank Asia Limited - Agrabad	17.03	8,996,442	21,387,546
Bank Asia Limited - MCB Banani	17.04	29,877,127	37,207,752
Trust Bank Limited	17.05	64,716,446	96,368,698
NCC Bank Limited	17.06	3,706,734	4,694,290
Southeast Bank Limited	17.07	24,473,455	44,483,160
IIDFC Limited	17.08	186,950,666	-
		318,720,870	204,141,486

17.03 Bank Asia Limited, Agrabad, Chattogram.

Total sanctioned amount	Tk. 6.50 Crore
Year	2015
Purpose	Machinery Import
Interest rate	10% (Revised from time to time)
Tenure	Five years
Payment method	The loan is repayable in equal monthly installment (EMI).
Securities	i) Hypothecation on movable assets.

17.04 Bank Asia Limited, MCB Banani, Dhaka.

Total sanctioned amount	Tk. 7.30 Crore
Year	2015
Purpose	Construction of factory building, Utility building.
Interest rate	10% (Revised from time to time)
Tenure	Seven years
Payment method	The loan is repayable in equal monthly installment (EMI).
Securities	i) Personal Guarantee of directors.

17.05 Trust Bank Limited, Dewan Bazar, Chattogram.

Total sanctioned amount	Tk. 30.00 Crore
Year	2017
Purpose	Working Capital
Interest rate	11% (Revised from time to time)
Tenure	Four years



Payment method	The loan is repayable in Equal Monthly Installment (EMI).
Securities	i) Personal Guarantee of directors. ii) Hypothecation on movable assets.

17.06 NCC Bank Limited, Baridhara, Dhaka

Total sanctioned amount	Tk. 55.75 Lac
Year	2017
Purpose	Motor Vehicle
Interest rate	13.00% (Revised from time to time)
Tenure	Five years
Payment method	The loan is repayable in Equal Monthly Installment (EMI).
Securities	i) Personal Guarantee of directors. ii) Registration of the vehicle in the joint name of NCC Bank Limited and KDS Accessories Limited

17.07 Southeast Bank Limited, Agrabad, Chattogram.

Total sanctioned amount	Tk. 6 Crore
Purpose	Retrofitting Works
Year	2017
Interest rate	12% (Revised from time to time)
Tenure	Three years
Payment method	The loan is repayable in Equal Monthly Installment (EMI).
Securities	i) Personal Guarantee of directors. ii) Hypothecation on movable assets.

17.08 Industrial and Infrastructure Development Finance Company (IIDFC) Limited, Agrabad, Chattogram.

Total sanctioned amount	Tk. 20 Crore
Purpose	Working Capital
Year	2019
Interest rate	13.75% (Revised from time to time)
Tenure	Four years
Payment method	The loan is repayable in Equal Monthly Installment (EMI).
Securities	i) Personal Guarantee of directors.

	Note(s)	30 June 2019 Taka	30 June 2018 Taka
18.00 Defined benefit obligation- gratuity			
Opening balance		66,478,037	59,715,197
Add: Provision made during the year	26.02 & 27	11,478,903	8,375,464
		77,956,940	68,090,661
Less: Paid during the year		(1,873,925)	(1,612,624)
Closing balance		76,083,015	66,478,037

19.00 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 method for gratuity obligation and investment in associates.

	30 June 2019 Taka	30 June 2018 Taka
Opening balance	43,999,854	40,424,331
Provided during the year		
Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land)	1,203,140	4,427,256
Provision for Gratuity	(1,200,622)	(845,355)
Investments in associates	12,369	(6,378)
	14,887	3,575,523
Adjusted during the period	-	-
Closing balance	44,014,741	43,999,854



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

	Carrying Amount	Tax Base	Tax Rate	Taxable / (Deductible) Temporary Difference	Deferred tax liabilities/ (assets)
	Taka	Taka	Percentage	Taka	Taka
Property, plant & equipment:	873,621,914	478,221,384	12.50%	395,400,530	49,425,066
Gratuity	(76,083,015)	-	12.50%	(76,083,015)	(9,510,377)
Investment in associates	48,327,550	23,405,000	15% - 20%	24,922,650	4,100,052
Net taxable temporary difference				344,240,165	44,014,741
				30 June 2019	30 June 2018
			Note(s)	Taka	Taka
20.00 Trade and other payables					
Trade payable			20.01	418,872,754	815,590,719
For revenue expenses			20.02	137,094,202	117,965,152
For other finance			20.03	2,491,945	4,001,519
				558,458,901	937,557,390
20.01 Trade payable					
Liability for imported goods				399,702,319	797,026,915
Liability for local goods				19,170,435	18,563,804
				418,872,754	815,590,719
Liability for imported goods includes foreign currency translation loss of Tk. 2,506,638 (foreign currency translation loss for the corresponding year 2017-2018 was of Tk. 20,095,733) arising due to translation of trade payables in foreign currency at the reporting date.					
20.02 For revenue expenses					
Audit fee				297,000	270,000
C & F charges				5,408,753	11,073,238
Commission on sales				3,187,244	-
Electricity bill				110,865	482,145
Employee salaries and director's remuneration				25,430,721	25,454,954
Gas charges				1,557,032	1,661,952
Insurance expenses				5,449,542	4,036,602
Provident fund				79,073,891	65,302,885
Rent expenses				15,312,274	9,506,806
Telephone & mobile bill				266,880	176,570
				137,094,202	117,965,152
20.03 For other Finance					
IPO over subscription money payable				584,168	619,875
Staff income tax				899,105	1,274,210
Supplier income tax				291,261	229,123
Tax & VAT on rent expenses				101,851	1,385,348
Tax & VAT on audit fee				82,500	71,250
VAT payable-others				165,076	206,534
Dividend deposited but not yet claimed				367,984	215,179
				2,491,945	4,001,519
21.00 Current tax liability					
Opening balance				36,859,697	32,093,217
Add: Provision made during the year			21.01	33,120,479	24,586,468
				69,980,176	56,679,685
Less: Paid/adjusted during the year				(25,533,801)	(19,819,988)
				43,446,375	36,859,697
				30 June 2019	30 June 2018
				Rate	Taka
21.01 Reconciliation of effective tax rate					
Profit before tax					171,575,583
Total income tax expense				19.30%	33,120,479
					161,146,819
				15.26%	24,586,468



	30 June 2019		30 June 2018	
	Rate	Taka	Rate	Taka
Factors affecting the tax charge:				
Tax using the applicable rate	25.00%	42,893,896	25.00%	40,286,705
Difference between accounting and fiscal depreciation	-1.40%	(2,406,280)	-5.49%	(8,854,511)
Inadmissible expenses	1.23%	2,112,185	1.11%	1,791,092
Difference between WPPF & WF provision and payment	0.13%	220,240	-0.52%	(840,367)
Difference between gratuity provision and payment	1.40%	2,401,245	1.05%	1,690,710
Rebate on export sales	-6.98%	(11,970,345)	-5.89%	(9,495,134)
Adjustment for reduced rated taxable income	-0.07%	(115,000)	0.00%	-
Unrealised (profit)/loss from investment in associates	-0.01%	(15,462)	0.00%	7,973
	19.30%	33,120,479	15.26%	24,686,468
			30 June 2019	30 June 2018
	Note(s)		Taka	Taka
22.00 Due to affiliated company				
KDS Thread Limited			-	39,918,292
			-	39,918,292
22.01				
The amount represent short term loan received from KDS Thread Limited as and when required to meet funding requirement. All transactions were done through banking channel and interest was charged on outstanding balances.				
23.00 Short term bank loan				
Bank Overdraft	23.01	14,945,579	31,083,819	
Loan Against Trust Receipt (LATR)	23.02	24,850,614	110,838,032	
Local Documentary Bill Purchase (LDBP)	23.03	351,688,492	320,172,498	
Demand Loan and Time Loan	23.04	198,947,900	380,506,457	
		590,432,585	842,600,806	
23.01 Bank Overdraft				
Bank Asia Limited		13,461,435	28,483,690	
Southeast Bank Limited		1,484,143	2,600,129	
		14,945,579	31,083,819	
23.02 Loan Against Trust Receipt (LATR)				
Standard Chartered Bank		-	80,263,002	
Southeast Bank Limited		24,127,227	29,695,417	
Bank Asia Limited		723,387	879,613	
		24,850,614	110,838,032	
23.03 Local Documentary Bill Purchase (LDBP)				
Bank Asia Limited		203,465,183	260,552,663	
Standard Chartered Bank		148,223,309	59,619,835	
		351,688,492	320,172,498	
23.04 Demand Loan and Time Loan				
Bank Asia Limited		118,947,900	220,281,457	
Standard Chartered Bank		80,000,000	-	
Dutch Bangla Bank Limited		-	151,225,000	
		198,947,900	380,506,457	
24.00 Provision for WPPF and Welfare Fund				
Opening balance		64,895,319	61,364,257	
Add: Provision made during the year		9,030,294	8,481,412	
Add: Interest during the year	27.00	8,319,440	6,892,528	
Less: Paid during the year		(8,149,334)	(11,842,878)	
		74,095,719	64,895,319	

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 of Office of The Joint Director of Labor, Chattogram Division was also obtained. Meantime the company has credited interest on the non-distributed WPP & WF fund till 30 June 2019 with a view to protecting the interest of the workers. However, during the year the Company has distributed WPPF and Welfare Fund for the year 2012. The Company expects to distribute the remaining fund gradually.

	Notes	01 July 2018 to 30 June 2019		01 July 2017 to 30 June 2018	
		USD	Taka	USD	Taka
25.00 Revenue					
Export sales	25.01	28,376,280	2,302,159,637	26,435,512	2,070,885,808
		28,376,280	2,302,159,637	26,435,512	2,070,885,808



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

Product name	01 July 2018 to 30 June 2019		01 July 2017 to 30 June 2018	
	(%)	Taka	(%)	Taka
Carton	77.41%	1,782,071,439	77.07%	1,596,128,495
Label	3.53%	81,177,670	2.95%	61,178,765
Elastics and Narrow Fabrics	5.53%	127,283,883	5.79%	119,909,951
Offset Printing	2.91%	66,910,837	4.80%	99,313,875
Heat Transfer Printing	0.60%	13,867,257	0.99%	20,484,054
Button	5.04%	116,112,745	4.88%	100,994,947
Gum Tape	0.96%	22,058,018	0.77%	15,867,839
Hanger	4.03%	92,577,778	2.75%	57,007,842
	100%	2,302,159,637	100%	2,070,885,808

	Note(s)	01 July 2018	01 July 2017
		to 30 June 2019	to 30 June 2018
		Taka	Taka
26.00 Cost of goods sold			
Raw materials consumed	26.01	1,570,610,082	1,395,532,530
Factory overhead	26.02	315,215,863	301,552,472
Cost of Production		1,885,825,945	1,697,084,952
Add: Opening work in process		27,448,184	18,432,284
Less: Closing work in process	9.00	(26,269,317)	(27,448,184)
Cost of goods manufactured		1,887,004,812	1,688,069,052
Goods used for sample making	28.00	(1,405,275)	(1,325,455)
		1,885,599,537	1,586,743,597
Opening finished goods		10,121,068	17,054,285
Cost of goods available for sale		1,895,720,605	1,703,797,882
Closing finished goods	9.00	(11,564,987)	(10,121,068)
		1,884,155,618	1,693,676,814
26.01 Raw materials consumed			
Opening inventory		468,878,644	307,994,045
Add: Purchases during the year		1,443,303,099	1,556,417,129
Total materials available		1,912,181,743	1,864,411,174
Less: Closing inventory	9.00	(341,571,661)	(468,878,644)
		1,570,610,082	1,395,532,530
26.02 Factory overhead			
Salaries, wages and others		131,912,641	110,082,498
Ansary/security cost		3,333,218	3,197,895
Depreciation	4.00	83,452,817	76,988,226
Electricity expenses		8,806,712	16,090,823
Fuel expenses		12,972,814	11,417,629
Gas and furnace oil expenses		22,875,827	33,671,757
Generator running expenses		1,850,388	1,830,669
Gratuity	18.00	2,295,781	1,675,093
Insurance premium		2,342,158	2,088,987
Labour charges		3,168,445	3,740,975
Printing and processing charges		4,131,579	2,689,955
Repair and maintenance		5,602,884	5,166,800
Stores and spares consumption	25.03	19,086,508	22,400,411
Telephone expenses		1,554,228	1,245,215
Testing fee		3,352,704	1,451,329
Uniform and liveries		809,685	924,189
Vehicle maintenance expenses		7,035,739	6,219,681
Water and sanitation expenses		531,735	670,290
		315,215,863	301,552,472
26.03 Stores and spares consumption			
Opening inventory		52,924,969	43,169,743
Add: Purchases during the year		13,960,176	32,155,637
Total spare parts available		66,885,145	75,325,380
Less: Closing inventory	9.00	(47,798,637)	(52,924,969)
		19,086,508	22,400,411



		01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
	Note(s)	Taka	Taka
27.00 Operating expenses			
Salaries and wages		61,140,088	52,019,667
Director's remuneration		2,500,000	2,500,000
Audit fee		379,500	341,250
Amortization	5.00	710,108	1,064,487
Depreciation	4.00	20,863,204	19,247,056
Consultancy fee		-	251,000
Electricity expenses		1,554,126	2,839,557
Entertainment		2,104,048	1,842,474
Fuel expenses		2,289,370	2,014,875
Gratuity	18.00	9,183,122	6,700,371
Group insurance		619,633	587,833
Guest house expenses		345,600	357,165
Insurance expenses		1,839,583	1,807,532
Interest on WPPF	24.00	8,319,440	6,892,528
Internet expenses		1,898,056	1,953,835
Medical expenses		313,608	190,117
Miscellaneous expenses		1,145,120	1,043,420
Periodicals expenses		27,305	27,610
Office maintenance		392,040	720,290
Postage and parcel expenses		650,777	461,183
Printing and stationeries		2,137,800	1,790,233
Professional fees		375,203	410,420
Rent expenses - Dhaka office		7,027,680	6,708,740
Rent, rates, license, renewal and others fee		2,588,675	2,900,385
Repair and maintenance		988,744	911,788
Security cost - Anson cost		588,215	564,334
Fooding expenses		2,234,580	1,894,427
Training expenses		26,629	29,840
Telephone		1,654,228	1,245,215
Travelling and conveyance		1,141,890	935,044
Vehicle maintenance expenses		781,749	691,076
		135,820,080	120,943,556
28.00 Selling and distribution expenses			
Salaries, wages and allowances		14,718,580	12,447,949
Advertisement expenses		1,184,273	2,943,194
Carriage outward		27,921,975	25,351,432
Employee reward		-	37,000
Sales promotion and commission expenses		11,369,179	2,413,280
Sample expenses	26.00	1,405,275	1,325,455
		56,599,282	44,518,310
29.00 Finance cost			
Interest on bank and inter company loan		117,021,386	91,357,383
Bank charges and commission		13,079,774	11,094,957
		130,101,160	102,452,340
30.00 Finance income			
Interest earned from FDR		1,037,191	552,446
Interest earned from STD		30,744	33,181
Interest income from inter-company receivable		46,566,396	35,392,121
Gain/(Loss) on currency fluctuation		32,340,060	22,430,622
		79,974,391	58,508,370
31.00 Other income			
Rental income		1,560,000	1,560,000
Gain on sale of assets		1,650,960	296,963
Wastage Sales		1,875,183	-
		5,086,143	1,856,963



	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
32.00 Reconciliation of cash generated by operations	Taka	Taka
Profit before income tax	171,575,583	161,146,819
Depreciation charged	104,316,021	96,235,282
Amortization charged	710,108	1,064,487
(Gain)/loss on sale of property, plant and equipment	(1,650,950)	(296,963)
Profit/(loss) from investment in associate	(61,846)	31,890
Finance Income	(79,974,391)	(58,508,370)
Finance Cost	130,101,160	102,452,340
Increase in Inventory	197,783,999	(211,998,837)
Increase in Trade Receivables (after adjusting foreign currency fluctuation gain)	59,007,805	(246,562,323)
(Increase)/ Decrease in other receivables	-	1,738,500
(Increase) / Decrease in Advances, Deposits and Pre-payments	17,265,258	25,750,375
Increase in Trade and Other payables (after adjusting foreign currency fluctuation loss)	(376,192,369)	391,334,024
Increase in provision of WPPF and WF	9,200,400	3,531,062
Increase in the provision of gratuity	9,604,978	6,762,847
	241,691,746	272,681,126
33.00 Earnings Per Share (EPS)		
33.01 Basic Earnings Per Share		
The computation of EPS is given below:		
Total earnings attributable to the ordinary shareholders	138,440,217	132,984,878
Number of ordinary shares outstanding during the year	63,063,000	60,660,000
Weighted average number of ordinary shares outstanding during the year	63,063,000	60,660,000
Basic Earnings Per Share	2.20	2.21
Restated Earnings Per Share (Basic)*		2.11
*EPS for the year 01 July 2017 to 30 June 2018 has been restated based on the new weighted average number of ordinary shares in accordance with para 64 of IAS 33.		
33.02 Diluted EPS		
No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.		
33.03 Net Asset Value Per Share (NAV)	30 June 2019	30 June 2018
	Taka	Taka
Total Assets	3,278,162,975	3,730,981,433
Less: Liabilities	1,705,252,206	2,236,450,881
Net Asset Value (NAV)	1,572,910,769	1,494,530,552
Number of ordinary shares outstanding during the year	63,063,000	60,660,000
Net Assets Value (NAV) per share	24.94	24.88
33.04 Net operating cash flow per share	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
	Taka	Taka
Net operating cash flows (from statement of cash flows)	127,257,365	185,040,217
Number of ordinary shares outstanding during the year	63,063,000	60,660,000
Net operating cash flow per share	2.02	3.08
34.00 Contingent liabilities and commitment		
Contingent liabilities and commitment at the reporting date are as follows		
34.01 Bank guarantee	30 June 2019	30 June 2018
	Taka	Taka
Bank Asia Limited	6,616,100	6,035,100
EXIM Bank Limited	605,865	605,865
	7,221,965	6,641,965
34.02 L/C liabilities		
Bank Asia Limited	104,357,955	146,489,794
Standard Chartered Bank	86,350,862	156,653,544
	190,708,817	303,143,338



34.03 Capital expenditure commitment

There is no capital expenditure commitment as at 30 June 2019.

35.00 Directors' interest in contracts with the company

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

36.00 Credit facility not availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2019 other than trade credit available in the ordinary course of business.

37.00 Related party transactions

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

Sl No.	Name of the Related Parties	Relationship	Nature of Transactions	Balance as on 01 July 2018	Transaction during the year (Net)	Balance as on 30 June 2019
1	KDS Apparels Limited	Common directorship	Receivable against Sales	Dr. 650,123	1,806,968	Dr. 2,457,091
2	KDS Fashion Limited	Common directorship	Receivable against Sales	Dr. 41,474,135	6,425,918	Dr. 47,900,053
3	KDS Garment Inds. Ltd.	Common directorship	Receivable against Sales	Dr. 14,777,008	(11,400,452)	Dr. 3,376,556
4	KDS Logistics Limited	Common directorship	Receivable against Sales	Dr. 740,828	795,514	Dr. 1,536,342
5	KDS IDR Limited	Common directorship	Receivable against Sales	Dr. 35,514,830	26,276,015	Dr. 61,790,845
6	KYCR Coil Ind. Limited	Common directorship	Receivable against Sales	Dr. 172,451	146,025	Dr. 318,476
7	KDS Poly Ind. Limited	Common directorship	Short Term Loan	Dr. 421,112,376	(175,715,043)	Dr. 245,393,333
8	KDS Thread Limited	Common directorship	Short Term Loan	Cr. (39,918,292)	68,247,058	Dr. 28,328,766

38.00 Events after the reporting period

The Board of Directors at the meeting held on 07 September 2019 has recommended 10% cash and 5% stock dividend for the year ended 30 June 2019.

39.00 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 2019	30 June 2018
	1,297	1,208
	<u>1,297</u>	<u>1,208</u>

40.00 Quantitative information of production capacity for the year ended 30 June 2018

Particulars	01 July 2018 to 30 June 2019			01 July 2017 to 30 June 2018		
	Production Capacity (Pcs/GG)	Actual Production (Pcs/GG)	Capacity Utilization in (%)	Production Capacity (Pcs/GG)	Actual Production (Pcs/GG)	Capacity Utilization in (%)
Carton	30,000,000	26,210,626	87.37%	30,000,000	28,056,047	93.52%
Label	175,964,208	87,492,430	49.72%	175,964,208	84,551,555	48.05%
Elastics and Narrow Fabrics	30,576,000	19,076,753	62.39%	30,576,000	20,367,440	66.61%
Offset Printing	150,009,603	87,763,426	58.51%	150,009,600	142,034,113	94.68%
Heat Transfer Printing	24,960,000	11,768,543	47.15%	24,960,000	19,663,593	78.78%
Button	360,000	208,659	57.96%	360,000	189,998	52.78%
Gum Tape	4,290,000	643,139	14.99%	4,290,000	380,875	8.88%
Hanger	45,000,000	21,390,858	47.54%	45,000,000	21,873,908	48.61%

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

41.00 Financial Instruments- Financial risk management

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

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

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

41.01 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:

	<u>30 June 2019</u>	<u>30 June 2018</u>
	<u>Taka</u>	<u>Taka</u>
Investments in FDRs (Short term & long term)	14,643,184	13,741,503
Advances, deposits and prepayments	46,499,788	58,349,397
Trade and other receivables	1,098,754,231	1,128,751,589
Due from affiliated companies	273,722,099	421,112,376
Cash at bank	8,143,510	5,165,122
	<u>1,441,772,812</u>	<u>1,627,119,987</u>

(i) Trade and other receivables

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

Ageing of trade receivables

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

	<u>30 June 2019</u>	<u>30 June 2018</u>
	<u>Taka</u>	<u>Taka</u>
Dues within 3 Months	531,398,510	513,906,467
Dues over 3 Months but within 6 months	566,974,173	614,471,676
	<u>1,098,372,683</u>	<u>1,128,378,143</u>

The management believes that the amounts are collectible in full, based on historic payment behaviour and extensive

(ii) Due from affiliated companies

The carrying amount represents amount paid to one of the inter companies to meet its operational finance from time to

(iii) Cash and cash equivalents

The company held cash at bank of Tk. 8,143,510 at 30 June 2019 (2018: Tk. 5,165,122), which represents its maximum credit exposure on these assets. The balance with banks are maintained with both local branch of International banks and domestic scheduled banks.



(b) Credit exposure by credit rating

	As at 30 June 2019		
	Credit rating	Amount in Taka	(%)
Trade receivables	NR	1,096,372,683	95.14%
Other receivables	NR	391,548	0.03%
Advances, deposits and prepayments	NR	46,499,788	4.03%
Cash and cash equivalents			
Cash in hand		1,104,586	0.10%
Cash at Banks		8,143,510	0.71%
Bank Asia Limited	AA2	1,091,868	13.41%
Dutch Bangla Bank Limited	AA-	310,259	3.81%
HSBC	AAA	15,973	0.20%
Mutual Trust Bank Limited	AA	754,299	9.26%
National Credit & Commerce Bank	AA	140,945	1.73%
Standard Chartered Bank	AAA	5,830,166	71.59%

41.02 Liquidity risk

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

Exposure to Liquidity risk

The following are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			Total
			Within 12 months	1 to 5 years	More than 5 years	
As at 30 June 2019	Taka	Percentage	Taka	Taka	Taka	Taka
Long term borrowings	318,720,870	10.00%-13.75%	150,891,654	167,829,216	-	318,720,870
Trade and other payable	558,458,901	N/A	558,458,901	-	-	558,458,901
Short term bank loan	590,432,585	4.98%-12.00%	590,432,585	-	-	590,432,585
Provision for WPPF and Welfare Fund	74,095,719	12.50%	74,095,719	-	-	74,095,719
	1,541,708,075		1,373,878,859	167,829,216	-	1,541,708,075
As at 30 June 2018						
Long term borrowings	204,141,486	11.00%-12.00%	90,559,800	113,581,686	-	204,141,486
Trade and other payable	937,557,390	N/A	937,557,390	-	-	937,557,390
Short term bank loan	842,600,806	4.81%-12.00%	842,600,806	-	-	842,600,806
Due to affiliated company	39,918,292	9.42%	39,918,292	-	-	39,918,292
Provision for WPPF and Welfare Fund	64,895,319	11.25%	64,895,319	-	-	64,895,319
	2,089,113,293		1,975,531,607	113,581,686	-	2,089,113,293

41.03 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.

As at 30 June 2019, 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 2019	GBP	USD	Taka
Foreign currency denominated assets			
Cash and cash equivalents	125	18,345	1,541,282
Trade receivables		13,185,746	1,058,372,683
	125	13,204,092	1,099,913,965
Foreign currency denominated liabilities			
Liability for Local Documentary Bill Purchase (LDBP)		4,161,994	351,688,492
Liability for Accepted Bills for Payment (ABP)	17,510	4,707,732	399,702,319
	17,510	8,869,726	751,390,811
Net exposure	(17,385)	4,334,366	348,523,154

As at 30 June 2018**Foreign currency denominated assets**

Cash and cash equivalents
Trade receivables

	GBP	USD	Taka
Cash and cash equivalents	125	43,096	3,528,539
Trade receivables	-	13,836,642	1,128,378,143
	125	13,879,738	1,131,906,682
Foreign currency denominated liabilities			
Liability for Local Documentary Bill Purchase (LDBP)	-	3,825,239	320,172,498
Liability for Accepted Bills for Payment (ABP)	16,779	9,499,962	797,026,915
	16,779	13,325,201	1,117,199,413
Net exposure	(16,654)	554,537	14,707,269

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

The following significant exchange rate is applied during the year:

	30 June 2019	30 June 2018
US Dollar		
For denoting asset in foreign currency	83.30	81.55
For denoting liabilities in foreign currency	84.50	83.70
GBP		
For denoting asset in foreign currency	104.65	112.05
For denoting liabilities in foreign currency	108.45	112.05

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

(ii) Sensitivity analysis

A reasonably possible strengthening (weakening) of the GBP and 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 2019		30 June 2018	
		Profit or loss		Profit or loss	
		Strengthening	Weakening	Strengthening	Weakening
		Taka	Taka	Taka	Taka
USD	(2% movement)	7,273,065	(7,273,065)	916,373	(916,373)
GBP	(2% movement)	(37,046)	37,046	(37,321)	37,321

(b) Transaction risk

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

(c) Economic risk

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

(d) Interest risk

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

Exposure to interest rate risk

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

	30 June 2019	30 June 2018
	Taka	Taka
Fixed- rate instruments		
Financial assets	288,365,283	434,853,879
Financial liabilities	(909,153,455)	(1,086,660,584)
	(620,788,172)	(651,806,705)
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.



42.00 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.

	Note ref.	30 June 2019						Carrying amount		Total
		Fair value through profit or loss	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities			Taka	
Financial assets not measured at fair value										
Trade and other receivables	10 & 11	-	-	1,098,764,231	-	-	-	-	-	1,098,764,231
Due from affiliated companies	13	-	-	273,777,099	-	-	-	-	-	273,777,099
Investments in FDR	8 & 14	-	-	-	14,643,184	-	-	-	-	14,643,184
Cash at bank	15.02	-	-	8,143,510	-	-	-	-	-	8,143,510
		-	-	1,380,629,840	14,643,184	-	-	-	-	1,395,273,024
Financial liabilities not measured at fair value										
Long term borrowings	17	-	-	-	-	-	-	(318,720,870)	-	(318,720,870)
Trade and other payables	20	-	-	-	-	-	-	(558,458,901)	-	(558,458,901)
Short term liabilities	23	-	-	-	-	-	-	(590,432,585)	-	(590,432,585)
		-	-	-	-	-	-	(1,467,612,356)	-	(1,467,612,356)
30 June 2018										
Financial assets not measured at fair value										
Trade and other receivables	10 & 11	-	-	1,128,751,589	-	-	-	-	-	1,128,751,589
Due from affiliated companies	13	-	-	421,112,376	-	-	-	-	-	421,112,376
Investments in FDR	8 & 14	-	-	-	13,741,503	-	-	-	-	13,741,503
Cash at bank	15.02	-	-	5,165,122	-	-	-	-	-	5,165,122
		-	-	1,555,029,087	13,741,503	-	-	-	-	1,568,770,590
Financial liabilities not measured at fair value										
Long term borrowings	17	-	-	-	-	-	-	(204,141,486)	-	(204,141,486)
Trade and other payables	20	-	-	-	-	-	-	(937,557,390)	-	(937,557,390)
Due to affiliated company	22	-	-	-	-	-	-	(39,918,292)	-	(39,918,292)
Short term liabilities	23	-	-	-	-	-	-	(842,600,806)	-	(842,600,806)
		-	-	-	-	-	-	(2,024,217,974)	-	(2,024,217,974)



ARTICULATING HUMAN ASPIRATIONS



FACES OF HAPPY PEOPLE AROUND THE WORLD.

EVENTS & IMAGE



Participation of **Mr. Salim Rahman** (Managing Director)
on the 2nd Fashionology Summit 2019:



Full Panel: Mr. Salim Rahman (2nd from right) seen in the event



Mr. Salim Rahman delivering speech



Mr. Salim Rahman taking crest



Entrance of 27th AGM Venue



Shareholders are registering their presence at 27th AGM



Managing Director & CEO entering at the 27th AGM Venue



Starting 27th AGM Proceedings



Managing Director addressing at 27th AGM



Shareholders delivering their speech at 27th AGM



Shareholders delivering their speech at 27th AGM



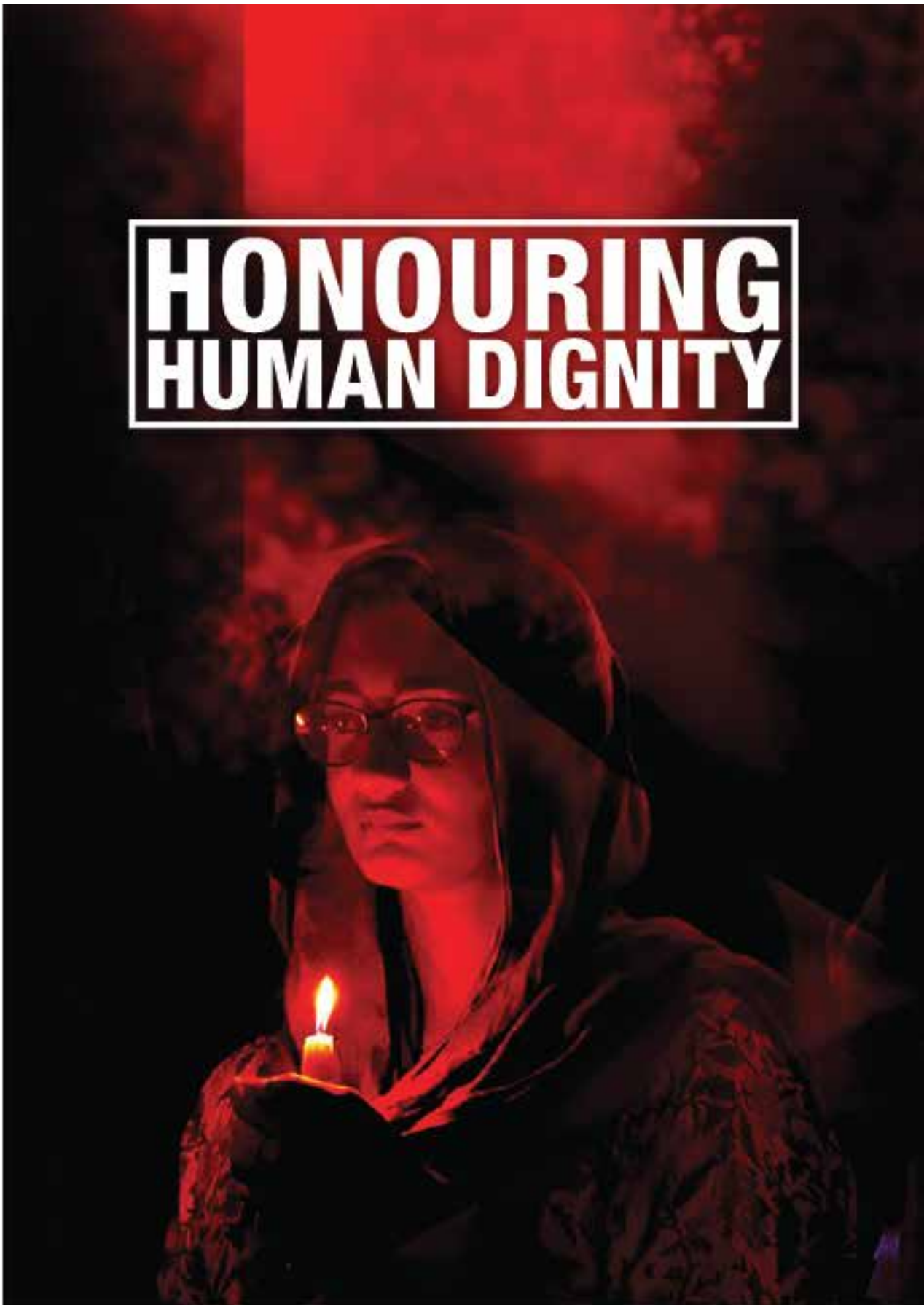
Participation of shareholders at 27th AGM

BREAKING THE BARRIERS



THEMATIC PHOTOGRAPH OF A PHYSICALLY CHALLENGED PERSON PARTICIPATING IN ATHLETICS

HONOURING HUMAN DIGNITY



THEMATIC PHOTOGRAPH OF A YOUNG GIRL HOLDING A LAMP IN THE DARK.

PRESS & MEDIA COVERAGE

Buttoned Up: KDS Accessories adding value to apparel products



Debasis Daspal
CEO, KDS Accessories Limited

“KDS Group’s KDS Buttons stands as one of the largest and successful polyester button-factories in Bangladesh with latest and modern production facility in order to make polyester buttons.”

KDS Group is one of the front-line conglomerates in Bangladesh with diverse business interests. KDS’s offshoot, KDS Accessories, offers one of the most comprehensive ranges of apparel trims & packaging products and services and manufactures almost all the products in IMS (ISO-9001:2000, ISO-14001:2004, OHSAS-18001:1999)-certified, international-standard facilities.

Starting from sewing thread to hangers to poly bags, gum tapes and buttons, KDS has made a mark for itself in the country’s garment accessory segment. *Apparel Online Bangladesh* caught up with **Debasis Daspal, CEO, KDS Accessories Limited** to know more about how KDS is contributing to the growth of the country’s RMG sector through its offerings with emphasis on buttons, a key product in the accessory segment.

AOB: What are the different categories of buttons that KDS manufactures?

Debasis Daspal: We make all kinds of polyester buttons which include Pearl, Chalk, Horn, etc. Moreover, we also have necessary techniques to imitate any natural buttons like Shell, Wood, Coconut and Corrozyob. Our polyester buttons are highly sought-after by garment makers in Bangladesh as they add value to the garments.

KDS Group’s KDS Buttons stands as one of the largest and successful polyester button-factories in Bangladesh with latest and modern production facility in order to make polyester buttons. Our production capacity is over 3,60,000 gross per month with the

latest technology (from Bonettis.r.l. Italy) and the best expertise.

AOB: Do you make high-end buttons that are used for value addition?

Debasis Daspal: We manufacture a range of high-end buttons like Side Logo, Colour Logo, Heart Shape, Flower and Squire shape Buttons. We are nominated by renowned and prestigious international buyers like C&A, Target, Puma, Next, M&S, Garan, etc., and are doing business with major customers in Bangladesh like Sparrow Apparels Ltd., Interstoff Garments Ltd., Bandho Global Bd. Ltd., BSA Garments Ltd., KDS Garments, Asian Garments Ltd., Shirt Makers, Must Garments, etc.

AOB: How do you foresee the overall accessory business in Bangladesh and buttons in particular?

Debasis Daspal: Bangladesh’s future in garments is bright as well as challenging. The demand for ‘Made in Bangladesh’ apparel is increasing day by day in Europe and in USA due to very competitive pricing, new design, perfect stitching and committed deliveries.

However, Bangladesh is also facing challenges like world recession, which affect big-volume orders besides increasing labour and power cost which is becoming a hurdle. Nevertheless, garments business followed by accessories business are flourishing in Bangladesh. In recent days, order

of woven bottom/garments is increasing where button-demand is huge. Fashionable and design-oriented garments also require a good number of buttons. So, button business in Bangladesh is very much promising overall.

AOB: With multitude of players in this field, how does KDS distinguish itself from the rest?

Debasis Daspal: There are more than 50 button factories in Bangladesh. Out of these, KDS Buttons is top ranking and prestigious. We have modern machines (Like Side Logo, Color Logo, computerised Tool making machines) with latest technology, which our nearest competitors do not have. We have purchased all machines from renowned button-manufacturing company of the world, Bonettis.r.l. Italy.

Our USP is our capacity to manufacture around 3,60,000 gross of buttons per month, which is approximately 7 per cent of Bangladesh market's total requirement.

AOB: Lead time has become very important these days; as a local entity, how do KDS garment manufacturers shorten the same?

Debasis Daspal: Usually, we develop any button sample within 3-4 days and after approval, buyers place order. Usually, the lead time of bulk-delivery (from the date of approval) is 7-15 days, no matter even if the order volume is 1,80,000 gross of buttons.

AOB: Lately, sustainability has become a prime criterion for business growth; what steps have KDS Buttons taken in this direction?

Debasis Daspal: We have the latest and modern ETP plant which is periodically monitored by local Government authority. Our factory strictly follows the social and



Sumit Som, Senior Manager - Sales



Abdur Rouf, Deputy General Manager - Button

environmental compliance norms. We are also certified by OHSAS 18001:2019, ISO 14001:2015 for EMS and BSCI for Social compliance. Workers' and staff's salary and other dues are always paid on due time.

Starting from sewing thread to bangers to poly bags, gum tapes and buttons, KDS has made a mark for itself in the country's garment accessory segment.

AOB: Accessories for kidswear need special attention; as a top button manufacturer what steps KDS takes to conform to the safety/security benchmarks?

Debasis Daspal: Raw-materials contaminated by hazardous elements (like, lead, nickel, chromium, azo-compounds, phthalate, etc.) are carefully avoided during procurement and production. Hence, our buttons can readily be used by infants and adults without any hesitation.

Our products are randomly tested by Hohenstein Textile Testing Institute GmbH & Co. KG, Germany every year and after their full satisfaction, the authority issues certificates. KDS Buttons has also been achieving OEKO-Tex certificate (Appendix

6, product class 1) for last 5 years successfully.

We have the procurement team, which maintains all rules and regulation of compliance during purchase of any raw-materials/ machinery. We have been importing our raw materials from world-renowned chemical company of Taiwan (Eternal Materials Co. Taiwan). They are also OEKO-TEX certified.

AOB: Labour and production cost in Bangladesh is showing a rising trend; what steps have been taken by KDS to tackle this?

Debasis Daspal: We are using the modern and latest machinery where we need the minimum manpower. Also, we are trying to utilise expert technicians to reduce unnecessary manpower.

AOB: Any expansion plans?

Debasis Daspal: Within one year, we are going to expand capacity of our polyester button plant to double, and within one-and-a-half years, we are planning to go for a metal button project as well.



CMCCI elects new leaders

Our Correspondent

Alhaj Khalilur Rahman has been re-elected President of the Chattogram Metropolitan Chamber of Commerce and Industry (CMCCI) for the next two years.

Saeikat Ali Chowdhury has been re-elected the first Vice-President while Saiful Alam Hossain, A M Mahabub Chowdhury, Mohammed Abdul Salam, M A Malik and Jashim Uddin Chowdhury have been re-elected vice presidents for 2019-2021.

Election of directors and the presidents of the apex trade body of the port city was held on Sunday morning.

Election committee Chairman Haradhan Dey declared the names of the newly-elected directors and the president members in the afternoon.

Emergent businessman Nurul Ashar was re-elected treasurer. All, including the president, the first vice president and the vice presidents were elected unopposed.

Khalilur Rahman,



Khalilur Rahman
Chairman of KIDS Group and a cofounder of the CMCCI, was elected its president for a third consecutive term.

Other directors are: Md Shahabuddin Alam, Abul Bashir Chowdhury, Mohammed Abdul Awal, Mohammed Anisuzzaman Bhuiyan, Shafiq Uddin, Abul Kalam, Th Mohsin Zilur Karim, Selim Rahman, Abdul Samad Labu, Iqbal Hossain Chowdhury, Engineer Md Shawkat Hossain, Professor Abasul Alam Parvej, Mohammed Nasir Uddin, S M Shamim Iqbal, H M Hakim Ali, Nader Khan,

Professor Jahangir Chowdhury, Sayed Nurel Islam, Mohammed Liaquat Ali Chowdhury, Mohammed Faruq Haque, Haq M A Malik, S M Abdul Hai, Iqbal Mohammed Younus, Sayed Mohammed Abu Taher, Abul Mohammed Sharif, Abu Sayed Chowdhury, Mohammed Lokman Hakim, W R I Mahmud Rosel, Mohammed Mohsin, Sahara Shom Alder, Mohammed Dilshad Alam and Amir Ali Hossain. nacion67@yahoo.com

Al-Arafah Islami Bank arranges Iftar

FE Desk

An Iftar Mahfil and discussion on the values and significance of the holy month of Ramadan was jointly organised by five corporate branches of Al-Arafah Islami Bank Limited at the Officers Club in the city recently.

Managing Director and Chief Executive Officer (CEO) Farman R Chowdhury attended the programme as the chief guest while Director of the bank Eng. Kh.

Mehabuddin Ahmed was present as the special guest, says a statement.

Senior Fash Imam of Bhand Makarran National



Managing Director and CEO of Al-Arafah Islami Bank Farman R Chowdhury addressing an Iftar Mahfil and a discussion on Ramadan in the city recently

Mosque Hafiz Moizul Muth Mizmar Rahman, who was also present, discussed about the values of Ramadan, the month of fasting.



কেডিএস এক্সেসরিজ লিমিটেডের ২৭ তম বার্ষিক সাধারণ সভা

কেডিএস এক্সেসরিজ লিমিটেডের ২৭তম বার্ষিক সাধারণ সভা শাহাবুল বৃহস্পতিবার পত্রিকাতে চট্টগ্রাম বোট ক্লাবের নির্বাহী কমিটিতে অনুষ্ঠিত হয়েছে। সভায় প্রায় ১০ শতাংশ মালিক ও ২ শতাংশ স্বীকৃত লভ্যাংশ, প্রায় ৩০ জন ভারতীয় নির্বাহিতার অর্থিক বিবরণী, পরিচালক, স্থায়ী পরিচালক নিয়োগ, পরের বছরের জন্য বহিঃনিরীক্ষক নিয়োগের বিষয়টি অনুমোদন হয়।

সেইসঙ্গে ব্যবস্থাপনা পরিচালক সেলিম রহমানের সভাপতিত্বে সভায় স্থায়ী পরিচালক মোহাম্মদ জামাল উদ্দিন, পরিচালক আমজল হাসান এফসিএ, বহিঃনিরীক্ষকের প্রতিনিধি, কোম্পানির সিইও নেবাবশী মামুনগা, সিএফও বিপ্লব কান্তি বণিক এফসিএ, কোম্পানির মন্ত্রণালয় সেক্রেটারি মোহাম্মদ হোসেন উল্লাহ ছিলেন। কেডিএস এক্সেসরিজ লিমিটেড, পেন্সন, ইনসুরেন্স ও ন্যাক ফান্ডিংস, অসুস্থতা প্রিটী, টিএ টিএলস, রাসন, বাসস্টপ, হাসান উৎসাহন করে। সেল সিদ্ধান্ত।

কে ডি এস এক্সেসরিজ লিমিটেডের ২৭তম বার্ষিক সভা

কে ডি এস এক্সেসরিজ লিমিটেডের ২৭তম বার্ষিক সাধারণ সভা ২৭ অক্টোবর সন্ধ্যা ১০টা ৩০ মিনিটে চট্টগ্রাম বোট ক্লাবের নির্বাহী কমিটিতে অনুষ্ঠিত হয়। এতে কোম্পানির মালিক মোহাম্মদ হাফিজ ১০%, ১০% ও ৪% মালিকদের প্রায় ১০% লভ্যাংশ এবং কোম্পানির প্রায় ৩০ জন ভারতীয় নির্বাহিতার অর্থিক বিবরণী, পরিচালক, স্থায়ী পরিচালক নিয়োগ এবং পরবর্তী বছরের জন্য বহিঃনিরীক্ষক নিয়োগের বিষয়টি অনুমোদন হয়।

• পর সভার ২৭ জন



কে ডি এস এক্সেসরিজ লিমিটেডের ২৭তম বার্ষিক সাধারণ সভায় বক্তব্য রাখছেন ব্যবস্থাপনা পরিচালক সেলিম রহমান-সুপ্রভাত

কে ডি এস এক্সেসরিজ

২৭তম বার্ষিক সাধারণ সভা ২৭ অক্টোবর সন্ধ্যা ১০টা ৩০ মিনিটে চট্টগ্রাম বোট ক্লাবের নির্বাহী কমিটিতে অনুষ্ঠিত হয়। এতে কোম্পানির মালিক মোহাম্মদ হাফিজ ১০%, ১০% ও ৪% মালিকদের প্রায় ১০% লভ্যাংশ এবং কোম্পানির প্রায় ৩০ জন ভারতীয় নির্বাহিতার অর্থিক বিবরণী, পরিচালক, স্থায়ী পরিচালক নিয়োগ এবং পরবর্তী বছরের জন্য বহিঃনিরীক্ষক নিয়োগের বিষয়টি অনুমোদন হয়।



কেডিএস এক্সেসরিজ লিমিটেডের ২৭তম বার্ষিক সাধারণ সভায় বক্তব্য রাখছেন কেডিএসের ব্যবস্থাপনা পরিচালক সেলিম রহমান। - পূর্বকোণ

২৭ তম বার্ষিক সাধারণ সভা ১৫ শতাংশ লভ্যাংশ ঘোষণা কেডিএস'র নিজস্ব প্রতিবেদক

কেডিএস এক্সেসরিজ লিমিটেডের ২০১৭-২০১৮ অর্থবছরে শেয়ার হোল্ডারদের জন্য মালিক ১০% এবং ষ্টক ৫% লভ্যাংশসহ মোট ১৫% লভ্যাংশের প্রস্তাব অনুমোদন হয়েছে। গতকাল দুপুরে চট্টগ্রাম বোট ক্লাবে অনুষ্ঠিত ২৭তম বার্ষিক সাধারণ সভায় এ অনুমোদন দেয়া হয়। সভায় প্রায় ৩০ জন ভারতীয় নির্বাহিতার অর্থিক বিবরণী, পরিচালক, স্থায়ী পরিচালকের নিয়োগ এবং পরবর্তী বছরের জন্য বহিঃনিরীক্ষক নিয়োগের বিষয়ে অনুমোদন হয়। কেডিএসের ব্যবস্থাপনা পরিচালক সেলিম রহমানের সভাপতিত্বে সভায় স্থায়ী পরিচালক মোহাম্মদ জামাল উদ্দিন, পরিচালক কামরুল হাসান এফসিএ, বহিঃনিরীক্ষকের প্রতিনিধিসহ কোম্পানির সিইও নেবাবশী মামুনগা, সিএফও বিপ্লব কান্তি বণিক, সেক্রেটারি মন্ত্রণালয় সেক্রেটারি মোহাম্মদ হোসেন উল্লাহ ছিলেন।

SHAREHOLDER INDEX



THE 28TH ANNUAL GENERAL MEETING

Date : 07 November 2019, Time 11:00 AM

Venue : CBC Confidence Cement Convention Center
Chittagong Boat Club, Airport Road, Patenga, Chattogram.

Financial Results

Reporting period of 12 months from 01 July 2018 to 30 June 2019. During the period operational result of the company were announced as below:

2018-2019					
Particulars	1st Quarter 12 November 2018	2nd Quarter 24 January 2019	3rd Quarter 20 April 2019	4th Quarter 07 September 2019	Period ended result (2018-2019) 07 September 2019
Reporting Date	July-2018 August-2018 September-2018	October-2018 November-2018 December-2018	January-2019 February-2019 March-2019	April-2019 May-2019 June-2019	July - 2018 to June - 2019
Turnover in BDT (mn)	561.40	622.17	536.29	582.28	2,302.15
Net Profit in BDT (mn)	15.37	54.33	40.35	28.39	138.44
EPS in BDT	0.26	0.86	0.64	0.45	2.20
NAV per share in BDT	25.14	23.85	24.49	24.94	24.94
NOCFPS per share in BDT	(0.72)	(2.44)	(2.51)	2.02	2.02

Record Date

The record date was 01 October 2019.

Dividend

10% cash & 5% stock Dividend has been recommended on 07 September 2019 in the 125th BOD Meeting and after having approval of the shareholders at the 28th AGM, dividend will be distributed within 30 days from the date of AGM.

Listing

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

Face Value Per Share: Tk. 10.00

Closing Price of Per Share

Closing Price of per share of your company before record date i.e on 01 October 2019 was Tk. 48.20

Investor Correspondence

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WOMEN EMPOWERMENT



A PHOTOGRAPH OF A CLASSROOM OF GIRL'S SCHOOL IN A VILLAGE



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